



RS AKCIJU SABIEDRĪBA
RĪGAS SILTUMS

Sustainability Report 2020

CONTENT

PREFACE	3
AWARDS	4
ABOUT JSC „RĪGAS SILTUMS”	5
MANAGEMENT OF JSC RĪGAS SILTUMS	6
STRATEGY AND INTERACTION WITH STAKEHOLDERS	9
SOCIETY	13
ECONOMIC IMPACT	15
RESPONSIBILITY TOWARDS CONSUMERS/ CUSTOMERS	19
EMPLOYEES AND THE WORK ENVIRONMENT	22
ENVIRONMENT PROTECTION	31
PREVENTION OF COVID-19 RISKS	38



PREFACE

Like for everyone of us, also the company has been forced to operate under the Covid-19 mark last year, meaning that it was not possible to do business as usual in many fields of activity. It has been clear that this crisis is a marathon and not a sprint since the middle of the last year. Therefore, we viewed the Platinum award in the Sustainability Index as a special challenge under these circumstances, as there is a feeling that this recognition needs to be maintained also this year despite of restricted operational opportunities.











Still, no circumstances can change our determination to work in compliance with the highest standards and quality requirements by focusing on customers, employees, environment and sustainable development. As the Covid-19 pandemic started and intensified, we were convinced we would not be waiting for the crisis to be over, instead, we were prepared to adopt new decisions on operating under the specific conditions and changing the way we operate. I think we have succeeded to a great extent!

JSC "RĪGAS SILTUMS" has been operating on the district heating market for many years. We have experienced better and worse times before, and I know that we are able to cope

with this marathon by joining our forces. The team spirit is live in everybody of us, and there is well-known truth that a chain is as strong as its weakest link, therefore let's take care of each other, let's act in a responsible manner and we will succeed all together!

Normunds Talcis, Board Chairman

Being aware of its role in securing sustainable development, JSC RĪGAS SILTUMS strives to implement in its operations processes, produces and services contributing to achievement of the goals of the 2030 Agenda for Sustainable Development adopted by the United Nations (UN) on 25 September 2015. JSC RĪGAS SILTUMS has identified the following goals applicable for the company:

									
End poverty in all its forms everywhere	Ensure healthy lives and promote well-being for all at all ages	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Ensure access to affordable, reliable, sustainable and modern energy for all	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	Make cities and human settlements inclusive, safe, resilient and sustainable	Ensure sustainable consumption and production patterns	Take urgent action to combat climate change and its impacts	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
15, 19	13, 22	13, 15, 22	30	13, 15, 22	15, 19	19	13, 19, 30	30	30

AWARDS

Platinum Category of the Sustainability Index



Sustainability Index is a strategic tool based on an internationally recognized methodology by evaluating the operational sustainability and corporate responsibility in five areas: strategy, market relations, work environment, environmental protection and society.

It is important for us to be open, to ensure transparency by openly publicly disclosing all the major sustainability aspects. After being in the Gold category for five years, we finally made it to the Platinum category last year. We will continue improving our performance regarding the matters of corporate responsibility and sustainability.



In-depth cooperation program "White List"

Since 2019 the company has been included in the Gold Category of the "White List" maintained by the State Revenue Service, and we have been included in the "White List" since its creation. JSC RĪGAS SILTUMS has always been implementing honest and responsible entrepreneurship. We have been developing the company by diligently following the set legal provisions and paying all the taxes applied by the state. JSC RĪGAS SILTUMS has paid EUR 12 mill. in taxes in fiscal year 2020 (the Value Added Tax, social insurance contributions, the Personal Income Tax and the Natural Resources Tax).



The safest company car fleet

JSC RĪGAS SILTUMS has been participating in the competition "Safest Company Car Fleet" for six years being categorized in the gold category in the nomination "Lowest risk car fleets" in 2020. Participation in this competition contributes to the overall traffic safety in Latvia by providing broader information to companies for assessment of eventual risks and improvement of the car fleet management. The received appreciation attests the ability of JSC RĪGAS SILTUMS to ensure long-term management of the company by considering both the knowledge and skills of the personnel and the overall traffic safety.

101 most valuable companies in Latvia



SILTUMS" is 62 ranking the company 17th.

In 2020 AS "RĪGAS SILTUMS" with the value of EUR 69.22 mill. was ranked No. 66 in the top of 101 most valuable companies in Latvia carried out by stock exchange „NASDAQ OMX Rīga” and investment company „IBS Prudentia”.. The corporate governance rating of AS "RĪGAS

ABOUT JSC „RĪGAS SILTUMS”

JSC RĪGAS SILTUMS is the biggest heat supply utility not only in Latvia, but also in the Baltic region. It performs heat production, transmission and sale, as well as provides technical maintenance service of the internal heat supply systems of heat consumers.

Our priority is **sustainable**, continuous and secure heat supply to customers in Riga and we provide centralized, continuous, economically substantiated and environmental protection compliant heat supply to heat consumers in Riga. Considering the effect of our services upon the social economic aspects of the life of Riga population, we are aware that we present an important component of the social and economic infrastructure of Latvia, therefore corporate responsibility and sustainability is *mandatory* in our operations.

The Board of JSC RĪGAS SILTUMS has approved the Code of Ethics. It is aimed at establishing the business practice based on the core ethics principles and helps employees to find answers to questions related to various ethics and human rights issues.

The heat supply utility has approved the Anti-corruption organizational plan for years 2020 to 2022 in order to achieve efficient, legal, ethical work of officials and employees for the best interests of the society. It is the task of JSC RĪGAS SILTUMS to minimize the possibility of the conflict of interest in the company.

The core values of the company are: honesty and fairness, responsibility, openness, loyalty, professionalism, respect, kindness and enthusiasm.

Sustainability goals are included in the mid-term strategy of JSC RĪGAS SILTUMS.

The stock capital of JSC RĪGAS SILTUMS is distributed as follows: Riga local government (49.00%), the Latvian state (48.995%), SIA "Enerģijas risinājumi. RIX" (2%), JSC "LATVENERGO" (0.005%).

Misiņa	Vīzija	Mērķi	Vērtības
<ul style="list-style-type: none"> •Nodrošināt Rīgu ar drošu, kvalitatīvu, videi draudzīgu un ilgtspējīgu centralizētu siltumapgādi. 	<ul style="list-style-type: none"> •Veicināt centralizētās siltumapgādes attīstību un būt labākajam prakses paraugam Latvijā un Baltijā. 	<ul style="list-style-type: none"> •Palielināt centralizētās siltumapgādes konkurētspēju un nodrošināt patērētājiem kvalitatīvu servisa līmeni; •Panākt augstu siltumapgādes drošību, izmantojot modernas un efektīvas siltumapgādes tehnoloģijas; •Attīstīt atjaunojamo energoresursu izmantošanu siltumenerģijas un elektroenerģijas ražošanā, veicot kurināmā diversifikāciju. 	<ul style="list-style-type: none"> •Pieejamība un atklātība – 24 stundas diennaktī un 7 dienas nedēļā esam pieejami klientiem pa bezmaksas klientu palīdzības tālruni 800 000 90. Esam atklāti un pretimnākoši, risinām saistošus jautājumus un veicinām pieredzes apmaiņu; •Atbildīga attieksme – rīdziniekiem nodrošinām drošu un kvalitatīvu siltumapgādi, uzņemamies personisku atbildību par ikvienu veicamo darbu. Darbinieki ir mūsu vērtība, kas godprātīgi pilda savus pienākumus; •Uzticamība – mēs pildām dotos solījumus un darbojamies ilgtermiņā, tāpēc klienti un darbinieki uz mums var paļauties; •Efektīva ražošana – inovatīva un efektīva tehnoloģiju ieviešana, profesionāla pieeja, lai sasniegtu izvirzītos mērķus.

MANAGEMENT OF JSC RĪGAS SILTUMS

BOARD



Normunds Talcis, Board Chairman

The Board Chairman of JSC RĪGAS SILTUMS since 2010 by organizing and managing the heat production and transmission processes within the district heating system in Riga. An experienced manager, possessing successful experience in the heat supply area and working at JSC RĪGAS SILTUMS since 1998 holding various positions. Working in the heat supply area since 1987.

He is continuously improving knowledge by participating in training programs related to the heat supply area both in Latvia and abroad. He is also improving knowledge in the field of corporate governance and social responsibility.

A graduate of Riga Technical University with the Doctoral Degree of engineering in the sub-field of heat, gas and water engineering systems of the construction science.

Birute Krūze, Board Member

The Board Member of JSC RĪGAS SILTUMS since 2007 in charge of the company economics, finance, IT, heat sale and personnel management fields. She has participated in development of the operational strategy of JSC RĪGAS SILTUMS, in investment and modernization working groups, managed implementation of the financial management and accounting system. Working in the heat supply area since 1995. She has managed the financial economic operations of the company since the foundation of JSC RĪGAS SILTUMS in 1996, first holding the position of the Head of the Economics Department and later the position of the Finance Department.

Head of the Commission of Participation in and Organization of the Sustainability Index, she regularly supplements her knowledge in the area of corporate social responsibility. She is continuously improving her knowledge by participating in training programs related to finance management and heat supply.

A graduate of the University of Latvia Faculty of Economics, the speciality of economic cybernetics.



Uģis Osis, Board Member



The Board Member of JSC RĪGAS SILTUMS since 2010 in charge of provision of the operation of the district heating system of Riga by coordinating heat production, transmission and distribution and ensuring development and renovation of the heat supply systems. In charge of the technical policy in the company. Experience related to heat supply system development since 1994. During the period from 2007 to 2010 he was managing municipal companies SIA "Jūrmalas siltums" and SIA "Jūrmalas namsaimnieks".

Active involvement in the work of the Association of Heat Utilities of Latvia in order to promote energy efficient heat production, transmission and use in Latvia.

A graduate of Riga Technical University with the Doctoral Degree of engineering in the sub-field of heat, gas and water engineering systems of the construction science. Professor of Riga Technical University since 2006.

Raivis Elliņš, Board Member

Employed by JSC "Latvijas gāze" from 1993 to 1996. Working in the heat energy industry since 1996. Previous employments include production of industrial boilers as well as several heat supply modernization projects in cities and towns of Latvia. The Board Member of JSC RĪGAS SILTUMS since 2011, in charge of the production direction of the company, including heat sources, electrical service and measurements and adjustment service. R. Elliņš is also in charge of procurement of energy resources (wood chips, natural gas, electricity) for the company operations. Large scale projects of modernization of the heat sources of JSC RĪGAS SILTUMS were performed under the management by R. Elliņš, including modernization of the heat plant "Ziepniekkalns" with construction of a 22 MW biofuel-fired power unit and modernization of the heat plant "Zasulauks" with construction of a 20 MW biofuel-fired boiler house and modernization of the heat plant "Daugavgrīva" with installation of two 4 MW wood chips-fired boilers. The construction of the 40 MW biofuel-fired boiler house of the heat plant "Imanta" has been completed.



He has graduated from Riga Technical University in the speciality of heat supply, gas supply and ventilation. He is improving knowledge by participating in training programs related to the heat engineering both in Latvia and abroad.



Jevgeņijs Korols, Board Member (until 10.11.2020)

The Board Member of JSC RĪGAS SILTUMS since 2015. He has been working in administration of apartment houses since 2007. Employment in the position of the Technical Board Director and the Board Member at SIA "Rīgas namu pārvaldnieks" from 2012 to 2015.

J. Korols was in charge of implementation of energy efficiency requirements which had a major impact on the development of the heat supply company. Thanks to targeted and systematic work, JSC RĪGAS SILTUMS, customers, the real estate board develops and implements various energy efficiency measures.

A graduate of Riga Technical University, a holder of the Professional Master's Degree and the Engineer's qualification in heat energy and heat engineering, also the Professional Master's Degree at the BA School of Business and Finance with the qualification of management of undertakings and organisations.



COUNCIL

VJAČESLAVS
STEPAŅENKOKASPARS
LOREJĀNIS
LOČMELISJURIS
RADZEVIČSDZINTARS
KAULIŅŠJĀNIS
LIEPIŅŠRAIVIS
KRONBERGSMADARS
LAURS

From the beginning of the year: Vjačeslavs Stepaņenko, Chairman of the Council; Kaspars Lore, Deputy Chairman of the Council; Council Members Jānis Ločmelis, Juris Radzevičs, Dzintars Kauliņš.

As from 02.01.2020: Vjačeslavs Stepaņenko, Chairman of the Council; Kaspars Lore, Deputy Chairman of the Council; Council Members Jānis Ločmelis, Dzintars Kauliņš.

As from: Kaspars Lore, Chairman of the Council; Jānis Liepiņš, Deputy Chairman of the Council; Council Members Dzintars Kauliņš, Raivis Kronbergs, Madars Laurs.

As from 04.12.2020: Kaspars Lore, Chairman of the Council; Matīss Paegle, Deputy Chairman of the Council; Council Members Raivis Kronbergs, Jevgenijs Belezjaks, Zaiga Liepiņa.



STRATEGY AND INTERACTION WITH STAKEHOLDERS

The mid-term operational strategy of JSC RĪGAS SILTUMS defines priorities and goals by planning and providing available resources for the next years. In developing the strategy, the current development of the company is assessed, including the customers' references and recommendations regarding received services, further directions of development are identified and particular tasks are defined for achieving them from fiscal year 2019/2020 to 2021/2022 by linking them to available financial resources. Also, taking into account the results of the survey of the image of employers in Latvia, in order to encourage selection of our company as an employer, we have included in the non-financial goals tasks for providing information about the company strengths, thus contributing to the image of a successful company, strengthening the reputation and transparency, as well as ensuring the society awareness of the company and its activities affecting the daily life of Riga residents.



OPENNESS AND TRANSPARENCY

JSC RĪGAS SILTUMS is implementing transparency of operations by systematic publication of financial and non-financial information on the company website. The sustainability and annual report is published once a year and interim financial reports are published on quarterly basis.

IDENTIFICATION OF IMPACT FACTORS AND SURVEY OF THE STAKEHOLDERS' NEEDS

The Sustainability Index working group where both the top management of the company and representatives of all responsibility areas are represented:

- 1) identifies the fields where the impact of JSC RĪGAS SILTUMS is most substantial;
- 2) identifies the stakeholders' needs;
- 3) assesses the current performance of JSC RĪGAS SILTUMS (achievements) in each of the fields;
- 4) defines goals and tasks to be performed for the next period;
- 5) defines aspects/ indicators characterising the impact in the particular field.

The main stakeholders of JSC RĪGAS SILTUMS and the necessary measures for identification, understanding and supervision/ monitoring of their needs have been defined:

Stakeholders	Sources and methods of learning the needs
Employees	Surveys, studies, meetings and consultations aimed at learning the opinion.
Local community	Systematic sourcing of information from the Internet, mass media, secondary data analysis, etc. A public opinion survey once in 3-5 years. Membership in organisations.
Customers	Systematic sourcing of information from the Internet, mass media, secondary data analysis, meetings and consultations aimed at learning the opinion. Personal (remote) meetings.
Media	Systematic sourcing of information from the Internet, mass media, secondary data analysis, meetings and consultations aimed at learning the opinion. Personal and remote meetings.

Shareholders

Meetings and consultations aimed at learning the opinion, systematic sourcing of information from the Internet, mass media, secondary data analysis, etc.

It is important to identify the most important issues with the biggest economic, environmental and social impact both on the company and on its stakeholders.

	Employees	Local community	Customers	Media	Shareholders and the Council
Economic impact	Substantial	Substantial	Substantial	Substantial	Medium substantial
Human rights	Substantial	Medium substantial	Medium substantial	Medium substantial	Medium substantial
Diversity management	Substantial	Medium substantial	Medium substantial	Medium substantial	Medium substantial
Environment protection	Substantial	Substantial	Medium substantial	Medium substantial	Medium substantial
Responsibility towards consumers/ customers	Substantial	Substantial	Substantial	Medium substantial	Medium substantial
Work environment and human resources	Substantial	Substantial	Substantial	Medium substantial	Medium substantial
Involvement of the local community and development	Substantial	Substantial	Substantial	Substantial	Substantial

COOPERATION WITH THE STATE AND NON-GOVERNMENTAL ORGANISATIONS, THE SOCIETY

JSC RĪGAS SILTUMS cooperates with state and non-governmental organizations by ensuring protection of their interests and participating in development of the sustainable industry policy:

Organization/ involvement	Substantiation of participation and impact
NGO "Latvian Association of District Heating Utilities" (LSUA)	JSC RĪGAS SILTUMS is a member of LSUA. Uģis Osis, the Board Member of JSC RĪGAS SILTUMS, is the Member of the Council of LSUA. LSUA represents the interests of its members by developing district heating and cogeneration. JSC RĪGAS SILTUMS provides its substantiated opinion regarding ongoing processes and draft laws in the energy industry. It studies the new heat energy trends in Europe, Scandinavia and Baltic countries by implementing the best practice in daily operations.
Latvian Chamber of Trade and Commerce (LTRK)	JSC RĪGAS SILTUMS is a member of LTRK by providing information and its proposals, encouraging discussion on relevant matters.
Ministry of Economics (MoE)	Holder of the shares of JSC RĪGAS SILTUMS owned by the state. JSC RĪGAS SILTUMS is continuously providing current information to the MoE and participates in the work groups according to its competence. In cooperation with the Ministry of Economics, AS „RĪGAS SILTUMS” is sharing its experience regarding the system for automated reading of measuring devices (AMN) which automatically read the consumption and status data by using the

	<p>wireless technology from the heat payment allocators, heat meters, water and electricity meters for preparing bills and providing monitoring of the consumption. At the same time, we share our experience regarding individual heat metering by using allocators. The workshops held by the Ministry of Economics are aimed at providing recommendations to various local governments in Latvia for high quality maintenance of buildings to ensure that restored (renovated) buildings have as long as possible life time for their owners.</p>
Riga City Council	<p>A shareholder of JSC RĪGAS SILTUMS. JSC RĪGAS SILTUMS is continuously providing current information to the Riga City Council and participates in the work groups according to its competence.</p> <p>In the beginning of 2020, the City Development Department of Riga City Council established the Smart City Working Group. The Smart City Working Group is aimed at securing the internal information exchange within the local government regarding the smart city technologies applied in Riga, evaluating and deciding on introduction of new technologies, as well as creating, maintaining and developing cooperation between municipal experts, its capital companies and universities in development and implementation of smart city solution, including by attracting investors.</p>
Advisory Boards	<p>According to proposals by the advisory councils of the industry, JSC RĪGAS SILTUMS participates in workshops, discussions organized by them and provides information and its viewpoint on matters important for people and related to heat supply.</p> <p>The Cooperation Council of Holders of Engineering Networks is one of such groups. The Council is an advisory institution organized by its members and aimed at encouraging mutual cooperation of holders of engineering networks and joint development of the plan of measures for elimination of the factors hindering development of construction projects, coordination of its implementation and working on improvement of the matters of interest.</p>
Latvian National Committee of the World Energy Council	<p>We cooperate in order to promote research, extraction, transformation and efficient use of energy resources from the national and international viewpoint, to promote research of domestic energy resources and their efficient use, to support improvement of qualification of industry experts and researchers, as well as to encourage information exchange on the above issues at international congresses.</p>
"RADI RĪGU 2020" [CREATE RIGA 2020]	<p>AS "RĪGAS SILTUMS" has got involved in the project "RADI RĪGU 2020" [CREATE RIGA 2020] providing support to the city environment creation policy developed by Riga local government. The team of "RADI RĪGU 2020" includes representatives of Riga local government institutions, holders of engineering networks, developers and the society. This project, in cooperation with representatives of other industries, is an attempt to transfer the public discussion of the public outdoor space of Riga to a joint platform, to define shared values, to create common understanding, to produce effective instruments and to secure their implementation. Below there are various examples and success stories, necessary initiatives and ideas for improvement of processes in order to create a uniform approach to the policy of development of the city environment.</p>



MAJOR SUSTAINABILITY ASPECTS

In the result of evaluating the impact of JSC RĪGAS SILTUMS and identifying the needs of stakeholders, JSC RĪGAS SILTUMS has pointed out the following major areas:

Society (Involvement of the local community and development)

1. **Promotion of the society prosperity**
2. **Education and awareness building regarding energy efficiency measures, energy literacy**
3. **Contributing to the environment and health**

Economic impact

1. **Production and transmission efficiency**
2. **Heat tariffs**
3. **Contribution to the economics**
4. Indirect economic impact

Responsibility towards consumers/ customers

1. **Production and transmission security and efficiency**
2. **Heat tariffs**
3. **Attraction of new heat consumers**
4. **Market promotion of sustainable services**
5. Customer satisfaction
6. Information accessibility and raising public awareness on heat supply issues

Employees and work environment (including human rights and diversity management)

1. **Labor safety - safety of the work environment**
2. **Compliance with laws and regulations**
3. **Professional growth - training and improvement of skills**
4. **Fair and open communications**
5. **Involvement of employees and freedom of affiliation**
6. **Diversity management**
7. Work and personal life balance
8. Measures for promoting sustainability of the employment relationship and healthy lifestyle
9. Human rights

Environment protection

1. **Modernization of heat plants and heat networks, improvement of the operational efficiency**
2. **Increasing the share of production of green energy**
3. **Reduction of air pollution**
4. **Waste management, paper processing**
5. **Energy management**
6. **Reduction of the environmental impact of the company car fleet**
7. **Good initiatives**

The fields considered priorities by us as marked in bold.

SOCIETY



JSC RĪGAS SILTUMS has set three priority areas for supporting the society, namely, contribution to the society prosperity and health, education and environment. These are the fields where the impact of JSC RĪGAS SILTUMS operations is most substantial; The company sustainability is to a large extent related to educated, healthy and socially-economically active society, therefore this is the area where the company provides its contribution.

Sustainability goals integrated in the company mid-term operational strategy of JSC RĪGAS SILTUMS for the period from fiscal year 2019/2020 to 2021/2022: increase of the employee involvement, educating and improving competences of employees, reduction of heat consumption at end users.

PRIORITY AREA: PROMOTION OF THE SOCIETY PROSPERITY, ENERGY LITERACY



Heat bills present a substantial line in the people's family budget and affect most people with low income and families with children. The food program "Feed Latvia" is a program managed by the Samaritan Association of Latvia to provide support to families with children, retired persons and disabled persons whose income is below the minimum subsistence level. The project was selected by involving employees.



In 2020 support was also provided to the Short-term Care Department of Persons with Chronic Diseases at Riga Hospital No. 1, where there are more than 100 patients of whom 40 were Covid-19 positive. The personnel of AS "RĪGAS SILTUMS" donated 6 boxes of juice, fruit and berries syrups, jams, nuts, honey and various sweets providing immediate energy.



JSC RĪGAS SILTUMS presents the possibilities of reducing heating bills by modifying heat consumption habits without reducing the comfort level in the apartment at „Elektrum Energy Efficiency Centre” in Jūrmala. „Elektrum Energy Efficiency Centre” is improving the understanding of energy efficient and environmentally friendly habits of consumers of electricity and heat within the society.

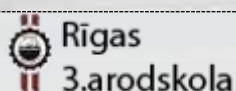
Developed interactive solutions present innovations and improve the energy literacy of people.

PRIORITY AREA: EDUCATION, ENERGY EFFICIENCY EVENTS, ENERGY LITERACY



In order to strengthen the theory knowledge of students of educational establishments and to create opportunities to master skills necessary at work, 20 to 25 students from various schools and students from Riga Technical University, Riga Technical College, Riga Construction College, Riga Vocational School No. 3 and other higher and vocational education establishments are accepted for internship periods at JSC RĪGAS SILTUMS. Students are employed by the company during their internship periods and wages are paid to them. The company also supports its employees by covering their tuition fees.

The highest-level qualification courses are organized for employees in cooperation with teachers from educational establishments. The Training Centre provides services and training to the personnel of Latvian companies.



Within the framework of these measures JSC RĪGAS SILTUMS encourages improvement of qualifications of the industry experts, thus improving the overall level of the industry, at the same time thinking about knowledgeable, highly qualified and professional future employees and/ or cooperation partners.



JSC RĪGAS SILTUMS is also a company which is open to school and university students. More than one hundred young people visit the company every year during various events. The company participates in the Day of Shadows, the Open-Door Week, the Career Day and other professional orientation events for the purpose of introducing the profession of a heat engineer to students, thus encouraging their interest to master it, thus encouraging recruitment of young and knowledgeable experts to heat engineering companies.

PRIORITY AREA: CONTRIBUTING TO THE ENVIRONMENT AND HEALTH



We take from the nature and we give to the nature: in order to minimize the environmental impact caused by harmful environmental factors and their impact on the overall health condition of the society, as well as the impact caused by JSC RĪGAS SILTUMS annual consumption of wood chips as fuel, the company employees have been planting pine trees for the fifth year, encouraging employees to think responsibly about resources we consumer and renovation of sustainable environmental resources.¹



In order to implement the undertaking to secure more environmentally friendly daily actions, to raise awareness about the climate change and to promote electricity saving, JSC is reducing lighting every year during the Earth Hour. Within the Earth Hour the electricity consumption of JSC RĪGAS SILTUMS decreases by more than 30 kWh.



The European Mobility Week is a public awareness raising campaign initiated by the European Commission. It is aimed at encouraging people to diversify their means of transportation in order to solve issues important for the European Union population - to reduce traffic jams and the volume of the atmosphere heating gas in cities, to encourage the use of bicycles and to walk, thus improving the life and environment quality for the Europeans. JSC RĪGAS SILTUMS encouraged its employees to participate in the European Mobility Week by coming to work by bicycle, on foot or by public transport. The employees who came to work by not using their private car during this campaign received a mobile telephone bracelet as a gift.

¹ The event of 2020 was cancelled due to Covid-19 restrictions. Instead of this, in July 2020 approximately 200 employees participated in the event for tidying the sea coast of 2.5 km where they collected 450 kg of waste.

ECONOMIC IMPACT



JSC RĪGAS SILTUMS is the main heat supplier in Riga engaged in heat production, transmission and sale and providing technical maintenance service of the internal heat supply systems of heat consumers. The Joint Stock Company supplied 76% of the heat needed at Riga city and performed technical maintenance service of the internal heat supply systems of Riga City.

In fiscal year 2019/ 2020 JSC RĪGAS SILTUMS employed 687 people, of whom 666 were employed in core production and 21 people at technical maintenance service of the internal heat supply systems of buildings.

Sustainability goals integrated in the company mid-term operational strategy of JSC RĪGAS SILTUMS for the period from fiscal year 2019/2020 to 2021/2022: introduction of new technologies and upgrade of existing heat production plants by using the state of art technologies; ensuring competitiveness of the heat rate following termination of the power procurement aid; maintenance of the share of the heat market in the administrative territory of Riga city; the company's preferred customer is knowledgeable, focused on energy efficiency, satisfied with received services.

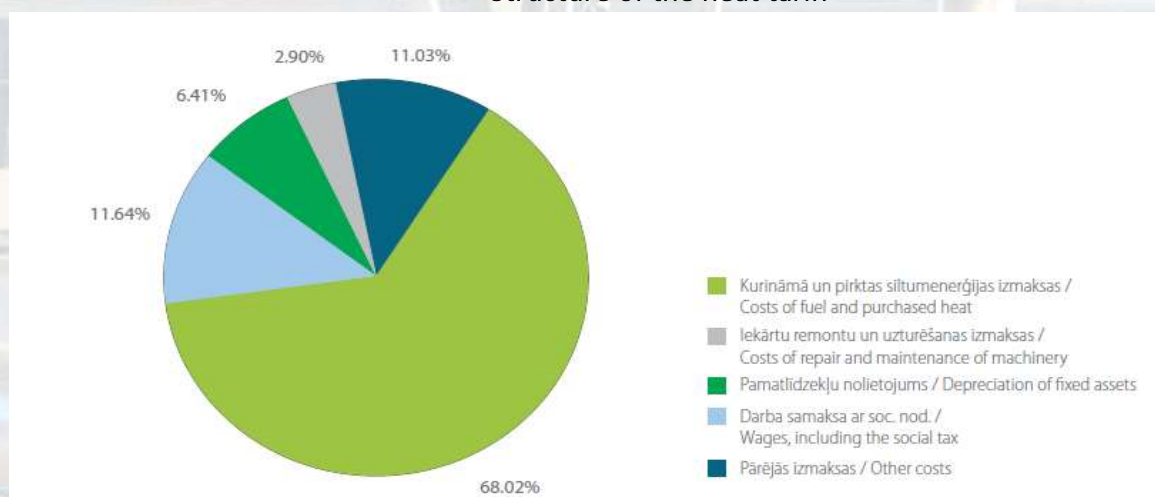
PRODUCTION AND TRANSMISSION EFFICIENCY

Energy is among the most important economic fields because development of any other economic industries is not possible without energy. Heat bills considerably affect both the state infrastructure and the prosperity each individual, therefore it is the main goal of JSC RĪGAS SILTUMS to maintain the heat rate economically substantiated and stable low. Improvement of the infrastructure and innovations help to do this: targeted reconstruction of heat networks and heat sources has resulted in reduction of heat loss achieving the reduction of 2.8 times in comparison to the amount of loss in the beginning period. Moreover, the amount of loss is several-fold lower than required by the laws and regulations. The company is producing 50% energy by using renewable energy resources. Production has been improved considerably by attaining 100% efficiency. Every year the company connects new customers to the system and the annual new connections equal to, for example, the number of customers in Vecmīlgrāvis district in Riga. See more in the Section [Environmental protection](#) and [Responsibility to the consumer/ customer](#).

HEAT RATE

A lower rate means lower heat costs for customers (affecting the costs of their services accordingly), thus improving their competitiveness, it also allows people to pay for received services on time/ easier. The prices of fuel and purchased heat account for the highest share of costs in the heat tariff, therefore, JSC "Rīgas Siltums" is continuously looking for ways to procure energy resources at the lowest prices available. As the prices of fuel and purchased heat change, the company modifies the heat tariffs accordingly.

Structure of the heat tariff



Mean heat rate in the fiscal year

EUR/MWh	fiscal year 2018	fiscal year 2019	fiscal year 2020
Mean heat rate in the fiscal year	44.39	44.78	50.56

CONTRIBUTION TO THE ECONOMICS

Investments made for the company development and improvement of the service quality are reflected by commercial indices. The turnover of JSC RĪGAS SILTUMS was EUR 151.9 mill. in fiscal year 2019/ 2020, and the profit gained from sale of heat, sale of electricity and other economic activities during the preceding fiscal year amounted to EUR 15.6 million. During fiscal year 2019/ 2020 the consumption of heat was commenced at 61 new sites with the total heat load of 29.7 MW.

Successful cooperation with JSC RĪGAS SILTUMS has resulted in that many developers of new apartment house buildings who connect their sites to the DH system, include JSC RĪGAS SILTUMS as a potential partner also in their future projects.

Among major cooperation partners there are companies SIA „MERKS”, SIA „YIT Latvia”, SIA „BONAVA Latvia”, SIA „Rīgas pilsētbūvnieks”, SIA “Domuss”, SIA “Vastint Latvia”, SIA “Pillar” and also other major companies and undertakings.

Every year new heat consumers connect to the district heating system of JSC RĪGAS SILTUMS not only in Riga city, but also in Stopiņi district.

Within the framework of evaluation of the company operations, JSC RĪGAS SILTUMS assessed not only financial indices, but also its contribution to the local community. Being the biggest heat supply utility in Latvia and Baltic countries, JSC RĪGAS SILTUMS assumes the responsibility of promoting development of heat supply and to serve as the best practice example in the industry. JSC RĪGAS SILTUMS implements large scale public awareness measures on the topical issues in the industry, training opportunities, energy efficiency and possibilities to reduce bills (allocators and heat control devices, etc.) with the help of mass media. The implemented actions result in gradual improvement of the energy literacy of people.

The considered operational strategy of JSC RĪGAS SILTUMS is reflected by the economic growth of employees, the society, the country, Riga city and other stakeholders.

Direct economic impact of the company upon stakeholders, thus. EUR

	fiscal year 2018	fiscal year 2019	fiscal year 2020
Employees - wages	16,051,286	14,007,734	16,865, 316
Local community contribution*	3,305	4,000	-
Customers - turnover	151,632,305	148,687,682	151,873, 592
Media, publications	130,227	118,501	148,000
Shareholders	1,648,300	671,762	(the decision not taken)
Profit before tax	3,593,089	1,343,523	15,600,070

* Includes costs pine tree plants. Food packs, hygiene products for the campaign "Feed Latvia" is not included in the above assessment. Year 2018 – 72 food packages donated, 2019 – 70, 2020 – 103

The economic contribution of JSC RĪGAS SILTUMS can also be assessed based on payments to the budgets of the state and local governments. JSC RĪGAS SILTUMS is among the biggest taxpayers in Latvia. Taxes of EUR 12 mill. were paid to the state budget in fiscal year 2019/2020 and the real estate tax transferred to the budget of the local government amounted to EUR 145,182.

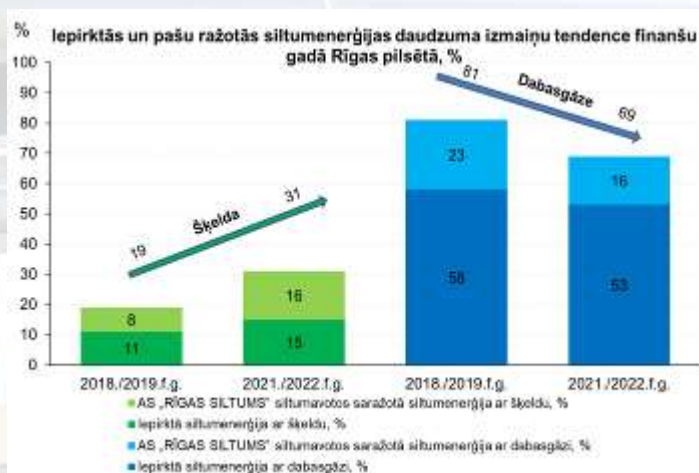
Tax payments, EUR

fiscal year 2019			fiscal year 2020			
Tax type	Payments to the state budget		Payments to the local government budget	Payments to the state budget		Payments to the local government budget
	Payments	Deductions		Payments	Deductions	
Value Added Tax	1,289,004	5,508,608		5,197, 628	1,425, 352	
Corporate Income Tax						
Personal Income Tax	2,571,590			2,706, 385		
Social insurance mandatory contributions	5,128,068			5,368, 511		
State Business Risk Duty	3,007			2,971		
Tax of natural resources	130,934			237,628		
Real Estate Tax			154.926			145,182

The goal to continue expansion and development of the current range of services has been set for fiscal year 2019/2020 by promoting the complex service of engineering networks and automated reading of meters on the market. The company will also continue investing in its core operations by providing secure and continuous heat supply to Riga and maintaining the heat rate as low as possible.

INDIRECT ECONOMIC IMPACT

JSC RĪGAS SILTUMS continues development of green energy production by increasing the proportion of wood chips over natural gas in the company fuel balance. Natural gas is imported from neighbouring countries, thus providing investment in their economies, however, renewable energy resources, in particular, wood chips, are available in Latvia. By developing fuel diversification, increasingly more money stays in the Latvian economy. Thus, JSC RĪGAS SILTUMS is indirectly contributing to the economy development and creates new jobs in the regions of Latvia.



Continued investment in production sources secure improvement of the production efficiency rate, i.e., a unit of heat is produced by consuming increasingly less fuel. Thinking about the interests of the society, most heat sources are located as far as possible from the city center, thus not increasing air pollution at places where it is highest in the city on daily basis. Modern equipment equipped with low emission burners, air humidification devices, flue gas condensers, electrical filters operate at heat sources and produce most of the total heat by ensuring maximum treatment of flue gas. This results in less environmental impact, as the volume of harmful emissions decreases and loss to the national economy caused by the environmental pollution is lower.

Generation of electricity by using solar panels is considered as the most perspective form of use of solar energy, and the company plans to develop it during the next five years. Installation of solar panels with the capacity of 39.3 kW on the roof of the building for generation of electricity for the needs of the office building at Cēsu iela 3A can be referred to as a pilot project. The project is characterized by high continuous electricity consumption due to operation of computer servers.



At present contracts have been signed for development of the documents for the construction intent for installation of solar panels for electricity generation at the sites of JSC RĪGAS SILTUMS at Pildas iela 43, Kurzemes prospekts 17 and Atlantijas iela 51 in Riga, and the possibilities to install solar panel power plants with the capacity of 300-400 kW in the territories of heat plants are being considered.

In fiscal year 2021/2022 it is planned to install solar panels with the capacity up to 400 kW for electricity generation at the HP "Ziepniekkalns" (on the ground) and solar panels with the capacity up to 300 kW for electricity generation at the HP "Imanta" (on the ground).

RESPONSIBILITY TOWARDS CONSUMERS/ CUSTOMERS



PRODUCTION AND TRANSMISSION SECURITY AND EFFICIENCY

It is the goal of JSC RĪGAS SILTUMS to achieve secure, continuous and sustainable heat supply. The mid-term operational strategy of JSC RĪGAS SILTUMS for the period from fiscal year 2019/2020 to 2021/2022 defines a range of measures for providing production and transmission safety and efficiency, as well as liability towards stakeholders.

Implementation of new technologies and upgrading of the current heat production plant is planned in minimum one heat source every year by utilizing the state of art technologies; reduction of heat loss in heat networks below 12% by reconstructing heat networks; increase of the use of renewable energy resources up to 50% in the fuel balance allowing reducing costs of heat production (see details under the Section "[Environment protection](#)") etc.

The heat supply utility has identified development of the annual repair plan and its approval for a year ahead with the Transport Department of Riga City Council as its efficiency and best practice indicator. This was done for the purpose of ensuring that engineering networks are replaced prior to repairing streets.

HEAT RATE

The main service quality indicator for customers is the rate. JSC RĪGAS SILTUMS has been able to maintain one of the lowest heat rates among the big cities of Latvia and capitals of the Baltic states. The company aims to maintain a balanced heat tariff in Riga (see the tariff under Section "[Economic impact](#)") and to provide secure and sustainable heat supply at the same time. A range of measures has been implemented to provide as low as possible heat rate substantiated from the economic point of view (implemented measures of improving efficiency of production and transmission are presented under the Section "[Environment protection](#)").

ATTRACTION OF NEW HEAT CONSUMERS

Thanks to JSC RĪGAS SILTUMS being able to attract increasingly more new customers who choose a connection to district heating, the number of heat consumers at JSC RĪGAS SILTUMS is increasing every year. Potential heat consumers are interested in connecting newly constructed sites to the district heating system. During fiscal year 2019/ 2020 the consumption of heat was commenced at 61 new sites with the total estimated heat load of 29.7 MW.

New connections and their heat loads

	fiscal year 2018	fiscal year 2019	fiscal year 2020
Number of new connections	50	48	61
Heat load of new connections, MW	25.4	32.6	29.7

Heat loads of disconnected and connected sites

	fiscal year 2018	fiscal year 2019	fiscal year 2020
Heat load of disconnected sites, MW	2.9	1.6	1.6

Heat load of disconnected sites choosing an alternative,
MW

0.5

0.9

-

MARKET PROMOTION OF SUSTAINABLE SERVICES

In addition to core production operations, JSC RĪGAS SILTUMS continued working for expansion and improvement of the range of its services. The marketing principles of JSC RĪGAS SILTUMS provide for the following steps:

- 1) Study of customers' needs;
- 2) Market research.
- 3) Preparation of an offer;
- 4) Testing of the service for particular groups (pilot projects);
- 5) Market promotion of the service.

In order to understand the customer needs, a marketing survey was performed and a new positioning of services and uniform visual identity was developed on its basis. It is based on opinions received at the Dispatch Service, the survey of visitors of the trade show House I.

Situation: By learning about the customer needs to live in the conditions of a particular comfort level and the current market situation, the following conclusions were drawn in the result of learning the customers' opinions:

- Often residents of buildings are not sure whom they should call in relation to servicing of internal systems because there are several contracts regarding servicing of the heat supply system, the sewage, cold water and power systems;
- competitors offer not only internal servicing of heat supply systems, but servicing of complete engineering networks;
- the strengths of JSC RĪGAS SILTUMS including the technical provision and know-how about the engineering networks of buildings in Riga where there are specific details in each building and different technical condition.

Goal: Annual serviced area,

Situation: the motivation resources if this payment for the



increase of the m².

Customers do not have to save energy does not affect their service.

Goal: To offer to customers to install individual heat consumption metering system with allocators, allowing residents of apartment houses to pay each for his/ her individual heat consumption. At the same time, the system provides remote reading of water and electricity meters.

Two pilot projects were implemented prior to promoting the service on the market. Customers were trained to save energy resources and JSC RĪGAS SILTUMS performed regular data monitoring. By studying the change of the customer consumption habits, JSC RĪGAS SILTUMS provided recommendations resulting in a 20% decrease of heat consumption in the building. See more details about pilot projects on the website of JSC RĪGAS SILTUMS under Section "Energy Efficiency".



CUSTOMER SATISFACTION

For the convenience of customers JSC RĪGAS SILTUMS operates a toll-free customer service telephone number 80000090 on 24/7 basis. This allows residents of Riga to report any emergencies or accidents in heat networks, to submit applications regarding the service quality and to submit proposals for improvement of the work of structural units.

Number of referrals to the customer service line (80 0000 90)

	fiscal year 2018	fiscal year 2019	fiscal year 2020
Number	22,867	2,160	9,266 ²

Continuity of heat supply is one of the service quality indicators. In order to provide heat supply to customers during repairs, temporary DH networks were constructed during the last fiscal year in cases of reconstruction of DH networks in sections with a high number of customers. During fiscal year 2019/ 2020 heat supply was not interrupted at 508 houses during repairs and hot water was supplied to approximately 32 thous. apartments. In this way the quality of the service offered by JSC RĪGAS SILTUMS and the customer satisfaction was improved and the heat sales increased by 5.6 thous. MWh were sold.

Customers to whom heat was supplied by using temporary networks during repairs

	fiscal year 2018	fiscal year 2019	fiscal year 2020
Buildings	319	291	508
Apartments (thous.)	8.6	7.1	32

In order to make it possible for heat consumers to receive high quality services conforming to modern requirements, JSC RĪGAS SILTUMS is continuously installing modern plant and introducing new technologies providing high quality products. A high-quality product does not automatically entail a satisfied customer, therefore it is necessary to evaluate the customer satisfaction, as the satisfaction of current customers and attraction of new customers has been among the company priorities since the company foundation. Therefore, JSC RĪGAS SILTUMS has developed a procedure of assessing and analyzing the customer service and their satisfaction.

INFORMATION ACCESSIBILITY AND RAISING PUBLIC AWARENESS ON HEAT SUPPLY ISSUES

Goal: the communications should promote energy literacy among people

The task of the corporate communications of the company has been defined as promotion of the public awareness of the operation of the district heating utility and provision of timely and accurate information on topical issues. JSC RĪGAS SILTUMS uses the website www.rs.lv, the toll-free customer service telephone 80 0000 90, e-mail siltums@rs.lv for direct communication. The company representatives also regularly participate in trade fairs and educational events during which people can discuss matters important for them directly with the company personnel. These communication tools allow ensuring two directional communication on topicalities in the company, as well as provide feedback, thus improving the work of the company structural units.

Based on the demand, information is regularly provided on social media profiles of institutions related to JSC RĪGAS SILTUMS, for example, by using the information portal of Riga City Council riga.lv, Twitter and Facebook profiles of the Transport Department of Riga City Council, SIA "Rīgas satiksme", SIA "Rīgas namu pārvaldnieks", SIA "Rīgas ūdens", etc. Thanks to the format of social media, the communication has become more visual and more interactive: infographs and images (gif) have been introduced in the communication.

It is planned to continue digitalization of communications and to continue regular publications in media in 2021-2022.

² The increase is related to improvement of the data accounting and control mechanisms for improvement of the quality: applications regarding inspections of heat substations are also recorded as from 2020.

EMPLOYEES AND THE WORK ENVIRONMENT



Sustainability goals integrated in the company mid-term operational strategy of JSC RĪGAS SILTUMS for the period from fiscal year 2019/2020 to 2021/2022: Development of the work environment; educating of employees and competence improvement; increasing the employee involvement/ Safe work environment

LABOUR PROTECTION

The goal of labor protection - by providing safety and health protection of employees at the work place, the possibility of accidents at work is minimized, the possibility of occupational diseases is prevented and the working time of employees is extended. The main task of labor protection is to define the legal basis for implementation of social, economic, technical, health preventive and organizational measures, as well as to ensure compliance with the requirements defined by laws and regulations. This can secure improvement of the work environment, labor safety, reduction of the number of accidents at work and occupational diseases.

The Labor Protection Service performs:

- establishment, organization and maintenance of the fire safety and labor protection system;
- internal monitoring of the work environment;
- organization of vaccinations against flue and encephalitis;
- organization and control of mandatory health checks of employees;
- control of operation of dangerous plant registered with the register of dangerous plant;
- control of compliance with the requirements of operation of gas systems;
- instruction of the contractors' managers regarding labor protection, electrical safety and fire safety requirements in performing works at the sites of the joint stock company;
- control and monitoring of compliance with legal requirements by contractors working at the sites of the joint stock company;
- identification of necessary measures for preventing and minimizing the work environment risks;
- monitoring of implementation and maintenance of labor protection and fire safety measures.

Organizational structure of the labor protection of JSC RĪGAS SILTUMS

The company has defined the organizational structure of labor protection based on the general labor protection principles. Managers of all levels are responsible for labor protection because the efficiency of the company labor protection system is related to the management's attitude, interest and involvement. Heads of structural units are responsible for implementation of labor protection and fire safety measures at structural units. At heat plants, network districts and services trained responsible persons are appointed for electrical safety, fire safety, gas systems, pressure devices, boiler equipment, lifting equipment.

Plan of labor protection measures

By performing internal monitoring of the work environment, the plan of labor protection measures is developed and targeted at maintenance of secure work environment.

Special cases

The main priorities of JSC RĪGAS SILTUMS include the safety of employees, safe work environment, smart and long-term use of natural resources, therefore the company will continue implementing the commenced measures according to the plan to prevent re-occurrence of similar situations. On 27 August 2020 the source of ionizing radiation was dismantled at the heat plant "Daugavgrīva" and delivered for storage to the storage facility of radioactive waste "Radons" in Baldone district, also the special authorization (license) for operation of ionizing radiation sources was cancelled.

JSC RĪGAS SILTUMS is actively implementing safety measures at the heat supply utility by trying to achieve a zero-accident level at the work place.

Types of accidents, occupational diseases and lost days

	In fiscal year 2017/2018	In fiscal year 2018/2019	In fiscal year 2019/2020
Accidents (not serious)	2	1	2
Accidents (serious)	-	-	-
Accidents (fatal)	-	-	-
Length of sick leave of victims of accidents (days)	88	49	30
Occupational diseases	1	0	2

Instruction of the contractors' managers regarding labor protection, electrical safety and fire safety requirements in performing works at the sites of the joint stock company

	fiscal year 2018	fiscal year 2019	fiscal year 2020
Number of instructions	82	80	85

Safe transport

JSC RĪGAS SILTUMS started the good practice of analyzing traffic accidents involving the company cars on the internal network in 2020 in order to provide preventive training to employees regarding challenging situations.

Every year several employees undergo special training at the safe driving school in order to promote good driving skills.

Within the mobility week, safe cycling training in a city conditions were provided to employees comprising both theoretical and practical training.

Ergonomics

Careful and systematic evaluation of the daily routines of employees has led to the conclusion that increasingly more employees work in office conditions where attention should be focused on good environment factors and ergonomics aspects. Last year, considering individual needs of employees, several standing tables and ergonomic office chairs were purchased in order to provide safe and good work environment.

In cooperation with the PR Division, on the internal website employees are regularly reminded of the factors for maintaining safe and healthy work environment, in particular, during Covid-19 time when many employees work remotely.

Ergonomics factors will be in the focus of attention also during the next fiscal year.

COMPLIANCE WITH LAWS AND REGULATIONS

In 2020 there have been no complaints from employees and applicants regarding violations of the legislation governing the employment relationship in the Republic of Latvia. Also, in 2020 the goal of the personnel management regarding the work environment at JSC RĪGAS SILTUMS is to organize the work processes in such a way as to avoid lawful and substantiated complaints by employees and applicants regarding breaches of the requirements of the legislation of the Republic of Latvia governing the employment relationship.

DIGITALISATION

The strategic management plan of the company provides for increasing digitalization of processes by following the global trends of integrated digital transformation.

Innovative technologies in district heating demand better education of professionals managing technological processes. Considerate human resources policy allows maintaining the stability of the transformation process.

New boiler houses (HP Imanta) are incorporated in production processes by remote digital control. At present operation of totally 40 boilers houses is controlled automatically and remotely.

JSC "RĪGAS SILTUMS" has entered into an agreement for using the Building Information System (BIS) with the Building State Control Bureau and technical terms of reference are submitted electronically, thus making cooperation with customers much easier.

Covid-19 crisis inevitably promoted faster digitalization processes by introducing remote work possibilities for employees.

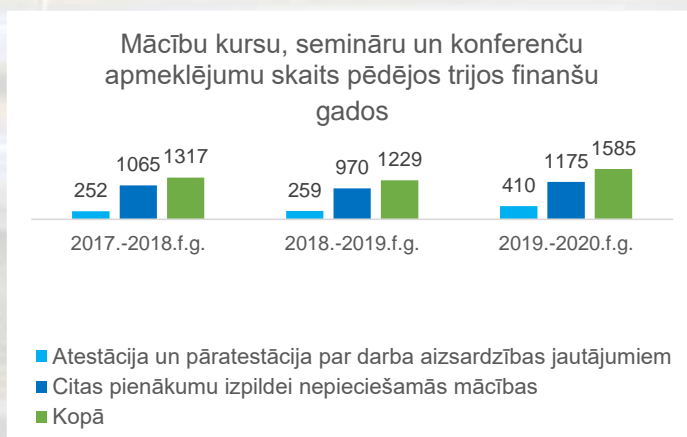
In 2020 the company introduced a new document management program MEDUS, which considerably improved the daily interactions of office personnel and management of documents. This was also a well-considered step for reducing paper consumption by the company according to the steps for reducing the environmental impact.

PROFESSIONAL GROWTH

The education and qualification of the employees of JSC RĪGAS SILTUMS is among the preconditions for successful operation. As increasingly modern technologies are used, employees have to improve their knowledge, therefore the accredited Training Centre of JSC RĪGAS SILTUMS is organizing the qualification improvement courses consisting of three levels, workshops and lectures on both heat supply topics, as well as other topical issues related to performance of official duties: - top level qualification improvement courses (for managers and specialists); - qualification improvement courses for middle level managers and specialists (for specialists, masters, heat engineers, technicians, etc.); - qualification improvement courses for blue collars (heat plant mechanics, welders, etc.).

11 employees continued studies with the support provided by the joint stock company in 2020, 7 of them study in the specialty of heat, gas and water technologies, 2 study heat energy and heat engineering and 2 study applied energy. Totally 41 employees who have obtained education necessary for the work with the support of the company work at the company now.

In order to improve the qualification of the employees of JSC RĪGAS SILTUMS training was attended by both the top and the middle level management and other employees.



1585 company employees participated in various training courses, workshops and conferences in 2020.

Training for safe cycling within the mobility week



Time spent for employee trainings

	Hours	Number	Hours per employee
Top level management	221	11	20.1
Middle level management	2214	68	32.6
Employees	5950	611	9.7

Training topics**Training participants**

Training and testing on labor protection matters	410
Courses of qualification improvement on heat supply and construction matters	101
Courses of qualification improvement on transportation, communication, IT, etc. matters	302
Trainings on management, customer service, communication and other managerial science topics	58
Computer courses - use of computer software (including Word, Excel, SAP, OTIS, RIX, e-mail)	652
Trainings on legislation amendments - record keeping, accounting, taxation and other topics	31

Thinking about attraction of young employees, the company has been accepting students of educational establishments for internship by cooperating with Riga Technical University, Riga Technical College and Riga Construction College, thus promoting of attraction of young and educated experts to this industry. In fiscal year 2019/2020 there were 18 trainees on their internship periods with the company and 10 of them are the employees of the Joint Stock Company and completed their internship periods at their work places. During the last five years the company has employed 27 employees who had their training internship at the company.

In order to present the profession of heat engineering to students, thus encouraging the interest to learn it, encouraging attraction of young and knowledgeable experts to the heat utility, the company participates in the "Shadow Day", "Open Doors Week", "Career Days" and other professional orientation events. The joint stock company is glad to welcome trips from schools in Latvia. During such excursions we present the work of the company, the process of production and supply of heat.

HONEST AND OPEN COMMUNICATIONS

The employees of JSC RĪGAS SILTUMS follow both the approved Ethics Code and the guidelines of Athens Code in compliance with the anticorruption plan approved by the company.

Ethics Code is aimed at establishing the business practice based on the core ethics principles and helping employees to find answers to questions related to various ethics issues, as well as providing assurance to our cooperation partners and customers regarding transparent and open operation of the company.

The ethics principles contained by the Code are mandatory to all the employees of JSC RĪGAS SILTUMS in relation to their attitude to work, mutual contacts and relationship with state and non-governmental institutions, media and business partners.

The core values of the company are: honesty and fairness, responsibility, openness, loyalty, professionalism, respect, kindness and enthusiasm.

Athens Code (International Ethics Code)

Ethics guidelines developed by the General Assembly of the International Public Relations Association. JSC RĪGAS SILTUMS follows the guidelines of the ethics code in all areas of operation.

Organizational plan of anticorruption measures

The organizational plan of anticorruption measures is aimed at prevention of corruption and minimization of the corruption risk possibility at JSC RĪGAS SILTUMS in order to secure efficient, lawful, ethic operations of officials and employees for the best interest of the society. It is the task of JSC RĪGAS SILTUMS to minimize the possibility of the conflict of interest in the company.

Whistleblowing

In order to provide the possibility of safe reporting of possible violations in the company which may harm the public interest, as defined by the Whistleblowing Law for the public interest to employees and other persons (whistleblowers), the company has approved and published on the website [JSC RĪGAS SILTUMS regulations regarding the internal whistleblowing procedure](#).

INVOLVEMENT OF EMPLOYEES AND FREEDOM OF AFFILIATION

Employees are the company priority

Any employee of JSC RĪGAS SILTUMS possesses equal rights to work, fair, safe work conditions presenting no harm to the health, as well as to fair and equal pay for the work. The company provides the above rights without any discrimination on the grounds of the employee race, color, gender, age, disability, religion, political or other opinion, national or social origin, financial or family status, sexual affiliation or other conditions. For the purpose of complying with the principle of equal rights in relation to employees with disability, the company implements measures necessary for adjusting the work environment for the needs of employees with disability, to promote the possibilities to perform work duties by these employees, to be promoted or directed for professional training or qualification improvement, as far as these measures do not impose disproportional burden to JSC RĪGAS SILTUMS.

Employees have the right to form or to join any organizations, associations free and without any discrimination in order to defend their social, economic and professional rights and interests, as well as to enjoy all the benefits provided to them by these organizations.

JSC RĪGAS SILTUMS trade union "ENERGY"

The company employees are long-standing members of the trade union "ENERGY". The trade union exists and defends the work, economic, social rights and guarantees of its members. There are 237 members in the trade organization.

Collective Agreement

On 12 June 2015 the Conference of Employee Representatives of JSC RĪGAS SILTUMS approved the Collective Agreement of JSC RĪGAS SILTUMS applicable to all the company employees. The Collective Agreement is accessible to all the company employees on the internal website of the company.

DIVERSITY MANAGEMENT

The matters of the employee diversity and human rights are defined in the Ethics Code adopted by Board Resolution No. 46 on 18 April 2012.

The Ethics Code approved by the company defines that nobody is discriminated on the grounds of the race, ethnic origin, religion, age, gender, sexual affiliation, political opinion, family status, income level and disability.

The employee diversity is a huge advantage for any company, thus broadening the viewpoint of employees and creating the skills to better understand any specific situation and to use it for achieving the company goals. By confirming that interesting employees is the company wealth to be proud of, JSC RĪGAS SILTUMS describes various achievements by employees outside their direct duties in a customer and employee newspaper. This section is very popular among the company employees.

The employee diversity is also analyzed within the framework of the personnel policy. In fiscal year 2019/2020, JSC RĪGAS SILTUMS employed 687 employees of whom 666 were employed in basic operations and

21 were employed in the technical service of internal engineering systems of buildings. The number of the employees at the joint stock company has decreased during the last fiscal years.

Development of the number of employees

	Number of employees		Total
	Core production	Service of internal heating systems	
fiscal year 2018	671	26	997
fiscal year 2019	671	21	692
fiscal year 2020	666	21	687

The personnel of the joint stock company is analyzed on annual basis per gender, age, education and position.

Gender equality Gender equality in 2020 the proportion of men working in the joint stock company was 68.6% and the proportion of women was 31.4%. The proportion of women is 20% in the company management, 29% in the middle management of the company and 32% among employees. The comparatively high proportion of men is related to the industry specifics providing for a high number of technical professions which are traditionally more selected by men than women. The joint stock company has defined the goal of reaching the proportion 30:70.

Education The collected information regarding the employee education led to the conclusion that 47% of all the company employees have a university degree, 29% have secondary specialized or vocational education, 20% have secondary education and only 4% of the employees have elementary education. The proportion of employees with higher education has increased by 11.28% and the proportion of employees with secondary vocational or vocational education has decreased by 3.87% during the last five fiscal years.

Sustainability Sustainability By analyzing the data on the employee age, it was concluded that during the last year the proportion of employees aged below 40 years has decreased by 1.41% and the proportion of employees aged from 40 to 55 years has decreased by 0.27%, the proportion of employees aged from 55 to 63 has increased by 1.63%, and the proportion of employees above 63 years has increased by 0.65%. The mean employee age in the company is 48.98 years, increasing by 1.25% compared to the last year. The company is proud of its experienced employees and implements measures for securing the employee sustainability. Considering that the mean age of employees in the company is high, the company is working to attract graduates of universities and educational establishments to work in the company, they work their training internship in the company and the best ones continue working in the company when there are vacancies. This is done for ensuring the succession at the company. Thinking about restoration of the company personnel, also further measures are implemented by attracting younger employees to work in the company, thus ensuring long-term succession of employees.

WORK AND PERSONAL LIFE BALANCE

Goals of the personnel support policy:

- 1.Provision of safe, stable and creative work environment helping employees to discover their talents and abilities and encouraging them for new achievements and challenges.
- 2.Securing highly qualified, positively motivated and loyal personnel for the company by efficiently using the employee skills and talents contributing to efficient operation of the company and the company development and achievement of strategic goals.
3. The employees of the joint stock company form a united team with shared understanding of the company mission, values, ethics principles, culture and traditions.

In order to encourage the employee integration in the company, involvement of existing employees and to emphasize the support measures implemented by JSC RĪGAS SILTUMS, the company offers several support programs to its employees which are revised and updated according to the employee suggestions and best practices on the basis of the experience of other countries and organizations.

Support program	New employee	Long-term absence and after it		All employees (continuously)
		Sick leave	Child care	
Integration	✓			
Reintegration		✓	✓	
Mentor	✓	✓	✓	
Educating and qualification maintenance	✓	✓	✓	✓
Balance between the work and the family	✓	✓	✓	✓
Prosperity	✓	✓	✓	✓
Health		✓	✓	✓
Culture and traditions	✓	✓	✓	✓

During the last 5 years 25 employees have used a child care leave, including 19 mothers and 6 fathers. 1 employee used the childcare leave twice and 2 employees used this leave 3 times (one of them splitting the total term). According to the Collective Agreement, additional 5 free days upon the birth of a child were used by 58 employees.

Family friendly company

JSC RĪGAS SILTUMS has been awarded the status of a family friendly company for several years (during years when this award is granted).

See more in Section "[Society](#)".

MEASURES FOR PROMOTING SUSTAINABILITY OF THE EMPLOYMENT RELATIONSHIP AND HEALTHY LIFESTYLE

In order to strengthen and develop direct communication with employees: to create the internal culture and to promote sustainable, health supporting environment for employees and their families, to implement the company values, in particular, responsible attitude, accessibility and openness, JSC RĪGAS SILTUMS continues diligent implementation of the program - **for supporting the healthy lifestyle for employees of different age groups by integrating the company values thereof.**

The program implementation is monitored by the Commission on organization of sports and culture events.

Sports and culture program

The plan contains a range of sports activities during the year. The form of events was modified in 2020 and they were organized according to the restrictions in force in the country.

The program implementation scheme reflecting involvement of employees in decision making, implementation and participation stages



Employee of the Year

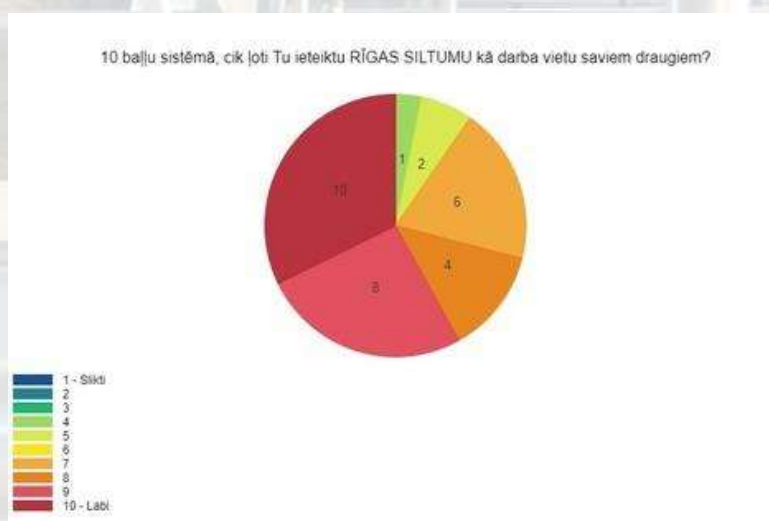
In November every year we praise the best employees in the competition "Employee of the Year of JSC RĪGAS SILTUMS". The competition is aimed at identifying up to 10 best employees of the company who are not only competent in their profession, but also embody the company values, encourage their colleagues and build the company reputation by attesting the best working practice. The competition participants are proposed by employees, thus providing the possibility for employees to express their opinion and to affect processes.

Health week

Thinking about the well-being of employees, JSC RĪGAS SILTUMS is holding the Health week every autumn aimed at educating employees regarding various health related issues and encouraging them to engage in sports activities. Ideas and proposals are submitted by the company employees.

Efectio – a team building event on a digital platform, at the same time promoting healthy life style and strengthening of the company values. **The event took place for 2 months by involving more than 300 employees who expressed positive assessment of these activities.**

Following the event, a survey was performed where the concluding question was - if you would recommend JSC RĪGAS SILTUMS as a work place for your friends.



Planting the forest

Every year approximately 200 employees of JSC RĪGAS SILTUMS jointly with the management go to plant forest and collect waste within the scope of the Big Cleanup, thus celebrating the company anniversary and confirming their green thinking by practical work. Thus, by implementing the environment sustainability policy developed by the company, totally, during the period of 5 years the employees of AS "RĪGAS SILTUMS" have planted 50,000 pine trees which will amount to approximately 2,500 cubic meters of timber in 60 years and this forest will be able to generate approximately 10,000 kg of oxygen per day in future. In 2020, by complying with the national Covid – 19 restrictions, the forest planting was cancelled, however, by confirming the care for the environment, AS "RĪGAS SILTUMS" has implemented an environment project cleaning 2.5 km of the sea coast and collecting 450 kg of waste.

HUMAN RIGHTS

Employees

JSC RĪGAS SILTUMS respects international human rights and respects its employees as provided by the UN Declaration and conventions of the International Labor Organization. The guidelines on human rights are defined in the Ethics Code adopted by Board Resolution No. 46 on 18 April 2012. There is the Ethics Commission in the company.

Work environment and service

JSC RĪGAS SILTUMS has defined a strict goal to provide secure and continuous heat supply to its customers according to the demand. Especially in winter heat is an important social service provided by the heat supply utility. In order to do this, the company implements a range of measures, in particular, by performing active production and safe transmission of heat, regularly reconstructing heat networks in Riga, constructing temporary heat networks and performing very important hydraulic checks.



ENVIRONMENT PROTECTION



The earth where we live and the air, we breathe are our wealth. We are responsible to ensure that this place is home not only for us, but also for the next generations.

One of the values defined for the operation of the JSC RĪGAS SILTUMS is preservation of the environment, smart and sustainable use of natural resources at the same time restricting the impact of harmful environment factors upon people and nature.

JSC RĪGAS SILTUMS is developing its environment protection policy on the basis of both the requirements of regulatory enactments developed by state institutions, and the financial management plan of the joint stock company for next 10 years, at the same time following the EU guidelines and implementing the requirements stipulated by the European Union regulatory enactments developed for contributing to the prevention of the global climate change.



Priorities set by JSC RĪGAS SILTUMS for minimizing the environmental impact:

1) in core production:

- Introduction of new technologies and upgrading of existing heat production equipment at minimum one heat source per year by using the best available technical means;
- Reduction of heat loss below 12% by reconstructing heat networks;
- Increase of the use of renewable energy resources up to 47% of the fuel balance for minimizing greenhouse gas emissions from the use of fossil fuel;
- Waste handling in as environmentally friendly manner as possible by expanding sorting of paper and batteries and utilization thereof. Promotion of measures for reduction of the volume of harmful waste;
- Following up and saving and preserving natural resources by our operations.

2) in other fields:

- Provision of free and open access to information about environment protection measures implemented by JSC RĪGAS SILTUMS to employees, customers, controlling institutions and other interested parties;
- Improvement of knowledge in the area of environmental protection and creation of positive attitude by all employees towards the implementation of these ideas;
- Priority of selection of low emission and zero emission vehicles for restoration of the company car fleet, thus contributing to low carbon intensity and climate neutral growth.
- Reduction of the environmental impact of the company vehicles by requiring as low as possible emissions in procurements of new vehicles (in the combined cycle not above 151 g/km for passenger cars and not above 163 g/km for trucks)
- Good initiatives by employees:
- Planting forest, more than 50 thousand pine trees (20 thousand in 2019),
- Earth Hour
- European Mobility Week.

The environment policy has been approved by the Board and is accessible to all employees and stakeholders.

Sustainability **goals** integrated in the company mid-term operational strategy of JSC RĪGAS SILTUMS for the period from fiscal year 2019/2020 to 2021/2022: Environment protection - reduction of the negative environmental impact; implementation of new technologies and modernization of existing heat production plants by using the state of art technologies; Reduction of NOx emissions, Increase of the share of renewable energy capacities; Reduction of the negative environmental impact of the company vehicles.

MODERNISATION OF HEAT PLANTS AND HEAT NETWORKS, IMPROVEMENT OF THE OPERATIONAL EFFICIENCY

Modernization of the heat sources of JSC RĪGAS SILTUMS will be continued for the purpose of improving heat supply security and efficiency.

Taking into account the global importance of environmental protection and in order to contribute to achieving the goals of the Latvian national energy and climate policy, the Joint Stock Company continues investing in environmentally friendly projects.

Installation of a heat pump at the heat plant "Zasulauks" for improvement of the efficiency of the biofuel fired boiler house is planned in fiscal years 2020/2021 - 2021/2022. At the heat plant "Zasulauks" a biofuel fired boiler with the heat capacity 20 MW was commissioned in 2013. The boiler is equipped with a flue gas condenser with the capacity of 4.8 MW. In order to improve the efficiency of the biofuel fired boiler house, it is planned to reconstruct the existing flue gas condenser aimed at increasing the amount of low potential condensate from flue gas. The recovered low potential condensate will be transported to the newly installed absorption type heat pump to further cool it and to recover additional heat. It is planned that this set of plant will allow utilizing the remaining low potential heat of discharged flue gas by delivering it to the heat network and reducing the temperature of discharged flue gas by 15 – 20 °C. The heat pump connected to the existing flue gas condenser will obtain up to 3.2 MW heat without consuming additional fuel.



In fiscal years 2020/2021-2021/2022 the modernization of the heat plant „Daugavgrīva” will be continued by installing a new natural gas fired boiler with the capacity 8 MW and fully automation of the newly constructed biofuel fired and gas fired boilers. The scope of work includes replacement of the burner and installation of a condensation economizer for the existing water heating boiler No. 2 with the capacity 8 MW and installation of a new natural gas fired boiler with the capacity of 8 MW. In the result of the modernization the operation of the heat plant „Daugavgrīva” will be fully automated for operation without permanent service personnel and controlled from the control desk of the heat plant „Imanta”.

In fiscal year 2021/2022 it is envisaged to install heat pumps intended for recovery of the low potential heat of the condensate discharged from the steam boiler and the water heating boiler KVGm-100 No. 3 at the heat plant "Imanta". The envisaged additional heat production amounts to 400 kW.

By implementing long-term and targeted modernization of the heat transmission system, the Joint Stock Company has contributed to the preservation of clean environment and security and has also achieved higher economic efficiency, thus both the public and our customers have gained benefit. District heating network is a major element of district heating. Security of district heating and the continuous heat supply, as well as the proportion of transmission heat losses directly depend upon the technical condition of DH networks and their elements.

Consumption of core resources in production

	fiscal year 2018	fiscal year 2019	fiscal year 2020
Water pipe and artesian well water consumption for production (m3)	93,653	79,597	62,970
Electricity (MWh)	25,098	24,903	24,341
Natural gas (thous. m3)	102,848	94,927	74,500
Wood chips (loose m3)	361,088	411,809	863,777

At present, the mean heat production efficiency is 101% (calculated at the lowest combustion heat of fuel)

JSC RĪGAS SILTUMS has replaced totally 65% of heat networks. If in fiscal year 1996/1997 when JSC RĪGAS SILTUMS started its operation the heat losses amounted to one fifth of the heat transmitted to the DH network, in comparison to the current situation, heat losses have been reduced by 725 thous. MWh. This is the volume of heat which would be sufficient for providing space heating to cities like Rēzekne, Jēkabpils, Jūrmala, Jelgava and Ventspils for one year.

Heat loss in heat networks

	fiscal year 2018	fiscal year 2019	fiscal year 2020
%	11.98	11.65	11.77

The proportion of heat loss below 12% per fiscal year has been achieved for the third time during the operation of the joint stock company, and this has been achieved by continuously working for restoration of heat networks and controlling their operation.

Reconstruction of sections of main and distribution heat networks by using pre-insulated pipelines where heat loss is lower than that of replaced heat networks is among the major measures for reducing heat loss, as materials with a lower heat conductivity are used for insulation and the operation of heat networks is not affected by a high level of ground water. It should be pointed out that these pipes are equipped with a special control system, therefore elimination of accidents is faster and costs are minimum.

INCREASING THE SHARE OF PRODUCTION OF GREEN ENERGY

In March 2013 the European Commission adopted the Green Paper "A 2030 framework for climate and energy policies", where, inter alia, the target scenario provides that it should be achieved by 2030 that renewable energy resources account for 30% in energy production, and JSC RĪGAS SILTUMS has actually achieved this. Thinking about the use of more environmentally friendly local energy resources and reducing the negative impact upon the environment caused by carbon dioxide (CO₂), during several years the heat sources have been upgraded by attracting the European Union (EU) co-financing, increasing the proportional share of wood chips in the fuel balance up to 30%.

JSC RĪGAS SILTUMS fuel balance for heat production, %

Fuel	fiscal year 2018	fiscal year 2019	fiscal year 2020
Natural gas	77	74	68
Wood chips	23	26	32

Following modernization of heat plants "Imanta" and "Daugavgrīva", it is envisaged to achieve 50% share of wood chips in the company fuel balance by 2022.

REDUCTION OF AIR POLLUTION

Over a long time period, by implementing the company environment protection policy, the Joint Stock Company has succeeded at reducing the total emission volume by 3.6 tons during the last 5 years. Thus, reaching the set long-term goals.

Volume of harmful emissions

	Solid particles, t	CO, t	SO ₂ , t	NO _X , t	CO ₂ , t	Total, t
2015/201	33.272	570.538	0.006	468.476	27,529.453	28,601.745
2016/2017	35.863	601.013	0.008	492.126	29,937.677	31,066.687
2017/2018	22.222	480.932	0.058	432.002	26,128.550	27,063.764
2018/2019	28.186	487.607	0.829	425.563	20,770.779	21,712.965
2019/2020	24.138	452.304	0.008	395.791	26,894.129	27,766.370

WASTE MANAGEMENT, PAPER PROCESSING

In 2020 JSC RĪGAS SILTUMS has delivered waste to the below listed business companies engaged in waste collection, transportation and management:

- municipal waste – PS „LAUTUS VIDE”, SIA „Clean R”, SIA “Eco Baltia vide”;
- construction waste – SIA „Būvgružu pārstrāde”, SIA „Clean R”;
- scrap metal – SIA „Tolmets RĪGA”, SIA “REFONDA”, SIA “7R”;
- wood ash - SIA „Clean R”;
- used batteries, waste of electrical and electronic devices, luminescent lamps, liquid waste containing water and harmful substances, used oil, paint and lacquer waste, used tyres – SIA „Eko Osta”.

At present contracts on waste management are signed with the following companies:

- SIA „Būvgružu pārstrāde”;
- SIA „Eko osta”;
- SIA „Clean R”;
- PS „LAUTUS VIDE”;
- SIA “Eco Baltia vide”;

In addition to the above, in 2020 JSC RĪGAS SILTUMS continued centralized collection and delivery for disposal of used batteries. The points of collection of batteries are placed in both the office buildings of JSC RĪGAS SILTUMS, as well as at heat plants, thus providing free access to containers for employees and other stakeholders.

JSC RĪGAS SILTUMS continues to deliver used paper for recycling for several years.

Paper delivered for recycling

kg	fiscal year 2018	fiscal year 2019	fiscal year 2020
Paper delivered for recycling	16,050	9,630	4,500

568 tons of scrap metal were delivered for recycling in 2020.

ENERGY MANAGEMENT

The energy audit of JSC RĪGAS SILTUMS was started in fiscal year 2015/2016 and completed in fiscal year 2016/2017. The company energy balance was developed and three energy efficiency improvement measures with the highest estimated energy savings or economic return were proposed in the result of the energy audit and should be implemented by 1 April 2020.

- Replacement of existing lighting fixtures with LED lighting fixtures,
- Construction of a unified metering system of energy consumed in the company buildings,
- Creating of the position of the energy manager of the company buildings or delegation of duties to a structural unit in charge within the company.

On 22 December 2020, JSC RĪGAS SILTUMS developed and approved the energy management policy focusing on the actions to improve energy efficiency and to optimize energy consumption, as well as to provide regular evaluation and improvement of the efficiency of the energy management system. Energy management energy policy was communicated within the company and also presented on the public website where it is available for the cooperation partners of the company and the public.

In order to improve energy efficiency and to promote efficient use of energy resources, JSC RĪGAS SILTUMS has started adaptation of the energy management system to standard ISO50001 - Energy Management Systems.

The energy management system is based on the international standard ISO 50001 aimed at encouraging companies to develop systems and processes required for improving energy efficiency and promoting efficient use of energy resources resulting in reduction of the environmental impact and considerable reduction of the company energy costs.

Nowadays a lot of attention is focused on improving efficiency of use of energy resources and energy. A certified energy management system is a tool for rational and efficient use of energy to reduce the company costs and to improve competitiveness. An efficient energy system is an attestation that the company operations are based on the principles of sustainable development.

For the purpose of energy efficiency, for more efficient use of electricity, new generation LED lighting fixtures with comparatively lower electricity consumption were purchased and installed in 2018.

Economic indices of the new lighting fixtures

	Number of replaced lighting fixtures	Savings per year, MWh
Cēsu iela 3a	140	4.299

Our annual electricity consumption will decrease by 4,299 MWh and at the mean electricity price 90.00 EUR/MWh the annual financial savings will amount to EUR 386.91. The purchase price of LED lighting fixtures was EUR 3 thousand.

Reduction of heat consumption by installing heat payment allocators and the space heating control system

In order to reduce heat consumption in its buildings, in 2017 a pilot project was started at the office building of JSC RĪGAS SILTUMS at Cēsu iela 3a, allowing employees to automatically maintain the desired comfort temperature in premises during working hours and automatically switching the heating system to the night saving mode after the working hours. Within the pilot project it is possible to analyze the change of heat consumption habits and to assess achieved savings.



By implementing the space heating control system within the project, it has been possible to reduce the total heat energy consumption at Building 1 at Cēsu iela 3A without affecting the employees' comfort. In the heating season of 2020/2021, when the installation of heat insulation was completed, the heat consumption for space heating has decreased by 32%.

Installation of solar panels for electricity generation at the sites of JSC "RĪGAS SILTUMS"



The total capacity of solar panels at Cēsu iela 3A is 39.3 kW, allowing to generate 25-60% of the total electricity consumption of the site during summer. At present contracts have been signed for development of the documents for the construction intent for installation of solar panels for electricity generation at the sites of JSC RĪGAS SILTUMS at Pildas iela 43, Kurzemes prospekts 17 and Atlantijas iela 51 in Riga, and the possibilities to install solar panel power plants with the capacity of 300-400 kW in the territories of heat plants are being considered. In fiscal year 2021/2022 it is planned to install solar panels with the capacity up to 400 kW for electricity generation at the HP "Ziepniekkalns" (on the ground) and solar panels with the capacity up to 300 kW for electricity generation at the HP "Imanta" (on the ground).

REDUCTION OF THE ENVIRONMENTAL IMPACT OF THE COMPANY CAR FLEET

JSC RĪGAS SILTUMS is continuously evaluating the environmental impact of the company cars:

Diesel and gasoline consumption for company cars

liters	In fiscal year 2017/2018	In fiscal year 2018/2019	In fiscal year 2019/2020
Diesel I	97616	100496	88680
Gasoline E95 I	56582	54918	51948

Reduction of the environmental impact of the company car fleet is done by assessing the opportunities of using low-emission and no-emission vehicles in the company car fleet and the opportunities of using electrical cars for current mobility tasks.

In 2020 JSC RĪGAS SILTUMS procured the following vehicles based on the requirements regarding conformity to the latest emission standards included in the procurement procedures:

- 9 trucks with additional passenger seats and a cargo section for ensuring mobility of the personnel servicing heat networks, Citroen Jumper, the car engine conforms to EURO 6 requirements, CO₂ emissions within the combined cycle amount to 162 g/km.
- 2 compact trucks with additional passenger seats and a cargo section for ensuring mobility of the personnel servicing heat networks, Citroen Jumpy, the car engine conforms to EURO 6 requirements, CO₂ emissions within the combined cycle amount to 148 g/km.
- A passenger car, chargeable hybrid car VW Passat GTE, CO₂ emission 32 g/km.

- 2 electric cars Renault Zoe
- Universal tractor New Holland T5.100, the engine compliant with TIER4B standard.

The vehicles were delivered according to the signed contracts and specifications contained therein.

In 2020, JSC RĪGAS SILTUMS continued operation of the 2 electrical cars purchased within the project of the Climate Change Financial Instrument (CCFI) "Reduction of greenhouse gas emissions", JSC RĪGAS SILTUMS purchasing two new, industrially manufactured electrical cars" and started daily operation of 2 more electrical cars. Use of 4 electrical cars amounts to the annual reduction of carbon dioxide emissions of 6 tons.



GOOD INITIATIVES

In order to promote environmentally friendly attitudes and acts also in daily activities, JSC RĪGAS SILTUMS encourages its employees and stakeholders to participate in the Earth Hour, the Europe Mobility Week and forest planting activities. See more in Section "[Society](#)".



PREVENTION OF COVID-19 RISKS

JSC RĪGAS SILTUMS developed and introduced Covid-19 action plans in due time and as prevention measures in prediction of the intensive spread of this potentially dangerous disease in Latvia. Considering its strategic role in the Latvian energy, the company was prepared to face the risks of Covid-19 pandemic and introduced restrictions.

MAINTENANCE OF SECURE AND CONTINUOUS HEAT SUPPLY

The accurately planned and implemented actions allowed ensuring comparatively low rate of infection among employees, thus maintaining and providing secure and continuous heat supply to Riga residents.

During the season of repairs of district heating networks, when hydraulic tests were performed, exams at schools took place and their dates were changed continuously due to the unstable situation. Being aware of the possibility that exams and hydraulic tests will be scheduled on the same dates, JSC RĪGAS SILTUMS offered to supply additional disinfectants to schools during the period when there was a shortage of supply. Disinfectants were provided to 15 schools where exams were scheduled on the dates of repair works and there was a risk of affecting the hot water supply.

Substitutes for personnel on duty were trained, resulting in training 22 employees with similar background.

Schemes for action of employees during Covid-19 infection were developed by ensuring fast notification.



LABOUR SAFETY

In order to minimize the spread of Covid – 19 virus, remote communication with all the target groups and remote work was arranged. These risks were identified in communication and provision of heat supply and managed both internally in the company and in contacts with customers.

Individual means of safety, in particular, face masks, disinfectants in cars and for washing hands, were provided and regular air treatment was done.

In order to provide secure heat supply by protecting dispatchers of energy networks, the customer service operators of the Dispatch Service were moved to other premises. Other employees are not allowed to enter the offices of energy dispatchers.

TARGETED COMMUNICATION

During the pandemic, timely provision of current information was ensured to employees within internal networks, at meetings, by controlling and monitoring the spread of the disease. Easy to understand visual information was prepared to enable everyone to understand the expected actions by the employer. The use of applications Stop Covid <https://www.apturicovid.lv/> and My Vaccine <https://manavakcina.lv/> was encouraged among employees in order to reduce spreading of Covid.

Implemented measures ensured comparatively low spread of Covid-19, thus maintaining secure heat supply.

CUSTOMER SUPPORT

During the last fiscal year, JSC "RĪGAS SILTUMS" provided support measures to customers within the scope of its abilities, by not imposing contractual penalties and continuing heat supply also in situations when payments were delayed.

The company also reduced the heat tariff and contributed a lot of effort for maintaining the low tariff, which made it easier for customers to pay their heat bills.

Open and continuous remote communications were maintained.

JSC „RĪGAS SILTUMS”

Cēsu iela 3A, Rīga, LV-1012

E-mail: siltums@rs.lv;

Toll free customer line 24/7 80 0000 90

