

**REMUNERATION REPORT
FOR THE YEAR**

2020



**VALMIERA[®]
GLASS**

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INTRODUCTION

Remuneration Report of the Members of the Board and the Council of the joint stock company "VALMIERAS STIKLA ŠĶIEDRA" for 2020 (hereinafter – the Remuneration Report) has been prepared in accordance with the Remuneration Policy of the Council and Board approved by the decision on June 28, 2020 of shareholders meeting, based on the provisions of Directive (EU) 2017/828 of the European Parliament referring to the promotion of the involvement of the long-term shareholders and Article 59.³ of the Law on the Financial Instruments Market of the Republic of Latvia implementing the said Directive.

The Remuneration Report has been prepared by the Board of the Company and reviewed by the Council of the Company. The Remuneration Report is examined by a sworn auditor, and it is reviewed and approved at the shareholders' meeting together with other components of the annual report.

The Remuneration Report is published along with the annual report as its separate component in Latvian and English on the Company's website: <http://www.valmiera-glass.com> in the section, as well as on the Nasdaq Riga stock exchange website: <http://www.nasdaqbaltic.com>.

DEFINITIONS

Company – joint stock company "VALMIERAS STIKLA ŠĶIEDRA" reg. No. 40003031676.

Board – the Management Board of the Company.

Council – the Council of the Company.

Shareholders – shareholders of the Company's capital shares.

Fixed remuneration – the base remuneration of the members of the Board and the Council in exchange for their services in respect to the reported financial year.

Variable remuneration – the financial annual bonus awarded or due to the members of the Board and the Council during the reported financial year, in addition to the Fixed remuneration, as a result of the fulfilment of a predetermined performance criterion. Variable remuneration is aimed at aligning remuneration with performance actually achieved by the Company.

Remuneration – all forms of (fixed and variable) remunerations or benefits made directly by or indirectly, but on behalf of the Company in exchange for professional services rendered by the members of the Board and Council.

Benefits – in addition to the Fixed remuneration and Variable remuneration, the Company may offer a range of non-financial perquisites, including insurance, Company car and mobile telephone for business use.

Policy – "Remuneration Policy of the Council and Management Board" of the Company.

REMUNERATION OF THE BOARD MEMBERS

Name, surname, position	Fixed remuneration, EUR			Remuneration, EUR	Proportional share of fixed to variable remuneration, %
	Salary	For participation in board meetings	Benefits		
Stefan Jugel , Chairman of the Board (29.05.2018. - 29.05.2021.)	280 000	18 600	92 036	390 636	100 %
Ģirts Vēveris , Board member (29.05.2018. - 29.05.2021.)	79 800	18 600	30 228	128 628	100 %
Ingo Bleier , Board member (01.08.2019. - 29.05.2021.)	114 000	18 600	46 938	179 538	100 %
Total in 2020	473 800	55 800	169 202	698 802	100 %

REMUNERATION OF THE COUNCIL MEMBERS

Name, surname, position	Fixed remuneration, EUR			Remuneration, EUR	Proportional share of fixed to variable remuneration, %
	Salary	For participation in Council meetings	Benefits		
Heinz - Jürgen Preiss-Daimler, chairman of the Council (28.06.2019. - 04.02.2020.)	-	-	-	-	-
Stefan Alexander Preiss-Daimler, chairman of the Council and member of the Council (28.06.2019. - 29.03.2021.)	-	17 400	-	17 400	100 %
Peter Theis Klauberg, deputy chairman of the Council (28.06.2019. - 29.03.2021.)	-	17 400	-	17 400	100 %
Andris Oskars Brutāns, member of the Council (28.06.2019. - 29.03.2021.)	39 750	17 400	19 088	76 238	100 %
Ainārs Ozols, member of the Council (28.06.2019. - 29.03.2021.)	-	17 400	-	17 400	100 %
Total in 2020	39 750	69 600	19 088	128 438	100 %

REMUNERATION OF THE BOARD AND COUNCIL

Name, surname, position		Fixed remuneration, EUR			Variable remuneration, EUR	Remuneration , EUR	Against total, %	
		Salary	For participation in board meetings	Benefits	Annual bonus		Fixed	Variable
Board	2020	473 800	55 800	169 202	-	698 802	100 %	0 %
Council	2020	39 750	69 600	19 088	-	128 438	100 %	0 %
Total	2020	513 550	125 400	188 290	-	827 240	100 %	0 %
Full-time employee of an equivalent unit, average	2020	44 745	-	2 924	5 766	53 435	89%	11%

The remuneration of the Board and the Council is in line with the Policy. The Company's performance criteria were not applied in determining the remuneration of the Board.

No additional payments related to the termination of the contract of Board or Council were made.

The Company is part of the GROUP within the meaning of the Law on Annual Accounts and Consolidated Annual Accounts, accordingly, no remuneration was received from other companies.

No shares or share options were granted or offered to members of the Board and Council.

During the reporting period a temporary derogation from the remuneration policy was applied - the Company's Board and Council didn't receive any bonuses (variable remuneration) during the reporting period because of the conditions and requirements of Legal Protection process.

Stefan Jugel
Chairman of the Board

Ģirts Vēveris
Board member

Ingo Bleier
Board member

April 30, 2021

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