

## Introduction

The remuneration report of Joint Stock Company "Latvijas Jūras medicīnas centrs" (hereinafter – the Company) is prepared according to the remuneration policy to members of the Board and Council approved by the decision of the Company's Shareholders Meeting of 30 November 2020, which is developed on the basis of Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 as regards the encouragement of long-term shareholder engagement, as well as according to Article 59<sup>3</sup> of the Financial Instrument Market Law, which introduces the directive.

The remuneration report is prepared by the Board and reviewed by the Council. The remuneration report is verified by a sworn auditor and reviewed and approved by the Shareholders' Meeting alongside other parts of the annual report.

The remuneration report is published concurrently with the audited annual report of the Company as a separate part of the annual report in Latvian and English on the Company's website: in section "Remuneration report", as well as on the Nasdaq Riga website: <http://www.nasdaqbaltic.com>.

## Remuneration to the Board and Council

The remuneration policy of the Board and Council ensures that in 2020 the Company's strategy, realization of long-term interests and sustainability, ensuring business continuity, is implemented.

Remuneration to the members of the Council consists only of a fixed component of remuneration. In 2020, the following total remuneration was granted and paid to the members of the Council:

Name, surname	Position	Remuneration paid in 2020, EUR
Mārtiņš Birks	Chairman of the Council	8 195.76
Ineta Gadzjus	Member of the Council	4 780.92
Viesturs Šiliņš	Member of the Council	4 780.92
Jevgērijs Kalējs	Member of the Council	4 780.92
Uldis Osis	Member of the Council	4 780.92

Remuneration to the members of the Board consists of a fixed and variable component of remuneration. In 2020, the following total remuneration was granted and paid to the members of the Board:

Name, surname	Position	Remuneration paid in 2020, EUR	Fixed part of remuneration, %	Variable part of remuneration, %
Jānis Birks	Chairman of the Board	74 315	29.74%	70.26%
Juris Imaks	Member of the Board	49 309	35.4%	64.6%
Anatolijs Ahmetovs	Member of the Board	42 000	48.82%	51.18%

Members of the Board and Council did not receive remuneration from another company belonging to the same group in the understanding of the Annual Reports and Consolidated Annual Report Law.

Shares or share options were not granted and offered to members of the Board and Council. No variable part of remuneration was reclaimed from members of the Board and Council. There were no cases of applying temporary derogations from the remuneration policy.

Section 59<sup>4</sup>, paragraph one, point 3 of the Financial Instrument Market Law requires to report, in a comparable manner, changes that took place in the last five financial years in remuneration paid to members of the Board and Council, performance of the company and average remuneration on a full-time equivalent basis of employees of the company other than members of the Board and Council.

This is the first remuneration report prepared by the Company and it covers 2020. In accordance with paragraph 66 of the Transitional provisions of the Financial Instrument Market Law, a comparison of changes referred to in section 59<sup>4</sup>, paragraph one, point 3 of the Law shall be provided at least for the last five financial years beginning not later than 1 January 2020. The Company has identified that there are no current annual changes relating to the period beginning no later than 1 January 2020.

Remuneration to the Board and Council has not changed significantly during the last 5 years, performance of the company matches its strategic goals, average remuneration on a full-time equivalent basis of employees of the company has increased in line with the overall trends of the labour market.