

## **Regulations of Sustainability Committee of Latvenergo Group**

### **I General Terms**

- 1.1. The Sustainability Committee (hereinafter referred to as “Committee”) of Latvenergo Group (hereinafter referred to as “Group”) is a cross-functional body of the capital companies of the Group established to provide advisory functions for the governance of sustainability issues, to facilitate the consideration of issues related to environmental, social, and governance aspects by the Management Board and the Supervisory Board of Latvenergo AS (hereinafter referred to as “Company”) and to improve the sustainability performance of the Latvenergo Group.
- 1.2. The Committee's work is supervised by the Management Board of Latvenergo AS.

### **II Composition of the Committee**

- 2.1. The Committee shall be composed as follows:
  - 2.1.1. The Head of the Committee is the Chief Financial Officer of Latvenergo AS.
  - 2.1.2. The Deputy Head of the Committee – representative of the Investor Relations and Sustainability Group of Latvenergo AS.
  - 2.1.3. Committee members are specialists of Latvenergo AS representing environment, human resource management, innovation, corporate strategy and/or other related areas, as well as a representative from Sadales tīkls AS.
- 2.2. The composition of the Committee shall be approved, and its members shall be recalled by the Chief Financial Officer of Latvenergo AS by a separate order.

### **III Tasks of the Committee**

- 3.1. The Committee shall, as part of its activities, carry out advisory and proposal-making functions without performance obligations.
- 3.2. The responsibilities of the Committee include:
  - 3.2.1. To give an opinion on the sustainability strategy and implementation;
  - 3.2.2. To propose initiatives, goals, and tasks for the sustainable development of the Group;
  - 3.2.3. To advise capital companies of the Group, other functions of Latvenergo AS and the governance bodies of the capital companies (e.g., committees) to ensure the alignment of the direction and activities (e.g., the strategy of the Group, risk management, human resource management, engagement with suppliers, etc.) with the sustainability objectives and sustainability strategy of the Group;
  - 3.2.4. To provide advice and recommendations on joining sustainability partnerships, participation in ratings and joining sustainability initiatives;

3.2.5. To perform other duties and tasks related to the purpose of the Committee.

#### **IV Performance of the Committee**

- 4.1. The work of the Committee is managed by the Head of the Committee, who may delegate their duties to another Committee member during their absence.
- 4.2. The duties of the Head of the Committee include:
  - 4.2.1. To approve the agenda of the Committee meetings;
  - 4.2.2. To convene the Committee meetings and inform the members of the agenda of the Committee meeting;
  - 4.2.3. To chair the Committee meetings;
  - 4.2.4. To present conclusions and recommendations to the Management Board and the Supervisory Board of the Company.
- 4.3. The Deputy Head of the Committee shall act as the Secretary of the Committee.
- 4.4. The duties of the Deputy Head of the Committee include:
  - 4.4.1. To prepare the agenda of the Committee meetings;
  - 4.4.2. To prepare the necessary materials for the Committee (in coordination with the responsible structural units);
  - 4.4.3. To take minutes of meetings;
  - 4.4.4. To provide support to the Head of the Committee in the performance of their duties.
- 4.5. The Committee may invite other employees of the Company and other Group companies to participate in its work or to consider individual issues.
- 4.6. All members of the Committee, the Management Board and the Supervisory Board of the Company have the right to propose the convening of a meeting or to request additions to the agenda of a meeting.
- 4.7. Independent experts and consultants may be invited to attend the Committee meetings or to assist the Committee in its work.
- 4.8. The Committee shall meet as necessary, but at least four times a year.
- 4.9. The Committee can also consider issues and take decisions online.
- 4.10. The Committee meetings, including online meetings, are recorded in the minutes.

#### **V Rights of the Committee**

- 5.1. To request and receive from the employees, functions, and structural units of the Group capital companies, the information and documents necessary to enable the Committee to fulfil its tasks. Regarding Sadales tīkls AS, this paragraph shall apply to the extent that it does not conflict with the requirements of independence.
- 5.2. To invite experts from the structural units of the Group to ensure that the Committee's tasks are fulfilled.
- 5.3. In accordance with the internal legal and regulatory framework, the Committee shall have the right to propose to the decision-maker to decide on engaging an external service provider to ensure the fulfilment of the Committee's tasks.

## **VI Liability**

- 6.1. The members of the Committee are obliged to attend the Committee meetings, having familiarised themselves with the material to be discussed at the meeting.
- 6.2. The members of the Committee shall perform their duties in good faith in accordance with the requirements of the law, the Articles of Association of the Company, these Regulations, the Code of Ethics of the Group and other documents governing the activities of the Company.

## **VII Confidentiality**

- 7.1. All information (verbal, electronic, documentary, etc.) that the Committee members have obtained while performing the duties of a Committee member shall be used solely for the performance of their duties and shall be treated as confidential. The members of the Committee shall be responsible for ensuring that this information is not further disclosed unless otherwise required by law.
- 7.2. The obligation of non-disclosure contained in paragraph 7.1 of the Regulations shall also apply to experts invited to the Committee meetings. The Head of the Committee shall be responsible for informing the experts invited of the non-disclosure requirements and for obtaining the written confirmation of the non-disclosure of the information received at the meeting of the Committee from the expert invited.

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