

Joint Stock Company
„Rīgas autoelektroaparātu rūpnīca”

Board and Supervisory Council
REMUNERATION REPORT

For Year 2020

Riga, 2021

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INTRODUCTION

Remuneration report of Joint Stock Company „Rīgas autoelektroaparātu rūpnīca” Board and Supervisory Council remuneration for 2020 is prepared in accordance with the Remuneration policy approved by the decision during the Company’s shareholder meeting 26 April 2020. The policy is based on the directive of the European Parliament and Council (EU) 2017/828 related to long term involvement of shareholders as well as in line with the Financial Instrument Market Law of the Republic of Latvia section 59.3 on the implementation of the requirements of the directive.

The Remuneration report was prepared by the Company’s Board and reviewed by the Supervisory Council. The Remuneration report is reviewed by the certified auditor and reviewed and approved by the shareholder meeting, together with other components of the annual report.

As a separate component, the Remuneration report, together with the audited financial statements of the Company, has been published in Latvian and English in the Company’s website: <https://rarlv.carrd.co>, section “Atalgojuma politika”, as well as on Nasdaq Riga website: <http://www.nasdaqbaltic.com>.

The financial result of the Company in 2020 was a loss of EUR 29,9 thousand.

Net sales of the Company in 2020 amounted to EUR 105,5 thousand.

There were no significant events in 2020 and there are no significant risks that could significantly impact the future financial results of the Company or its financial position.

REMUNERATION OF BOARD AND SUPERVISORY COUNCIL MEMBERS

The remuneration policy, developed in 2020, includes:

–Fixed remuneration has been set to supervisory council and board members and chairmen and it amounts to two minimum monthly wages, adjusted by 1.1 to the chairmen of the board and supervisory council.

–there is no variable remuneration to supervisory council and board members and chairmen, incl. no cash premiums, shares, options, etc.

In light of the financial position of the Company and in order to rapidly improve the financial position, the primary aim is to offset the principal amounts of the borrowings and cover the accumulated loss of the Company. Based on the above, proposal on “no remuneration” will be included in the agenda of the shareholder meeting on 29.04.2021:

for Board members:

Ēriks Kaža, chairman of the Board: 0,00 EUR (has not received remuneration during the last 5 years)

Gunārs Lubis, member of the Board: 0,00 EUR (has not received remuneration during the last 5 years)

For Supervisory Council members:

Edgars Lubis, chairman of the Supervisory Board: 0,00 EUR (has not received remuneration during the last 5 years)

Viktors Rojs, deputy-chairman of the Supervisory Council: 0,00 EUR (has not received remuneration during the last 5 years)

Līga Lube, member of the Supervisory Council: 0,00 EUR (from 17.04.2018, does not receive remuneration)

Nina Kaža, member of the Supervisory Council: 0,00 EUR (has not received remuneration during the last 5 years)

Galina Kravca, member of the Supervisory Council: 0,00 EUR (has not received remuneration during the last 5 years)

There were no payments made in 2020.

The Company is not part of any groups so no remuneration was received from other companies..

No shares or share options were offered or granted..

There were no exceptions which would have required a departure from the remuneration policy.



Ēriks Kaža

Valdes priekšsēdētājs



Gunārs Lubis

Valdes loceklis