



REMUNERATION REPORT FOR 2021

Rīga 2022

REMUNERATION REPORT

The total management remuneration policy of the Company is determined in such a way as to promote the retention, attraction and motivation of the Company's management to achieve high added value of the Company's joint operations, thus ensuring the Company's strategic development plan. The remuneration policy is in line with the Company's strategy, values and long-term interests with the aim to attract and retain professional, competent senior executives. It is competitive, promotes and rewards performance in accordance with best practice, creating an environment in the Company that is focused on achieving business goals, while providing consistent, understandable remuneration conditions with a long-term perspective. The remuneration of the management takes into account the professional skills of each member of the Management Board, the level of responsibility for the work process and resources, the importance of the decisions made by the person to ensure the Company's operations and individual performance, and the Company's overall financial indicators based on annual results, budget and sales forecasts, sales promotion. Criteria such as the Company's non-financial performance, short-term and long-term goals and measurable performance are also taken into account when determining remuneration.

This Remuneration Report is an integral part of the Annual Report.

The Remuneration Report reflects information on remuneration and other benefits paid to the Management Board and the Council of JSC "Latvijas Gāze" in 2021. The total remuneration corresponds to the remuneration policy of the members of the Management Board and the Council of JSC "Latvijas Gāze", approved by the decision of the Shareholders' Meeting of 30 March 2020 and is available on the Company's website www.lg.lv.

Remuneration and other benefits are presented on a cash basis.

Remuneration of Council members

Fixed remuneration of the members of the Council includes salary. Council members receive additional payments for their work in the Audit Committee and the Advisory Group.

The term of office of the Council is from 6 September 2021 to 5 September 2024.

The remuneration and other benefits paid to the members of the Council in 2021 are shown below:

Name, surname Position	Fixed remuneration			Variable remuneration	Total	Fixed/ variable remuneration
	Salary	Audit Committee	Advisory Group			
	EUR' 000	EUR' 000	EUR' 000	EUR' 000	EUR' 000	%
Kirill Seleznev Chairman of the Council	51	-	-	25	76	67 / 33
Juris Savickis Vice-Chairman of the Council Member of the Audit Committee Member of the Advisory Group	43	9	11	21	84	75 / 25
Oliver Giese Vice-Chairman of the Council	43	-	-	18	61	70 / 30
David Stephen Harrison Member of the Council	29	-	-	20	49	59 / 41
Vitaly Khatkov Member of the Council	34	-	-	14	48	71 / 29
Oleg Ivanov Member of the Council	34	-	-	14	48	71 / 29
Nicolàs Merigó Cook Member of the Council Member of the Advisory Group	34	-	11	14	59	76 / 24
Matthias Kohlenbach Member of the Council Member of the Advisory Group	34	-	12	14	60	77 / 23
Hans-Peter Floren Member of the Council	34	-	-	14	48	71 / 29
Elena Mikhaylova Member of the Council	34	-	-	14	48	71 / 29
Sergey Kuznets Member of the Council	30	-	-	17	47	64 / 36
Eriks Atvars Member of the Council	19	-	-	-	19	100 / -
Jurijs Ivanovs Member of the Council	11	-	-	-	11	100 / -

Remuneration of Board members

Fixed Remuneration of the members of the Board includes salary, as well other benefits and privileges not related to the performance of duties or tasks, such as - medical expenses and / or other private insurance, representation expenses, use of Company car or mobile device for private purposes, training, etc.

In the remuneration report, the board shall explain how the vote of the shareholders' meeting and the shareholders' opinions on the previous remuneration report have been taken into account.

Variable remuneration may consist of the following costs in monetary form:

- annual bonuses for the Company's results for the previous reporting year;
- separate payments for special achievements or events.

The remuneration of the members of the Board and other benefits paid in 2021 are shown below:

Name, surname Position Term of office	Fixed remuneration		Variable remuneration	Total	Fixed / variable remuneration
	Salary	Other benefits			
	000' EUR	000' EUR	000' EUR	000' EUR	%
Aigars Kalvītis Chairman of the Board 16 August 2021-15 August 2024	176	16	66	258	74 / 26
Denis Emelyanov Vice-Chairman of the Board 16 August 2021-15 August 2024	150	12	47	209	78 / 22
Inga Āboliņa Member of the Board 17 August 2020-16 August 2023	122	10	16	148	89 / 11
Elita Dreimane Member of the Board 16 August 2021-15 August 2024	117	19	39	175	78 / 22
Sebastian Gröblichhoff Vice-Chairman of the Board 31 August 2019-30 June 2020	-	-	21	21	- / 100

Other mandatory disclosures

Remuneration of the Board and the Council

	Company 2021	Company 2020
	EUR'000	EUR'000
Fixed remuneration of the Member of the Council	473	441
Variable remuneration of the Member of the Council	185	166
Padomes locekļu kopējais atalgojums	658	607
Fixed remuneration of the Member of the Board	622	657
Variable remuneration of the Member of the Board	189	199
Valdes locekļu kopējais atalgojums	811	856

Performance results

	Company 2021	Company 2020
	EUR'000	EUR'000
Revenue from contracts with customers	530 224	142 708
Profit for the period	74	11 501

Average remuneration of full-time employees (excluding Board and Council members)

	Company 2021	Company 2020
	EUR'000	EUR'000
Salary	2 972	2 770
Average number of employees	108	104
Average remuneration	28	27

The salary is presented according to the accrual method.

Remuneration received from another company belonging to the same group within the meaning of the Law on Annual Accounts and Consolidated Annual Accounts

None

Number of shares and share options granted and offered and key terms and conditions of the exercise of the options, including the price and date of their exercise and their changes (if any)

None

Information on cases where the variable part of remuneration has been reclaimed

None

Temporary derogations applied, including an explanation of the nature of the exceptional case and an indication of the specific components of the remuneration policy to which the temporary derogation applies

None

In the remuneration report, the Management Board shall explain how the vote of the shareholders' meeting and the views of the shareholders on the previous remuneration report have been taken into account.

The Remuneration Report for 2020 was approved at the shareholders' meeting on June 15, 2021.