

*Joint-stock company*  
*DITTON PIEVADĶĒŽU RŪPNĪCA*  
*Reg.No.40003030187*

*Management Board and Council*  
*Remuneration Report*

*For the year 2021*

(Annex to the Annual Report 2021)

Daugavpils

2022

# CONTENT

INTRODUCTION.....	3
REMUNERATION OF THE MANAGEMENT BOARD AND COUNCIL MEMBERS .....	4
FINAL INFORMATION.....	6

## INTRODUCTION

Remuneration report of the Management Board and Council members of the joint-stock company Ditton pievadkēžu rūpnīca (hereinafter – Company) for the year 2021 has been prepared in accordance with the Management Board and Council Remuneration Policy approved by the decision of the Shareholders' meeting on 18 June 2020, which was developed basing on the provisions of Directive (EU) 2017/828 of the European Parliament referring to the promotion of involvement of the long-term shareholders and Article 59.<sup>3</sup> of the Law on the Financial Instruments Market of the Republic of Latvia implementing the said Directive.

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

The Remuneration Report is published together with the audited Annual Report of the Company as a separate part of the Annual Report in Latvian and English on The Central Storage of Regulated Information of the Financial and Capital Market Commission, on the website of the stock exchange <http://www.nasdaqbaltic.com>, as well as in the website of the Company [www.dpr.lv](http://www.dpr.lv).

The financial result of the Company in 2021 was a profit of EUR 130 734.

Net turnover of the Company in 2021 was EUR 5 275 426.

The average wages in the Company in 2021 was EUR 777/or EUR 9 324 per year/.

Council and Management Reports on the operating performance of the Company in 2021, as well as analysis of the risks are given in the appropriate sections of the Annual Report.

## REMUNERATION OF THE MANAGEMENT BOARD AND THE COUNCIL

1. Remuneration Policy of the Management Board and the Council members includes the following types of payments:

- (a) Fixed part (monthly fee in form of wages or compensations for performance of duties of the Management Board or Council member);
- (b) Variable part (share of profits, the payment of which is approved by the shareholders' meeting);
- (c) Extraordinary items or other payments (other payments according to the Remuneration Policy of the Management Board and the Council members, including from other company of the same group within the meaning of the Law on Annual Accounts and Consolidated Annual Accounts).

### 2. Remuneration of the Council members

First name, last name, position	Total Remuneration			Total
	Fixed part	Variable part	Other payments	
<b>Boriss Matvejevs</b> Chairman of the Council, Chairman of the Audit Committee	EUR 20 700 /66%/	-	EUR 10 450 /34 %/	EUR 31 150
<b>Genādijs Zavadskis</b> Council member, Audit committee member	EUR 7 800 /22%/	-	EUR 27 292 /78 %/	EUR 35 092
<b>Aleksandrs Sokolovs</b> Council member, Audit committee member /since 18 June 2020/	-	-	-	-
<b>Oto Dzenis</b> Council member, Audit committee member /since 18 June 2020/	-	-	-	-
<b>Total in 2021</b>	EUR 28 500 /43%/	-	EUR 37 742 /57 %/	EUR 66 242

### 3. Remuneration of the Management Board members

First name, last name, position	Total Remuneration			Total
	Fixed part	Variable part	Other payments	
<b>Rolands Zarāns</b> Chairman of the Board	EUR 35 771 /100 %/	-	-	EUR 35 771
<b>Jevgēnijs Koršēnkovs</b> Member of the Board /until 22 July 2021/	EUR 3 591 /54 %/	-	EUR 3 038 /46 %/	EUR 6 629
<b>Total in 2021</b>	EUR 39 369 /93 %/	-	EUR 3 038 /7 %/	EUR 42 400

4. Total Remuneration of the Management Board and Council members

Institutions of the Company	Total Remuneration			Total /EUR/
	Fixed part /EUR/	Variable part /EUR/	Other payments /EUR/	
Council	28 500	-	37 742	66 242
Management Board	39 369	-	3 038	42 407
Total in 2021	67 869	-	40 780	108 649
Full-time employee of an equivalent unit, average	12 156			

5. Comparison of remuneration (fixed and variable part) of the Management Board and Council members for the year 2020 and 2021

Institutions of the Company	Remuneration /fixed and variable part/		
	In 2020 /EUR/	In 2021 /EUR/	Avarage remuneration for the years 2020 and 2021 /EUR/
Council	26 916	28 500	27 708
Management Board	40 598	39 369	39 984
Total	67 514	67 156	67 335
Full-time employee of an equivalent unit, average	11 411	12 156	11 784

## FINAL INFORMATION

Remuneration of the Management Board and Council members corresponds to the Remuneration Policy approved by the shareholders' meeting.

Payment (of the variable part and/or other payments) criteria, which are directly connected with Company's performance criteria, were not applied by determining the remuneration of the Management Board and Council in 2021.

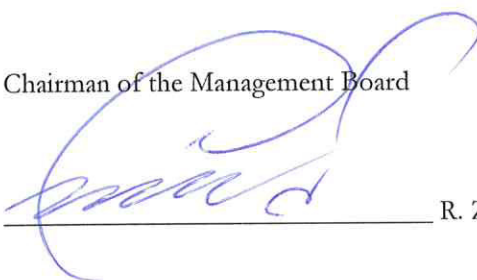
The Company is not part of the group within the meaning of the Law on Annual Accounts and Consolidated Annual Accounts, accordingly, no remuneration was received from other companies.

No shares or share options were granted or offered.

There were no exceptional cases of temporary derogations from the remuneration policy and the circumstances when the Company would exercise the right to claim damages from the Council and the Management Board members.

The tables above demonstrate the gross remuneration (pre tax remuneration).

Chairman of the Management Board

  
\_\_\_\_\_ R. Zarāns