



# RioTinto

## The Jadar Project

# Land Acquisition and Community Development

### Protecting and enhancing livelihoods

There are legitimate concerns about the impact of the proposed project on the livelihood of landowners, land users and the local community.

Our team, made up of skilled professionals and caring individuals – many of them originating from the local community – are committed to address those concerns through mitigating impacts, creating social and economic opportunities, and fair compensation.

A number of initiatives and programs including livelihood restoration, community and economic development, have been launched and will be expanded in the future to continue to address concerns.

## Land Acquisition Program

We are completing the land acquisition process for negotiations that began before the project licences were cancelled in January 2022. All our activities are in keeping with our legal status and responsibilities in Serbia.

The previous land acquisition process was informed and relied on/by extensive consultations, during which we received feedback from more than 83% of all landowners inside the project area. This feedback was used to inform a proposal for land acquisition on Brezjak and sent to all landowners.

So far, we have bought 162 hectares, which is equivalent to 63% of the proposed project footprint and 92% of the affected households. All contracts were made willingly and in accordance with Serbian laws.

We abide by all the applicable Serbian laws and the standards of international financial corporations during consultations, negotiations, and acquisitions. This is also the case for the calculation of property compensation. You can learn more about these standards at [www.ifc.org/ps5](http://www.ifc.org/ps5).

Compensation for land and all property located on the land, such as objects, trees and crops, are calculated by certified land and asset valuers with Serbian and international experience, which is favourable for the landowners. Along with compensation, there are separate bonuses for quick sales and for covering the transport and moving costs of the sellers. For all landowners inside the project footprint, we cover contract registering costs and all attorney fees associated with resolving legal issues.

## Livelihood Restoration Program

We are committed to restoring the livelihoods of all landowners and land users impacted by the land acquisition process. The livelihood restoration programme is accessible to those who receive income from the land. The programme aims to support affected landowners and land users by maintaining the same or establishing a better quality of life than before the land acquisition process began.

Our programme provides the following:

**Assistance in finding new real estate** (residential buildings and agricultural land), which includes legal support to ensure legal status when purchasing new real estate and using warehouse space during the relocation process.

**Organising financial management training** for all interested landowners and members of their households. We have commissioned a financial consulting company

to provide useful information and advice to local people relating to financial management opportunities (savings, investing and potential investment risks, investing in start-ups or business development, loans and budgeting for loan payments, budgeting for household expenses, retirement plans, insurance, etc.).

**Training to develop professional skills** through certified courses that will enable owners and land users, as well as their family members, to improve their position in the labour market or help in creating and developing their businesses.

**Support for starting a new and growing an existing business.** We hired a specialised business development agency to produce business plans for programme users and provide mentoring services during the first year of plan implementation.

**Agricultural support for owners and land users who want to continue to engage in agriculture and animal husbandry even after the sale of the land.** Support involves covering the costs of purchasing agricultural equipment, mechanisation and other agricultural goods in one of the five local agricultural stores with which the company is cooperating to support local farmers and the local economy. This includes access to advisory support from experts in agriculture and animal husbandry. It also involves supporting land users with ideas for developing their agricultural production.

**Free use of agricultural land owned by the company.** We support owners and land users who wish to continue engaging in animal husbandry after the sale of land. This type of support started in 2021, and the existing leases were contracted until November 2023. So far, over 50 landowners and users have leased about 200 parcels, which is over 100 hectares of leased land (almost 2/3 of all land we have bought so far).

**Support programme for households with multiple socio-economic needs.** We provide additional support during the land acquisition and resettlement process to all identified households with multiple socio-economic needs. Support includes, among other things, psycho-social support, inclusion in the company's energy efficiency program (replacement of PVC carpentry) and procurement of products and goods that will facilitate or improve living conditions. Support is implemented through the development of individualised plans, in accordance with the specific needs and living circumstances of households.

## Support to local communities through donations

To date, through our Social Investment Program, we have supported more than 100 projects and made donations towards cultural heritage, education, environmental protection, domestic violence prevention, biodiversity



preservation, sports, and assistance to vulnerable populations.

Our donation programs and local community sponsorships were accelerated in 2019 and have provided more than €1 million in support for initiatives and projects driven by local community requests and needs.

## Community Development and Local Economic Development

We have launched a sustainable local development program. This program provides direct financial aid in the form of grants to support the growth and development of businesses and self-employed individuals within the local community.

The Sustainable Local Development Programme will contribute to the creation of new jobs and self-employment opportunities by encouraging entrepreneurship, supporting old and traditional crafts, improving local rural tourism and developing sustainable agricultural production in Loznica and Krupanj.

Expert advisers have been brought in to provide technical support and consulting services to local entrepreneurs, tourism service providers and local agricultural producers from Loznica and Krupanj.

This includes:

- A preliminary assessment of the agriculture sector in Loznica and Krupanj, including visits to farmers producing crops, cattle breeding and food processing, agriculture cooperatives, civil associations and local and public institutions involved in the development of agriculture.
- Determining the conditions for participation in the program for local entrepreneurs, tourism service providers and local agricultural producers. This includes the preparation of schedules, application forms and criteria for the selection of grant recipients.
- Evaluation of received applications.
- Advisory services for local entrepreneurs, tourism service providers and local agricultural producers who have received grants.

The programme has a goal to assist in the following:

- Marketing and promotion of products from Loznica and Krupanj;
- Purchase, construction, extension, reconstruction, adaptation, rehabilitation and investment maintenance of production, business and storage-manipulative space;
- Procurement of new machines and equipment, software and computer equipment;
- Development of new solutions for environmental protection and renewable energy production;
- Improvement of living conditions in existing rural tourist households;
- Procurement of new equipment and mechanisation for agriculture development; and
- Procurement of raw materials / repro-materials for use with a new investment – for example new equipment.



## Achieving impeccable ESG credentials

Achieving best in class Environmental, Social and Governance (ESG) standards is key to our global operations, and the Jadar Project would be no different. We strive for impeccable environmental credentials, particularly relating to the preservation of natural resources, climate change, greenhouse gas emissions, biodiversity, pollution, energy efficiency and water management.

We are also committed to ensuring that all our operations provide a safe, inclusive workspace that is representative of the communities in which we operate, where everyone can achieve their full potential.

Our Code of Conduct is clear; we do not offer, pay, or accept bribes, no matter where we operate, the situation or who is involved.

We know that responsibly managing our business impacts is fundamental if we want to continue to grow and deliver on our strategy to benefit all our Serbian stakeholders, just as we do worldwide.

We recognise and take seriously the trust that communities worldwide place in us to access critical materials and make them available for society's benefit. We work in partnership with others to support fair, more sustainable and inclusive communities in the Jadar valley. While doing so, we aim to make more sustainable and meaningful contributions to local communities and Serbian society.

## Our global social performance

We know that our operations have a far-reaching impact on society. We are engaging with our stakeholders to learn how we can play our role. Our ability to collaborate with local communities to deliver positive outcomes is increasingly important as society comes together to address global challenges.

The concerns of all communities that are local to where we live and work, including in the Jadar valley, are fundamental to our operations as a business. These communities include local residents, landowners, governments, business partners, civil society groups, neighbours and our colleagues. We aim to contribute to a shared future and positive legacy by developing lasting relationships with local people, learning about and supporting their goals and aspirations, avoiding or mitigating adverse impacts and respecting their connections to the land.

## For more information, please contact:

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