

Translation from Latvian into English

APPROVED
by decision of the Supervisory Board of LLC "Rīgas ūdens"
dated 14.03.2025
(Minutes No. 2.4.5/2025/04)

LLC "RĪGAS ŪDENS"
CORPORATE GOVERNANCE REPORT 2024

Riga 2025

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ANNOUNCEMENT OF THE MANAGEMENT BOARD

The Corporate Governance Report of LLC "Rīgas ūdens" 2024 (hereinafter referred to as - "Rīgas ūdens", the Company or the Enterprise) (hereinafter referred to as - the Report) has been prepared in accordance with the Corporate Governance Code (hereinafter referred to as - the Code)¹ developed in 2020 by the Corporate Governance Advisory Council supervised by the Ministry of Justice, Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof², Cabinet of Ministers Regulation No. 175 of 15.03.2022 "Regulations on Corporate Governance Recommendations Applicable to Public Entity Capital Companies and Public-Private Capital Companies"³, as well as Riga City Council Internal Regulation No. 4 of 21.08.2020 "Procedures for the Management of Capital Shares and Capital Companies Owned by Riga State City Municipality".

Since "Rīgas ūdens" meets⁴ the status of a large capital company and operates in a strategically important sector, performing municipal functions in the field of water supply and sewerage services, providing public water management services in the administrative territory of the City of Riga and certain municipalities of the Greater Riga, the Company falls within the target audience of the Code and is subject to the obligation to prepare an annual corporate governance report under the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof.

With relation to each corporate governance principle referred to in the Code, specific criteria are set out to help assess whether the principle has been complied with. These principles apply to the operations of Rīgas ūdens, and, in 2024, the company is fully or partially compliant with all of them - the principle has been complied with, if the company meets all the criteria related thereto. According to the provisions of the Code, "Rīgas ūdens" has prepared its fourth Corporate Governance Report. In accordance with the "comply or explain" principle, the Report also provides information on the principles that the company partially complies with in its activities or which of the criteria are not directly applicable to the company, stating the reasons - regulatory framework or specific circumstances.

In its activities, "Rīgas ūdens" adheres to the principles of good corporate governance, which contribute to the sustainable development of the company, the achievement of strategic objectives and transparency of governance. These principles are an essential tool for ensuring good governance, and "Rīgas ūdens" will continue to develop them based on international and national standards of good practice.

The Report is published simultaneously with the Audited Financial Statements of LLC "Rīgas ūdens" 2024 as a part of the annual report and is available on the company's website www.rigasudens.lv.

Krišjānis Krūmiņš
Chairman of the
Management Board

Normunds Zvaunis
Member of the
Management Board

Agnese Ozolkāja
Member of the
Management Board

¹ [Corporate Governance Code Corporate governance recommendations for companies in Latvia.](#)

² [Section 58¹ of the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof.](#)

³ [Paragraph 2 of Cabinet of Ministers Regulation No. 175 of 15.03.2022 "Regulations on Corporate Governance Recommendations Applicable to Public Person Capital Companies and Public-Private Capital Companies".](#)

⁴ [Section 5\(5\) of the Law on Annual Statements and Consolidated Annual Statements.](#)

GOVERNANCE STRUCTURE OF RĪGAS ŪDENS

"Rīgas ūdens" is a Company 100%-owned by the Riga State City Municipality (hereinafter referred to as - the Municipality), which operates in a strategically important sector, ensuring the performance of the Municipality's autonomous functions in the field of public water supply and sewerage services in accordance with the Water Management Services Law⁵ and other binding laws and regulations.

The management of "Rīgas ūdens" is implemented by the Riga City Council, the Meeting of Shareholders, whose functions are performed by the representative of the holder of capital shares - Executive Director of the City of Riga, Supervisory Board and Management Board of "Rīgas ūdens".

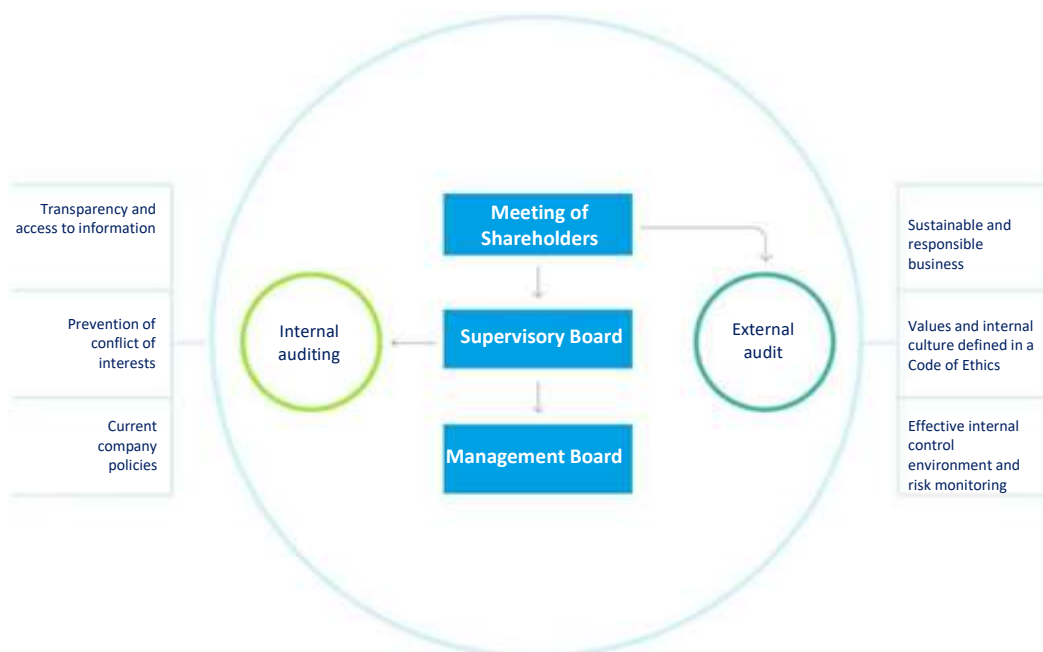


Figure 1. "Rīgas ūdens" corporate governance model.

The corporate governance system of "Rīgas ūdens" comprises a set of relationships between the representative of holder of the company's capital shares, the Management Board, the Supervisory Board and the municipal bodies involved in the management of the company.

In accordance with Riga City Council Internal Regulation No. 4 of 21.08.2020 "Procedures for the Management of Capital Shares and Capital Companies Owned by Riga State City Municipality", the institutions and officials of the Riga City Municipality involved in the management of the capital shares of "Rīgas ūdens" are the Riga City Council, the Riga City Council Housing and Environment Committee, representative of the holder of capital shares - the Executive Director of the Riga City, the Capital Companies Board of the Riga City Council Central Administration, the Riga City Council Housing and Environment Department, the Riga City Council Spatial Planning and Mobility Department and the of the Riga City Council Central Administration Audit and Auditorial Board.

The "Rīgas ūdens" governance system has a clear division of roles, powers and

⁵ [Section 6 of the Law on Water Management Services.](#)
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responsibilities. The Municipality and "Rīgas ūdens" implements the management of capital shares in accordance with the decision-making procedures established by the laws and regulations and respecting the competence and powers of the representative of holder of capital shares, the meeting of shareholders (stockholders), the Supervisory Board and the Management Board.

No official holds unlimited powers to take decisions and assign tasks. In the cases provided for in the laws and regulations, decisions concerning "Rīgas ūdens" are also taken by the Riga City Council.

The Supervisory Board of "Rīgas ūdens" consists of three members:

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

The Management Board of "Rīgas ūdens" consists of three members:

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

Audit and auditor

During the period from 2020 to 2023, internal audit functions of "Rīgas ūdens" were outsourced to a qualified external service provider, whereas, from 01.01.2024, a permanent internal auditing structural unit has been established.

The financial statements of "Rīgas ūdens" are audited by a certified auditor.

The roles, duties and responsibilities of the governance bodies of "Rīgas ūdens" are set out in external laws and regulations and internal documents:

- Articles of Association of "Rīgas ūdens";
- Rules of Procedure of the Supervisory Board of "Rīgas ūdens";
- Rules of Procedure of the Management Board of "Rīgas ūdens";
- Organisational structure of "Rīgas ūdens".

All the above documents are published on the "Rīgas ūdens" website www.rigasudens.lv.




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

- criterion fully complied with;
- criterion partially complied with;
- criterion not applicable

STRATEGY OF "RĪGAS ŪDENS"

1. PRINCIPLE

The Company has an up-to-date strategy in place 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	In 2021, Riga City Council set the overall strategic objective of "Rīgas ūdens" ⁶ , but in 2024 defined seven non-financial objectives ⁷ to implement the water management policy in the field of centralised water supply and sewerage services. These objectives are derived from the overall strategic objective of the Company, relevant laws and regulations and policy planning documents, and are directly related to the performance of the functions assigned to a public entity. The Company's Medium-Term Operational Strategy 2022 -2024 was approved by the decision of the Supervisory Board of "Rīgas ūdens" dated 02.09.2022. ⁸ Continuity in the implementation of the Medium-Term Strategy is ensured, including through timely launch of development of the strategy for the next period. At the moment of preparation of the Report, the Medium-Term Operational Strategy 2025 -2030 has been drafted and approved by the Riga State City Municipality. By the Decision of Supervisory Board of "Rīgas ūdens" dated 18.06.2024 ⁹ , the Sustainable Development Strategy of the Company 2040 was approved in 2024.
	The Supervisory Board is involved in the strategy development process and approves the strategy at a Supervisory Board meeting	The Supervisory Board of "Rīgas ūdens" is actively involved in the development of both the sustainable development strategy and the medium-term operational strategy, reviewing draft versions of the strategy ¹⁰ , making proposals and assessing their compliance with the company's strategic objectives before submitting them to Riga City Council institutions for approval. The Sustainable Development Strategy of the Company until 2040 was approved by a decision of the Supervisory Board dated 18.06.2024. ¹¹
	The Supervisory Board monitors implementation of the strategy	The Supervisory Board examines on quarterly basis ¹² statements provided by the Management Board concerning fulfilment of the objectives and tasks set in the Company's medium-term operational strategy 2022 -2024 and familiarises itself with the reasons for deviations, if any. The Company has an internal document in place that sets out the procedures for quarterly reporting on the results of the implementation of the strategy. ¹³

⁶ Decision No. 720 of the Riga City Council dated 07.07.2021 "On the Maintenance of Direct Participation of the Riga City Municipality in LLC "Rīgas ūdens"".

⁷ Decision No. RD-24-4064-lē of the Riga City Council dated 20.11.2024 "On Determination of Non-Financial Objectives of LLC "Rīgas ūdens"".

⁸ Supervisory Board Decision No. 1 of 02.09.2022.


⁹ Supervisory Board Decision No. 3 of 18.06.2024.

¹⁰ Supervisory Board Decision No. 5 of 28.02.2024 on the draft Sustainable Development Strategy 2024 and Supervisory Board Decision No. 11 of 20.12.2024 on the draft Medium-Term Operational Strategy 2025 -2030.

¹¹ Supervisory Board Decision No. 3 of 18.06.2024.

¹² In 2024, fulfilment of the objectives and tasks set out in the Strategy was examined at three meetings of the Supervisory Board - Supervisory Board Decision No. 3 of 21.05.2024, Supervisory Board Decision No. 1 of 20.08.2024 and Supervisory Board Decision No. 4 of 25.11.2024.



¹³ Procedure No. APD/P-22-19/V "System for development, supervision of the performance and reporting on operational planning documents".

	The Company's Management Board implements the strategy and reports regularly to the Supervisory Board on progress in its implementation	In 2024, the Management Board of "Rīgas ūdens" ensured fulfilment of the objectives and tasks set in the Company's medium-term operational strategy 2022 -2024 through the provision of regular quarterly statements (reports) to the Supervisory Board. The report to the Supervisory Board includes information on the status of performance of the financial and non-financial objectives and performance indicators set out in the strategy, information on the deviations detected, if any, and the reasons therefor, as well as information on the implementation of the budget for the reporting period.
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INTERNAL CULTURE AND ETHICAL CONDUCT

2. PRINCIPLE


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

Compliance	Criterion	Fact
	The Supervisory Board defines the company's core values	The Supervisory Board, in cooperation with the Management Board, has defined the Company's core values and approved the ¹⁴ key policies of "Rīgas ūdens" ¹⁵ , including the Corporate Governance Policy, which incorporates the defined core values of "Rīgas ūdens". Core values of "Rīgas ūdens" are responsibility, sustainability, fairness and equal treatment of employees. These values are followed in the Company's day-to-day operations, ensuring compliance with the principles of ethical mutual interactions, prevention of conflicts of interests, prohibition of corruption and fraudulent activities, effective functioning of the internal whistleblowing system, as well as protection of information and privacy. In order to strengthen the Company's values, internal regulatory enactments of "Rīgas ūdens" are regularly reviewed and improved based on the principles of good governance and international standards.
	The Management Board prepares and the Supervisory Board approves a Code of Internal Culture and Ethical Conduct	In order to promote the understanding of the Company's Management Board, Supervisory Board and employees on honest and responsible action in the interests of the Company, to strengthen the image of a professional and reliable provider of public water management services and to facilitate the implementation of the Company's strategic objectives, the Company has developed a Code of Ethics, which has been approved by the Supervisory Board. ¹⁶

¹⁴ In 2024, the updated Company's policies were approved by the meetings of the Supervisory Board on 18.06.2024 and 21.10.2024.

¹⁵ Available at <https://www.rigasudens.lv/kapitalsabiedribas-politikas>.



¹⁶ Updated version of the Code of Ethics was approved by the Decision No. 1 of the Supervisory Board dated 20.06.2023, available at <https://www.rigasudens.lv/etikas-pamatprincipi>.

	<p>The Management Board ensures that the code of internal culture and ethical conduct is followed in the day-to-day operations of the company and responds when a breach of the code of ethical conduct is detected</p>	<p>Every employee of the Company, regardless of their position, as well as member of the Management Board and of the Supervisory Board, is responsible for ensuring that their professional and personal conduct complies with the norms of the "Rīgas ūdens" Code of Ethics and promotes a positive image of the Company.</p> <p>The Management Board monitors compliance with the Code of Ethics in the company's day-to-day operations and responds promptly to the breaches identified, ensuring appropriate investigation and corrective measures.</p> <p>In order to assess compliance with the norms set out in the Code of Ethics, resolve conflict situations, 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 in accordance with the procedures set out in the Company's procedure "Internal Whistleblowing System"¹⁷, the Company has established the Ethics Commission, which is a collegial body and its composition is approved by the Company's Management Board not less frequently than once every two years.¹⁸</p>
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EXTERNAL CONTROL SYSTEM, RISK MANAGEMENT AND INTERNAL AUDIT

3. PRINCIPLE

The Company has an internal control system in place, the effectiveness of which is supervised by the Supervisory Board.

Compliance	Criterion	Fact
	<p>The Company has a documented system of internal control in place, the establishment of which is the responsibility of the Management Board</p>	<p>The basic principles of internal control and compliance, as well as the allocation of responsibilities within the company, are set out in the "Rīgas ūdens" Internal Control System Policy, approved by the Supervisory Board.¹⁹ Elements of the system are set out in rules of procedure of the structural units, procedures and instructions, ensuring a common approach to risk management and transparency of operations. The internal control document base is structured and accessible in the Management Information System, providing staff with quick and easy access to the information they need.</p>
	<p>Internal Audit conducts an assessment of the effectiveness of the internal control system at least annually, taking into account pre-defined criteria, and reports the results of the assessment</p>	<p>The internal auditor, based on the Company's Strategic Internal Audit Plan²⁰ and international standards conducts an assessment of effectiveness of the internal control system in accordance with the COSO (<i>Internal Control Integrated Framework</i>) principles at least on annual basis and reports to the Supervisory Board. Effectiveness of the internal control system is assessed by analysing internal audit reports²¹, monitoring of the implementation of recommendations, results of other internal</p>


¹⁷ Information for whistleblowers is available at <https://www.rigasudens.lv/lv/informacija-trauksmes-celejiem>.

¹⁸ Composition of the Ethics Commission was approved by the decision of the Board of 10.07.2024, Minutes No. 2.4.1/2024/42. In 2024, the Ethics Commission did not examine any cases of compliance of employees' conduct with the "Rīgas ūdens" Code of Ethics.

¹⁹ Current version of the Internal Control System Policy was approved by Decision No. 2 of the Supervisory Board dated 20.06.2023, available at <https://www.rigasudens.lv/lv/kapitalsabiedribas-politikas>.




²⁰ Strategic Internal Audit Plan of LLC "Rīgas ūdens" 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, the field of internal audit was the responsibility of the Management Board.

²¹ Internal Audit Plan 2024 was approved by Decision No. 1 of the Supervisory Board of 26.03.2024.

	to the Supervisory Board	and external controls, as well as observations of internal audit staff.
	The Supervisory Board evaluates the assessment provided on the effectiveness of the internal control system at least on annual basis	The Supervisory Board evaluates the assessment provided on the effectiveness of the internal control system at least on annual basis. The internal auditor's report on the effectiveness of the Company's internal control system in 2024 was examined at the Supervisory Board meeting on 28.01.2025. ²²

4. PRINCIPLE

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

Compliance	Criterion	Facts
	The Management Board develops, and the Supervisory Board approves the Company Risk Management Policy	"Rīgas ūdens" areas of activity are governed by common and harmonised basic risk management principles, ensuring a systematic and proactive approach to identifying, assessing and managing risks. The Company has a Risk Management Policy which has been approved by the Management Board. ²³
	Based on the identified risk assessment, the Management Board implements risk management measures	In order to ensure systematic and effective risk management, the Company has developed and implemented a procedure "Risk Management Process" ²⁴ , which sets out a common approach to identifying, assessing and managing risks in all areas of the Company's activities. The procedure includes clearly defined process steps, including the identification of risks, an analysis of their causes, likelihood and impact, and the definition and implementation of appropriate risk mitigation and control measures, depending on the level determined for each risk. Based on the identified risk assessment and in line with the strategy of "Rīgas ūdens", the Management Board implements appropriate risk management measures ²⁵ thus ensuring sustainable operation of the company and minimisation of the impact of risks. The Management Board reassesses the most significant risks on a regular basis, at least annually, to ensure that they are identified early and responded to appropriately.
	At least once a year, the Supervisory Board examines reports submitted by the Management Board on risk management measures and the implementation of the risk management policy	At least annually, the Supervisory Board examines reports prepared by the Management Board on risk management measures and the implementation of the risk management policy, assessing the effectiveness of risk identification, analysis and mitigation. In accordance with the procedure "Risk Management Process", if significant risks or changes in the risk assessment are identified, the Management Board and the Supervisory Board of "Rīgas ūdens" are informed immediately, ensuring a timely response and appropriate decision-making to mitigate the risks.

²² The Internal Auditor has reported to the Supervisory Board at the meeting on 28.01.2025.





²³ Risk Management Policy was approved by the Decision No. 4 of the Council dated 18.06.2024, available at <https://www.rigasudens.lv/lv/kapitalsabiedribas-politikas>.

²⁴ Approved by the Decision of the Management Board dated 16.02.2022, Minutes No. 2.4.1/2022/16.

²⁵ Risk Register approved.

5. PRINCIPLE


The Company has an internal auditing structural unit in place that independently and objectively assesses the company's performance.

Compliance	Criterion	Facts
	The Company has an internal auditor who is functionally independent of the Management Board and reports to the Supervisory Board	As of 10.06.2024, the Company has an internal auditor ²⁶ who is functionally independent of the Management Board and reports to the Supervisory Board. The Company has an Internal Audit Policy ²⁷ in place, which sets out the organisation of work of internal audit, planning and procedures of conduct of audit, including auditors' access to information and cooperation with the company's management and the Supervisory Board.
	The internal auditor is approved by the Supervisory Board	As of 10.06.2024, the Company has an internal auditor, who is appointed by a decision of the Supervisory Board. ²⁸
	The internal auditor develops a risk-based internal audit plan, approved by the Supervisory Board	In 2020, the Company's Management Board approved the Internal Audit Strategic Plan for the five-year period until 2024. In accordance with the Rules of Procedure of the Supervisory Board and the internal regulation of the Riga City Council ²⁹ , the internal audit plan for each calendar year is approved by the Company's Supervisory Board. ³⁰
	The internal auditor informs the Management Board and the Supervisory Board on the implementation of the internal audit plan, results of the audit and the recommended actions to remedy deficiencies, if any	The Company has established procedures for internal audits and follow-up of audit recommendations and for the internal auditor to report to the Management Board and the Supervisory Board on the fulfilment of the audit plan, results of the audits and the progress made in implementing recommendations. The Internal Auditor shall inform the Management Board ³¹ and the Supervisory Board ³² of the fulfilment of the internal audit plan, the results of the audit and the recommended actions to remedy deficiencies, if any have been identified.

EXTERNAL AUDITOR

6. PRINCIPLE

The Company has an independent external auditor.

Compliance	Criterion	Facts
	The Supervisory Board and the Audit Committee, if established, determines the criteria for the selection of external auditor	The auditor is selected through a procurement procedure. The requirements are set by the members of the Procurement Commission, who are independent in their decision-making. The Commission includes the Company's staff - finance, accounting and procurement specialists.

²⁶ Decision No. 4 of the Supervisory Board dated 21.05.2024.

²⁷ Internal Audit Policy approved by the Supervisory Board on 21.10.2024, Resolution No. 6, available at <https://www.rigasudens.lv/lv/kapitalsabiedribas-policies>.



²⁸ Decision No. 4 of the Supervisory Board dated 21.05.2024.

²⁹ Riga City Council Internal Regulation No. 4 of 21.08.2020 "Procedures for the Management of Capital Shares and Capital Companies Owned by Riga State City Municipality".

³⁰ Internal Audit Plan 2024 was approved by Decision No. 1 of the Supervisory Board of 26.03.2024.

³¹ As to the audits carried out in 2024, the internal auditor has reported to the Management Board at the Management Board meetings on 24.01.2024, 10.07.2024, 20.11.2024 and 22.01.2025.



³² As to the audits carried out in 2024, the internal auditor has reported to the Supervisory Board at the Supervisory Board meetings on 30.01.2024, 16.07.2024, 25.11.2024 and 28.01.2025.

		In accordance with the internal regulations of the Riga City Council ³³ , in addition to the provisions of the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof, the Supervisory Board harmonises the requirements to be set out in the procurement of external auditor services, including the terms of reference and draft contract. ³⁴
	The Company has an independent external auditor with appropriate qualifications	The annual report of the Company is audited, and auditor's report on the results of the audit (examination) conducted is provided by a certified auditor or a commercial company of certified auditors in accordance with the Law On Certified Auditors. Selection of the auditor is carried out through a procurement procedure. ³⁵
	The term of office of each 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. Selection and determination of remuneration of the Company's external auditor are open procedures and take place via procurement procedure.

ELECTION OF THE MEMBERS OF THE MEMBERS OF THE SUPERVISORY BOARD

7. PRINCIPLE

The Company ensures transparent procedures for the election and removal of the members of the Supervisory Board.

Compliance	Criterion	Facts
	The Company has approved procedures for the selection and removal of the members of the Supervisory Board in place	The Company does not have approved procedures for the selection and removal of the members of the Supervisory Board in place The process of selection and removal of the members of the Supervisory Board shall be carried out in accordance with the laws and regulations ³⁶ and the principles of good corporate governance practice, ensuring a transparent and objective selection procedure. According to the regulatory enactments ³⁷ , selection of the members of the Supervisory Board is carried out by a nomination commission established by the sole shareholder of "Rīgas ūdens" - the Riga State City Municipality (hereinafter referred to as - the Nomination Commission).
	The Company provides timely and sufficient information to its shareholders about the members of the Supervisory Board who are standing for	Selection process of the members of the Supervisory Board is organised by the Nomination Commission, which is responsible for evaluation and nomination of candidates for the post of a Member of the Supervisory Board. When preparing the draft decision on the candidates



³³ Paragraph 24.4.2 of the Riga City Council Internal Regulation No. 4 of 21.08.2020 "Procedures for the Management of Capital Shares and Capital Companies Owned by Riga State City Municipality".

³⁴ Decision No. 2 of the Supervisory Board dated 31.03.2023 agreed the requirements to be set in 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).

³⁵ By the decision of the Meeting of Shareholders dated 18.07.2023, Minutes No. 6, the Limited Liability Company "POTAPOVIČA UN ANDERSONE" was elected the auditor of the annual reports 2023, 2024 and 2025.




³⁶ Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof.

³⁷ Cabinet of Ministers Regulation No. 20 of 07.01.2020 "Nomination Procedures for Members of the Management Board and Supervisory Board in Capital Companies in which Capital Shares are Held by the State or a Derivative Public Entity".

	election or re-election	nominated by the Nomination Commission, the shareholder of "Rīgas ūdens" is provided with full and timely information on the candidates, including a description of their professional experience, their consent to take the office and evaluation of the Nomination Commission on each candidate.
	Size of the Supervisory Board is appropriate to the specific nature of the company's activities	The minimum and maximum number of members of the Supervisory Board shall be determined by laws and regulations. ³⁸ Taking into account the specific nature of "Rīgas ūdens" operations - performance of the municipality's autonomous function in the area of public water supply and sewerage services, providing public water management services in the administrative territory of the Riga State City - three members of the Supervisory Board ensure sufficient and effective governance in line with the company's scale and governance needs.
	A member of the Supervisory Board is elected for a term of office not exceeding five years	According to the laws and regulations, ³⁹ members of the Supervisory Board are appointed for a term of five years. The term of office of the current members of the Supervisory Board of the Company are set out on page 5 of the Report.

8. PRINCIPLE

Members of the Supervisory Board together have the relevant experience and expertise.


Compliance	Criterion	Facts
	The Supervisory Board as a whole has the totality of skills, experience and knowledge, including in the relevant sector, to be able to fully perform their duties	Members of the Supervisory Board of "Rīgas ūdens" generally have the necessary totality of skills, experience and knowledge, including an understanding of the water management sector, financial management, risk management and corporate governance that provides the Supervisory Board's ability to fully perform their duties. Information on the education, professional experience and competences of the members of the Supervisory Board is available on the "Rīgas ūdens" website. ⁴⁰
	When building up the Supervisory Board, principles of diversity are complied with	Selection process of members of the Supervisory Board is carried out in accordance with laws and regulations ⁴¹ , ensuring transparency and impartiality. When building up the Supervisory Board, principles of diversity are complied with, including the search for a wide range of professional competences, experience and expertise that contribute to effective governance. Candidates are assessed against professional criteria set by the Nomination Commission in the selection requirements to select the members of the Supervisory Board on the basis of their competences and conformity to the company's strategic objectives.
	Both genders are represented on the	Supervisory Board of "Rīgas ūdens" consists of two men and one woman.

³⁸ Cabinet of Ministers Regulation No. 63 of 04.02.2020 "Regulations on the Number of Members of the Management Board and of the Supervisory Board of Capital Companies of a Public Entity and Public-Private Capital Companies, as well as the Maximum Amount of Monthly Remuneration of the Members of the Management Board and of the Supervisory Board" and Section 78(5) of the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof.

³⁹ Section 109(1) of the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof.





⁴⁰ <https://www.rigasudens.lv/lv/korporativa-parvaldiba#padome>.

⁴¹ Cabinet of Ministers Regulation No. 20 of 07.01.2020 "Nomination Procedures for Members of the Management Board and Supervisory Board in Capital Companies in which Capital Shares are Held by the State or a Derivative Public Entity".

	Supervisory Board	
	The Management Board develops an induction training programme and provides induction training for new members of the Supervisory Board	The Nomination Commission develops requirements for the selection of the members of the Supervisory Board, including certain criteria on professional experience and skills, including experience in a managing role or as a member of the Supervisory Board in a large capital company and/or a multinational company. A separate induction training programme (<i>on-boarding</i> roadmap) for new members of the Supervisory Board has not been currently developed by the Company. All the members of the Supervisory Board of "Rīgas ūdens" have participated in training sessions organised by BICG (Baltic Institute of Corporate Governance) for members of the Supervisory Board and of the Management Board, thus ensuring understanding of the principles of good governance and the role of the Supervisory Board in supervision of the company.

9. PRINCIPLE

The Supervisory Board consists 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 regulatory enactments ⁴² - for the provision of professional and objective work of the Supervisory Board of the Company, which contributes to the long-term growth of the Company's value and operational efficiency, the holder of the capital shares 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	Having assessed the candidates for the Supervisory Board, the Nomination Commission ensures compliance of proportion of independent members of the Supervisory Board with the requirements of the laws and regulations and the principles of good corporate governance.
	Independent candidates for the Supervisory Board submit a declaration of their compliance with the independence criteria	According to the criteria set out in the Code against which a member of the Supervisory Board is deemed independent, all the members of the Supervisory Board of the Company are to be deemed independent. Members of the Supervisory Board have submitted declarations of compliance with the status of an independent member of the Supervisory Board.
	Before the election of the Supervisory Board, the Company assesses the independence of the members of the Supervisory Board according to the information available	Prior to the election of the Supervisory Board, the Nomination Commission assesses compliance of the members of the Supervisory Board with the criteria of an independent member of the Supervisory Board on the basis of laws and regulations and the principles of good governance. The assessment process analyses the available information on candidates' professional activities, potential conflicts of interests and compliance with the independence criteria.

⁴² Section 37(6) of the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof.
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PRINCIPLES OF DETERMINATION OF REMUNERATION OF THE SUPERVISORY BOARD AND OF THE MANAGEMENT BOARD

10. PRINCIPLE

The Company has a remuneration policy in place.

Compliance	Criterion	Facts
	The Company has a remuneration policy in place, which has been developed by the Management Board, examined by the Supervisory Board and approved by the meeting of shareholders	The Company has a Personnel Remuneration and Selection Policy approved by a decision of the Supervisory Board ⁴³ , including a framework on determination of the remuneration of the Management Board. Authorisation to approve the company's key policy is vested in the Supervisory Board in accordance with the laws and regulations governing the activities of public entity's capital companies. ⁴⁴ The shareholder does not approve the company's remuneration policy. There is no separate remuneration policy developed for the members of the Management Board and of the Supervisory Board, it is regulated by laws and regulations. ⁴⁵
	Once a year, the Supervisory Board sets for the Management Board financial and non-financial objectives, their impact on variable part of remuneration and controls it	Financial and non-financial objectives to be achieved by the Company in each year are set out in "Rīgas ūdens" medium-term operational strategy. The Company's Supervisory Board approves the key performance criteria (KPIs) for the assessment of the Management Board's performance during the calendar year. The methodology for determining the variable part of remuneration based on the results of financial and non-financial objectives is set out in the Guidelines of the Cross-Sectoral Coordination Centre ⁴⁶ , as well as the assessment of the work of the capital company's Management Board is subject to the procedures by which the Supervisory Board determines the amount of bonus for a member of the Management Board for the performance in the previous reporting year. ⁴⁷
	No variable part of remuneration is determined for the members of the Supervisory Board, and no compensation in the event of removal from office or resignation is disbursed thereto	Fixed remuneration is determined for the members of the Supervisory Board, the amount of which is determined by the meeting of shareholders, subject to the maximum amount of remuneration provided for in the laws and regulations. No variable part of remuneration (bonus) is assigned to the members of the Supervisory Board, and no compensation in the event of removal from office or resignation is disbursed thereto.


⁴³ Personnel Remuneration and Selection Policy was approved by Decision No. 4 of the Supervisory Board dated 11.11.2022, available at <https://www.rigasudens.lv/lv/kapitalsabiedribas-politikas>.

⁴⁴ Section 107(2)(12) of the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof and Paragraph 89 of Riga City Council Internal Regulation No. 4 of 21.08.2020 "Procedures for the Management of Capital Shares and Capital Companies Owned by Riga State City Municipality".

⁴⁵ Cabinet of Ministers Regulation No. 63 of 04.02.2020 "Regulations on the Number of Members of the Management Board and of the Supervisory Board of Capital Companies of a Public Entity and Public-Private Capital Companies, as well as the Maximum Amount of Monthly Remuneration of the Members of the Management Board and of the Supervisory Board".

⁴⁶ Guidelines of the Cross-Sectoral Coordination Centre of 22.01.2021 "Guidelines for Determining the Remuneration of Members of the Management Board and of the Supervisory Board of Public Entity Capital Companies and Public-Private Capital Companies".






⁴⁷ Procedures by which the Supervisory Board determines the amount of bonus for a member of the Management Board for the performance in the previous reporting year have been approved by Decision No. 11 of the Supervisory Board dated 28.01.2025.

	The Management Board prepares annual report on the remuneration granted to each current and former member of the Management Board and of the Supervisory Board	Information on the total amount of remuneration disbursed to the Management Board and the Supervisory Board in 2024 is available in the Annual Report on the Company's website. ⁴⁸ A report on remuneration disbursed in 2024 will be prepared and published simultaneously with the audited Annual Report 2024.
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ORGANISATION OF THE WORK OF THE SUPERVISORY BOARD AND ADOPTION OF DECISIONS

11. PRINCIPLE

Organisation of the work of the Supervisory Board is defined and understood within the Company.

Compliance	Criterion	Facts
	The Supervisory Board organises its work in accordance with the Supervisory Board's Rules of Procedure and the work calendar	Meetings of the Supervisory Board are prepared, convened and organised in accordance with the Supervisory Board's Rules of Procedure ⁴⁹ and the work calendar. The Supervisory Board meets as necessary, but at least quarterly, ensuring effective strategic management and supervision of the company. In 2024, 16 meetings of the Supervisory Board of "Rīgas ūdens" were held.
	The Supervisory Board holds at least one separate meeting per year to discuss the company's strategy and its implementation	The Supervisory Board examines the results for the implementation of the strategy on a quarterly basis, while the performance of the company, including the fulfilment of the financial and non-financial objectives set in the strategy, is assessed on an annual basis. In 2024, the Management Board of "Rīgas ūdens" ensured fulfilment of the objectives and tasks set in the Company's medium-term operational strategy 2022 - 2024 through the provision of regular quarterly statements to the Supervisory Board ⁵⁰ , including also the information on the fulfilment of budget of the reporting period.
	The Company's budget includes the funding required for the activities of the Supervisory Board	Budget of "Rīgas ūdens" includes a position for remuneration of the Supervisory Board and provision of operations.
	The Supervisory Board conducts an annual self-evaluation of its work, the results of which are examined at a meeting of the Supervisory Board	The Supervisory Board carries out a self-evaluation of its work for the previous reporting year and examines it at a meeting of the Supervisory Board. The Supervisory Board's self-assessment report was examined at the meeting of the Supervisory Board on 16.04.2024 ⁵¹ and at the Company's Annual General Meeting on 16.05.2024.
	The Supervisory Board has	The need for establishment of an audit committee is

⁴⁸ https://www.rigasudens.lv/lv/finansu-informacija#finansu_parskati.

⁴⁹ Rules of Procedure of the Supervisory Board were approved by Decision No. 17 of the Supervisory Board dated 28.01.2025, available at [Rules of Procedure of the Supervisory Board](#).





⁵⁰ In 2024, fulfilment of the objectives and tasks set out in the Strategy was examined at three meetings of the Supervisory Board - Supervisory Board Decision No. 3 of 21.05.2024, Supervisory Board Decision No. 1 of 20.08.2024 and Supervisory Board Decision No. 4 of 25.11.2024.

⁵¹ Decision No. 6 of the Supervisory Board dated 16.04.2024.

	assessed the need for establishment of committees (if a committee has been established, see principle #12.1.)	assessed in the context of a bond issuance project.
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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	The Company's Management Board ensures that the material included in the agenda of the meeting of the Supervisory Board is submitted to the Supervisory Board in a timely and sufficient manner. According to the Rules of Procedure of the Supervisory Board, information for decision-making is provided at least five working days before the meeting of the Supervisory Board.
	The Supervisory Board determines the procedures for the circulation of information, including the right of the Supervisory Board to request for information from the Management Board necessary for the Supervisory Board to take decisions	The Rules of Procedure of the Supervisory Board ⁵² list the information that the Supervisory Board may request from the Management Board to take a decision.
	A member of the Supervisory Board analyses information and prepares proposals for the adoption of decisions by the Supervisory Board	The proposals and opinions of the members of the Supervisory Board are examined in the form of discussion at a meeting of the Supervisory Board. Process of discussion of the decisions taken and issues at a meeting of the Supervisory Board is recorded in the minutes of the meeting of the Supervisory Board.
	When adopting decisions, the Supervisory Board assesses risks, short- and long-term impacts on Company's value, sustainability and responsible development	When making its decisions, the Supervisory Board comprehensively assesses the risks involved and the short- and long-term impact on the Company's value, sustainability and responsible development. Meetings of the Supervisory Board analyse the strategic impact on the company's growth, financial stability and quality of public service provision, ensuring sustainable and balanced development.

PREVENTION OF CONFLICT OF INTERESTS

13. PRINCIPLE

The members of the Management Board and of the Supervisory Board are clearly aware of the manifestations of conflict of interests and are informed of the necessary action to be taken in the event of a conflict of interests.


⁵² Rules of Procedure of the Supervisory Board were approved by Decision No. 17 of the Supervisory Board dated 28.01.2025, available at [Rules of Procedure of the Supervisory Board](#).
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Compliance	Criterion	Facts
	The Supervisory Board defines the indications of a conflict of interests and establishes procedures for the prevention and management of conflicts of interest	In order to ensure the prevention and management of conflicts of interests, the Company applies the provisions of the laws and regulations ⁵³ , as well as the guidelines of the Corruption Prevention and Combating Bureau. The Company has identified areas and processes where corruption risks exist, assessed the likelihood of their occurrence and identified positions that are exposed to an increased risk of corruption. The Supervisory Board approves the Policy on Preventing Conflict of Interests and Corruption Risks ⁵⁴ , identifying the indications of a potential conflict of interests and establishing clear procedures for its prevention and management.
	Members of the Supervisory Board or of the Management Board do not take part in decision-making on matters where the interests of the company conflict with the interests of the members of the Supervisory Board, of the Management Board or persons related thereto	Members of the Supervisory Board and of the Management Board do not take part in decision-making on matters where the interests of the Company conflict with the interests of their own or persons related thereto. Members of the Management Board and of the Supervisory Board are obliged to immediately inform the Supervisory Board or the representative of holder of the capital shares, as appropriate, of any potential conflict of interests and to abstain from participating in the decision-making. Mechanism of the prevention and management of the conflict of interests is implemented in accordance with the laws and regulations and the Company's internal control system.
	Persons subject to the duty of prevention of the conflict of interests receive regular training on how to deal with conflict of interests situations	The company provides annual training for employees and company officials who hold the status of a public official. Training is also provided in accordance with the Company's Anti-Corruption Action Plan. There is also a mandatory obligation to organise such a training at least once in every three years. ⁵⁵

MEETING OF SHAREHOLDERS

14. PRINCIPLE




The Company provides shareholders with information on the course of the meeting in timely manner, providing all the information necessary for decision-making.

Compliance	Criterion	Facts
	The Company informs shareholders in timely manner on the agenda of the meeting of shareholders, course thereof and voting procedures, as well as on any changes related thereto	The sole shareholder of the Company is the Riga State City Municipality, which owns 100% of the capital shares. Functions of the meeting of shareholder are performed by the representative of the holder of capital shares - the Executive Director of the Riga City Council or his/her nominee. The time of the meeting of shareholders and agenda thereof are harmonised with a representative of holder of capital shares.

⁵³ Law On Prevention of Conflict of Interests in Activities of Public Officials.




⁵⁴ Conflict of Interests and Corruption Risk Prevention Policy has been approved by Decision No. 4 of the Supervisory Board dated 18.06.2024, available at <https://www.rigasudens.lv/lv/kapitalsabiedribas-politikas>.

⁵⁵ Cabinet of Ministers Regulation No. 630 of 17.10.2017 "Regulations on Basic Requirements of Internal Control System for Preventing the Risk of Corruption and Conflict of Interests in a Public Entity's Institution".




	Simultaneously with the announcement of the meeting, the company provides stockholders with the opportunity to familiarise themselves with the draft decisions that are initially scheduled to be voted on at the meeting. The Company promptly informs stockholders of any additional draft decisions submitted	The meeting of shareholders 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 laws and regulations governing the Company's activities, requirements of Riga City Council Internal Regulation No. 4 of 21.08.2020 "Procedures for the Management of Capital Shares and Capital Companies Owned by Riga State City Municipality", as well as the Company's Articles of Association. Simultaneously with the convention of a meeting of shareholders, the Company provides shareholder with the opportunity to familiarise themselves with all the information necessary for taking a decision. The Company shall promptly inform the shareholder of any additional agenda items and draft decisions submitted. The Company shall promptly inform the shareholder of any additional agenda items and draft decisions submitted.
	The Company provides shareholders with the opportunity to submit questions on items included in the agenda and draft decisions prior to the meeting of shareholders	A shareholder shall be given the opportunity to submit questions on items included in the agenda and draft decisions, as well as to obtain the necessary explanations and additional information, prior to the meeting of shareholders.
	Draft decisions and accompanying documents provide detailed, clear and complete information on the issue under examination	The draft decisions and accompanying documents submitted to the Participant shall provide detailed, clear and complete information on the matter under consideration, ensuring transparency and soundness for decision-making.

15. PRINCIPLE

The Company promotes effective shareholder involvement in decision-making and the widest possible participation of shareholders in meetings of shareholders.



Compliance	Criteria	Facts
	The meeting of shareholders is convened and held at a place and time convenient for the shareholders	In 2024, meetings of shareholders were held in-person. The time of the meeting of shareholders is harmonised with the shareholder. Four meetings of shareholders were held in 2024. Information on the items on the agenda is available on the Company's website. ⁵⁶
	The Company provides stockholders with the opportunity to participate in the meeting of stockholders remotely	In 2024, meetings of shareholders were held in-person. The type of meeting is recorded also in the minutes of the meeting.
	The Company determines appropriate duration of the meeting of stockholders and provides stockholders with the opportunity to express their opinions during the	Duration of the meeting of shareholders is planned taking into account the content and the number of items to be examined. Representative of the holder of capital shares chairs the meeting and expresses his/her views on the matters to be discussed.

⁵⁶ [Information on meetings of shareholders of "Rīgas ūdens" in 2024.](#)
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	meeting and to obtain the information necessary to make decisions	
	The Company announces a new meeting of stockholders, if the items on the agenda cannot be dealt with during the time provided for	In 2024, there were no cases where a meeting of shareholders did not deal with all the items on the agenda due to lack of time.
	The Company calls the members of the Management Board and of the Supervisory Board, candidates for the Supervisory Board, the auditor and the internal auditor, as well as other persons to participate in the meeting of shareholders according to the matters to be examined at the meeting	Members of the Supervisory Board and of the Management Board, as well as other employees of the Company whose competence includes the issues on the agenda, participate in the meetings of shareholders. The need for the auditor's participation shall be determined by laws and regulations. ⁵⁷
	The meeting of stockholders adopts resolutions in accordance with the previously announced draft decisions	The meeting of shareholders takes decisions only on the items on the agenda and in accordance with the previously announced draft decisions.

16. PRINCIPLE

The Company develops and discusses with shareholders a dividend policy.

Compliance	Criterion	Facts
	The Company has developed and published an up-to-date dividend policy	The Company does not have a developed separate dividend policy in place, but the Company prepares a proposal on the share of profit to be disbursed as dividends based on financial results and laws and regulations. Decision on the disbursement of dividends shall be made by the Riga City Council ⁵⁸ , taking into account the principles of management of public entity's capital companies and the needs of sustainable development of the Company.
	Dividend policy has been discussed with shareholders during the meeting of shareholders	The share of profit to be disbursed as dividends is determined with a view to ensuring return on the capital invested by the Riga State City Municipality and managed by the Company, as well as contributing to the achievement of the Company's overall strategic, financial and non-financial objectives set out in the medium-term operational strategy. The amount of the profit share to be disbursed in dividends to the Company has been determined by the Riga City Council Decision ⁵⁹ , which provides for a different share of profit of "Rīgas ūdens" to be disbursed in the form of dividends during the period from 2024 to 2030.

⁵⁷ Section 103 of the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof.





⁵⁸ Riga City Council Decision No. RD-25-4256-lē of 29.01.2025 "On different share of profit of LLC "Rīgas ūdens" to be disbursed in the form of dividends during the period of the reporting year 2024-2030".

⁵⁹ Riga City Council Decision No. RD-25-4256-lē of 29.01.2025 "On different share of profit of LLC "Rīgas ūdens" to be disbursed in the form of dividends during the period of the reporting year 2024-2030".

TRANSPARENCY OF THE COMPANY'S ACTIVITIES

17. PRINCIPLE

The Company informs shareholders and other stakeholders regularly and in timely manner about its business activities, financial performance, governance and other relevant issues.

Compliance	Criterion	Facts
	The Company discloses complete, accurate, objective, up-to-date and truthful information in a timely manner	<p>“Rīgas ūdens” ensures timely, accurate and objective disclosure of information in compliance with the requirements on the amount of information to be disclosed set out in the laws and regulations⁶⁰.</p> <p>The Company's website www.rigasudens.lv provides up-to-date information on the Company's structure, members of governing bodies, performance and financial position, ensuring transparency and accessibility of information to all interested parties.</p>
	The Company discloses information to all stockholders at the same time and to the same extent	The Company has only one shareholder - the Riga State City Municipality.
	The Company discloses on its website information about its management, strategy or lines of business and publish financial statements and other information in accordance with Annex No. 1	<p>“Rīgas ūdens” website⁶¹ provides up-to-date information on the Company, its activities, strategy, objectives, governing bodies, financial statements and other relevant topics, including the Company's approved policies.</p> <p>The scope and content of the information to be made public is in line with the laws and regulations and the principles of good governance and is detailed in the Annex to the Report.</p>
	The Company provides information both in Latvian and in at least one other language that is understood by the majority of the company's foreign shareholders and other stakeholders	<p>The main language of communication in the Company is Latvian, and all the official information materials are prepared in accordance with the Official Language Law.</p> <p>In some cases, communication is possible also in other languages, as necessary and as required by laws and regulations to ensure that information is accessible to a wider range of stakeholders.</p> <p>In order to ensure a coordinated and controlled circulation of information, the Company has designated responsible persons who communicate with the media and represent the Company in public communications.</p>

⁶⁰ Section 58 of the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof.

⁶¹ <https://www.rigasudens.lv/>.

INFORMATION TO BE PUBLISHED ON THE COMPANY'S HOMEPAGE

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, company's position in the group structure (if applicable)	✓			Information is available on the "Rīgas ūdens" website. ⁶²
Information on the company's strategic objectives	✓			Information is available on the "Rīgas ūdens" website. ⁶³
Company's Articles of Association	✓			Information is available on the "Rīgas ūdens" website. ⁶⁴
Information on the company's corporate governance structure (interaction between the meeting of stockholders/shareholders, the Supervisory Board, its committees, the Management Board, auditor, internal auditor, Audit Committee, etc.)	✓			Information is available on the "Rīgas ūdens" website. ⁶⁵
Company's Code of Internal Culture and Ethical Conduct	✓			Information is available on the "Rīgas ūdens" website. ⁶⁶
Key company policies (Information Disclosure, Circulation and Confidentiality Policy, Prevention of Conflicts of Interests Policy, Risk Management Policy, etc.)	✓			Information is available on the "Rīgas ūdens" website. ⁶⁷

Holders of capital shares and true beneficial owners				
Area/criterion	Complied with	Not applicable	Not complied with	Explanation
Information on the company's shareholders holding at least 5% of the company's share capital (indicating the date of preparation of this information)		✓		The sole shareholder of "Rīgas ūdens" is the Riga State City Municipality.

⁶² [Information on the company.](#)

⁶³ [Information on the company's strategic objectives.](#)

⁶⁴ [Company's Articles of Association.](#)

⁶⁵ [Information on the company's corporate governance structure.](#)

⁶⁶ [Fundamental ethical principles.](#)

⁶⁷ [Company's key policy.](#)

Information on the company's true beneficial owners (indicating the date of preparation of this information)		✓		The Municipality is not to be considered the true beneficial owner within the meaning of the Law on the Prevention of Money Laundering and Terrorism and Proliferation Financing.
Number of paid-up shares, bonds or other financial instruments with the right to vote issued by the Company		✓		At the moment of preparation of the Report, the Company has no issued paid-up shares, bonds or other financial instruments with the right to vote.

Supervisory Board and Management Board				
Area/criterion	Complied with	Not applicable	Not complied with	Explanation
Rules of Procedure of the Management Board and of the Supervisory Board or other equivalent document	✓			Information is available on the "Rīgas ūdens" website. ⁶⁸
Information on each member of the company's Supervisory Board and of the Management Board: <ul style="list-style-type: none"> term of office; position and area of responsibility (if determined); professional experience and education; up-to-date information on positions in other companies; up-to-date information on the company's shares owned; statistics on attendance of the meetings of the Supervisory Board. 	✓			The information provided, except for current information on the held company's shares and statistics on attendance of the meetings of Supervisory Board is available on the "Rīgas ūdens" website. ⁶⁹
Information on the independent members of the Supervisory Board: <ul style="list-style-type: none"> which members of the Supervisory Board are considered independent; the criteria used to determine the independence of a member of the Supervisory Board; an annual assessment of the independence of the members of the Supervisory Board. 	✓			There is no separate assessment of the independence of the members of the Supervisory Board. When deciding on the most suitable candidates for election to the Supervisory Board, the Nomination Commission for the selection of the members of the Supervisory Board take into account the proportion of independent members of the Supervisory Board in accordance with the laws and regulations. ⁷⁰

⁶⁸ [Rules of Procedure of the Management Board](#) and of the [Supervisory Board](#) .

⁶⁹ [Information on the company's Management Board and on the Supervisory Board](#)

⁷⁰ Section 37(6) of the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof.

Remuneration policy of the Management Board and of the Supervisory Board and remuneration report	✓			Decision No. 4 of the Supervisory Board dated 11.11.2022 has approved the Personnel Remuneration and Selection Policy which includes also the principles for the determination of the Board remuneration. Remuneration of the Supervisory Board is determined in accordance with the requirements of the laws and regulations and the guidelines developed by the Cross-Sectoral Coordination Centre. No remuneration report is prepared, information on the remuneration actually disbursed to the Management Board and the Supervisory Board is included in the annual report available on the "Rīgas ūdens" website. ⁷¹
Information on the selection (nomination) process of the Management Board and of the Supervisory Board	✓			Information is available on the selection process of the Management Board as of 2021. The selection process of the members of the Supervisory Board is organised by a Nomination Commission established by the holder of capital shares.
Information on the Supervisory Board committees and the Audit Committee: <ul style="list-style-type: none"> ▪ Committee Rules of Procedure; ▪ information on committee members. 		✓		At the moment of preparation of the report, the Company has no Audit Committee, and the Supervisory Board of "Rīgas ūdens" has no committees established.
Financial and non-financial reports and information	✓			Information is available on the "Rīgas ūdens" website. ⁷²
Company's financial statements and reports for at least the last three financial years: <ul style="list-style-type: none"> ▪ annual accounts (including consolidated accounts, if any) and auditor's reports (if any); ▪ interim and quarterly reports. 	✓			"Rīgas ūdens" website publishes annual and interim reports for the period from 2019. ⁷³

⁷¹ [Financial statements](#).

⁷² [Financial statements](#) and [non-financial statements](#).

⁷³ [Financial statements](#).

The company's non-financial reports (on the company's environmental impact, social and employee-related aspects, 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. ⁷⁴ Information on anti-corruption measures is available on the "Rīgas ūdens" website. ⁷⁵
Corporate governance reports	✓			Corporate governance reports are available on the "Rīgas ūdens" website. ⁷⁶
The company's financial calendar or other calendar of 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.

Information for holders of capital shares and investors				
Area/criterion	Complied with	Not applicable	Not complied with	Explanation
Information on planned meetings of shareholders: <ul style="list-style-type: none"> ▪ notices on convening meetings of shareholders; ▪ draft decisions 	✓			"Rīgas ūdens" convenes and announces meetings of shareholders in accordance with the requirements of the laws and regulations.
Information on meetings of shareholders and decisions taken thereat	✓			Information on the previous meetings of shareholders and the decisions taken thereat is available on the "Rīgas ūdens" website. ⁷⁷
Company's dividend policy and information on the disbursed dividends (for at least the last 10 years of the company's operation)	✓			Amount of dividends of "Rīgas ūdens" is determined in accordance with a decision of the Riga City Council. ⁷⁸
Information on related party transactions	✓			The Company has no related companies.

⁷⁴ [Non-financial reports.](#)

⁷⁵ [Information on anti-corruption measures](#)

⁷⁶ [Corporate governance reports](#)

⁷⁷ [Information on meetings of shareholders of "Rīgas ūdens" in 2024.](#)

⁷⁸ Riga City Council Decision No. RD-25-4256-lē of 29.01.2025 "On different share of profit of LLC "Rīgas ūdens" to be disbursed in the form of dividends during the period of the reporting year 2024-2030".

Announcements and material information for investors published by the company, including presentations for investors, videos of investor events, forecasts, if any, etc.	✓			"Rīgas ūdens" website has a section "For Investors" ⁷⁹ .
Contact details of the Investor Relations Officer (if any)	✓			"Rīgas ūdens" contact person ⁸⁰ for investor-related issues: Sandijs Māliņš, Director of the Finance Department Tel.: +371 29187817 E-mail: investoriem@rigasudens.lv

⁷⁹ <https://www.rigasudens.lv/lv/investoriem>.

⁸⁰ <https://www.rigasudens.lv/lv/kontakti-investoriem>.