

**„Infrastructure of Serbian Railways“ JSC**

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**B e l g r a d e**

**SERBIAN RAILWAY INFRASTRUCTURE (SRI)  
ENVIRONMENTAL AND SOCIAL POLICY**

**Policy Statement**

The Serbian Railway Infrastructure Company (SRI) thrives to achieve excellence in environmental and social management by not only complying to our national legislation but also to international standards set by our lending partners using an Environmental and Social Management System (ESMS) as its primary tool in applying sustainable principles and practices.

The ESMS will be applied in our planning, construction, rehabilitation, operations, procurement and decommissioning activities to protect the environment for present and future generations with utmost respect to human rights. Our ESMS will also apply to cover contractors and operators utilizing our infrastructure.

**Purpose**

The purpose of this policy is to provide guidance for continual improvement in reducing environmental and social impacts through the following: 1) identifying potential environmental and social impacts generated by our development activities and developing mitigation measures to address those impacts by following the mitigation hierarchy seeking to avoid impacts at the first place; 2) operating and maintaining our infrastructure and facilities to minimize negative impacts on the environment and to people; 3) reducing our consumption of natural resources; 4) reducing or eliminating the use of hazardous materials; 5) integrating circular economy principles in our operations and increasing the amount of recycling and use of recycled products while reducing and/or diverting the amount of solid waste going to landfills; 5) considering the effects of climate change in all our activities; 6) avoiding impacts to ecosystem services when planning our activities; 7) ensuring labor and working conditions are in line with national labor law and also international standards; 8) ensuring community health and safety are not affected by our activities; 9) developing and implementing a grievance mechanism for workers and communities; and 10) developing and implementing stakeholder engagement plans throughout the lifecycle of our activities.

**Commitment**

SRI establishes and maintains the railway infrastructure in Serbia providing communities with access to high -quality and efficient public and freight transport that greatly improves the quality of the environment in the communities it serves. We are committed to planning and constructing our projects, operating and maintaining our facilities, and procuring products and services consistent with national laws and regulations, as well as international standards adopted by our lending partners, and in a manner that protects human health, the environment and communities' well-being with the utmost respect to human rights.

**To demonstrate our commitment, we will:**

- Comply with all applicable environmental and social legislation and standards including those of our international lending partners;
- Ensure labor and working conditions are fair are in compliance with national laws and international standards;
- Restore the environment by providing mitigation and corrective action and by monitoring to ensure that environmental commitments are implemented;
- Improve our ability to manage and account for environmental liabilities and risk;
- Avoid environmental degradation by minimizing releases to air, water, and land;

- Avoid impacts to our ecosystems and the services they provide which contribute to human well-being; where impacts can not be avoided, mitigate and as a last resort compensate and offset residual impacts;
- Avoid impacts to biodiversity and especially to natural and critical habitats and where impacts can not be avoided, comply with principles of no net loss and net gain as applicable;
- Prevent pollution and conserve resources by reducing waste, reusing materials, recycling, and preferentially procuring for environmentally-friendly products and materials by adopting circular economy principles;
- Protect our infrastructure from the risks arising from climate change and considering means to reduce the carbon footprint from our activities;
- Avoid land acquisition and associated impacts, and when impacts can not be avoided, reduce the impacts to the extent possible, and ensure that physical and economic displacements are managed in line with national law and international standards through Resettlement Action Plans and Livelihood Restoration Plans as applicable;
- Avoid impacts to our precious heritage and where impacts can not be avoided, prepare and implement Cultural Heritage Management Plans;
- Ensure community health and safety are not affected by our activities and develop Community health and safety management plans;
- Engage stakeholder and affected communities through a systematic approach through Stakeholder Engagement Plans ensuring a timely and effective engagement to inform our activities;
- Develop and effectively implement a workers and a community grievance mechanism;
- Conduct training to raise awareness among employees and the general public regarding environmental protection and social standards;
- Ensure that the planning, design, construction, rehabilitation, operation and decommissioning of our facilities and services consider environmental protection and social standards;
- Ensure our contractors, their sub-contractors and operators of our infrastructure comply with our Environmental and Social Management System;
- Periodically review and implement updated environmental protection procedures and practices to ensure that they provide effective solutions for the problems they are designed to prevent or correct;
- Build relationships with our contractors, vendors, consultants, and partners during planning, design, construction, rehabilitation, operation, decommissioning and procurement to protect and enhance the environment with respect of human rights;
- Maintain an ESMS with environmental and social objectives and targets that are measurable, meaningful, understandable, and support continual improvement; and
- Communicate the goals and progress of this Policy and the ESMS to Board Members, officers, employees and the public.


  
**CHAIRMAN OF THE  
BOARD OF DIRECTORS**
  
**Nebojša Šurlan PhD**