

**LLC (SIA) 'Rīgas ūdens'**

# **CORPORATE GOVERNANCE REPORT 2023**

**APPROVED**  
at LLC (SIA) 'Rīgas ūdens'  
Supervisory Board Meeting on 16 April 2024  
Minutes No 2.4.5/2024/06

Rīga, 2024

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## STATEMENT BY THE MANAGEMENT BOARD

LLC (SIA) 'Rīgas ūdens' (hereinafter referred to as 'Rīgas ūdens' or 'the Company') Corporate Governance Report 2023 (hereinafter referred to as 'the Report') has been prepared in compliance with the Corporate Governance Code (hereinafter referred to as 'the Code')<sup>1</sup> developed by the Corporate Governance Advisory Council operating under the supervision of the Ministry of Justice in 2020, the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof<sup>2</sup> and Riga City Council Internal Regulation No 4 of 21 August 2020 "Procedures for Management of Capital Shares and Capital Companies Owned by the Riga City Municipality". Given that the Company qualifies as a large capital company as defined in laws and regulations<sup>3</sup> and operates in a strategically important sector, performing a municipal function in the field of water supply and sewerage services, providing public water management services in the administrative territory of the City of Riga and in certain municipalities of the Pierīga Region, the Company falls within the target audience of the Code and is subject to the obligation to prepare an annual corporate governance report as set out in the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof.

For each corporate governance principle set out in the Code, there are criteria to help assess whether the principle has been met. The principles are applied to the operations of Rīgas ūdens, and in 2023 the Company has fully or partially complied with all of them — a company has complied with a principle if it meets all the criteria set out in the principle. In accordance with the Code, Rīgas ūdens has prepared its third Corporate Governance Report. In accordance with the "comply or explain" principle, the Report also provides information on those principles that the company partially complies with in its operations or which criteria are not directly applicable to the company, explaining the circumstances or the regulatory framework that justifies this.

In its activities, Rīgas ūdens complies with the principles of good corporate governance, which, as a set of measures, contribute to the sustainable development of the Company, the attainment and monitoring of its operational objectives, and are considered to be

a very important tool for good governance, which Rīgas ūdens will continue to develop in the future.

The Report is published simultaneously with the 2023 audited financial statements of SIA "Rīgas ūdens" as an integral part of the annual report and is available on Rīgas ūdens website [www.rigasudens.lv](http://www.rigasudens.lv).

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**Krišjānis Krūmiņš**  
Chairman of the Board

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**Normunds Zvaunis**  
Member of the Board

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**Agnese Ozolkāja**  
Member of the Board

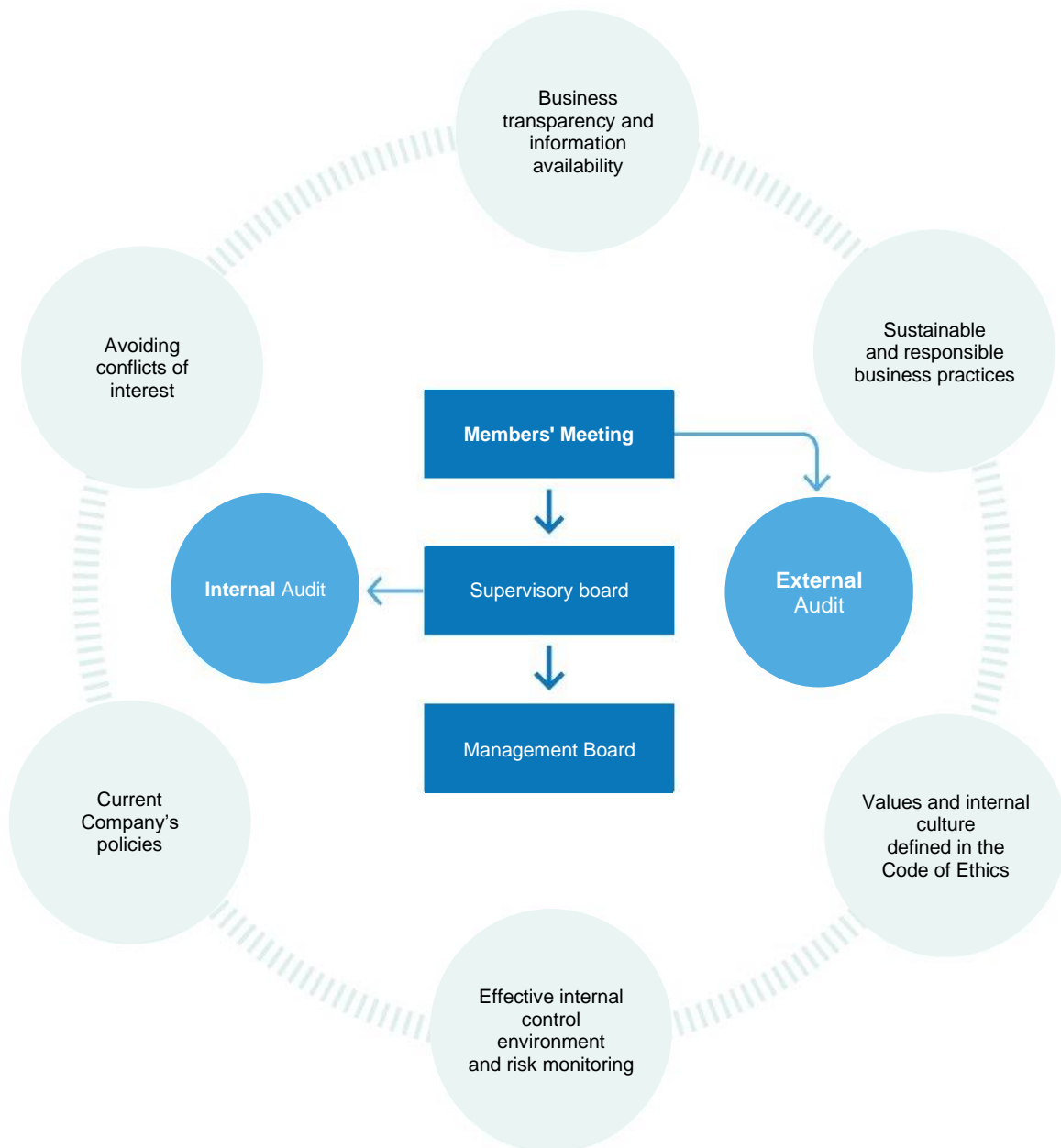
<sup>1</sup> Corporate Governance Code. Good corporate governance recommendations for companies in Latvia.

<sup>2</sup> Section 58.1 of the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof.

<sup>4</sup> Section 5(5) of the Law on Annual Accounts and Consolidated Annual Accounts

## RĪGAS ŪDENS MANAGEMENT STRUCTURE

Rīgas ūdens is a company 100% owned by the Riga City Municipality (hereinafter referred to as ‘the Municipality’), operating in a strategically important sector, ensuring the performance of the municipality’s autonomous function in the field of public water supply and sewerage services. Rīgas ūdens is governed by the Riga City Council, the Members' Meeting, whose functions are performed by the representative of the shareholder — the Chief Executive Officer of the Riga City, the Supervisory Board and Management Board of Rīgas ūdens.



**Figure 1.**  
Rīgas ūdens Corporate Governance Model

The corporate governance system of Rīgas ūdens comprises a set of relationships between the company's shareholder representative, the Management Board, the Supervisory Board and institutions involved in the management of the shares owned by the Riga City Municipality.

In accordance with Riga City Council Internal Regulation No 4 of 21 August 2020 "Procedures for the Management of Capital Shares and Capital Companies Owned by the Riga City Municipality", the Municipality's institutions and officials involved in the management of Rīgas ūdens' capital shares are the Riga City Council, the Housing and Environment Committee of the Riga City Council, the representative of the shareholder — the Chief Executive Officer of the Riga City, the Capital Companies Board of the Central Administration of the Riga City Council, the Housing and Environment Department of the Riga City Council, the Spatial Planning and Mobility Department of the Riga City Council and the Audit and Auditing Board of the Central Administration of the Riga City Council.

Rīgas ūdens has a clear division of roles, powers and responsibilities. The Municipality and Rīgas ūdens implement the management of capital shares, respecting the competence and powers of the shareholder's representative, the Members' Meeting, the Supervisory Board and the Management Board as defined in the regulatory enactments. No official has unlimited decision-making and tasking powers. In the cases provided for in the legislation, decisions concerning Rīgas ūdens are also taken by the Riga City Council.

**The Supervisory Board of Rīgas ūdens is composed of the following three members:**

- the Chairman of the Supervisory Board **Dace Ljusa**, term of office until 07.09.2025;
- the Member of the Supervisory Board **Tālis Juhna**, term of office until 18.01.2026;
- the Member of the Supervisory Board **Imants Paeglītis**, term of office until 10.08.2028.

**The Management Board of Rīgas ūdens is composed of the following three members:**

- the Chairman of the Management Board **Krišjānis Krūmiņš**, term of office until 13.01.2027;
- the Member of the Management Board **Normunds Zvaunīs**, term of office until 14.05.2026;
- the Member of the Management Board **Agnese Ozolkāja**, term of office until 24.09.2028.

**Audit and auditor**

From 2020 to 2023, a qualified outsourced service provider has been engaged to provide the internal audit function of Rīgas ūdens. At the time of preparation of this Report, the Company has an internal auditor position created. The financial statements of Rīgas ūdens are audited by a certified auditor.

**The roles, duties and responsibilities of Rīgas ūdens' management bodies are set out in external regulatory enactments and internal documents:**

- Statutes of Rīgas ūdens;
- Regulations of the Supervisory Board of Rīgas ūdens;
- Regulations of the Management Board of Rīgas ūdens;
- Organisational structure of Rīgas ūdens.

All these documents are published on the Rīgas ūdens website [www.rigasudens.lv](http://www.rigasudens.lv).





The Report goes on to explain how each principle is being met, using the following terms:

Criterion fully met;  Criterion partly met;  Criterion not applicable. 

## RĪGAS ŪDENS STRATEGY

### 1. PRINCIPLE

The Company has an up-to-date strategy which sets out the Company's objectives and focus on long-term value growth.

Compliance	Criterion	Facts
	The company has an up-to-date strategy, drafted by the Management Board	<p>In 2021, the Riga City Council has set the overall strategic objective<sup>4</sup> for Rīgas ūdens and seven specific non-financial objectives<sup>5</sup> for the implementation of water policy in the field of centralised water supply and sewerage, which are derived from the overall strategic objective set for the Company, legislation and policy planning documents and are related to ensuring the performance of functions assigned to a public entity.</p> <p>The Company's medium-term operational strategy 2022 -2024 was approved by the decision of the Supervisory Board of Rīga ūdens dated 2 September 2022.<sup>6</sup></p> <p>Continuity is ensured in the implementation of the Medium-term Operational Strategy, including the timely commencement of the strategic planning process for the next period. At the time of preparation of this Report, a draft Sustainable Development Strategy up to 2040 has been developed and submitted to the Riga City institutions for examination, as well as the planning process for the Medium-Term Operational Strategy 2025-2030 has been initiated.</p>
	The Supervisory Board is involved in the strategy development process and approves the strategy at the Supervisory Board meeting	<p>The Supervisory Board is involved in the strategy development process by reviewing the draft versions of the strategy before submitting it to the Riga City Council institutions<sup>7</sup> for approval and by approving the strategy at the Supervisory Board meeting.<sup>8</sup></p> <p>The Supervisory Board's proposals for the content of the Sustainable Development Strategy were discussed at the Supervisory Board meeting on 19 December 2023, assessing the 2023 forecast performance and achievement of the objectives.</p>
	The Supervisory Board monitors the implementation of the strategy	The Supervisory Board reviews the reports presented by the Management Board on the performance of the objectives and tasks determined in the Company's Medium-Term Operational Strategy for 2022-2024 and examines the reasons for deviations, if any, once a quarter <sup>9</sup> . The Company has developed an internal document that sets out the procedure for quarterly reporting on the results of the implementation of the strategy. <sup>10</sup>
	The Company's Management Board implements the strategy and reports regularly to the Supervisory Board on progress in its implementation	<p>In 2023, the Management Board of Rīgas ūdens has ensured the performance of the objectives and tasks determined in the Company's Medium-Term Operational Strategy for 2022-2024, providing regular quarterly reports to the Supervisory Board.</p> <p>The report to the Supervisory Board includes information on the status of achievement of the financial and non-financial objectives and performance indicators determined in the strategy, information on the deviations identified, if any, and the reasons for them, as well as information on the implementation of the budget for the reporting period.</p>

<sup>4</sup> Riga City Council Decision No 720 of 07.07.2021 "On the Maintenance of the Direct Participation of the Riga City Municipality in SIA "Rīgas ūdens".

<sup>5</sup> Riga City Council Decision No 938 of 06.10.2021 "On Determination of Specific Non-Financial Objectives of SIA "Rīgas ūdens".

<sup>6</sup> Supervisory Board's Decision No 1 of 02.09.2022.

<sup>7</sup> Supervisory Board's Decision No 8 of 30.12.2022, Supervisory Board's Decision No 6 of 15.03.2022.

<sup>8</sup> Supervisory Board's Decision No 1 of 02.09.2022.




<sup>9</sup> In 2023, the achievement of objectives and fulfilment of tasks determined in the Strategy was discussed at three Supervisory Board meetings — Supervisory Board's Decision No 5 of 30.05.2023, Supervisory Board's Decision No 3 of 15.08.2023 and Supervisory Board's Decision No 10 of 21.11.2023.

<sup>10</sup> Procedure "System for Development, Monitoring and Reporting on SIA "Rīgas ūdens" Performance Planning Documents".

## INTERNAL CULTURE AND ETHICAL BEHAVIOUR

### 2. PRINCIPLE

The Company develops an internal culture and code of ethical conduct that serves as a standard of behaviour for management and employees.

Compliance	Criterion	Facts
	The Supervisory Board defines the company's core values	<p>The Supervisory Board, in cooperation with the Management Board, has defined the Company's core values and approved<sup>11</sup> the most important policies<sup>12</sup> of Rīgas ūdens including the Corporate Governance Policy, which incorporates the defined core values of Rīgas ūdens.</p> <p>The core values and principles that the company adheres to in its day-to-day operations are responsibility, sustainability, fairness and equal treatment of employees. In order to comply with the established principles and values, Rīgas ūdens ensures, pursuant to the procedures laid down in internal regulatory enactments, the observance of ethical interaction, the prohibition of conflict of interest, the prohibition of corrupt and fraudulent behaviour, the functioning of the internal whistleblowing system, reasonable protection of information and the protection of privacy.</p>
	The Management Board prepares and the Supervisory Board approves a Code of Internal Culture and Ethical Conduct	<p>In order to promote the understanding of the Company's Management Board, Supervisory Board and employees to work lawfully and in good faith in the interests of the Company, to build the image of a professional and responsible provider of public water management services and to contribute to the implementation of the Company's objectives, the Company has developed a Code of Ethics, which has been approved by the Supervisory Board.<sup>13</sup></p>
	The Management Board ensures that the internal culture and code of ethical conduct are upheld in the day-to-day operations of the company and responds when a breach of the code of ethical conduct is detected	<p>Every employee of the Company, regardless of the position held, member of the Management Board and the Supervisory Board is responsible for ensuring that the activities performed by him/her both in the course of his/her duties and outside working hours comply with the norms of the Rīgas ūdens Code of Ethics and promote a positive image of the Company.</p> <p>The Management Board monitors compliance with the company's Code of Ethics and responds when a breach of the Code of Ethics is detected.</p> <p>In order to assess compliance with the norms set out in the Code of Ethics, to resolve conflict situations, to facilitate the actions of the Company's officials and employees in accordance with the norms of the Code of Ethics, as well as to examine whistleblower reports pursuant to the procedures set out in the Company's procedure "Internal Whistleblowing System"<sup>14</sup>, the Company has established an Ethics Committee which is a collegial body and its composition is approved by the Management Board of the Company at least once every two years.<sup>15</sup></p>

<sup>11</sup> Updated Company's Policies 2023 approved by the Supervisory Board on 20.06.2023, 15.08.2023 and 17.10.2023.

<sup>12</sup> Available at <https://www.rigasudens.lv/lv/kapitalsabiedribas-politikas>.

<sup>13</sup> Current version of the Code of Ethics approved by Supervisory Board Decision No 1 of 20.06.2023, available at <https://www.rigasudens.lv/lv/etikas-pamatprincipi>.




<sup>14</sup> Information for whistleblowers is available at <https://www.rigasudens.lv/lv/informacija-trauksmes-celejiem>.

<sup>15</sup> Approved by the decision of the Management Board of 09.02.2023, minutes No 2.4.1/2023/09. In 2023, the Ethics Committee did not examine any cases regarding the compliance of employees' conduct with the Rīgas ūdens Code of Ethics.

## INTERNAL CONTROL SYSTEM, RISK MANAGEMENT AND INTERNAL AUDIT

### 3. PRINCIPLE

The Company has an internal control system whose effectiveness is monitored by the Supervisory Board.

Compliance	Criterion	Facts
	The Company has a documented system of internal control, the establishment of which is the responsibility of the Management Board	<p>Uniform principles of internal control and compliance as well as the allocation of responsibilities in the Company to ensure the achievement of the Company's objectives, efficient, sustainable and successful operation, rational and economically justified use of resources, reliability of reporting and compliance of operations with external and internal regulations are set out in the Rīgas ūdens Internal Control System Policy approved by the Supervisory Board.<sup>16</sup></p> <p>The elements of the internal control system are included in the regulations, procedures and instructions of the departments of Rīgas ūdens. The document database is structured and available in the Management Information System.<sup>17</sup></p>
	Internal Audit conducts an assessment of the effectiveness of the internal control system at least annually, taking into account pre-defined criteria, and report the results of the assessment to the Supervisory Board.	<p>From 2020 to 2023, the Company's internal audit function was provided by an outsourced service provider, which prepared an annual internal audit plan in accordance with the Company's Strategic Internal Audit Plan<sup>18,19</sup></p> <p>All internal audit reports provided by the auditor included observations and recommendations on the effectiveness of the internal control system in the audited area. The overall opinion on the assessment of the effectiveness of the internal control system in the company has been provided by the internal auditor – outsourced service provider upon concluding the audit period of 2023.<sup>20</sup></p>
	The Supervisory Board evaluates, at least once a year, the assessment provided on the effectiveness of the internal control system	The Supervisory Board evaluates, at least once a year, the assessment provided on the effectiveness of the internal control system. The Internal Auditor's report on the effectiveness of the Company's internal control system was examined by the Supervisory Board. <sup>21</sup>

<sup>16</sup> The current version of the Internal Control System Policy was approved by Supervisory Board's Decision No 2 of 20.06.2023, available at <https://www.rigasudens.lv/lv/kabitalsabiedribas-politikas>.

<sup>17</sup> Internal system.

<sup>18</sup> SIA "Rīgas ūdens" Strategic Internal Audit Plan 2020- 2024 was approved by the decision of the Management Board of 13.05.2020, Minutes No 2.4.1/2020/31. Until the establishment of the Supervisory Board of Rīgas ūdens in June 2020, internal audit was the responsibility of the Management Board.

<sup>19</sup> Internal Audit Plan 2023 was approved by Supervisory Board's Decision of 24.01.2023, Minutes No 2.4.5/2023/01.




<sup>20</sup> The Internal Auditor reported to the Supervisory Board at the meeting on 30.01.2024.

<sup>21</sup> The Internal Auditor reported to the Supervisory Board at the meeting on 30.01.2024.



## 4. PRINCIPLE

The Company identifies, assesses, and monitors the risks associated with its operations.

Compliance	Criterion	Facts
	The Management Board develops and the Supervisory Board approves the company's risk management policy	The Company establishes uniform and harmonised basic principles of risk management in all areas of Rīgas ūdens' activities. The company has developed a Risk Management Policy that has been approved by the Supervisory Board. <sup>22</sup>
	Based on the identified risk assessment, the Management Board implements risk management measures	<p>The company has developed the procedure "Risk Management Process"<sup>23</sup> to define the application of its risk management policy, which sets out a common understanding, applicable principles and allocation of responsibilities for structured and disciplined risk management. The procedure describes in more detail the main steps of the process, which ensure the timely identification of risks, the analysis of their causes, probability and impact, and the definition and implementation of the necessary mitigation and control measures, depending on the level assigned to each risk.</p> <p>In line with the Rīgas ūdens strategy and based on the assessment of identified risks, the Management Board implements risk management measures.<sup>24</sup> The Management Board ensures the regular reassessment of the most significant risks at least once a year.</p>
	At least once a year, the Supervisory Board examines reports from the Management Board on risk management activities and the implementation of the risk management policy	The Supervisory Board examines, at least annually, the Management Board's reports on risk management activities and the implementation of the Risk Management Policy. The Procedure "Risk Management Process" stipulates that the Rīgas ūdens' Management Board and Supervisory Board are to be informed immediately about threats.




<sup>22</sup> Risk Management Policy was approved by Supervisory Board's Decision No 3 of 20.06.2023, available at <https://www.rigasudens.lv/lv/kapitalsabiedribas-politikas>.

<sup>23</sup> Approved by the decision of the Management Board of 16.02.2022, Minutes No 2.4.1/2022/16.

<sup>24</sup> The Risk Register has been approved.

## 5. PRINCIPLE

The Company has established an internal audit unit that independently and objectively assesses the Company's operations.

Compliance	Criterion	Facts
	The company has an internal auditor who is functionally independent of the Management Board and reports to the Supervisory Board	<p>From 2020 to 2023, the Company's internal audit function was provided by an independent outsourced service provider.</p> <p>The company has developed the procedure "Internal Audit Procedure"<sup>25</sup>, which defines the organisation of the internal audit work of Rīgas ūdens and the procedure for conducting internal audits, including</p>
	The internal auditor is approved by the Supervisory Board	<p>During the reporting periods, the internal audit function of the Company was provided by an outsourced service provider.</p> <p>The internal auditor (outsourced service provider) was selected following a procurement procedure with qualification and experience requirements for the service provider.<sup>26</sup></p> <p>The Supervisory Board has decided<sup>27</sup> to support the internal audit function by creating a new position of "Internal Auditor" at the Company as of 01 January 2024.</p>
	The internal auditor develops a risk-based internal audit plan, which is approved by the Supervisory Board	<p>In 2020, the Management Board of the Company approved the Internal Audit Strategic Plan for the five-year period until 2024.</p> <p>In accordance with the Articles of Association of Rīgas ūdens, the Rules of Procedure of the Supervisory Board and the Internal Rules of the Riga City Council<sup>28</sup>, the internal audit plan for each calendar year is approved by the Supervisory Board of the Company<sup>29</sup>.</p>
	The internal auditor informs the Management Board and the Supervisory Board about the implementation of the internal audit plan, the results of the audit and the recommended actions to remedy deficiencies, if any	<p>The Company has established procedures for internal audits and follow-up of audit recommendations and for the internal auditor to inform the Management Board and the Supervisory Board about the implementation of the audit plan, the results of the audits and the progress made in implementing recommendations.</p> <p>Each internal audit concludes with an audit report and recommendations for implementing the recommendations. The Management Board develops an action plan to implement the recommendations, ensures regular reporting to the Internal Auditor and the Supervisory Board.<sup>30</sup></p>

<sup>25</sup> Approved by the decision of the Management Board of 09.11.2022, Minutes No 2.4.1/2022/101.

<sup>26</sup> In 2023, the internal audit functions of the Company were provided by SIA CSE COE.

<sup>27</sup> Supervisory Board's Decision No 2 of 19.09.2023.

<sup>28</sup> Riga City Council Internal Regulation No 4 of 21.08.2020 "Procedures for the Management of Capital Shares and Capital Companies Owned by Riga City Municipality".




<sup>29</sup> Internal Audit Plan 2023 was approved by Supervisory Board's Decision No 1 of 24.01.2023.

<sup>30</sup> The Internal Auditor reported to the Supervisory Board on the audits carried out in 2023 at the Supervisory Board meetings of 15.08.2023, 21.11.2023 and 30.01.2024.

## EXTERNAL AUDITOR

### 6. PRINCIPLE

The company has an independent external auditor.

Compliance	Criterion	Facts
	The Supervisory Board and the Audit Committee, if established, determine the criteria for the selection of the external auditor	<p>The selection of the auditor is carried out through a procurement procedure. The requirements are defined by the members of the Procurement Committee, who are independent in their decision-making. It consists of the Company's employees — finance, accounting and procurement staff.</p> <p>According to the Riga City Council Internal Regulation<sup>31</sup>, in addition to the requirements set out in the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof, the Supervisory Board is required to agree on the requirements to be met in the procurement of the external auditor's services, including the terms of reference and the draft contract.<sup>32</sup></p>
	The company has an independent external auditor with appropriate qualifications	<p>The Company's annual report is audited and the auditor's report on the results of the audit (examination) is provided by a certified auditor or a company of certified auditors in accordance with the Law "On Certified Auditors".</p> <p>The selection of the auditor is carried out through a procurement procedure.<sup>33</sup></p>
	The term of office of an external auditor does not exceed 5 years	The Management Board of RĪgas ūdens ensures that the term of office of an external auditor does not exceed five years. The selection of the Company's external auditor and the process for setting the remuneration are open; procurement is carried out.

<sup>31</sup> Riga City Council Internal Regulation No 4 of 21.08.2020 "Procedures for the Management of Capital Shares and Capital Companies Owned by Riga City Municipality", Paragraph 24.5.3.





<sup>32</sup> The requirements for the procurement of the services of a certified auditor (terms of reference, conditions to be included in the contract and requirements for the selection of tenderers) were agreed by the Supervisory Board in its Decision No 2 of 31.03.2023.

<sup>33</sup> The limited liability company "POTAPOVIČA UN ANDERSONE" was elected as the auditor of the Annual Report for 2023, 2024 and 2025 by the decision of the Members' Meeting of 18.07.2023, Minutes No 6.

## ELECTION OF THE SUPERVISORY BOARD MEMBERS

### 7. PRINCIPLE

The Company uses transparent procedures for the election and dismissal of Supervisory Board members.

Compliance	Criterion	Facts
	The Company has a procedure for the selection and dismissal of Supervisory Board members	<p>The process of selection and dismissal of Supervisory Board members is carried out in accordance with the procedures established by the laws and regulations<sup>34</sup> and in accordance with the principles of good corporate governance practice.</p> <p>The selection of Supervisory Board members in accordance with the laws and regulations<sup>35</sup> is carried out by the Nomination Committee (hereinafter referred to as 'the Nomination Committee') established by the sole shareholder of Rīgas ūdens — Riga City Municipality.</p>
	The company provides timely and sufficient information to its shareholders about the members of the Supervisory Board who are standing for election or re-election	<p>The Nomination Committee organises the competition for the position of Supervisory Board members. When preparing the draft decision on the candidate for the position of Supervisory Board member nominated by the Nomination Committee, the participant is provided with detailed information on the nominated candidates for Supervisory Board members, including a description of the candidate's professional experience, consent to hold the position of Supervisory Board member, the Nomination Committee's assessment of the nominated Supervisory Board members.</p> <p>No members of the Supervisory Board have yet been nominated for reappointment.</p>
	The size of the Supervisory Board is appropriate to the specific nature of the company's activities	The minimum and maximum number of Supervisory Board members is determined by the laws and regulations. <sup>36</sup> Taking into account the specific nature of the activities of Rīgas ūdens — the performance of the municipality's autonomous function in the field of public water supply and sewerage services by providing public water management services in the administrative territory of the City of Riga — three members of the Supervisory Board is an appropriate number.
	A member of the Supervisory Board is elected for a term of office of not more than five years	According to the laws and regulations <sup>37</sup> , members of the Supervisory Board are appointed for five years. The term of office of the current members of the Supervisory Board of the Company is set out on pages 4 and 5 of the Report.

<sup>34</sup> Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof.





<sup>35</sup> Cabinet Regulation No 20 of 07.01.2020 "Procedure for Nomination of Members of the Management Board and Supervisory Board in Capital Companies in which the State or a Derivative Public Person Holds Shares".

<sup>36</sup> Cabinet Regulation No 63 of 04.02.2020 "Regulations on the Number of Members of the Management Boards and Supervisory Boards of Publicly Owned Capital Companies and Publicly Owned Private Capital Companies, as well as the Maximum Monthly Remuneration of the Members of the Management Boards and Supervisory Boards" and Section 78, Paragraph five of the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof.

<sup>37</sup> Section 109, Paragraph one of the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof.

## 8. PRINCIPLE

The Supervisory Board members as a whole have the relevant experience and expertise.





Compliance	Criterion	Facts
	The Supervisory Board as a whole has the skills, experience and knowledge, including in the relevant sector, to be able to fully discharge its responsibilities	The qualifications of Supervisory Board members meet the necessary requirements. Information on the education and experience of the Supervisory Board members of RĪgas ūdens is available on the RĪgas ūdens website. <sup>38</sup>
	The composition of the Supervisory Board is based on the principles of diversity	The selection process for Supervisory Board members is regulated by the laws and regulations <sup>39</sup> , and candidates are assessed against professional criteria which the Nomination Committee includes in the selection requirements.
	Both sexes are represented on the Supervisory Board	The Supervisory Board of RĪgas ūdens is composed of two men and one woman.
	The Management Board develops an induction training programme and provides induction training for new members of the Supervisory Board	The Nomination Committee develops the requirements for the selection of Supervisory Board members, including certain criteria on professional experience and skills, including experience as a manager or Supervisory Board member in a large capital company and/or a multinational company. The Company does not currently have a separate <i>on-boarding</i> training programme for new members of the Supervisory Board.  All Supervisory Board members of RĪgas ūdens have participated in the training organised by BICG (Baltic Institute of Corporate Governance) for Supervisory Board and Management Board members.

<sup>38</sup> <https://www.rigasudens.lv/lv/padome-valde>.

<sup>39</sup> Cabinet Regulation No 20 of 07.01.2020 "Procedure for Nomination of Members of the Management Board and Supervisory Board in Capital Companies in which the State or a Derivative Public Person Holds Shares".

## 9. PRINCIPLE

The Supervisory Board of the company is composed of independent members

Compliance	Criterion	Facts
	The company assesses and shareholders determine the proportion of independent members of the Supervisory Board	The proportion of independent members of the Supervisory Board is determined by the laws and regulations <sup>40</sup> — In order to ensure a professional and impartial work of the Supervisory Board of the Company, which contributes to the long-term growth of the Company's value and operational efficiency, the shareholder ensures that at least half of the members of the Supervisory Board are independent.
	At least half of the members of the Supervisory Board are independent	The Nomination Committee, when deciding on the most suitable candidates for membership of the Supervisory Board, takes into account the proportion of independent members of the Supervisory Board in accordance with the laws and regulations.
	Independent candidates for election to the Supervisory Board submit a declaration of independence	The members of the Supervisory Board have submitted declarations that they are not restricted from holding office as a member of the Supervisory Board in accordance with the laws and regulations. <sup>41</sup>
	Before the election of the Supervisory Board, the company assesses the independence of Supervisory Board members in accordance with the information available	The Nomination Committee created by the Riga City Council assesses the eligibility of Supervisory Board members as an independent Supervisory Board member.





<sup>40</sup> Section 37, Paragraph six of the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof.

<sup>41</sup> Section 37, Paragraph four of the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof.

## PRINCIPLES FOR DETERMINING THE REMUNERATION OF THE SUPERVISORY BOARD AND THE MANAGEMENT BOARD

### 10. PRINCIPLE

The Company has a remuneration policy.

Compliance	Criterion	Facts
	The company has a remuneration policy in place, which has been developed by the Management Board, reviewed by the Supervisory Board and approved by the Shareholders Meeting	<p>The Company has adopted a Remuneration and Recruitment Policy by the Supervisory Board's decision<sup>42</sup>, including a regulation on the remuneration of the Management Board. The right to approve key corporate policies is vested in the Supervisory Board in accordance with the laws and regulations governing the activities of public limited liability companies.<sup>43</sup> The shareholder does not approve the company's remuneration policy.</p> <p>There is no separate remuneration policy for the members of the Management Board and the Supervisory Board, which is governed by the laws and regulations.<sup>44</sup></p>
	The Supervisory Board sets financial and non-financial objectives for the Management Board annually, their impact on variable remuneration and monitors them	<p>The financial and non-financial objectives to be achieved by the Company each year are set out in the RĪgas ūdens Strategy.</p> <p>The Supervisory Board of the Company approves the performance criteria (PIs) for the annual performance evaluation of the work of the Management Board for the calendar year. The methodology for determining the variable remuneration depending on the results of the financial and non-financial objectives is set out in the Guidelines of the Cross-Sectoral Coordination Centre, and the Internal Regulation of the Chief Executive Officer of the Riga City No 39<sup>46</sup> are applied to the performance evaluation of the work of the Management Board of the company.</p>
	The members of the Supervisory Board are not paid a variable remuneration nor are they paid any compensation in the event of removal from office or resignation	<p>A member of the Supervisory Board is paid a remuneration, the amount of which is determined by a decision of the Members' Meeting, subject to the maximum amount provided for in the laws and regulations.</p> <p>No bonuses (variable remuneration) are paid to Supervisory Board members, nor is any compensation paid in the event of dismissal or resignation.</p>
	The Management Board reports annually on the remuneration granted to each current and former member of the Management Board and the Supervisory Board	<p>Information about the total remuneration paid to the Management Board and the Supervisory Board in 2022 is available in the Annual Report on the Company's website.<sup>47</sup></p> <p>A report on remuneration paid in 2023 will be prepared and published at the same time as the audited Annual Report 2023.</p>

<sup>42</sup> Remuneration and Selection Policy was approved by Supervisory Board's Decision No 4 of 11.11.2022, available at <https://www.rigasudens.lv/lv/capitalcommunity-policies>.

<sup>43</sup> Section 107, Paragraph two, Clause 12 of the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof; and Riga City Council Internal Regulation No 4 of 21.08.2020. "Procedures for the Management of Capital Shares and Capital Companies Owned by Riga City Municipality", Paragraph 89.

<sup>44</sup> Cabinet Regulation No 63 of 04.02.2020 "Regulations on the Number of Members of the Management Boards and Supervisory Boards of Publicly Owned Capital Companies and Publicly Owned Private Capital Companies, as well as the Maximum Monthly Remuneration of the Members of the Management Boards and Supervisory Boards".

<sup>45</sup> Guidelines of the Cross-Sectoral Coordination Centre of 22.01.2021 "Guidelines for Determining the Remuneration of Members of the Management Boards and Supervisory Boards of Publicly Owned and Publicly Managed Capital Companies".






<sup>46</sup> Internal Regulation No 39 of the Chief Executive Officer of the Riga City of 19.10.2021 "Procedures for Determining the Bonus of a Member of the Management Board for Performance in the Previous Reporting Year".

<sup>47</sup> <https://www.rigasudens.lv/lv/parskati>.

## ORGANISING THE SUPERVISORY BOARD'S WORK AND TAKING DECISIONS

### 11. PRINCIPLE

There is a clear procedure for organising the work of the Company's Supervisory Board.





Compliance	Criterion	Facts
	The Supervisory Board organises its work in accordance with its rules of procedure and work schedule	The meetings of the Supervisory Board are prepared, convened and organised in accordance with its rules of procedure and work schedule. The Supervisory Board convenes as necessary, but at least quarterly.  22 meetings of the Supervisory Board of Rīgas ūdens were held in 2023.
	The Supervisory Board holds at least one separate meeting per year to discuss the company's strategy and its implementation	The Supervisory Board reviews the results of the implementation of the strategy on a quarterly basis and the performance of the company, including the achievement of the financial and non-financial objectives set in the strategy, on an annual basis.  In 2023, the Management Board of Rīgas ūdens has ensured performance of the objectives and tasks specified in the Company's Medium-Term Operational Strategy for 2022 -2024, submitting regular quarterly reports to the Supervisory Board, including information on the implementation of the budget for the reporting period.
	The company's budget includes the funding needed for the activities of the Supervisory Board	Rīgas ūdens has a budget line for remuneration and work of the Supervisory Board.
	The Supervisory Board conducts an annual self-evaluation of its work, the results of which are examined at a Supervisory Board meeting.	The Supervisory Board carries out a self-evaluation of its work for the previous reporting year and considers it at a Supervisory Board meeting. The Supervisory Board's self-assessment report was examined at the Supervisory Board meeting on 25.04.2023 <sup>48</sup> and the Company's Annual Members' Meeting on 19.05.2023.
	The Supervisory Board has assessed the need for committees (if a committee has been established, see principle #12.1.)	The Supervisory Board of Rīgas ūdens does not have committees, as the Supervisory Board is composed of three members.

<sup>48</sup> Supervisory Board's Decision No 6 of 25.04.2023.



## 12. PRINCIPLE

The Supervisory Board takes informed and well-considered decisions.

Compliance	Criterion	Facts
	The Supervisory Board has timely and sufficient access to information prepared by the Management Board for decision-making	According to the Rules of Procedure of the Supervisory Board, information for a decision must be received at least three days before the Supervisory Board meeting. The Management Board of the Company ensures the timely submission of the materials for the items on the agenda of the Supervisory Board meeting to the e-portfolio of the Supervisory Board of RĪgas ūdens on the shared website.
	The Supervisory Board determines the procedures for the circulation of information, including the right of the Supervisory Board to request information from the Management Board necessary for the Supervisory Board to take decisions	The Rules of Procedure of the Supervisory Board <sup>49</sup> list the information that the Supervisory Board may request from the Management Board in order to take a decision.
	A member of the Supervisory Board analyses information and prepares proposals for decisions by the Supervisory Board	The proposals and opinions of the members of the Supervisory Board are discussed at a Supervisory Board meeting. The decisions taken and the discussion of issues at the Supervisory Board meeting are recorded in the minutes of the Supervisory Board meeting.
	The Supervisory Board assesses risks, short- and long-term impacts on the company's value, sustainability and responsible development when making decisions	At Supervisory Board meetings, decisions are made on the basis of an assessment of risks and the short- and long-term strategic impact on the Company's values, sustainability and growth.




<sup>49</sup> Rules of Procedure of the Supervisory Board



## AVOIDING CONFLICTS OF INTEREST

### 13. PRINCIPLE

Members of the Management Board and Supervisory Board are clearly aware of the appearance of a conflict of interest and are informed of the necessary action to be taken in the event of a conflict of interest.

Compliance	Criterion	Facts
	The Supervisory Board defines the indications of a conflict of interest and establishes procedures for the prevention and management of conflicts of interest	In order to ensure the prevention of conflicts of interest, the Company applies the provisions of the laws and regulations <sup>50</sup> , as well as the guidelines of the Corruption Prevention and Combating Bureau.  The Company has identified areas and processes of the Company's activities that may give rise to corruption risk and assessed the likelihood of its occurrence, as well as identified positions in the Company that are exposed to corruption risk. The Supervisory Board approves the Conflict of Interest and Corruption Risk Prevention Policy. <sup>51</sup>
	Members of the Supervisory Board or the Management Board do not participate in the adoption of decisions on matters where the interests of the company conflict with the interests of the Supervisory Board, the Management Board or persons related to them	Members of the Supervisory Board or the Management Board do not participate in the adoption of decisions on matters where the interests of the Company conflict with the interests of the Supervisory Board, the Management Board or persons related to them. A member of the Management Board and the Supervisory Board immediately notifies the Supervisory Board or the representative of the shareholder, as the case may be, if he/she is exposed to a risk of a conflict of interest in a decision and withdraws from the decision or from participation in the decision.
	Persons subject to conflict of interest obligations receive regular training on how to deal with conflict of interest situations	The company provides annual training for employees and company officials who have been designated as public officials. Training is also provided in accordance with the Company's Anti-Corruption Action Plan. There is also a mandatory obligation to organise such training at least every three years in the laws and regulations. <sup>52</sup>

<sup>50</sup> Law On Prevention of Conflict of Interest in Activities of Public Officials.





<sup>51</sup> Conflict of Interest and Corruption Risk Prevention Policy approved by Supervisory Board's Decision No 1 of 08.06.2022, available at <https://www.rigasudens.lv/lv/kapitalsabiedribas-politikas>.

<sup>52</sup> Cabinet Regulation No 630 of 17.10.2017 "Regulations on the Basic Requirements of the Internal Control System for Preventing the Risk of Corruption and Conflict of Interest in a Public Institution".

## MEMBERS' MEETING







### 14. PRINCIPLE

The Company provide its shareholders with timely information about Members' Meeting proceedings, providing all the information necessary for decision-making.

Compliance	Criterion	Facts
	The company informs shareholders in good time of the agenda, proceedings and voting procedure of the Shareholders Meeting, as well as of any changes thereto	The sole shareholder of the Company is the Riga City Municipality, which owns 100% of the shares. The functions of the Members' Meeting are performed by the representative of the holder of capital shares — the Chief Executive Officer of the Riga City Council or his/her nominee. The time and agenda of the Members' Meeting shall be agreed with the representative of the shareholder.
	At the same time as the Members' Meeting is announced, the company provides shareholders with the opportunity to review the draft resolutions that are initially scheduled to be voted on at the meeting. The company shall promptly inform shareholders of any additional draft resolutions submitted	<p>The Members' Meeting is convened and the issues to be discussed thereat are determined in accordance with the requirements of the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof and other regulatory enactments governing the Company's activities, Riga City Council Internal Regulation No 4 of 21.08.2020 "Procedure for Management of Capital Shares and Capital Companies Owned by Riga City Municipality", as well as the Company's Articles of Association.</p> <p>At the same time as convening the Members' Meeting, the Company ensures that the shareholder has the opportunity to acquaint himself with all the information necessary for taking a decision. The company promptly informs shareholders about any additional draft decisions submitted.</p>
	The company provides shareholders with the opportunity to submit questions on items on the agenda and draft resolutions prior to the Shareholders Meeting	A shareholder has the opportunity to submit questions on items on the agenda and draft decisions before the Members' Meeting.
	Draft decisions and accompanying documents provide detailed, clear and complete information on the matter under consideration	The draft decisions submitted to the shareholder and the documents annexed to them provide detailed, clear and complete information on the matter under consideration. The information given for the draft decisions is identical to the information given at the Supervisory Board meeting at which the matter was discussed.

## 15. PRINCIPLE

The Company fosters effective shareholder involvement in decision-making and works towards the most active possible participation of shareholders in Shareholders Meetings.



Compliance	Criterion	Facts
	The Shareholders Meeting is convened and held at a place and time convenient for the shareholders	In 2023, Members' Meetings were held both in person and remotely via electronic means and the Microsoft Teams platform. The time of the Members' Meeting is agreed with the shareholder. Eight Members' Meetings have been held in 2023.  Information on the agenda items is available on the Company's website. <sup>53</sup>
	The company provides shareholders with the opportunity to participate remotely in the General Meeting	In 2023, Members' Meetings were held both in person and remotely via electronic means and the Microsoft Teams platform. The form of the meeting is also noted in the minutes of the meeting.
	The company determines the appropriate duration of the Shareholders Meeting and gives shareholders the opportunity to express their views during the meeting and to obtain the information necessary to make decisions	The duration of the Members' Meeting is planned taking into account the content and the number of items to be discussed. A representative of the shareholder chairs the meeting and expresses his/her views on the matters to be discussed.
	The company convenes a new Shareholders Meeting if the items on the agenda cannot be dealt with in the time allowed	In 2023, there were no cases where a Members' Meeting did not deal with all the items on the agenda due to lack of time.
	The company invites the members of the Management Board and the Supervisory Board, the candidates for the Supervisory Board, the auditor and the internal auditor, as well as other persons to participate in the Shareholders Meeting in accordance with the matters to be considered at the meeting	Members of the Supervisory Board and the Management Board, as well as other employees whose competence includes the issues on the agenda participate in the Members' Meeting. The participation of the auditor is required by the laws and regulations. <sup>54</sup>
	The Shareholders Meeting adopts decisions in accordance with the draft decisions previously announced	The Members' Meeting adopts decisions only on the items on the agenda and in accordance with the draft decisions previously announced.

<sup>53</sup> Information on the Members' Meetings of Rīgas ūdens in 2023.

<sup>54</sup> Section 103 of the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof.

## 16. PRINCIPLE

The Company drafts a dividend policy and discusses it with its shareholders.





Compliance	Criterion	Facts
	The company has developed and published an up-to-date dividend policy	The Company does not have a separate dividend policy; the Company develops a proposal on the share of profit to be paid out as dividends. The decision is taken by the Riga City Council.
	The dividend policy has been discussed with shareholders at the Shareholders Meeting.	<p>The share of the Company's profit to be paid out in dividends is determined in accordance with the objective to promote the return on the municipal capital invested and managed by the Riga City Municipality and the achievement of the Company's overall strategic objectives, as well as financial and non-financial objectives set out in the Medium-Term Operational Strategy.</p> <p>The amount of the profit share to be paid out as dividends to the Company is determined by a decision of the Riga City Council, which provides for a different profit share to be paid out as dividends to RĪgas ūdens in the period from the reporting year 2021 to the reporting year 2024.</p>

<sup>52</sup> Riga City Council Decision No 691 of 16.06.2021 "On Dividends in Capital Companies in which the Riga City Municipality has a Decisive Influence".

## TRANSPARENCY OF COMPANY OPERATIONS

### 17. PRINCIPLE

The Company provides its shareholders and other stakeholders in a consistent and timely manner with information about its business activities, financial results, governance, and other relevant matters.

Compliance	Criterion	Facts
	The company discloses complete, accurate, objective, up-to-date and truthful information in a timely manner	Rīgas ūdens website <a href="http://www.rigasudens.lv">www.rigasudens.lv</a> provides information on the company's structure, members of the management bodies, performance and financial position is available, in compliance with the requirements on the amount of information to be disclosed set out in the laws and regulations <sup>56</sup> .
	The company discloses information to all shareholders at the same time and to the same extent	The company has only one shareholder.
	The company discloses information on its website about its management, strategy or lines of business and publishes financial statements and other information in accordance with Annex 1	Information about the Company, its activities, strategy, objectives, governing bodies, financial statements and other relevant matters, including the Company's material policies, is available on the Rīgas ūdens website. <sup>57</sup> The information published on the company's website is specified in the annex to this Report.
	The company provides information in Latvian and in at least one other language that is understood by the majority of the company's foreign shareholders and other interested parties	The main language of communication in the Company is Latvian, but in some cases communication may also take place in other languages. The Company's information materials are developed in accordance with the Official Language Law. In order to ensure a controlled and coordinated flow of information and communication, the Company has defined the persons who will contact the media on behalf of the Company.

<sup>56</sup> Section 58 of the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof.

<sup>57</sup> <https://www.rigasudens.lv/lv>.

## INFORMATION TO BE PUBLISHED ON THE COMPANY'S WEBSITE

Company				
Area/criterion	Complied with	Not applicable	Not complied with	Explanation
Information on the company — history of its establishment and activities, registration details, address, sectoral characteristics, main business activities, position in the group structure (if applicable)				Information is available on the Rīgas ūdens website. <sup>58</sup>
Information on the company's strategic objectives				Information is available on the Rīgas ūdens website. <sup>59</sup>
Articles of Association of the company				Information is available on the Rīgas ūdens website. <sup>60</sup>
Information on the company's corporate governance structure (interaction between the shareholders/stockholders meeting, the Supervisory Board, its committees, the Management Board, the auditor, the internal auditor, the audit committee, etc.)				Information is available on the Rīgas ūdens website. <sup>61</sup>
Company's Code of Internal Culture and Code of Ethics				Information is available on the Rīgas ūdens website. <sup>62</sup>
Key company policies (Disclosure, Transparency and Confidentiality Policy, Conflicts of Interest Prevention Policy, Risk Management Policy, etc.)				Information is available on the Rīgas ūdens website. <sup>63</sup>

<sup>58</sup> Information on the company.

<sup>59</sup> Information on the company's strategic objectives.




<sup>60</sup> Articles of Association of the company.



<sup>61</sup> Information on the company's corporate governance structure.

<sup>62</sup> Principles of professional ethics.

<sup>63</sup> Key company policies.








Shareholders and beneficial owners				
Area/criterion	Complied with	Not applicable	Not complied with	Explanation
Information on the shareholders of the company holding at least 5 % of the company's share capital (indicating the date on which this information was prepared)				The sole shareholder of Rīgas ūdens is the Riga City Municipality.
Information on the beneficial owners of the company (indicating the date on which this information was prepared)				The Municipality is not considered to be the beneficial owner within the meaning of the Law on the Prevention of Money Laundering and Terrorism and Proliferation Financing.
Number of shares, bonds or other financial instruments issued, paid-up and entitled to vote				Rīgas ūdens has not issued any securities.





Supervisory Board and Management Board				
Area/criterion	Complied with	Not applicable	Not complied with	Explanation
Rules of procedure of the Management Board and the Supervisory Board or other equivalent document				Information is available on the Rīgas ūdens website. <sup>64</sup>
Information on each member of the company's Supervisory Board and Management Board: <ul style="list-style-type: none"> <li>• term of office;</li> <li>• position and area of responsibility (if any);</li> <li>• professional experience and education;</li> <li>• up-to-date information on positions in other companies;</li> <li>• up-to-date information on the company's shareholdings;</li> <li>• statistics on attendance at Supervisory Board meetings.</li> </ul>				The information provided, with the exception of current information on the company's shareholdings and statistics on attendance at Supervisory Board meetings, is available on the Rīgas ūdens website. <sup>65</sup>

<sup>64</sup> <https://www.rigasudens.lv/lv/padome-valde>

<sup>65</sup> <https://www.rigasudens.lv/lv/padome-valde>

<p>Information on the independent members of the Supervisory Board:</p> <ul style="list-style-type: none"> <li>• which members of the Supervisory Board are considered independent;</li> <li>• the criteria used to determine the independence of a Supervisory Board member;</li> <li>• an annual assessment of the independence of Supervisory Board members.</li> </ul>			<p>There is no separate assessment of the independence of Supervisory Board members. The Nomination Committee for the selection of Supervisory Board members, when deciding on the most suitable candidates for election to the Supervisory Board, takes into account the proportion of independent Supervisory Board members in accordance with the laws and regulations.<sup>66</sup></p>
<p>Remuneration policy and remuneration report for the Management Board and the Supervisory Board</p>			<p>Supervisory Board's Decision No 4 of 11.11.2022 approved the Remuneration and Recruitment Policy, which also includes the principles for determining the remuneration of the Management Board.</p> <p>The remuneration of the Supervisory Board is determined in accordance with the requirements of the relevant laws and regulations and the guidelines established by the Cross-Sectoral Coordination Centre. No remuneration report is prepared; information on the actual remuneration paid to the Management Board and the Supervisory Board is included in the Annual Report, which is available on the Rīgas ūdens website.<sup>67</sup></p>
<p>Information on the selection (nomination) process for the Management Board and Supervisory Board.</p>			<p>Information is available on the Board's selection process starting from 2021. The selection process for the members of the Supervisory Board is organised by the Nomination Committee established by the shareholder.</p>
<p>Information on the Supervisory Board committees and the Audit Committee:</p> <ul style="list-style-type: none"> <li>• rules of procedure of the committee;</li> <li>• information on committee members.</li> </ul>			<p>The Supervisory Board of Rīgas ūdens has no committees.</p>
<p>Financial and non-financial reports and information</p>			<p>Information is available on the Rīgas ūdens website.</p>

<sup>66</sup> Section 37, Paragraph six of the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof.  
<sup>67</sup> <https://www.rigasudens.lv/lv/parskati>

Company's financial statements and reports for at least the last three financial years: <ul style="list-style-type: none"> <li>• annual reports (including consolidated accounts, if any) and auditor's reports (if any);</li> <li>• interim and quarterly reports.</li> </ul>				Annual reports are available for the period from 2017, interim reports for the period from 2019. <sup>68</sup>
Non-financial reports (on the company's environmental, social and employee-related impact, respect for human rights and anti-corruption measures, including a sustainability report) for at least the last three financial years				The company's non-financial reports are available on the Rīgas ūdens website. <sup>69</sup> Information on anti-corruption measures is available on the Rīgas ūdens website. <sup>70</sup>
Corporate governance reports				Corporate governance reports are available on the Rīgas ūdens website. <sup>71</sup>
Company's financial calendar or calendar of other relevant and planned communication events.				Rīgas ūdens does not publish a calendar of planned events. Up-to-date information is announced in the News section of the website.

<sup>68</sup> <https://www.rigasudens.lv/lv/parskati>

<sup>69</sup> <https://www.rigasudens.lv/lv/parskati>

<sup>70</sup> <https://www.rigasudens.lv/lv/informacija-trauksmes-celejiem>

<sup>71</sup> <https://www.rigasudens.lv/lv/parskati>.

Information for shareholders and investors				
Area/criterion	Complied with	Not applicable	Not complied with	Explanation
Information on planned Members' Meetings: • notices convening Members' Meetings; • draft decisions.	●			Rīgas ūdens convenes and announces Members' Meetings in accordance with the requirements of the laws and regulations.
Information on Members' Meetings and decisions taken at the Members' Meetings	●			Information on Members' Meetings and decisions taken at the Members' Meetings is available on the Rīgas ūdens website. <sup>72</sup>
Company's dividend policy and information on dividends paid (for at least the last 10 years of the company's operation)		●		The amount of dividends of Rīgas ūdens is determined in accordance with a decision of the Riga City Supervisory Board. <sup>73</sup>
Information on related party transactions		●		Rīgas ūdens has no related companies.
Announcements and material investor information published by the company, including investor presentations, video recordings of investor events, forecasts, if any, etc.		●		Rīgas ūdens does not prepare information for investors.
Contact details of the Investor Relations Officer (if any)		●		Rīgas ūdens does not have an Investor Relations Officer.

<sup>72</sup> Information on the Members' Meetings of Rīgas ūdens in 2023.

<sup>73</sup> Riga City Council Decision No 1819 of 24.08.2022 "On a different share of the profit of SIA "Rīgas ūdens" to be paid out as dividends in the period 2021-2024".