

# Non-Financial Statement 2023

SJSC RIGA INTERNATIONAL  
AIRPORT



**RIX**

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# Information regarding the company and non-financial statement

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SJSC RIGA INTERNATIONAL AIRPORT.

The legal address of SJSC RIGA INTERNATIONAL AIRPORT is Riga Airport 10/1, lidosta "Rīga", Mārupe District, LV-1053, Latvia.

SJSC RIGA INTERNATIONAL AIRPORT provides its economic activity in the Republic of Latvia.

Reporting period	01.01.2023–31.12.2023
Financial year reporting period	01.01.2023–31.12.2023
Frequency of reporting	According to the GRI standard, the frequency of reporting is once a year.
Publication date	
Publication date of the previous report	3 July 2023
Period for comparative data	2023 (where binding, an additional period is presented, up to the last five years)
Global Reporting Initiative	The 2023 Non-Financial Statement was prepared in accordance with the requirements of the GRI standard.
Scope of the report	The Non-Financial Statement contains information about SJSC RIGA INTERNATIONAL AIRPORT.
Content of the report	The Non-Financial Statement discloses information about SJSC RIGA INTERNATIONAL AIRPORT and the topics and indicators relevant to its sustainability. The Non-Financial Statement includes material, moderately material and less material topics. Having regard to the GRI standard, 47 indicators for all 20 topics, seven supplementary indicators of the airport operator sector and five other significant topics are determined accordingly. The table of contents for GRI indicators is in section 2. Each section of the report indicates which indicators the information provided corresponds to. The process of preparing the Non-Financial Statement is described in the section "Key topics of sustainability and responsibility". Compared to the previous year, the data disclosure methods have not been significantly changed.
Corrections to information provided in previous reports	-
Restricted assurance review report	The restricted assurance engagement statement for 2023 sustainability report has been provided by KPMG Baltics Ltd. and is available on the page 194. The restricted assurance review was performed in accordance with International Standard on Assurance Engagements No. 3000 "Assurance engagements other than audits or reviews of historical financial information".
Selection of a restricted assurance reviewer	The provider of the restricted assurance review was selected as a result of public procurement, applying the market research method. The procurement results are approved by the responsible structural unit, the Legal Department, and the responsible member of the board.
The relationship of the limited assurance examiner to the company	KPMG Baltics Ltd. has provided various consulting services.
Report format	The Non-Financial Statement is available electronically: on the Riga Airport website <a href="http://www.riga-airport.com">www.riga-airport.com</a> (in Latvian and English).
Contact information	Email address for suggestions and questions about the Non-Financial Statement: <a href="mailto:quality@riga-airport.com">quality@riga-airport.com</a> .
Responsibility for preparing and approving the report	The Board of SJSC RIGA INTERNATIONAL AIRPORT is responsible for the Non-Financial Statement, which certifies that the information contained in the report is true and provides a reliable and clear picture of the company's activities in 2023. The Non-Financial Statement shall be approved by the Board, Supervisory Board and shareholders of SJSC RIGA INTERNATIONAL AIRPORT before its publication. The report was approved by the Board on 18 April 2024.

# Abbreviations

## Abbreviation

## Explanation

ACA	Airport Carbon Accreditation program	WL	Wage levels
ACI	Airports Council International	EEA	European Economic Area
ACI Europe	Airports Council International Europe	EC	European Commission
ACI ASQ	Airports Council International Airport Service Quality survey	EU	European Union
APBAD	Aviation Services and Business Development Department	GRI	Global Reporting Initiative standard
UN	United Nations	IATA	International Air Transport Association
airBaltic	Air Baltic Corporation JSC	GDP	Gross Domestic Product
BREEAM	The British Research Establishment Environmental Assessment Method is an internationally recognised and currently the most widely used system in Europe for assessing different types of buildings against different sustainability criteria.	ICT	Information and Communication Technologies
BSR HyAirport	Interreg Baltic Sea Region Cooperation Program project "BSR Hydrogen Air Transport – Preparing Baltic Sea Region Airports for Green Hydrogen"	Sustainability strategy	Sustainability Strategy of SJSC Riga International Airport 2022-2030
ESG	Environmental, social and governance aspects	INDIGO	Project "Integration and Digital Demonstration of Low-emission Aircraft Technologies and Airport Operations"
ESRS	European Sustainability Reporting Standard	IT	Information technology
CFLA	Central Finance and Contracting Agency	QSD	Quality and Sustainability Department
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora	CF	Cohesion Fund
CO <sub>2</sub>	Carbon dioxide	Communication strategy	Communication Strategy of SJSC Riga International Airport 2022-2027
Covid-19	an infectious disease caused by the SARS-CoV-2 virus	PI	Performance indicators
CSB	Central Statistical Bureau	CSR	Corporate social responsibility
SMS	Safety Management System	LAA	Latvian Aviation Association
		ATL	SJSC Air Transport of Latvia
		LIDA	Latvian Investment and Development Agency
		Law	Law on Governance of Capital Shares of a Public Person and Capital Companies

## Abbreviation

## Explanation

LV	Republic of Latvia
TC	Training Centre
CM	Cabinet of Ministers
NACE	Statistical Classification of Economic Activities in the European Community
NATO	North Atlantic Treaty Organization – a military union
Net Zero	Commitment to reduce CO2 emissions to zero by 2050
OECD	The Organisation for Economic Co-operation and Development
HRD	Human Resources Department
PRM	Passengers with reduced mobility
RIX GH	Riga Airport Ground Handling Department
Riga Airport	SJSC RIGA INTERNATIONAL AIRPORT
Rail Baltica	An international railway infrastructure project, building 1435 mm gauge tracks and related infrastructure, and aims to integrate the Baltic States into the European railway network
GHG	Greenhouse gases that cause climate change
SIF	Society Integration Fund
SPD	Detector for traces of six explosives
Strategy	SJSC Riga International Airport's Mid-term Operational Strategy 2021-2027

## Schengen

A visa-free travel area in Europe, in which countries have abandoned internal border controls and taken on common external border controls

## TEN-T

European Transport Network

## SNM

Strategic Noise Map

## GDP

General data protection

## SRS

State Revenue Service

## SES

State Environmental Service

## GPP

Green public procurement

# Foreword

2-22



The year 2023 has passed in the name of sustainability for Riga Airport. Detailed information on the company's performance will be available later in this report, but key sustainability projects include the first solar panel project on the roof of the Airport's North Pier to power the passenger terminal; the procurement of new electric-powered buses has been finalised with a view to purchasing new electric-powered buses by 2024. We have also started preparations for the implementation of the new EU taxonomy and corporate sustainability reporting requirements in 2023, including the development and implementation of an ESG risk classification for the company. We are pleased to be one of only eight Latvian companies to have achieved the highest rating – Diamond – in the Sustainability Index in 2023.

In 2023, we will focus on cooperation with other airports, adopting and sharing our experience in sustainability and climate change operations. The Airport has become a partner in an international hydrogen research project: together with Hamburg Airport as lead partner and other airports in the Baltic Sea region, we will analyse the possibilities of using hydrogen-powered aircraft in regional air traffic around

the Baltic Sea, creating a completely new knowledge and experience base for hydrogen use at airports that can then be adopted by the entire aviation industry in Europe and worldwide. The experience exchange with Athens Airport provided knowledge on working on an aerodrome in extreme heat, while the Athens colleagues learned about operations at Riga Airport in winter. As part of a European Union funds project, Riga Airport, in cooperation with Lithuanian airports, will modernise its aerodrome power supply systems over the next three years. Airport management shares its experience and solutions in the field of sustainability at international conferences and other industry events.

In 2023, we have also achieved other goals set out in our business strategy. A new information technology strategy has been developed and a tender dialogue for RIX Airport City is underway to allow the investor to start work on the development of Airport City. In 2023, the Airport completed the design of the new passenger terminal, or Round 6 of the Airport Development, and tenders for construction supervision and construction are underway. In the new terminal, we will



also follow the highest sustainability principles in its design, construction phase, choice of materials and further operation, and qualify for BREEAM Excellent certification.

The new terminal and RIX Airport City project and its future vision are closely linked to the arrival of the international Rail Baltica railway line at the Airport. Our goal is to create a completely new quality of urban travel hub around the Airport – people, environment and business friendly. All three projects form a single coherent vision, and have been carefully planned to synergise architecture, construction timing and functionality to provide Latvia with a truly unprecedented air-rail connection that is competitive in Northern Europe and will make a significant contribution to the country's economy. It will not only be an additional comfort for travellers, but also a completely new type of development centre where different types of businesses can grow and develop.

This year, Riga Airport also certified and opened a specialised helicopter landing pad – essentially another runway at the Airport, specially designed for these aircraft. Also, at the end of

the year, the latest generation of explosives residue detection equipment for cabin baggage screening became operational, which will both enhance aviation safety and provide more convenience to passengers during the security check. The Airport has also purchased five new passenger air bridges for use in servicing aircraft at the beginning of 2024.

This year, we have invested significantly in training for both employees and company management, including offering employees the opportunity to take free courses on the online learning platform Open.lv. This year, the Riga Airport Training Center RIX Academy has obtained full accreditation and has become an Airport Council International (ACI) training centre with the rights to further develop, accredit, and offer its training programmes in the international aviation market by issuing ACI certificates.

Cybersecurity issues are a major focus in aviation, as in other areas of our everyday lives. Significant resources are devoted to ensuring that air traffic, flight control and ground operations remain safe.

By the end of 2023, Riga Airport served more than 6.6 million passengers. In terms of direct passenger flow, passenger numbers have returned to and even exceeded their pre-pandemic levels, with a 23 % increase in direct passenger numbers compared to last year. The wide route network offer from Riga - more than 100 destinations in the summer season - has contributed to a recovery in the number of transfer and transit passengers. Transit passenger traffic has stabilised and 22 % of passengers, or more than 1.4 million, used Riga Airport in 2023 as a connecting airport for further flights. In comparison to 2022, this represents an increase of 40 %.

Last year, air freight demand decreased by 13 % compared to the year before, directly linked to the Russian initiated war in Ukraine, airspace closures and other global sanctions, but the air freight industry is also showing signs of stabilisation.

Overall, the European aviation industry can be considered to have recovered from the Covid-19 pandemic, although full business volumes have not yet returned. The largest passenger flows are to warm destinations, with more demand

for short- to medium-haul flights, including more frequent short-haul holiday trips. The aviation sector continues to be significantly affected by the war in Ukraine initiated by Russia and, later this year, by the Israeli-Palestinian conflict: aviation hubs that have been important transit points have lower recovery rates.

The main challenges facing the sector are the increasing efforts to reduce harmful emissions. The whole aviation industry is working towards this goal and has set 2050 as the target for zero emissions. But airports are moving towards this goal faster than the industry as a whole – the ACI's NetZero 2050 initiative, announced a few years ago, essentially could be renamed NetZero 2035 or 2040. While the most pressing issues for airlines and industry are the research and resource-intensive issues of sustainable aviation fuels, other alternative fuels, new technologies and investments in research, airports are less dependent on such sophisticated technological solutions and can therefore move towards climate neutrality at a faster pace.

Riga Airport also wants to reduce its climate impact at the fastest possible pace, so a review of the planned sustainability measures was launched in 2023 to reach the NetZero target before 2050.

Unfortunately, the war and its impact on supply chains has caused problems in many areas, including construction, and this in turn has had some impact on the implementation of certain investment projects at Riga Airport. Geopolitical and economic factors, high inflation, declining purchasing power and other related processes will be the biggest challenges for the next year.

In 2024, Riga Airport will celebrate its 50th anniversary with a wide and diverse program of events. During the celebrations, we will look back at the history of the Airport, but in the context of the anniversary, we will pay much more attention to the future of the Airport, development projects and innovations. We will start the year with a new brand launch, which will continue throughout the year, finalise the procurement for the new terminal and start construction in the second half of

the year. Of course, the most important work will be to attract funding for this project, where the main results should be available in the first half of the year. We will continue to work on our ongoing and planned sustainability and innovation projects, and our focus will remain on implementing our customer service strategy and improving the customer experience at the Airport. We are working with existing carriers and looking for new ones, and we look forward to the opening of Norwegian's base in Riga, so that the next summer season will bring new and attractive destinations for our passengers and Riga will continue to offer travellers the widest route network in the Baltics with the largest number of unique destinations. We predict that next year we will already serve 7.3 million passengers.

**Laila Odiņa**

Chairperson of the Board of SJSC  
Riga International Airport



01  
2023  
in brief



# The most important events and achievements of 2023

Net Zero 2050 road map and new strategic noise map approved for Riga Airport

The Training Centre has become a full-fledged training center of the Airports Council International

Construction of a 700-kilowatt solar park on the roof of the Riga Airport terminal has been started

Riga Airport, in cooperation with Lithuanian airports, will modernise its aerodrome power supply systems over the next three years<sup>1</sup>

The first round of procurement for the construction of the new terminal has been announced

In the deep science hackathon "Hydrogen X Future Hackathon", participants work on the challenge of Riga Airport in the field of hydrogen technology

The passenger check-in hall houses a replica of the I-12 aircraft designed in 1937 by legendary Latvian aircraft designer Kārlis Irbītis

Riga Airport hosts a demonstration of a hydrogen-electric bus transporting passengers to and from aircraft

The new heliport built with Cohesion Fund funds is operational

Riga Airport's participation in the Interreg Baltic Sea Region Cooperation Programme project "BSR Hydrogen Air Transport – Preparing Baltic Sea Region Airports for Green Hydrogen"

Riga Airport participates in an international research project on the use of low-emission aircraft technologies and the potential of innovative technologies to reduce air pollution and noise emissions in the vicinity of airports

Strengthening industry-academia collaboration on innovation and service design through collaboration with international students of the Erasmus Mundus Masters programme "Service Design Strategies and Innovation"

"AEGEAN" and "British Airways" airlines resumed operations at Riga Airport

Since the beginning of November 2023, the number of passengers served by Riga Airport has exceeded the pre-pandemic level

# Awards and recognition



Diamond category in the Sustainability Index rating<sup>2</sup>



The third place in the assessment of the aviation industry rating agency "Skytrax" among Eastern European airports

KANTAR

An attractive employer among workers and students (Kantar TNS)



Family-friendly workplace (Society Integration Fund)<sup>3</sup>



Diversity Assessment – Silver Status (Social Integration Foundation)<sup>4</sup>



5th place in the list of Baltic brands in the category "The most humane brand in Latvia" (Baltic Brand)<sup>5</sup>



2nd prize in the "Golden Helmet" competition for good practice in occupational health and safety<sup>6</sup>

<sup>2</sup> Source: <https://www.incsr.eu/novertejumi/ilgtspejas-indeks/ilgtspejas-indeks-2023/>

<sup>3</sup> Source: <https://vietagimenei.lv/gimenei-draudziga-darbavieta/programmas-dalibnieki/>

<sup>4</sup> <https://www.sif.gov.lv/lv/jaunums/pasniegti-sif-dazadibas-novertejuma-apbalvojumi>

<sup>5</sup> Source: Rankings category (balticbrands.eu)

<sup>6</sup> Source: <http://stradavesels.lv/kalendars/2023-09-04/>

# 02 About Riga Airport



# About Riga Airport

## 2-6

Riga Airport has a strategic importance in the development of the economy of Latvia, as it is not only the largest international airport in Latvia and the largest air traffic infrastructure company in the Baltics, which provides infrastructure for regular international air transportation of passengers, cargo, and mail, but also provides essential support for military and state flights in the territory of Latvia. In the Baltic States, Riga Airport served 42 % of passengers in 2023 (40 % in 2022), 40 % of flights (38 % in 2022) and 40 % of total cargo (40 % in 2022).

Riga Airport is part of the TEN-T network, which provides accessibility and mobility in the EU. In 2023, Riga Airport had regular connections to 33 countries. Riga Airport divides its customers into two groups – corporate customers, which include airlines, cooperation partners and service providers, and end customers, which are passengers.

The essence of the economic activity of the Riga Airport is to provide the infrastructure necessary for servicing passengers, cargo and aircraft and its maintenance, supplementing it with

related services. To carry out the main activity of Riga Airport, i.e. passenger transportation, using air traffic, the company must ensure the conformity of many services and process with the general requirements of aviation and their supervisory services, while identifying and possibly satisfying the needs of customers. The range of available services and the level of service at airports is one of the most important factors of competitiveness. As a result of the infrastructure and services provided by Riga Airport, customers and cooperation partners are offered passenger and cargo transportation, space and territory rental, and other services, such as parking lots, VIP rooms, etc.

The owner of all the company's shares is the state of Latvia, thus according to the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof, Riga Airport is a capital company of a public person, and the holder of its capital shares is the Ministry of Transport.

On 31 December 2023, 1,420 employees worked at Riga Airport (1,388 employees in 2022). By considering the data of the LAA<sup>7</sup>

on the aviation industry in Latvia, the number of employed persons decreased by 15 % in 2020. The data collected by the CSB in the air transport and air transport auxiliary sectors show 3,657 employed persons in 2020, while the data of the annual reports of the extended group of companies in the aviation sector – 6,073 employees. The official CSB database on air transport employment shows 1,475 employees in 2022 and 1,187<sup>8</sup> in 2021, showing an upward trend, while 2023 data are not yet available at the time of writing but are expected to approach pre-Covid 19 pandemic levels, as Europe has 95 % of its pre-pandemic air passenger traffic<sup>9</sup>.

<sup>7</sup> Source: LAA study "Economic impact of the Latvian aviation industry on the national economy 2018-2021".

<sup>8</sup> Source: CSB, 2023. Statistical database "EKA120. Employed population aged 15 and over by industry, gender and age group at the beginning of the year 2021-2022"

<sup>9</sup> Source: <https://www.aci-europe.org/media-room/477-passenger-traffic-reaches-nearly-95-of-pre-pandemic-levels-in-2023.html>

# Airport in facts and figures (2023)

Administrative territory –  
**621 ha**

Commercial areas –  
**4,670 m<sup>2</sup>**

The area of the passenger terminal is  
**49,793 m<sup>2</sup>**

capacity –  
around 8 million passengers per year<sup>10</sup>

## Runway

length  
**3,200 m**

width  
**45 m**

capacity  
**29**  
flights per hour  
on average

**CAT II**  
(the airport infrastructure that allows aircraft to take off and land in adverse weather for airplanes and emergency situations)

## Aircraft parking spaces **87**

(by aircraft code)

B	C	D	E	helicopter parking spaces
12	62	5	3	2

## Rescue and firefighting category –

**CAT 8**      **CAT 9**  
on request

## Aircraft maintenance hangars – **7**

Each of them –  
**2,000 to 9,323 m<sup>2</sup>**

The total area –  
**33,944 m<sup>2</sup>**

## Cargo terminals – **5**

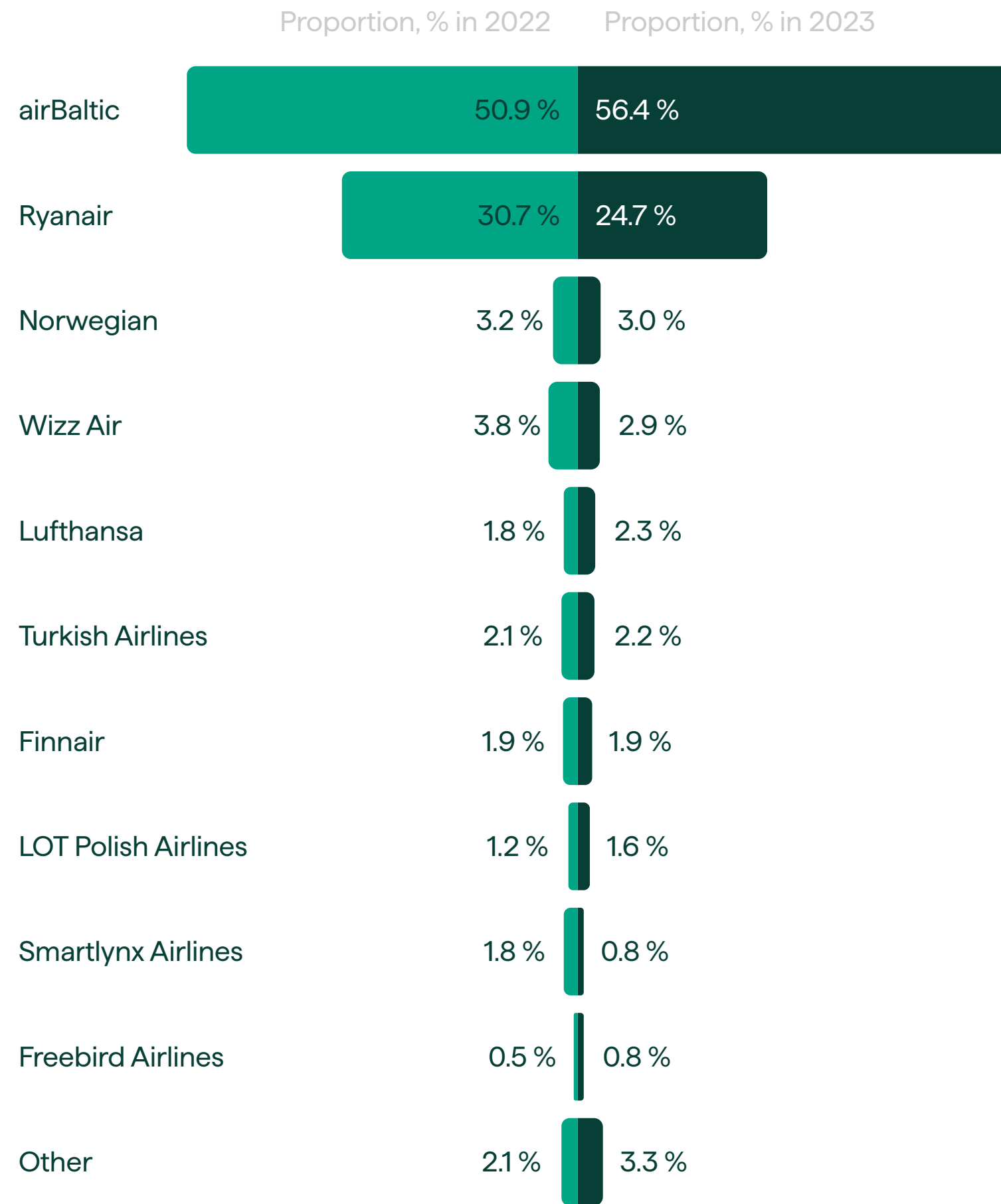
Each of them –  
**600 to 2,500 m<sup>2</sup>**

The total area –  
**7,591 m<sup>2</sup>**

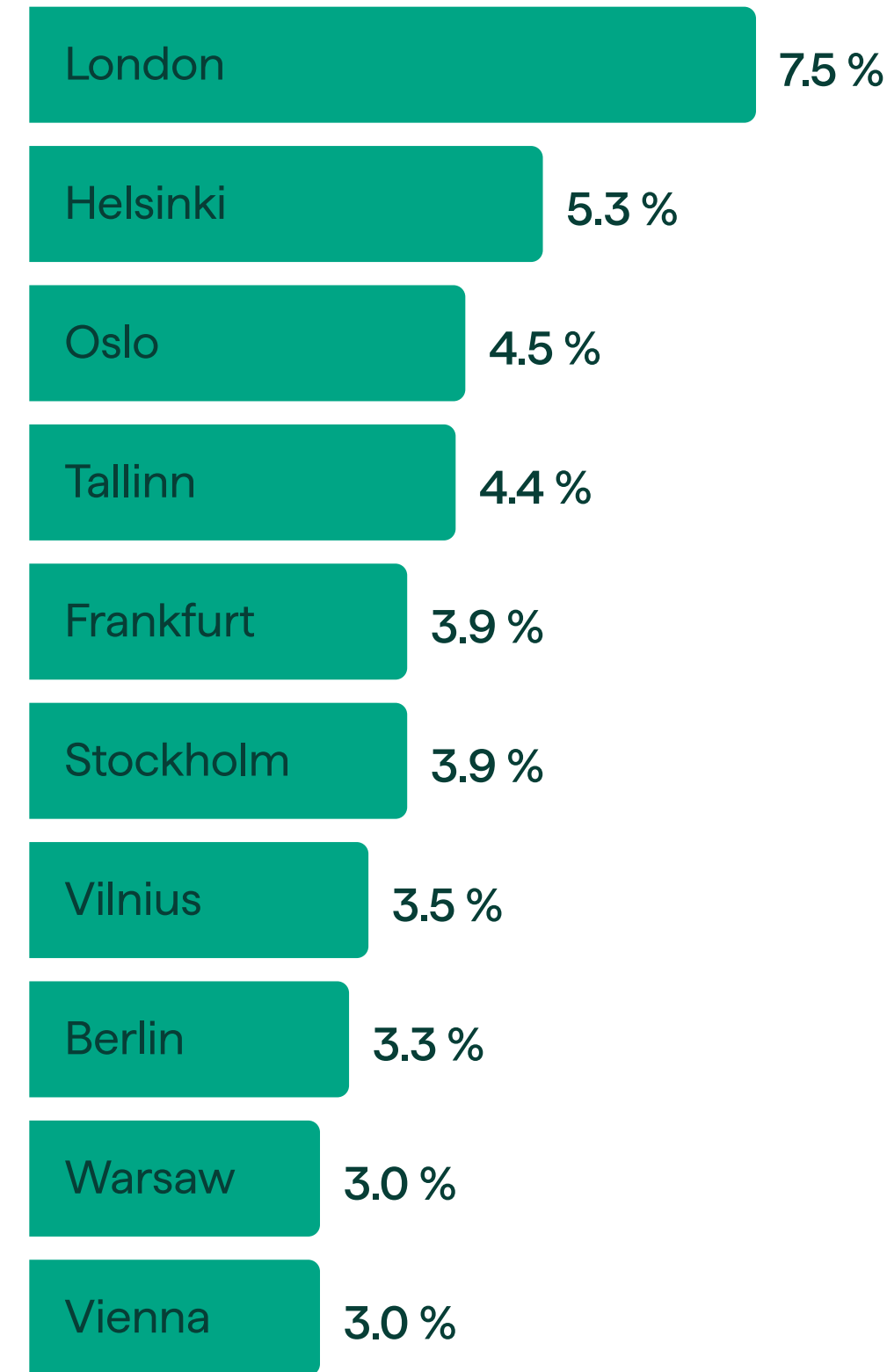
## Number of platforms **5**

## Business aviation terminals – **2**

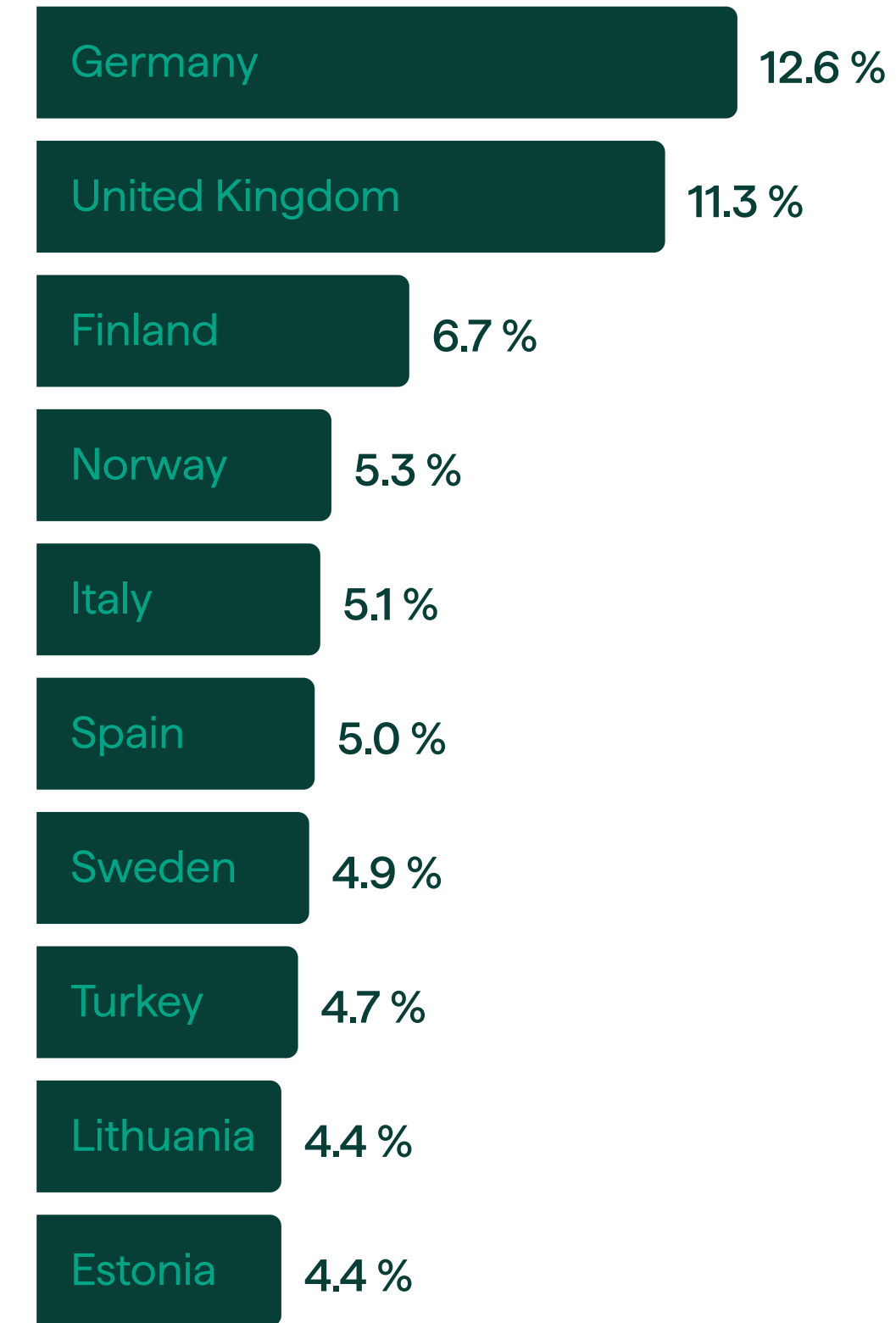
### The most important carriers by the number of transported passengers in 2023:



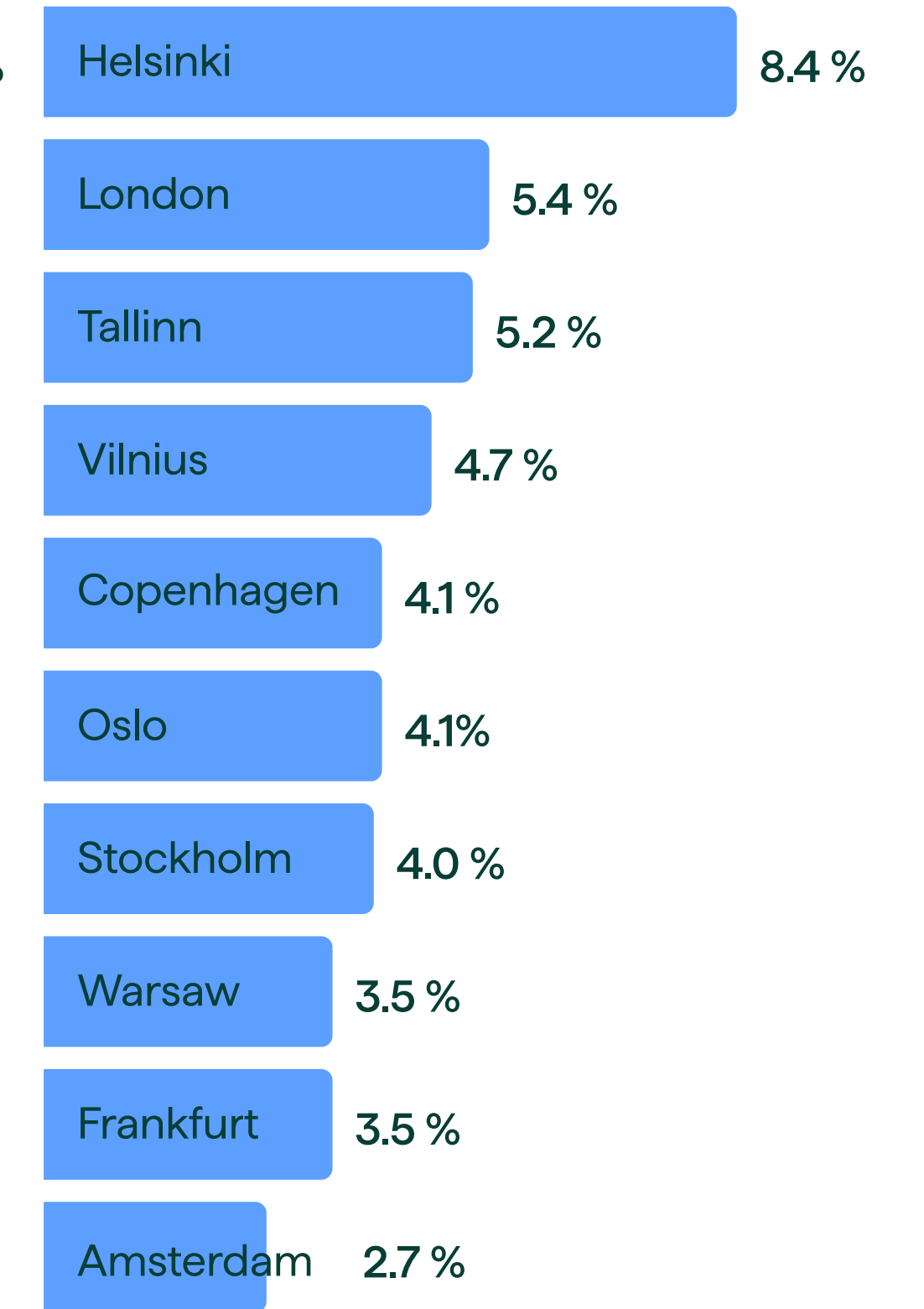
### TOP 10 destinations by number of transported passengers:



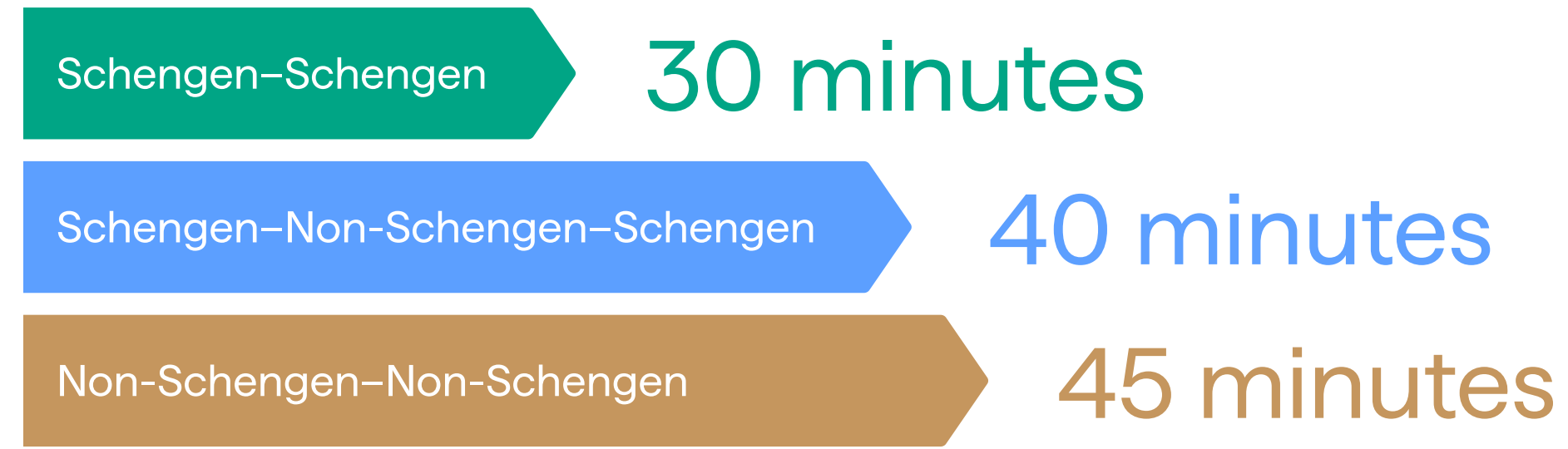
### TOP 10 countries by number of transported passengers:



### TOP 10 destinations by number of flights:



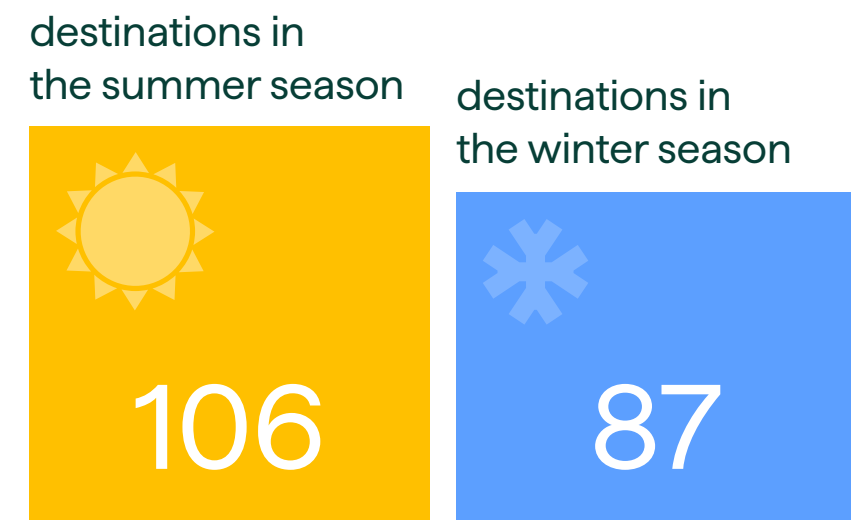
### Minimum connecting time between flights



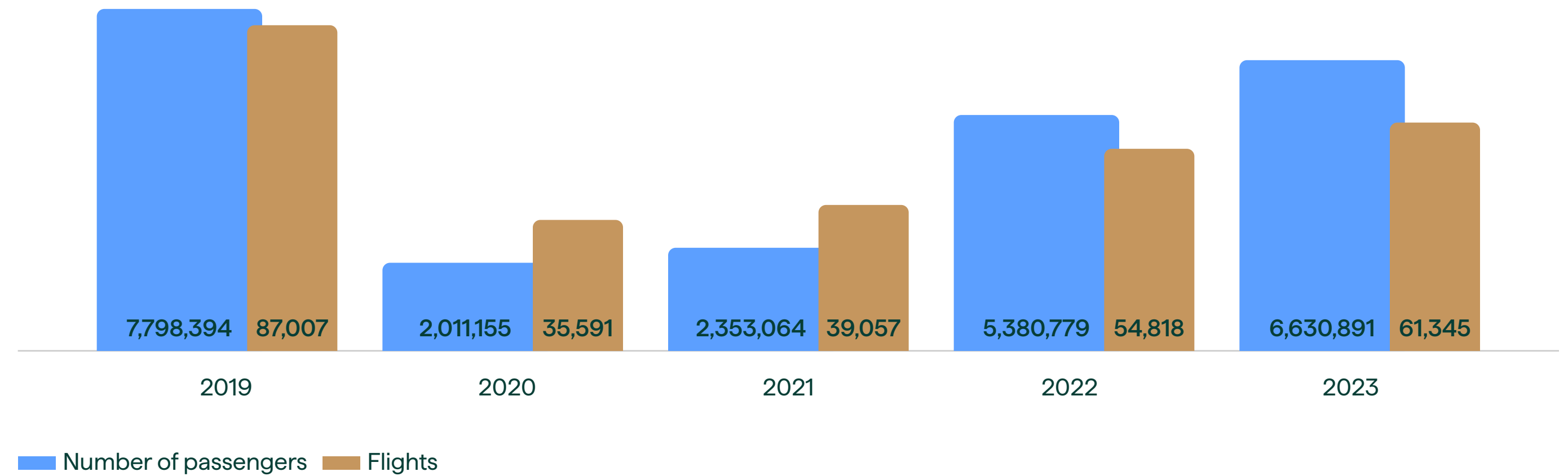
**Number of regular airlines**

12

### Number of destinations



### Number of passengers and flights served:



### Key financial indicators

	2019	2020	2021	2022	2023
Net turnover	64,986,666	29,797,924	31,768,910	57,924,484	72,500,788
EBITDA	16,988,208	-3,634,159	-3,126,152	11,364,971	13,760,118
<b>Profit or loss</b>	<b>22,140,607</b>	<b>-15,846,347</b>	<b>-9,423,404</b>	<b>286,498</b>	<b>1,612,140</b>

You can find out more about the financial results in the 2023 financial report of Riga Airport, which is available on the company's [website](#).

# Business volume

2-6, AO1, AO2, AO3

Mission, vision and values

## Mission

Riga Airport is an international traffic centre that contributes to the growth of the economy of Latvia by providing convenient and safe connectivity for passengers and business, creating jobs and opportunities for business development.

## Vision

The future traffic centre of Northern Europe, which promotes the competitiveness of Latvia in the region.

## Values

The operation of Riga Airport is based on five values

### Growth

We develop by contributing to personal, team and company growth. In our dynamic industry, the key to success is the ability to develop knowledge and skills, innovate and make processes more efficient.

### Responsibility

Our sustainable operation is based on a responsible approach, analysing, and evaluating the impact of our business decisions on the environment, society, local community and economy.

### Safety and security

The safety and security of employees, passengers, airport guests and business partners are the cornerstone of our decisions, processes, and actions.

### Openness

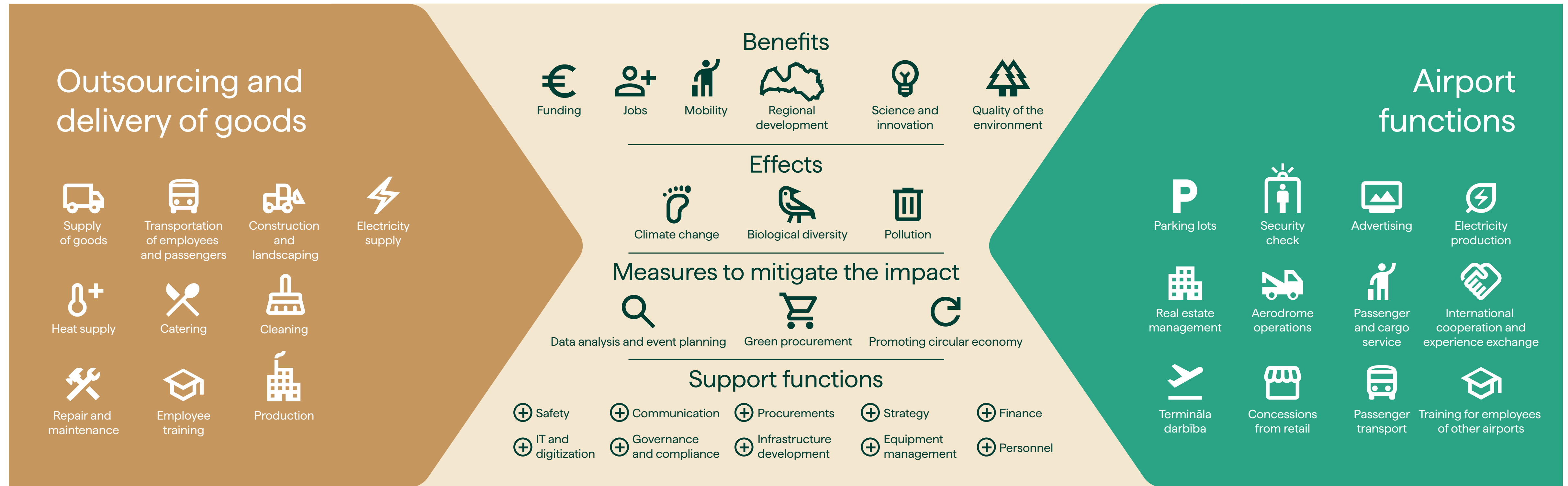
We enable connectivity and open the door to new destinations for people and business. Different beliefs, nationalities and religions meet here, and we are open to respectful and professional cooperation.

### Efficiency

Our operation is based on clear, simple, accessible, and efficiently organized processes aimed at creating a positive customer experience.

# Value chain

## Creation of the value chain



Ascending >



Descending >

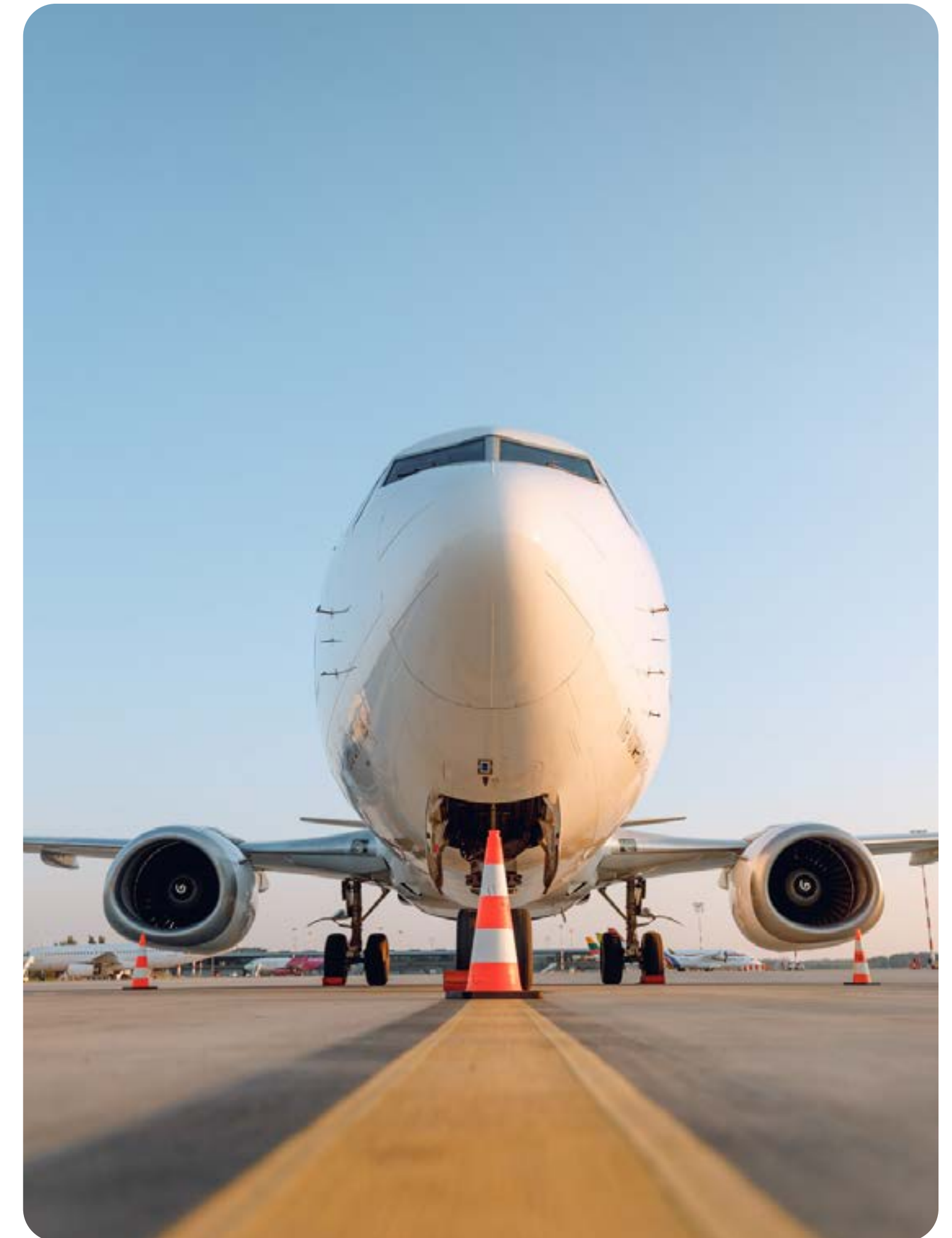
Other collaborations whose processes affect Riga Airport, but which are not included in the direct value chain, include cooperation with public transport service providers, which is essential for Riga Airport from the point of view of connectivity and customer convenience. Accessibility is described more in the section "Access by public transport".

Cooperation with SIA "Eiropas Dzelzceļa līnijas", which implements the "Rail Baltica" project in Latvia, is also essential. The implementation of this project has both the national strategic importance and is an important project for the development of Riga Airport, as it foresees the creation of the first high-speed railway and air connection centre in the Baltics. As a result of the project, by connecting the railway and airport infrastructure, the Riga Airport will become a modern and multifunctional passenger service complex, offering new mobility options and amenities for passengers.

To develop an infrastructure that meets future requirements and climate goals, since 2022, Riga Airport has essential cooperation with the Latvian Hydrogen Alliance and the companies represented in it, as well as cooperation with other airports in the region with the aim of creating synergy and acquiring funds available in the structural funds for alternative fuel infrastructure research and development.

The development of the long-term project "RIX Airport City", which started in 2022, continues and a contract with the project developer is planned to be concluded in 2024 through a competitive dialogue. The vision of the project envisages that by 2027 "RIX Airport City" will become an important Northern European business centre, offering various services and infrastructure for the needs of aviation-related and other industries, becoming not only a home for companies that want to enter or expand their presence in the Baltics and in the Northern Europe, but will also offer ample opportunities for passengers and local residents, becoming an attractive destination on its own. No significant changes in the supply chain of Riga Airport have been detected compared to the previous reporting year.

To promote sustainability also within the value chain, in 2023 Riga Airport launched a survey of its upstream part (suppliers) to find out the suppliers' efforts to reduce their environmental and social risks, as well as to assess their ESG risk level in order to identify appropriate measures for further risk mitigation in the future. Read more in the "Suppliers" section.



## Performance results

In 2023, Riga Airport served 6.63 million passengers, the majority of which 99.97 % were passengers of international flights, and 0.03 % – domestic passengers. Since 2017, Riga Airport has offered one domestic flight Riga – Liepāja, which is provided by the national airline "airBaltic", however, in 2023, such regular flights have not been performed.

Total number of arriving and departing passengers (million)

Passengers	Domestic	International	Total
Arriving passengers	0.002	3.31	3.31
Departing passengers	0.000	3.32	3.32
<b>Total passengers</b>	<b>0.002</b>	<b>6.63</b>	<b>6.63</b>

In 2023, direct passengers accounted for 5.21 million passengers or 79 % of the total, while 1.42 million passengers or just over one in five (21 %) were transfer passengers.

In 2023, Riga Airport served a total of 61,345 flights:

International flights	Number	Domestic flights	Number
Commercial passenger flights	55,684	Commercial passenger flights	18
Commercial cargo flights	1,684	Commercial cargo flights	1
General aviation flights	292 (with mass < 5.7 tons)	General aviation flights	79 (with mass < 5.7 tons)
National aviation flights	26	National aviation flights	-

In 2023, Riga Airport handled 19,160 tonnes of cargo.

Total amount of arriving and departing cargo (t)

Cargo	Transported on specialized cargo flights	Transported on passenger flights	Total
Arriving cargo	4,031	3,957	7,988
Departing cargo	5,014	6,158	11,172
<b>Total cargo</b>	<b>9,046</b>	<b>10,114</b>	<b>19,160</b>

## External factors and trends affecting the company

While continuing to recover from the impact of the Covid-19 pandemic, the significant deterioration of the geopolitical situation in the region caused by the Russian invasion of Ukraine on 24 February 2022 created additional challenges for the aviation industry as a whole, directly related to the security concerns of the unavailability of the market and airspace of Ukraine, Russia and Belarus or the established international due to sanctions, and indirectly – a rapid increase in the prices of energy resources, which, in turn, had a significant impact on overall price inflation, reducing the purchasing power of citizens and creating threats of economic recession, changes and re-orientation of supply chains, as well as other security challenges, including the increased number and scale of cyberattacks.

As a result of the geopolitical situation, in 2022 the EU, including Latvia, is experiencing a rapid rise in the prices of energy resources, which also refers to overall inflation, and in Latvia and other Baltic countries, inflation reached the highest rate in the EU countries. The increase in the prices of energy resources and inflation forces the implementation of savings measures both in companies and in households by reducing the

purchasing power and savings of the population. This, however, may further affect travel habits and reduce demand for leisure trips. In addition, the increase in the prices of energy resources also refers to the prices of aviation fuel, which forces carriers to increase the prices of flight tickets. According to the Bank of Latvia's estimates, GDP grew by 2 % in 2022, while annual inflation reached 17 %.

In 2023, with the lifting of strict entry requirements in China, the impact of the Covid-19 pandemic on international air passenger transport virtually disappears (some of the changes and supply chain complications caused by the Covid-19 pandemic, mainly affecting freight, still remain): connectivity between countries and destinations is restored, supported by strong demand, including pent-up demand, for travel that could not be realised during the Covid-19 pandemic due to restrictions.

In the first half of 2023, the impact on the global economy of the Russia-Ukraine hostilities is gradually diminishing, with stabilising energy and food prices, improved national economic prospects and slowly declining inflation, although still well above target (~2 % per year). To curb inflation, Central Bank interest rates are being increased several times in 2023, which, like inflation, weakens demand and slows economic development, reducing people's purchasing power and consumption.

In 2023, the further development of traffic was further complicated by further unfavourable developments in the geopolitical situation – the continuation of hostilities in Ukraine and, in the second half of the year, new geopolitical shocks in the Middle East – the Israeli war against the terrorist group "Hamas", which started after an attack on Israeli territory on 7 October 2023. This was followed by a further escalation of geopolitical tensions and security risks in the Middle East region, the most prominent conflict being the Red Sea crisis, which is having a major impact on global trade and resource prices, making it difficult to use the Red Sea and the Suez Canal for maritime transport between Europe and Asia.

These geopolitical developments also have a direct impact on Riga Airport's traffic – since the outbreak of active hostilities, scheduled flights to Israel have been suspended and not resumed due to safety risks, and demand to winter season holiday destinations in the Middle East and Africa region has weakened.

In general, the impact of the Russia-Ukraine war on the Latvian aviation industry is uncertain, but the approximate reduction in passenger traffic could be in the range of 8 % of the 2022 total. Overflights over Latvian airspace have decreased by 42 %, the business aviation segment has decreased by 40 %, the volume of cargo handling has been affected, and many organizations

and individuals have been denied aircraft maintenance and access to the EU market because of sanctions<sup>11</sup>.

Table 1. An overview of aviation characteristics in the Russian and Ukrainian markets from the perspective of Riga Airport

	Ukrainian market	Russian market
Number of destinations	4	2
Airlines	3	2
Estimated number of passengers	23,000	17,000
Number of flights	2,246	4,896
Passenger flights	2,246	4,056
Cargo flights	-	840

As a result of the sanctions introduced by the EU, the airspace of Russia and Belarus has been closed, which forces airlines to change their flight paths and prevents them from serving destinations in Russia and Belarus. Also, for safety reasons, it is not possible to use Ukrainian airspace and airports. Airspace constraints and the additional costs associated with airspace overflight make it difficult for carriers to provide cost-effective services to promising growth markets in Central Asia and the Caucasus.

<sup>11</sup> Source: M. Gorodcovs, Impact of the geopolitical situation on civil aviation security and safety, Riga Aviation Forum 07.07.2022.

However, while the number of transfer passengers is still significantly lower in 2019 (-40 %), the number of transfer passengers in 2023 has increased by 40 % compared to 2022, reaching 1.4 million passengers. The rapid growth in transfer passenger traffic compared to the previous year was driven by the successful implementation of changes to the carriers' route network, with the aim of shifting from the historical East-West transfer pattern to a North-South transfer pattern, including new connections from the Baltic and Northern European countries to destinations in the Balkans, Caucasus, Middle East and Central Asia. This operational strategy has ensured that in 2023, the growth in transfer passengers has outpaced the growth in direct passengers and, accordingly, the share of transfer passengers has increased to 21 %, two percentage points higher than last year but still significantly lower than in 2019 (30 % share of transfer passengers).

The impact of the war can also be felt in the cargo transportation segment, with Riga Airport experiencing a 24 % decrease in cargo traffic in 2022 compared to the previous year, compared to a slight growth in the cargo segment in neighbouring countries. The decline in the volume of cargo handled is directly related to the impact of international sanctions, which have resulted in the loss of charter cargo flight programs to and from China, which were primarily carried out using Russian airspace and aircraft of airlines

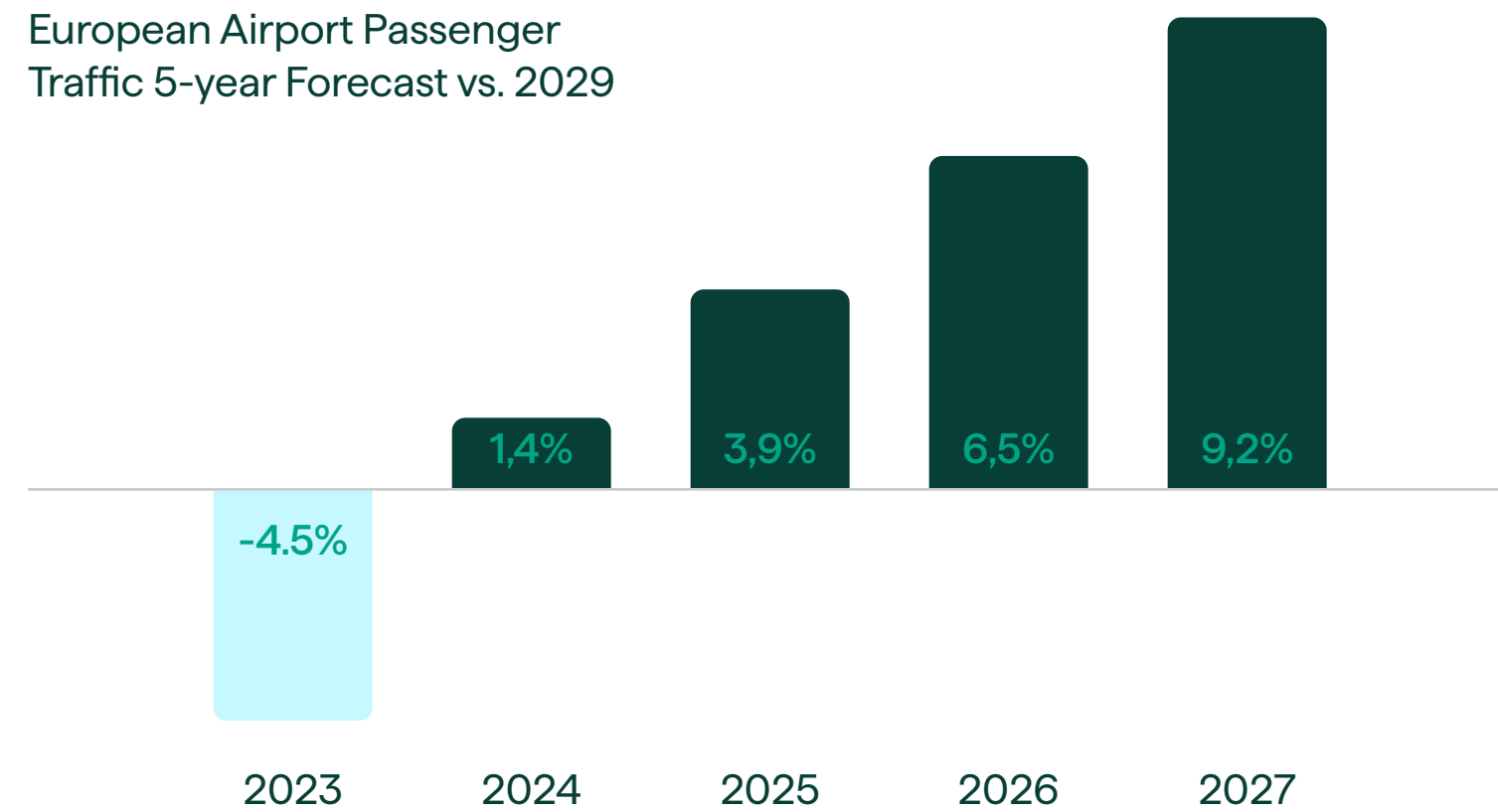
registered in the Russian Federation. The geopolitical situation means that much of the cargo, such as e-commerce cargo from China, arrives in the Baltics by road from Central Europe. In the context of the ongoing geopolitical situation and weak cargo prices, air cargo flows from China have not recovered in 2023 and the volume of air cargo handled in 2023 continued to decline (-9 % compared to 2022).

Although the macroeconomic situation is expected to improve in 2024 (according to the Bank of Latvia's forecasts, the economy will return to growth – GDP will increase by 2 % and the annual inflation rate will reach the target level of ~2 %) and 2024 will be characterised by particularly high political instability and uncertainty, given that elections are expected in more than 70 countries around the world, including the EU. The USA, UK, EU, Russia, India, etc. will largely determine the future evolution of tense geopolitical processes, resource prices and the pace of economic activity in the years ahead. High uncertainty and the difficult macroeconomic situation are also expected to lead to consumer caution, which will have an impact on demand for air travel, as well as on the cost of providing services and the price of tickets.

Current ACI forecasts show that passenger numbers in Europe in 2024 will be 1 % above 2019 levels, with moderate development in the medium term.

In 2023, European traffic recovered to 95 % of 2019 levels, which is in accordance with Riga Airport's recovery performance in terms of coverage area passengers, which

European Airport Passenger Traffic 5-year Forecast vs. 2029



reached 96 % of 2019 levels (coverage area passengers – direct passengers departing/arriving at Riga Airport) and is the second-best performance in the Baltic States after Kaunas Airport, where the number of direct passengers exceeds 2019 levels by 12 %. Considering the impact of the geopolitical situation, total passenger traffic at Riga Airport reached 85 % of the 2019 level, which is 10 percentage points lower than in Europe as a whole and the lowest among airports in the Baltic States.

After the pandemic caused by Covid-19 and the reduction of the number of employees in the aviation sector, with the rapid recovery of the demand for flights, in 2023, there was a shortage of employees in the EU airports which affected the operation of the airports, especially in the summer season. While Riga Airport did not face an acute shortage of workforce, capacity constraints at other European airports significantly limited the services available – in terms of flight frequencies and available seats – on several routes. In 2023, most EU airports returned to normal operations. Global supply chains continue to be challenged by the delivery of new aircraft and their engines and the maintenance of existing aircraft, which has impacted the ability of carriers to deliver pre-planned schedules and network development directly due to aircraft availability.

Likewise, the development trends affecting the aviation industry are related to the Europe Green Course which requires the industry to reorient itself towards climate neutrality to reach Net Zero emissions in 2050. The European Green Paper includes a target to reduce greenhouse gas emissions from the transport sector (including aviation) by 90 % by 2050 compared to 1990 levels<sup>12</sup>, with the European Commission recommending a 90 % reduction by 2040<sup>13</sup>, but this target is still to be discussed by the European Parliament and EU Member States. Achieving these ambitious goals

requires a reorientation of the aviation sector, investing in technology and innovation related to the provision of alternative fuel infrastructure, the availability and use of sustainable aviation fuels and specialised equipment powered by alternative energy sources. From 2025, the aviation sector will be required to use sustainable aviation fuels and from 2027 emissions trading will cover transport fuels, thus encouraging the use of cleaner fuels and reinvestment in clean technology development<sup>14</sup>.

The Green Deal and the requirements of the Fit for 55 packages of legislation are expected to affect connectivity by increasing the cost of air carriages. The price increase for a 3,000 km long flight per passenger within the EEA could reach EUR 45.00 in 2030, and EUR 65.00 in 2035. In long-haul flights, the increase is expected to be higher – EUR 50.00 in 2030 and EUR 105.00 in 2035<sup>15</sup>.

<sup>12</sup> Source: European Commission website: [https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal/transport-and-green-deal\\_en](https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal/transport-and-green-deal_en)

<sup>13</sup> Source: Communication of the European Commission of 6 February NO. COM(2024) 63 final <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2024%3A63%3AFIN>

<sup>14</sup> Source: European Commission website: [https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal/delivering-european-green-deal\\_en](https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal/delivering-european-green-deal_en)

<sup>15</sup> Source: A. Kokars, Strategic challenges for the Latvian aviation industry to develop sustainable aviation and Green Course in response to European Commission package of legislative proposals "Fit for 55", Riga Aviation Forum 07.07.2022.

As there are no clear forecasts for sustainable aviation fuel prices yet, price forecasts are conservative and cannot be fully assessed at this time. Uncertain conditions for the introduction of sustainable aviation fuel in third country markets may lead to unfair competition and carbon leakage.

## Competition

Riga Airport has positioned itself as a regional air traffic centre and a leader in the Baltic States, thanks to the successful development of infrastructure, the growth of "airBaltic", as well as using the advantages of its geographical location. Traffic hubs are characterized by large and stable coverage areas, a high proportion of transfer passengers, a high level of connectivity and quality services. Although Riga Airport has a relatively small coverage area, largely due to airBaltic's business model, it has achieved a high share of transfer passengers and connectivity and continues to develop the infrastructure that supports the further development of this business model. Given that the airports in Vilnius and Tallinn, the capitals of the Baltic States, do not act as hub airports but serve direct flights of low-cost carriers and network carriers providing passenger services to their hubs, Riga Airport as an air hub has no directly comparable competitors in the Baltics. The airports that act as

hubs in Riga Airport's target markets for transfer passengers are Helsinki, Stockholm, Oslo, Copenhagen, and Warsaw airports.

When assessing the geographical position of Riga Airport and its operation as a regional hub in cooperation with airBaltic, it is possible to distinguish two different groups of competitors according to the type of competition between them:

- competition for carrier capacity and direct passengers with the largest airports in the Baltic States – Tallinn, Vilnius, Kaunas and Palanga;
- competition for transfer passengers with network carriers' hub airports in Europe, in particular the airports of Helsinki, Stockholm, Copenhagen, Oslo, and Warsaw in Northern Europe.

The creation of the European Single Market and the reduction of transport restrictions have contributed to the dispersion of carriers' capacity and significantly increased carriers' mobility or ability to move capacity. A particularly high capacity spread and mobility in Europe is characteristic of low-cost air carriers. For example, according to current information, Ryanair has capacity at more than 90 carrier-based airports in a total of 36 countries. While network carriers are characterised by a stronger attachment to their home airports serving their target markets and where the infrastructure necessary to support

their operations has historically been established, carrier consolidation has also increased the mobility of network carriers, allowing them to better adapt to market conditions and ensure operational flexibility and resilience to the impact of negative external factors. If an airport experiences adverse changes affecting carriers' operations, such as a significant increase in fares, carriers, low-cost and increasingly network carriers, can quickly redeploy their capacity to other airports with more favourable operating conditions. It is therefore possible that an airline that has been very active at a particular airport in one year may cease operations the next. To be able to retain and attract carrier capacity (and consequently retain and develop the flight network, increase the number of destinations and flight frequencies), it is fundamental for the airport to develop its competitiveness and competitive advantage, considering the characteristics of its catchment areas and the capabilities of air carriers. Competition between Baltic airports is expected to intensify further in the future.

# Cooperation with stakeholders

## 2-29

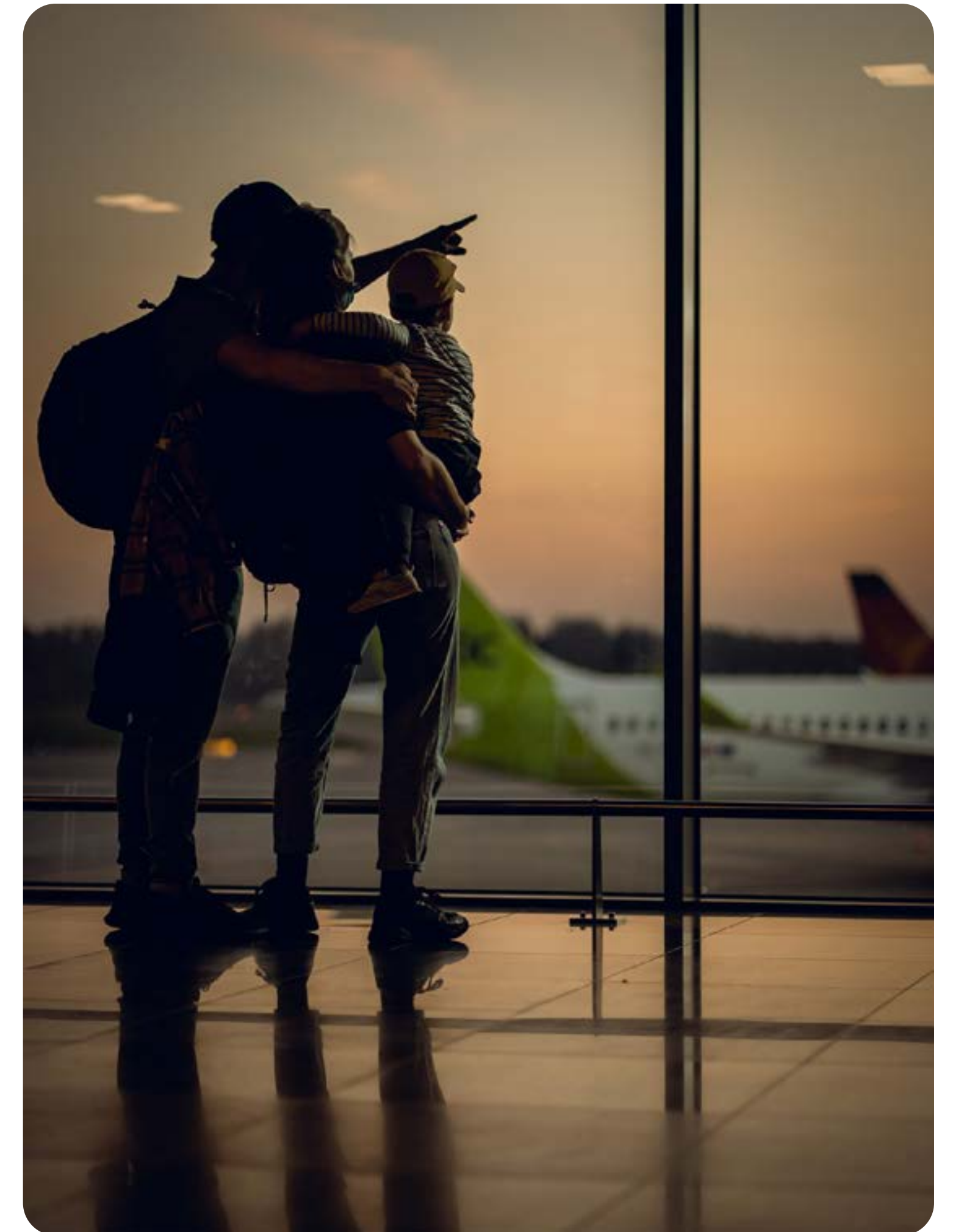
Riga Airport, as a sustainable and socially responsible company, wants to realize its true impact and manage its role in society. Since the airport makes a significant contribution to the national economy of Latvia and shaping the future development, its operation is related to a wide range of stakeholders, and cooperation with them is a part of the responsible business of Riga Airport.

The Airport's stakeholders have been identified, evaluated, and grouped, considering the GRI guidelines and the AA1000 Cooperation Standard with Stakeholders.

In 2022, Riga Airport identified groups of stakeholders, involving the heads of structural units and leading specialists in the identification, who not only helped to define the groups of stakeholders, but also to determine the most important organizations and individuals for each group. The analysis evaluated the extent to which the specific group of stakeholders can influence the performance of Riga Airport in economic, environmental, and social aspects, and how much interest the respective interested parties have in the Airport's achievements in this area.

In April 2022, the company's stakeholders were invited to participate in an online survey to provide their assessment of the important aspects of sustainability for Riga Airport. On the other hand, in May 2022, at the stakeholder workshop organized by Riga Airport, the representatives of the most important stakeholders expressed their opinion on the cooperation so far, proposals and expectations on topics important for the company's sustainability. In total, the airport received 80 recommendations on the following ten sustainability topics:

- innovations;
- procurement;
- cooperation;
- environmental education;
- environmental impact;
- safety;
- good management, openness;
- airline, airport image;
- services;
- employees.



Riga Airport evaluates the social, environmental, and economic impact of its operations and involves the affected parties in solving important issues, which take place at different levels, for example:

- **surveys** – clarification of current issues and evaluation of services;
- **feedback** – feedback with customers;
- **conversations or dialogue** – individual or collective consultation;
- **consultation** – finding out or exchanging an opinion;
- **partnership** – joint decision-making and cooperation.

Communication with stakeholder groups occurs as needed, but no less than once a year.

Importance of the stakeholders of Riga Airport, based on the materiality matrix in economic, environmental, and social aspects.

	Economy	Environment	Social issues
Shareholder	1 (A) – high	1 (A) – high	1 (A) – high
Aviation and transport industry organizations	3 (D) – low	2 (B, C) – medium	2 (B, C) – medium
Airlines	3 (D) – low	2 (B, C) – medium	1 (A) – high
Banks, financiers	1 (A) – high	1 (A) – high	2 (B, C) – medium
Employees	2 (B, C) – medium	2 (B, C) – medium	1 (A) – high
Educational and scientific institutions, innovation centers	3 (D) – low	3 (D) – low	1 (A) – high
Customers, lessees	1 (A) – high	2 (B, C) – medium	1 (A) – high
Media	2 (B, C) – medium	2 (B, C) – medium	2 (B, C) – medium
Municipality	3 (D) – low	3 (D) – low	3 (D) – low
Suppliers	2 (B, C) – medium	2 (B, C) – medium	3 (D) – low
Policy makers	1 (A) – high	1 (A) – high	2 (B, C) – medium
Professional associations	3 (D) – low	3 (D) – low	3 (D) – low
State supervisory and control institutions	2 (B, C) – medium	2 (B, C) – medium	2 (B, C) – medium
Environmental organizations	3 (D) – low	2 (B, C) – medium	3 (D) – low
Other non-governmental organizations	3 (D) – low	3 (D) – low	3 (D) – low
Representatives of the local community	3 (D) – low	1 (A) – high	3 (D) – low

Significance based on the matrix:

- 1 (A) – high
- 2 (B, C) – medium
- 3 (D) – low

# The main topics of sustainability and responsibility

## 3-1, 3-2

In 2022, Riga Airport carried out research and analysis to define the essential aspects of sustainability for the company and its stakeholders. The materiality analysis was carried out in three stages and considered:

- stakeholder opinion;
- the vision of the management, including the information contained in strategic planning documents and reports;
- trends identified in the benchmarking of industry companies by analysing publicly available strategies and reports;
- the requirements of industry standards and EU sustainability legislation, including the principles of taxonomy regulation and the Corporate Sustainability Reporting Directive.

As a result of the assessment, the range of essential aspects of sustainability for the Riga Airport was determined.

## 1. stage

### Identifying stakeholders and determining the relevant aspects of sustainability

When determining the binding aspects of sustainability, both what and how Riga Airport is affected, as well as what affects the operation of the Airport, were considered. The analysis was based on the study of the following documents:

- Riga Airport strategic planning documents and reports;
- information published by industry companies in strategic planning documents and reports;
- binding legislation and industry standards.

At this stage, 21 potentially important aspects of sustainability for Riga Airport have been identified.

In parallel, the heads of various functions and departments of Riga Airport were involved in stakeholder identification, providing their suggestions on the most relevant stakeholders. In total, more than 250 organizations and individuals whose opinion is important to the Airport were identified.

## 2. stage

### Determining the essential aspects of sustainability

With the aim of determining the most important aspects of sustainability, a survey of stakeholders was held in April 2022, in which 57 representatives of stakeholders expressed their opinion. In the online survey, it was possible to rate the importance of each aspect of sustainability on a scale from 1 to 4.

On the other hand, in May 2022, a face-to-face workshop was organized for the priority stakeholders to find out not only the opinion about the aspects important for the sustainability of Riga Airport, but also about the cooperation to date and the necessary improvements in its operation. The event was attended by approximately 40 stakeholders representing all priority stakeholders. In the first part of the event, the participants were addressed by the Minister of Transport, while the management of Riga Airport presented the sustainability strategy and the initially essential aspects of sustainability. The participants further were invited in working groups to express their assessment of the cooperation so far, as well as ideas and proposals both regarding the strategic directions for ensuring sustainability in the most important aspects, as well as specific initiatives.

### 3. stage

#### Development of a materiality matrix

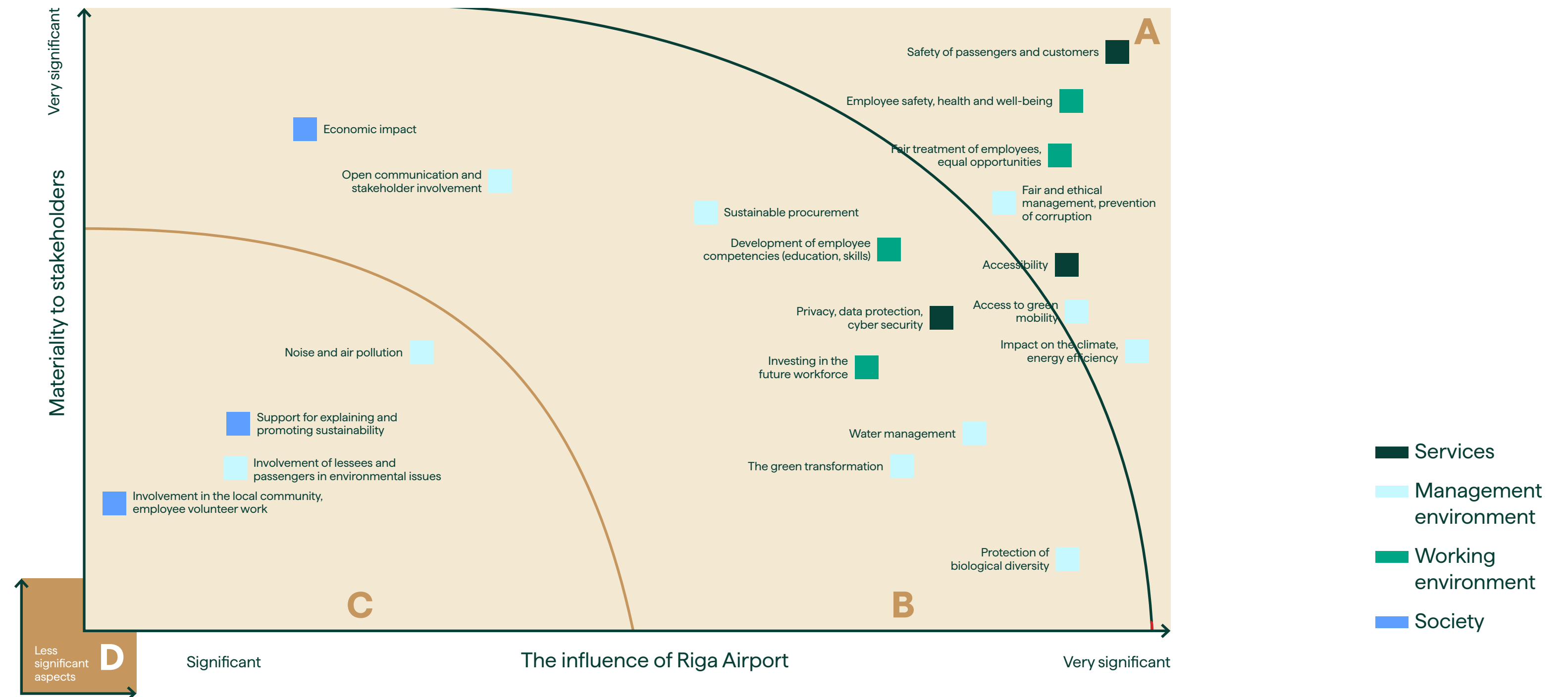
By summarizing what was concluded in the materiality analysis, including the opinion surveys of the stakeholders and the results of the workshop, a materiality matrix of sustainability aspects was prepared which was approved by the board of Riga Airport.

The vertical axis of the materiality matrix represents the most important aspects of sustainability for the stakeholders, while the horizontal axis indicates the importance of the aspects to the Airport. The materiality matrix is divided into three parts: most important, moderately important, and least important. The matrix includes 20 aspects of sustainability applicable to Riga Airport.

A list of stakeholder groups that participated in the identification of the most important sustainability aspects of the Airport is available in the section "Cooperation with stakeholders".

Compared to the results of 2019:

- the significance of the Airport's economic impact and contribution to the national economy has increased in all external groups;



- the importance of sustainable procurement has increased in the aviation industry, suppliers, banks and employee groups;
- the importance of climate impact and energy efficiency has increased in the aviation industry and supplier groups.

Along with the development of the materiality matrix, the Airport has also identified its primary and secondary UN Sustainable Development Goals. Sub-goals and relation thereof with the most important aspects of sustainability and responsibility of Riga Airport identified in the materiality matrix are specified in the Sustainability Strategy.

### The priority objectives of Riga Airport



### low priority



A new matrix in line with the principles of double materiality will be developed by Riga Airport in 2024 to report its 2025 results in accordance with the requirements of the Corporate Sustainability Reporting Directive.



03

# Strategy and investments



# Strategy

On 28 April 2021, in conformity with the Law, the CM approved the general strategic goal of Riga Airport: "To provide a regional traffic centre with appropriate modern air transport infrastructure and services by offering convenient and safe connectivity for passengers and business, and also to promote sustainable development and competitiveness".

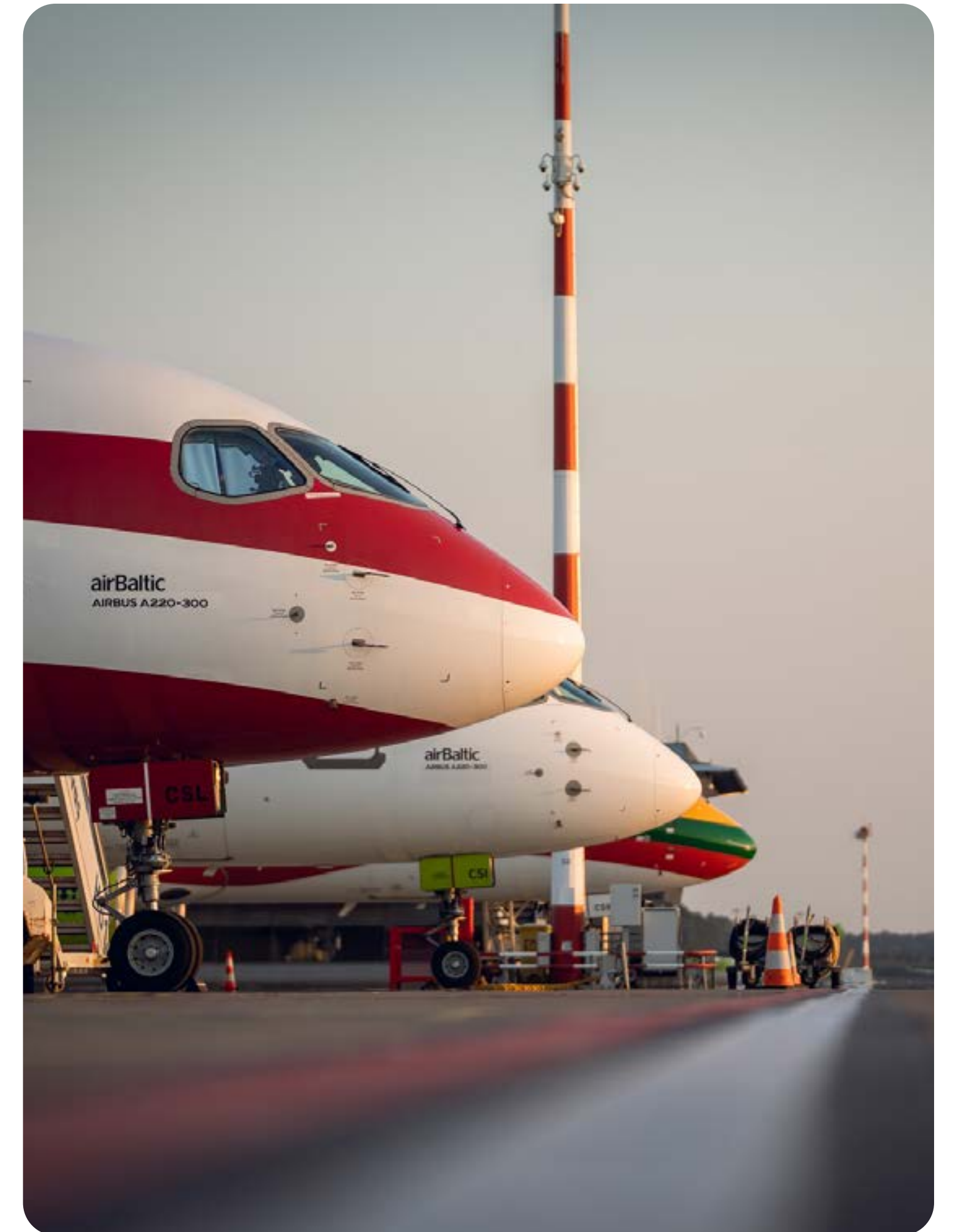
This goal has been determined taking into account the goals set in the state planning documents for the aviation industry and Riga Airport, which provides that within the framework of Sustainable Development Strategy of Latvia<sup>16</sup> until 2030, the development of the infrastructure of roads, railways, ports and airports of international importance plays a significant role in improving Latvia's external reach: air transport still plays a key role in ensuring quick external reach in passenger transport.

The goals to be achieved by Riga Airport are set out in the Medium-Term Operational Strategy 2021-2027 (hereinafter – the Strategy). On 22 March 2023, the Supervisory Board approved the Action Plan for the Implementation of the Strategy for 2023, which was developed based on the internal regulations of the Ministry of Transport of 27 September 2021 "Procedure for the Management of State Capital Shares" and the Rules of Procedure of the Airport Supervisory Board.

In 2023, Riga Airport updated its Strategy, including performance indicators, considering changes in the industry due to geopolitical processes. The updated strategy has not been approved because, according to the latest strategy procedure, a shareholder letter of expectation must be obtained before a new strategy can be developed. From June 2023, the Airport will be signing a draft letter of expectations with the Ministry of Transport and the State Chancellery. In 2024, following the expectation letter, the Strategy is to be updated and a new medium-term strategy for 2024-2030 is to be approved, including an update of the indicators to be achieved and their values.

<sup>16</sup> Source: Sustainable Development Strategy of Latvia until 2030.

<sup>17</sup> Last year of full operation before Covid-19.



# Strategic goals and objectives

Considering the provisions of the Strategy, the company is working to develop Riga Airport as a profitable and competitive, dynamically growing air traffic centre of the Baltic region and Northern Europe, expanding the flight network in the west and east direction, and promoting the growth of transit passenger flow and the increase of cargo flow capacity.

## Strategic goals

### 1. While maintaining the leading position in the Baltics, develop connectivity and increase the number of served passengers and cargo turnover with the aim of becoming the traffic centre of Northern Europe.

- 6.63 million passengers served in 2023 (+23 % compared to 2022 and -15 % compared to 2019 ), 62,318 flights (+12 % compared to 2022 and -29 % compared to 2019) and 19.2 tonnes of air cargo (-9 % compared to 2022 and -30 % compared to 2019).
- In 2023, Riga Airport served 1.4 million transfer passengers (+40 % compared to 2022 and -40 % compared to 2019). The recovery of transfer passenger numbers has been

significantly affected by the unfavourable geopolitical situation, but the faster growth in transfer passenger numbers compared to the previous year was due to the successful implementation of the changes in the carriers' route network, with the aim of shifting from the historical East-West transfer pattern to a North-South transfer pattern.

- In 2023, Riga Airport served 5.2 million direct passengers and the number of passengers has returned to pre-pandemic levels (- 3 % compared to 2019).
- Air cargo transportation is also negatively affected by geopolitical processes, which have led to significant changes in cargo supply and logistics chains. The geopolitical situation means that much of the cargo in the Baltics arrives by road from Central Europe. Similarly, the negative global economy and supply chain conditions have weakened air cargo transportation worldwide in 2022-2023.
- The recovery of cargo flights is relatively slower than the recovery of passengers. This is due to changes in the passenger air carrier fleet – compared to 2019, passenger services use larger capacity aircraft, which means fewer flights are needed to carry the same number of passengers. This operating model improves the efficiency of carriers and has a lower environmental impact.
- The number of direct destinations in the 2023 summer season was 106 and in the winter season 87. In 2023, destination network shifts are intensifying, with destination

development concentrated in the Balkans and Southern Europe, while carriers are reviewing their networks and cancelling flights to other destinations in Western Europe. The total number of destinations is virtually stable or growing moderately. This trend is expected to continue and possibly even intensify in the coming years regarding the destination network from Riga Airport.

### 2. To develop a safe, sustainable, and future-proof airport infrastructure.

- In 2023, the implementation of the planned activities of the CF project "Development of safe and environmentally friendly infrastructure at Riga International Airport continued. Read more about the implemented activities in the section "Project "Development of safe and environmentally friendly infrastructure at Riga International Airport"".
- The major project of the Strategy "Terminal Expansion Round 6" has been designed, coordinated, and approved by the Mārupe Municipality Construction Board, issued a building permit. Read more about the progress of the terminal expansion in the "Passenger Terminal Expansion" section.
- The project "Improving Baggage Handling Infrastructure" for the replacement of the baggage handling system was completed in 2023. This involved replacing the checked baggage system and integrating new X-ray machines.

- In 2023, work continued the construction of an electricity supply infrastructure that meets modern requirements for the development of Riga Airport.
- Three of the five passenger aircraft bridges have been replaced and put into service, with two passenger aircraft bridges to be replaced and put into service by February 2024.
- Certified and operational heliport launched in July 2023.
- Riga Airport CO2 Emissions Management Plan 2023-2025 was approved.
- In 2023, work on the solar park continued with the installation of solar panels on the roof of the passenger terminal, the feasibility study for the solar park at the north end of the runway, the first round of tenders (qualification requirements), the contract for the design and construction of the solar park in the civil engineering area.
- In 2023, a long-term concept for the deployment of EV charging points was developed, with 22 charging points to be built by 2025, and the first EV charging points have been put into operation.
- Riga Airport is gradually switching to alternative fuel transport – a contract for the delivery of nine new electric buses has been signed and the first buses are scheduled for delivery in April 2024, a contract for the delivery of an ambulift has been signed and is scheduled for delivery in September 2024, a contract for the delivery of two aircraft

ejection tractors has been signed and is scheduled for delivery in 2025.

- In 2023, work started on a new waste collection system for commercial lessees. The new system will be implemented at Riga Airport from 1 May 2024. The new waste sorting system will promote waste sorting at the Airport by offering commercial lessees the possibility to pay only for the municipal waste they produce. No fees will be charged for the disposal of sorted municipal waste (cardboard, glass, plastics) by commercial lessees.
- In 2023, a new strategic noise map was developed, providing two public information events on the strategic noise map in Jaunmārupe and in Piņķi.

### **3. To improve passenger and partner experience by making processes more efficient through innovation and automation.**

- The customer satisfaction score for the Airport's service in the ACI ASQ continued to increase in 2023, with the annual average score in the Overall Satisfaction section reaching 4.12 points. This is the highest annual figure to date for Riga Airport's participation in the ACI ASQ programme since 2015. More about the survey in the section "Passenger Survey".
- In 2023, Riga Airport was awarded ACI Airport Customer Experience Accreditation Level 1.

- To improve passenger comfort, one additional drinking water point has been installed, bus stop 22 has been moved closer to the Schengen Arrivals Hall exit, a service – return of unauthorised items removed from passengers checked-in baggage – has been introduced, and a separate line has been opened at the security control point for passengers with children under seven years of age and Honoured Family Card holders. Read more about the improvements made in the section "Customer Feedback".
- Riga Airport's punctuality rate was high throughout the year and exceeded the goal. In general, the punctuality of flights, which is influenced by the infrastructure of Riga Airport, was 99.33 %. Read more in the section "Punctuality and Capacity".
- Digitization of Riga Airport processes is constantly ongoing. Read more in the section "Investments in Innovation and Research".

### **4. Create new opportunities for business partners and travelers by developing the airport city and a wide range of services.**

- In September 2022, Riga Airport announced the first round of the tender to attract a developer, thus starting the most ambitious development project of the decade – the creation of the airport city RIX Airport City in the territory of the Airport's Business District. The submission of proposals

closed in December 2022 and the dialogue with the shortlisted tenderers closed in 2023. The contract for the development of RIX Airport City with the successful tenderer is expected to be concluded by June 2024.

- In 2023, a minimum construction project for a multi-storey car parking lot has been developed and approved in accordance with the procedure laid down in the regulations. The full technical design and construction will be carried out as part of the terminal expansion project.
- In 2023, the number of e-commerce customers reached 37.81 % of all parking customers. In 2023, a new e-commerce service – the possibility to purchase VIP and RIX Club cards – was procured. The service is planned to be introduced in the 1st quarter of 2024.
- The range of commercial services provided at the terminal is constantly being expanded. In 2023, several new outlets will be opened in the commercial areas – an electronics shop, a pharmacy, shops selling bags and accessories, watches and sunglasses, a café offering vegetarian and vegan options, a self-service food stand, two car rental services, an ATM and, for the convenience of passengers, a service to send purchased goods to their preferred Omniva kiosk in the Baltics.

### 5. To promote the development of the aviation industry by retaining and attracting high-quality specialists, providing opportunities for growth and a work environment that promotes success.

- In 2023, active recruitment continued, in the areas of safety and ground handling.
- An employee incentive programme based on the performance of business units' performance plans.
- The Bonus Procedure has been developed and approved, effective 1 August 2023. Read more about the 2023 activities to boost employee motivation and well-being in the section "Employees".

## Investment and development projects

### 3-3, 203-1

Riga Airport is a company whose main activity is ensured by the availability of infrastructure and the adequacy of its capacity to the volume of passengers, flights, and cargo. Therefore, the company's priority is to ensure the appropriate quality of the existing infrastructure to maintain the continuity of the

company's operations, as well as to implement development projects to increase the capacity of Riga Airport, without which it would not be possible to serve the projected increase in turnover.

The investments are intended for improving the capacity of the passenger terminal, maintaining, and developing the aerodrome infrastructure, IT, and security infrastructure, as well as for ensuring environmental and energy efficiency improvements in the projects to be implemented.

In the medium term, the following priority investment projects have been determined: the round 6 of the expansion of passenger terminal and several projects funded by the EU funds programme for 2014-2022 described below in this Chapter.

Evaluating the impact on the local population, the positive aspects include the development of a dynamic business environment and the increase in economic activity, the improvement of road infrastructure, connectivity, and the promotion of employment, while the negative aspects include noise and its spread, and emissions of air pollutants and changes in air quality<sup>18</sup>.

<sup>18</sup> Source: State Office of Environmental Oversight. Available: <https://www.vpvb.gov.lv/lv/ietekmes-uz-vidi-overtejumu-projekti/starptautiskas-lidostas-riga-infrastrukturas-attistibas-projekti-lidz-2020gadam>

# Expansion of the passenger terminal

Riga Airport has started an ambitious development project in which it is planned to build an extension of the passenger terminal with a capacity of up to 12 million passengers per year. The expanded Airport terminal will be connected to the railway station "Rail Baltica", forming a single passenger service complex.

As part of the construction works, it is planned to expand the existing terminal to the East of the existing terminal complex, as well as rebuild the existing terminal premises to ensure the connection and functionality of the existing terminal and the newly built extension. The implementation of the "Riga International Airport Terminal Expansion Round 6" project is planned in nine construction phases with the aim of ensuring an optimal construction process, as well as the operation of the existing terminal and access infrastructure of the Riga Airport.

The project "Round 6 of the Terminal Expansion" includes the construction of the following infrastructure and its equipping with the necessary equipment:

- expansion of the public part of the Airport's passenger terminal, including the check-in area, security control, baggage claims and arrivals hall;

- expansion of the terminal for the baggage handling system;
- rebuilding the existing terminal building in three sectors;
- road and parking solutions, including a new flyover at departure level and a multi-storey parking lot;
- underground tunnel for baggage delivery for connection with "Rail Baltica" station building.



# The main construction project solutions

The expansion of the passenger terminal is planned as a four-storey building on the eastern side of the existing terminal, providing a significant extension of the public part of the terminal.

New building configuration:

- **Level 1:** arrivals area with necessary facilities and baggage handling system room – expansion 15,063.61 m<sup>2</sup>;
- **Level 2:** baggage handling system room and auxiliary areas – expansion 9,871.37 m<sup>2</sup>;
- **Level 3:** passenger departure area and related premises – expansion 9,186.55 5 m<sup>2</sup>;
- **Level 4:** technical premises – expansion 929.24 m<sup>2</sup>.

Following the completion of the construction design and expert examination processes, the construction project "Riga International Airport Terminal Expansion Round 6" was approved in 2023, and the construction project for the design of a multi-storey parking lot was developed in a minimum form in 2023. The selection of qualified tenderers for construction and supervision services started in 2023 and will continue in 2024.

Riga Airport intends to apply the BREEAM sustainable building system in the design and construction process, according to the "Excellent" level of this system.

## The project "Development of Safe and Environmentally Friendly Infrastructure at Riga International Airport"

In 2016, Riga Airport signed a contract with CFLA on the implementation of the CF project "Development of Safe and Environmentally Friendly Infrastructure at Riga International Airport" to continue providing safe and environmentally friendly services by introducing modern technologies and reducing environmental damage. The project includes a total of eight activities:

- construction of the second expressway;
- equipping platform taxiways with centreline lights;
- reconstruction of the building for technical services;
- reconstruction of the rainwater drainage system of the public area and reconstruction of Muzeja iela (street);

- reduction of carbon dioxide emissions in the lighting infrastructure of the Airport area;
- construction of a helipad;
- purchase of the EDS equipment of the third standard;
- purchase of cabin baggage EDS equipment of the third standard (approved in 2022).

In total, seven of the eight project activities have been completed under the CF project. The project to reduce carbon dioxide emissions in the lighting infrastructure of the Airport area was already implemented in 2019.

In 2023, the following activities were implemented:

- construction work as part of a project to renovate the technical services building; the project has been delayed due to the financial situation of the builder, with a projected completion date of the end of 2024;
- All planned EDS equipment of the standard 3 for checked baggage has been installed and certified – project completed in 2023;
- delivered, installed, and certified EDS equipment of the standard 3 for cabin baggage.

By implementing this project, the Airport contributes to the achievement of climate policy goals by reducing the negative impact of the economic activity of Riga Airport on the

environment in accordance with increasing turnover volumes and increasing the energy efficiency of the infrastructure, as well as significantly improving the security infrastructure.

In 2023, a total of 22,071 thousand EUR, investments were made.

Investment project groups	Realization during the reporting period (thousand EUR)
Airport territory infrastructure	5,169
Passenger and aircraft service infrastructure	3,925
Emergency, safety, and IT infrastructure	5,015
Development of electricity supply infrastructure	3,255
Aerodrome infrastructure	746
Other projects	307
Replacement of motor transport, machinery, and platform equipment	3,653
<b>Total</b>	<b>22,071</b>

## Investments in innovation and research

In 2023, Riga Airport carried out the following IT infrastructure-related innovation projects:

- In 2023, work continued the implementation and digitization of new processes of the document management system. The module for transfer of archived documents of Riga Airport to the State Archives, the module for coordination of Design and Construction documents, the improved module for management of Board meetings, implementation of several electronic registers and other activities were developed, with a total investment of EUR 162,334.37 in 2023.
- In 2023, the mobile app of Riga Airport employees was introduced. With the help of the app, the Airport's employees and business partners can get acquainted with Riga Airport news, information for employees, report service incidents or work tasks and complete them. Digital driving categories are built into the Airport app. In total EUR 49,773 has been invested in the development of the app in 2023.



In 2023, Riga Airport has been involved in the following research projects:

- In 2023, Riga Airport began participating in the international research project "Integration and Digital Demonstration of Low Emission Aircraft Technologies and Airport Operations" (INDIGO). More information about the INDIGO project's goal, Riga Airport's tasks and cooperation partners can be found on Riga Airport's [website](#). The amount of the grant for the entire duration of the research project (2023-2026) is EUR 57,962.50. The project is financed by the EU programme "Horizon Europe".
- In 2023, Riga Airport started to participate in the "BSR HyAirport" project co-funded by the Interreg Baltic Sea Region Transnational Cooperation Programme to study the infrastructure needed at airports in the Baltic Sea Region to use green hydrogen to power aircraft and airport equipment. The total cost of the Riga Airport part of the project (2023-2026) is EUR 418,988.00, of which EUR 83,797.60 is co-financed by Riga Airport. You can find out more about the project's activities on Riga Airport's [website](#).

In 2023, Riga Airport became an industry partner for academia by participating in the Erasmus Mundus Master's degree programme "Service Design Strategies and Innovation". During the project, international students assumed the role of service design specialists, working with real work tasks at Riga Airport. In this way, students practised their academic knowledge and applied design thinking principles and service design methods to stimulate challenges and innovation in airport services.



## ICT strategy

To assess the necessary improvements to Riga Airport's information systems and IT services, move towards achieving the objectives of the Strategy, evaluate the usefulness and return on investment of existing measures, and support Riga Airport's progress towards becoming a digitally enabled airport, Riga Airport developed an ICT Strategy in 2023.

The objectives of the ICT strategy are:

1. Increase productivity and operational efficiency;
2. Implement digitization and related skills development;
3. Improve customer and passenger experience;
4. Attract new passengers;
5. Actively implement innovative solutions;
6. Implement sustainable and ecologically responsible airport operations.

To implement projects and initiatives as efficiently as possible, the ICT strategy will be implemented through seven main operational programmes:

1. data management – managing data and information, building enterprise information platforms;
2. systems architecture – cross-cutting projects at Riga Airport, such as programme management, cyber security, IT governance and architecture;
3. ICT infrastructure – integration of systems in the area of services supporting all business lines of Riga Airport;
4. self-service – self-service oriented passenger management processes;
5. automation and mobility – automation in business, operational and passenger management processing;
6. commercialization – commercialization of IT opportunities and services;
7. strengthening digital capacities in different areas of administration and business systems.

The ICT strategy will be implemented by applying the internal project management procedures of Riga Airport. Operational programs are expected to be implemented gradually, until 2035.

# 04 Corporate governance



# Management Structure

The management model of Riga Airport has been created by applying the good practice of corporate governance. Strategic and operational management are separated to ensure effective management, decision-making and achievement of objectives. Strategic management is carried out by the Board, which is jointly and severally responsible according to the Commercial Law, while operational management is provided by department directors, who are individually responsible. The main task of the Board is to ensure the operation of the company so that it achieves the goals laid down in the Strategy. The departments are formed in conformity with the company's defined core activity and the functions necessary to support it.

In accordance with the Law and the statutes of Riga Airport, which are valid from 14 June 2021, members of the Board and Supervisory Board are elected for five years. All members of the Board have the right to act on behalf of Riga Airport. According to the authority of the Board, the chairperson of the Board together with the responsible member of the Board – during the absence of the chairperson of the Board or the responsible member of the Board together with another member of the Board – are authorized to represent



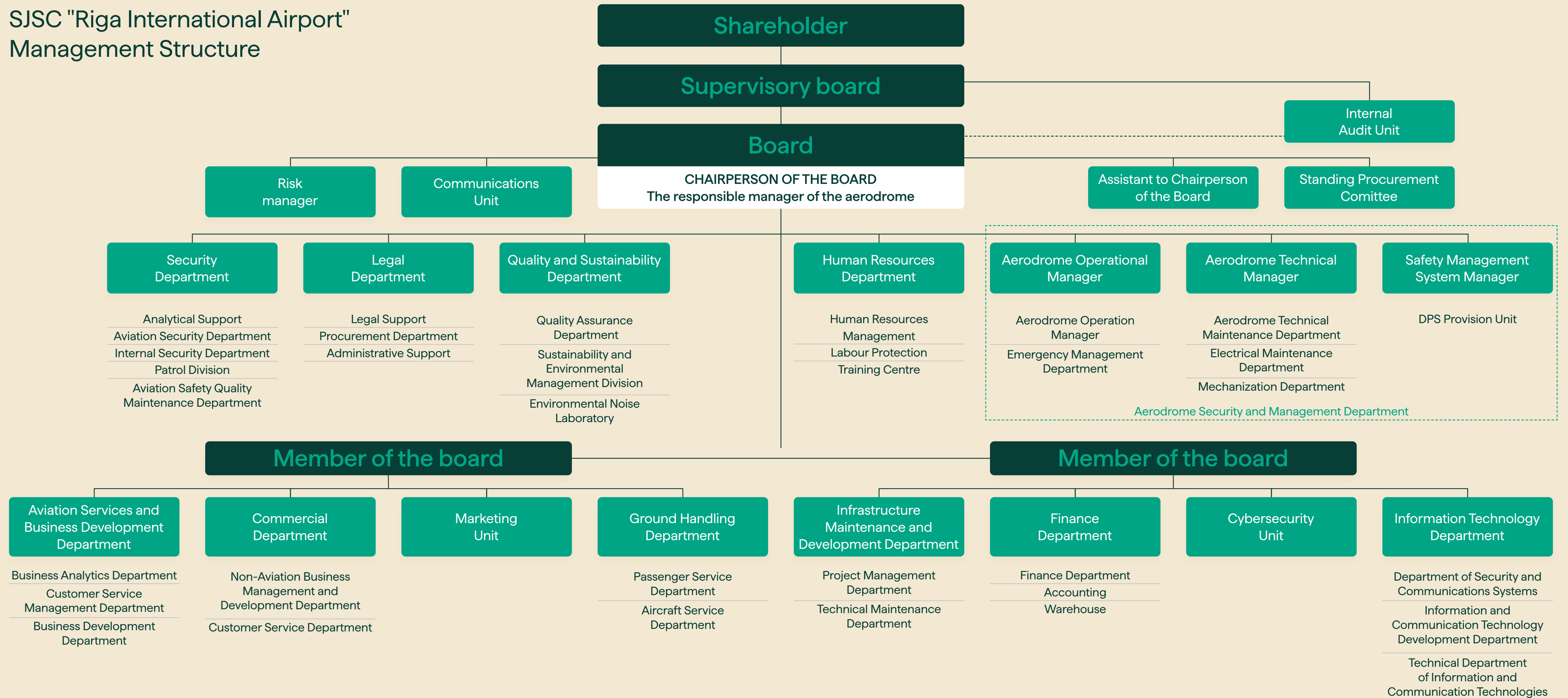
Riga Airport, determining the right to conclude any kind of transactions, and also to perform activities related to commercial activity, including signing of correspondence, claims and similar documents. In 2023, the Board of Riga

Airport was composed of three persons – the chairperson of the Board and two members of the Board.

- The Chairperson of the Board (also the Aerodrome Accountable Manager) is responsible for the operation of the Airport Safety and Management Department, the Security Department, the Legal Department, the Human Resources Department, the Communication Unit, the Quality and Sustainability Department, the Internal Audit Unit, the Standing Procurement Committee, the assistant to the chairperson of the Board and the risk manager.
- Members of the Board are responsible for the operation of the Aviation Services and Business Development Department, the Marketing Unit, the Finance Department, the Ground Handling Department, the Information Technology Department, the Commercial Department, the Infrastructure Maintenance and Development Department, Cybersecurity Unit.

Since 2022, the position of secretary of corporate governance has been introduced at Riga Airport with the aim of ensuring the development and updating of documents laid down in laws and regulations on corporate governance issues. It is the responsibility of the corporate governance secretary to provide consultations to the board and employees on administrative and corporate governance issues within the scope of his or her competence.

# SJSC "Riga International Airport" Management Structure



# Shareholder

Riga Airport is a state joint-stock company of the Republic of Latvia, and the holder of its state capital shares is the Ministry of Transport of the Republic of Latvia. At the shareholders' meeting, the interests of the shareholder are represented by the State Secretary of the Ministry of Transport or another official of the Ministry authorized by him or her. Shareholders' meetings shall be convened in compliance with the requirements of the Law and the laid down deadlines. The main duties of the shareholders' meeting are:

- to approve the annual report and decide on the use of company profits;
- to elect and recall members of the supervisory board and the auditor, and also decide on the amount of their compensation;
- to approve and amend the company's statutes, decide on the company's reorganization;
- to decide on the reduction or increase of the share capital;
- to make other decisions on other matters mentioned in the law.

In 2023, seven shareholders' meetings were held, where the following key issues were considered:

- on the annual report of the Internal Audit of the SJSC Riga International Airport for 2022;
- on the Internal Audit plan SJSC Riga International Airport for 2023;
- on the implementation of the decisions of the shareholders' meeting of the SJSC Riga International Airport for the 2nd half of 2022;
- on the implementation of the decisions of the shareholders' meeting of the SJSC Riga International Airport for the 1st half of 2023;
- on the approval of the 2022 Annual Report of SJSC Riga International Airport, the approval of the Non-Financial Report and the use of the 2022 profit;
- on the implementation of the financial and performance indicators of the SJSC Riga International Airport for 2022 and the results of the capital company's operation;
- on the utilization of the profit left at the disposal of the SJSC Riga International Airport;
- on the utilization of State aid granted by the SJSC Riga International Airport (for covering losses caused by the crisis caused by Covid-19, overcoming the economic crisis and stabilizing the sector) until 30 December 2022;
- on the distribution of SJSC Riga International Airport's 2022 profit;

- on the election of the auditor of the financial report of the SJSC Riga International Airport for 2023 and determining the amount of remuneration;
- on the final evaluation of the operational results of the SJSC Riga International Airport for 2022;
- on the financial indicators and forecasted performance indicators of the SJSC Riga International Airport for 2024.

# Supervisory board

## 2-9, 2-11

Since 2016, a Supervisory Board has been established at the Riga Airport. The Supervisory Board is the company's Supervisory body which represents the interests of a state shareholder and supervises the work of the company's Board between shareholders' meetings.

The term of office of the Supervisory Board is five years. The chairperson of the Supervisory Board and the members of the Supervisory Board at the Riga Airport shall perform supervisory functions and represent the interests of a state shareholder by monitoring the work of the Board, without executive functions.

The board of Riga Airport in 2023 has three members – Juris Kanels, the chairman of the Supervisory Board, Eduards Toms and Elīna Salava, the members of the Supervisory Board. Since November 2021, Eduards Toms, the member of the Supervisory Board, has been elected as the Deputy Chairman of the Supervisory Board.

The Supervisory Board consists of two independent members of the Supervisory Board – Eduards Toms and Elīna Salava. An independent member of the Supervisory Board shall be deemed to be a member of the Supervisory Board who meets the criteria laid down in Section 31, Paragraph six of the Law.

The main responsibilities of the Supervisory Board are:

- to elect and recall members of the Supervisory Board, supervise the operation of the Supervisory Board and determine the remuneration of the members of the Supervisory Board;
- to examine issues related to combining the positions of the members of the Supervisory Board and conflict of interest situations;
- ensuring that the company's work is carried out in accordance with applicable legal requirements, the articles of association and shareholder resolutions, and the company's business strategy;

- to approve the Strategy and monitor its implementation by approving annual action plans for the implementation;
- to approve the company's planned financial indicators, as well as approve the annual budget and monitor its execution;
- to review the capital company's annual report, the report of the Supervisory Board and proposals of the Supervisory Board on the use of profits, prepare a report of the Supervisory Board on them and submit them to the shareholders' meeting;
- to approve the most important policies of the capital company, which define the operating principles regarding risk management, prevention of conflicts of interest, combating corruption, corporate governance and other issues;
- to monitor the operation of internal control and risk management systems, review their adequacy and effectiveness;
- to review the reports of the internal audit department on the results of the internal audit or inspection, as well as, if necessary, assign to perform other unplanned audits or inspections;
- to conduct an annual self-assessment of the work of the Supervisory Board.

In July 2020, the Supervisory Board supported the establishment of the terminal development monitoring committee, whose chairperson is the chairperson of the Supervisory Board, – the passenger terminal expansion monitoring committee of the SJSC Riga International Airport for the round 6. The Supervisory Board has continued its work in 2023 as well.



In September 2021, in conformity with the task of the Supervisory Board, the Board established the monitoring committee of the Business District development project of SJSC Riga International Airport, whose chairperson is the chairperson of the Supervisory Board. The Supervisory Board has continued its work in 2023 as well.

The rules of procedure of the Supervisory Board of Riga Airport and the announcements of the Supervisory Board are available on the [company's website](#). In total, 16 meetings of the Riga Airport Supervisory Board were held in 2023, considering 97 agenda items and making decisions.

## Board

### 2-9

Based on the Statutes of Riga Airport, the activities of the capital company are organised and ensured by the Board of the company, which in 2023 had three members – Laila Odiņa, Chairperson of the Board, Normunds Feierbergs and Artūrs Saveljevs, Members of the Board. The work of the Riga Airport Board is supervised by the Supervisory Board. The Board reports to the Supervisory Board and the shareholder – the

Ministry of Transport of the Republic of Latvia on the results of the operation of Riga Airport. The members of the Board are elected by the Supervisory Board for the term of office of five years, and it operates in accordance with [the Board's regulations](#), which are available on the website of Riga Airport.

The chairperson of the Board is appointed by the Supervisory Board from among the members of the Board. The chairperson of the Board shall be responsible for the operational activities of the company.

The main responsibilities of the Board are:

- to make decisions on all issues of the company's operation, with the exception of issues in which decisions are taken by the shareholder or the meeting of shareholders and/or the supervisory board, respectively, in accordance with the regulatory enactments and the articles of association of the capital company;
- to organize and ensure the operation of the company in accordance with laws and regulations enactments;
- to review and approve transactions, be responsible for the company's economic activity and accounting records in accordance with laws and regulations;
- to approve the annual budget and investment plan for each year;

- to approve the company's structure, employees and salary and material motivation rules, work order rules and other internal normative documents regulating the activity, which are not issued by the chairperson of the Board or a member of the Board alone, according to the regulations of the Board;
- to approve the prices (tariffs) of the services provided by the company, which according to external regulatory enactments are not determined under the competence of another state institution;
- to control the fulfillment of the obligations of the employer and employee representatives provided for in the Collective Labour Agreement and the compliance with the laws and regulation governing labour legal relations;
- to provide a written report in the end of the reporting year on its activities to the Supervisory Board and the shareholders' meeting, reflecting the commercial activity results, economic condition, profitability and turnover of Riga Airport, circumstances that may affect the economic condition of Riga Airport, the company's planned commercial policy in the next reporting period, as well as other information which may affect the operation of Riga Airport and the interests of the state.

The Board meets twice a week, unless otherwise agreed. In 2023, 89 Board meetings were held.

# Curriculum Vitae of the members of the Supervisory Board and Board



**Juris Kanels, the Chairperson of the Supervisory Board of the SJSC Riga International Airport from 17 May 2021. Term of office – 5 years.**

## Profesionālā darba pieredze:

06.2016 –	until now, the chairman of the Supervisory Board, SJSC Riga International Airport
05.2021 –	until now rector, member of the Board, Institute of Transport and Communications
03.2012 – 05.2021	Acting for Rector, Administrative Vice Rector and Head of the International Communications Department, Institute of Transport and Communications
08.2015 – 05.2019	Director, Institute of Transport and Communications Academic and Professional Aviation Center (ITC/APAC)
10.2009 – 09.2010	Chairperson of the Board, Selkoms Ltd.
06.2009–12.2011	Chairperson of the Board, ANS Ltd. (previous name of Aeronavigation Service. Training Centre Ltd.)
12.2008–06.2009	Member of the Board, SJSC Air Transport of Latvia
02.2007–12.2008	Member of the Board, SJSC Riga International Airport
11.2004 – 11.2006	Chairperson of the Board, SJSC “Valsts informācijas tīkla aģentūra”
03.2004 – 11.2006	Member of the Supervisory Board, SJSC Riga International Airport
07.2003 – 12.2003	Member of the Board, Ventspils Freeport
04.2003 – 10.2004	Chairperson of the Board, NPO SJSC Development Agency of Latvia; after its reorganization – Director SA Latvian Investment and Development Agency” Ltd.
11.2002 – 05.2003	Deputy Chairperson of the Supervisory Board, JSC “Rīgas jūras līnija”
01.2002 – 04.2003	Member of the Board, NPO “Rīgas reģiona attīstības Agency” Ltd.
07.1998 – 12.2002	Deputy Chairperson of the Board, "Eurokonsultants" Ltd.
01.1998 – 05.1998	Ambassador for Special Tasks, Ministry of Foreign Affairs of the Republic of Latvia
09.1993 – 01.1998	Ambassador Extraordinary and Plenipotentiary, Embassy of the Republic of Latvia in Belgium, the Netherlands, Luxembourg and NATO, representation in the European Union
01.1992 – 09.1993	Director of the Department of Economics and State Deputy Secretary, Ministry of Foreign Affairs of the Republic of Latvia
01.1991 – 01.1992	Deputy Director General, Republic of Latvia Department of External Economic Relations of the Cabinet

## Education:

in 2020 – Doctor of Science degree in the field of political science

Higher Education – in 1978, he graduated from the Faculty of Economics of the University of Latvia in the speciality of Industrial Planning.

In July 2015, the "CAM&CONS" training course was completed on the topic "EASA Part – 66/147".

In September 2008, the ICAO aviation training course was completed on the topic "Safety Management Systems".

In September 2007, the training courses in IATA Training and Development Institute was completed on the topics "Airport Planning" and "Airport Operations".

In September 2004, the training course "Introduction to knowledge on strategic communication" was completed.

In 2003, the Joint Vienna Institute training course was completed on the topic "Foreign Direct investment policy".

In 1992, the training courses were completed: Dalhousie University in Halifax (Canada) – issues of the basics of market economics, the British Council in Oxford/London European Union –operational, structural, and procedural issues.

## Positions in other capital companies:

NONE

## Other professional experience and public responsibilities

11.2023 – until now	Chairperson of the Board, association Private University Association
02.2016 – 12.2020	Member of the Supervisory Board, the association Latvian Aviation Association
09.2012 – 09.2016	Member of the Qualification Commission Ministry of Foreign Affairs of the Republic of Latvia
09.2007 – 12.2008	Member of the Technical and Operational Safety Committee ACI European Regional Organisation
1998 – 2003	Member of the Board, NGO European Movement in Latvia (in 1998 – 2000 also the Vice President)



**Eduards Toms, the Member of the Supervisory Board of SJSC Riga International Airport from 24 May 2019. Term of office – 5 years.**

#### Work experience:

Eduard Toms is a member of the Supervisory Board of SJSC Riga International Airport and was also the financial director (CFO) of Primera Air (Primera Air Scandinavia A/S, Primera Air Nordic Ltd., Primera Air ehf), financial and administrative director and member of the board with the right to sign of Consolis Latvija Ltd., financial director of Betonika UAB (Consolis group company), financial process improvement manager in the regional office of Consolis, as well as the financial director (CFO), financial and senior vice president of the control department of airBaltic.

#### Education:

Bachelor of Economic Sciences and Master of Economic Sciences, University of Latvia;

EMBA degree, Riga University of Economics.

#### Positions in other capital companies:

Member of the Board of GC Project Ltd.

Position of Financial and Administrative Manager of Citrus Solutions Ltd.



**Elīna Salava, the member of the Supervisory Board of SJSC Riga International Airport from 7 July 2021. Term of office – 5 years.**

#### Work experience:

Elīna Salava has a significant experience in company management, finance, and management processes in both the public and private sectors. Since 2017, E. Salava has been an adviser to the Board on financial issues at the Development Finance Institution "ALTUM", as well as the founder and chairperson of the board of the bio-technological start-up "RECOLO", previously she was an adviser to the Board on financial matters at the Development Finance Institution "ALTUM", deputy chairwoman of the board of JSC Sakret Holdings in the Baltics, member of the board of JSC Sportland International Group in the Baltics and Ukraine, as well as held leading positions in "Rīgas ūdens" Ltd., in the companies of the shopping centre segment of Linstow group in the Baltics and PricewaterhouseCoopers Ltd.

#### Education:

Elīna Salava has a bachelor's degree in business administration from the University of Latvia and an ACCA (Association of Chartered Certified Accountants) qualification.

#### Amati citās kapitālsabiedrībās:

Advisor to the Board on financial issues at the Development Finance Institution "ALTUM" Chairperson of the Board at RECOLO



**Laila Odiņa, Chairperson of the Board of SJSC Riga International Airport from 16 April 2020.**  
Term of office – 5 years.

#### Work experience:

Laila Odiņa has been a member of the Supervisory Board of SJSC Riga International Airport, a member of the Board of the Institute of Transport and Communications, the Director of Operational Management of JSC UTair Airlines, the Executive Director of JSC Azerbaijan Airlines, as well as the Director of Operational Management of JSC Air Baltic Corporation.

#### Education:

City University London, Pg Air Transport Management; Biznesa, mākslas un tehnoloģiju augstskola "RISEBA", Uzņēmējdarbības vadība.

#### Positions in other capital companies:

NONE



**Normunds Feierbergs, member of the Board of SJSC Riga International Airport, reconfirmed in office from 10 November 2021.**  
Term of office – 5 years.

#### Work experience:

Normunds Feierbergs has been a member of the Board of SJSC Riga International Airport since 10 November 2016. Previously, he was Head of Information Technology Department, Vice President of JSC "Latvijas Krājbanka" and Head of General Banking Services Department, First Vice President of JSC "UniCredit Bank", as well as held other managerial positions in various capital companies.

#### Education:

University of Latvia, Faculty of Economics and Management, Master's degree in Business Management; University of Latvia, Faculty of Physics and Mathematics, Bachelor's degree in Computer Science.

#### Positions in other capital companies:

Member of the Supervisory Board of SJSC Latvian State Radio and Television Centre.



**Artūrs Saveljevs, member of the Board of SJSC Riga International Airport, reconfirmed as member of the Board from 12 September 2022.**  
Term of office – 5 years.

#### Profesionālā darba pieredze:

Artūrs Saveljevs has been a member of the Board of SJSC Riga International Airport since 12 September 2017 and a guest lecturer at Cranfield University and JSC Institute of Transport and Communications. Previously, he was also Chairperson of the Commercial Forum of the International Council of Airports in Europe, the Director of the Commercial and Marketing Departments of SJSC Riga International Airport and the Head of Non-Aviation Marketing, and the Director of the Professional Master's Programme "Aviation Management" of JSC Institute of Transport and Communications.

#### Education:

Cranfield University, MSc in Airport Planning and Management.

University of Latvia, Master's Degree in Economics (International Economics).

Riga International University of Economics and Business Administration, Professional bachelor's degree in business management.

#### Positions in other capital companies:

NONE

# Nomination and Selection of the Highest Governing Body

## 2-10

In the nomination and selection of the highest governing body, the Law provides for the conditions in respect of:

- creation of the Supervisory Board and the number of members of the Supervisory Board, as well as the tasks of the Supervisory Board, requirements for candidates to a member of the Supervisory Board, election and recall of members of the Supervisory Board;
- representation rights of the Board, the number of members and restrictions on members of the Board, as well as the election, recall, remuneration of members of the Board and decision-making by members of the Board;
- evaluation and nomination of candidates by the Nomination Commission for election to the position of a member of the Board or Supervisory Board from those candidates who have applied in the public candidate application procedure.

To ensure professional and objective work of the Supervisory Board of the capital company, which contributes to the long-term growth of the value of the capital company and operational efficiency, the holder of capital shares ensures that at least half of the members of the Supervisory Board are independent and meet the criteria established by the Law.

Cabinet Regulation No. 20 of 7 January 2020, Procedures for Nominating Members of the Board and Supervisory Board in the Capital Companies in which Capital Shares Belong to the State or a Derived Public Entity, determines the procedures by which candidates are nominated for the position of a member of the Board and Supervisory Board at Riga Airport, including the procedures for establishing the Nomination Commission, its composition and requirements to be set forth for the members of the Nomination Commission, the procedures for the cooperation of the coordination institution with the holder of state capital shares, as well as the minimum requirements for the education, language skills and work experience of the members of the Supervisory Board, the necessary competences and the procedures for their assessment. This Regulation also determines the procedures for documenting and publicising information on the progress and results of the nomination process, as well as the duties of the personnel

selection consultant and the procedures for covering the expenses related to their performance in order to ensure the conformity of the nomination process of the member of the Board and Supervisory Board with the principles of good corporate governance practices and open, fair and professional selection of the members of the Supervisory Board.

The selection of the members of the Board and Supervisory Board of Riga Airport is carried out by organizing a public application procedure for candidates and engaging a recruitment consultant in the nomination process additionally. An exception is permitted only in cases provided for in the Law, if a member of the Board or Supervisory Board is re-elected for a new term of office or it is not possible to nominate a person within the term that would ensure the capacity to act by the Supervisory Board. Two of the members of the Supervisory Board shall be independent, both genders shall be represented in the Board and the Supervisory Board, and a power of attorney contract has been concluded with each member of the Board and the Supervisory Board for the performance of duties as a member of the Board and the Supervisory Board. In conformity with the Law, the members of the Board and Supervisory Board shall elect for five years.

# Remuneration Policy for the Supervisory Board and Board

## 2-19, 2-20, 2-21

The remuneration of the members of the Board and Supervisory Board shall be determined in conformity with the Law and the Cabinet Regulation No. 63 of 4 February 2020, Regulations Regarding the Number of Members of the Board and Supervisory Board of Capital Companies of Public Entity and Public-private Capital Companies in Conformity with Indicators Characterizing the Size of the Capital Company, the Maximum Amount of Monthly Remuneration of the Members of the Board and Supervisory Board.

The remuneration of the chairperson of the Board and the member of the Board shall consist of the monthly remuneration or the fixed part of the remuneration, and a bonus or the variable part of the remuneration may also be paid. The monthly remuneration of a member of the Board shall be determined for the entire term of office of the member of the Board with the right to review it once a year. Cabinet Regulation No. 63 of 4 February 2020 determines the maximum amount of the

monthly remuneration of a member of the Board, considering the average remuneration for management in capital companies of a similar size (net turnover, balance sheet total, number of employees) in the private sector or, in certain cases, in the sector in which the respective capital company operates. The maximum amount of the monthly remuneration of a member of the Board may in no case exceed the amount of the previous year's average monthly salary of the employees in the country published in the official statistical statement of the CSB, rounded to full EUR and to which a factor of ten has been applied. A bonus can be paid to a member of the Board once a year after the approval of the annual report. The bonus may not exceed the two-month remuneration of a member of the Board of the capital company, and its amount is determined considering the company's operational results achieved in the reporting year, the implementation of the Strategy, the company's operational results and the operational results of a member of the Board. According to the Law, insurance and withdrawal allowance can be included in the power of attorney contract of the member of the Board. The withdrawal allowance can be provided only if the member of the Board is removed from office before the end of the term of office, and if the recall is not related to violation of authority, non-fulfilment of duties or improper performance, as well as harm to public interests. If insurance and withdrawal allowance are not agreed in the power of attorney contract of the member of the Board, they are not granted.

The monthly remuneration of the Chairperson of the Supervisory Board and the member of the Supervisory Board shall consist only of the fixed part of the remuneration, as bonuses are not paid to members of the Supervisory Board. The monthly compensation for members of the Supervisory Board shall be determined in accordance with the maximum amount of the monthly remuneration provided for in Cabinet Regulation No. 63 of 4 February 2020, taking into account the average remuneration for the management in companies of a similar size (net turnover, balance sheet total, number of employees) in the private sector or, in certain cases, in the sector in which the respective company operates. The maximum amount of the monthly remuneration of a member of the Supervisory Board may in no case exceed the amount of the previous year's average monthly salary of the employees in the country published in the official statistical statement of the CSB, rounded to full EUR, and to which the factor of three has been applied. A member of the Supervisory Board shall not receive a withdrawal allowance or any other form of compensation if he or she is withdrawn from the office before the end of his or her term of office.

The remuneration of the members of the Board and Supervisory Board shall be set at up to 90 % of the monthly remuneration of the chairperson of the Board and Supervisory Board respectively. If a member of the Board also fulfils the duties

of another position in the capital company, the total amount of remuneration does not change, maintaining 90 %, the remuneration for the performance of the duties of the member of the Board and the remuneration for the performance of the duties of another position being divided proportionally.

An authorization contract shall be concluded with the members of the Board and the Supervisory Board, and the Terms and Conditions of the Collective Labour Agreement shall not be applicable to them. In 2023, the remuneration of the members of the Board and Supervisory Board (in total) was EUR 608,480 (including mandatory state social insurance contributions – EUR 113,709). Information on the remuneration of the Board and the Supervisory Board of the Riga Airport shall be publicly available in the declarations of public officials of the board and board members, published on the SRS website.

Riga Airport will not disclose the ratio of the annual total compensation of the company's highest paid person to the average annual total compensation of all employees (except the highest paid person) and the percentage increase of the annual total compensation of the organization's highest paid person to the average percentage increase of the annual total compensation of all employees (except the highest paid person) in the non-financial report – in accordance with the List of Commercial Secrets, the information on the amounts of salaries shall not be made public. The remuneration of Riga

Airport is competitive and fairly awarded which is confirmed by the evaluations made by external experts. More about the remuneration policy for employees see in the section "Employees".

## Economic, Environmental and Social Affairs Committeess

### 2-9

There is one commission, one committee and two working groups operating at Riga Airport, under the supervision of which are issues related to decision-making on economic, environmental, and social topics.

## Energy Management System Working Group

The purpose of the Energy Management System Working Group is to implement processes at Riga Airport that are necessary for the maintenance and improvement of the energy management system, planning, promotion and control of energy efficiency improvement measures and carbon

dioxide emission reduction measures. The composition of the working group shall be determined by an order. The Working Group is chaired by a member of the Board and the Head of the Energy Management System and includes representatives from the departments responsible for the use of the Airport's energy resources and environmental protection, but the Working Group may invite other employees of Riga Airport to participate in the execution, organisation, and supervision of the work as necessary.

In 2023, two women and five men worked in the core composition of the Energy Management System Working Group. The members of the working group have no term of office.

In 2023, seven working group meetings were organized, and minutes were taken on them, and 15 decisions were taken. The most important decisions of the working group and work done in the energy management system working group in 2023:

- evaluation of quarterly and annual consumption, analysis of causes of changes and determination of future actions to improve energy efficiency;
- evaluation of the progress of solar panel projects;
- examination and approval of the energy report;
- setting and monitoring energy management objectives for 2023;

- strategic indicators for electricity and heat consumption were set for 2030;
- the results of an internal audit report on the energy management system in place were reviewed and analysed;
- an order on energy consumption reduction measures at Riga Airport was reviewed and approved;
- the Strategic Plan for the Replacement of Aerodrome Maintenance and Aircraft Handling Vehicles, Machinery and Equipment 2022-2030 was reviewed;
- the CO2 emissions management plan for 2023 - 2025 was reviewed;
- the new energy management risk register was reviewed and approved;
- updated energy performance assessment form for procurement approved.

## Environmental Noise Management Working Group

The Environmental Noise Management Working Group of Riga Airport has been established, taking into account Clause 6.3.2.17.c of the environmental impact assessment No. 9 of the

draft opinion of the State Office for Environmental Supervision of 30 October 2015 on the development project of the Airport infrastructure until 2020, and the obligation laid own in Clause 20.2 of the decision No. 3403 of the Riga City Council of 26 January 2016 to establish a permanent working group for the development, planning and implementation of airport noise reduction measures and development planning and construction conditions of the airport's surroundings.

The functions and tasks of the working group shall be as follows:

- to develop and evaluate proposals for reducing the impact of aircraft noise at the Riga Airport;
- to develop and evaluate proposals for improving aircraft noise management, including developing proposals for improving laws and regulations;
- to review and coordinate the Action Plan for the noise reduction, to monitor its implementation;
- to perform other tasks in order to develop and coordinate proposals for reducing the impact of noise from aircraft using Riga Airport on the population which are set for the Working Group in the Action Plan for the noise reduction.

The working group is chaired by the representative of Riga Airport, but the Airport's stakeholders are represented in it: ATL, airBaltic, CAA, Ministry of Transport, Riga Regional

Environmental Administration of SES, Health Inspectorate, Riga City Council, Mārupe Municipality Council and Jūrmala City Council. The Ministry of Transport has nominated three representatives who together have one voting right. The working group consists of seven men and five women. The members of the working group have no term of office.

A sub-group of the Aviation industry has been established within the composition of the working group, which assesses specific issues related to aircraft flight trajectories and procedures.

The working group meets at least twice a year, and the sub-group of the Aviation industry meets at least once a quarter. In 2023, two meetings of the working group were held, and four for the sub-group of the Aviation industry.

The working group took into consideration the information prepared by Riga Airport on the latest developments in aircraft management, reviewed the received feedback on aircraft noise, familiarised itself with the 2022 TCN, monitored the progress of the Noise Action Plan, monitored the progress of changes to the "JURMALA2" zone and "J" type flight procedures, and discussed possible measures for the new Action Plan for noise reduction.

The Aviation Subgroup analysed the use of taxiway "C" at night, overflights of Jaunmārupe and Vētra village at night, discussed possible measures, the most important decision was on temporary changes to ensure that the Mežaparks Grand Stage was not overflowed during the closing concert of the Song Festival.

## The Permanent Commission for Investigation of Possible Violations

By Order No. 22/39B of 25 April 2022 of the Chairperson of the Board of Riga Airport "Regarding the Procedures for Reporting and Examining Employee Complaints, Possible Violations", the Permanent Commission for Handling Alleged Violations was established, with the Head of the Internal Audit Unit as the Chairperson of the Commission and four other members of the Commission. In 2023, three women and two men are the members of the Permanent Commission for Handling Possible Violations. Commission members do not have a fixed term of office.

It is the duty of the members of the commission to review the received information on possible violations and to prepare

opinions for further action. Opinions shall be submitted to the Chairperson of the Board of Riga Airport for decision making.

Every employee of Riga Airport has the right to report possible violations:

- possible violations of the basic principles of professional ethics, including corrupt and fraudulent activities, defined in the Code of Ethics;
- for potential violations laid down in the whistle-blowing procedure;
- for possible violations of the protection of the employee's rights and interests laid down in the terms and conditions of procedure and other regulatory documents.

Riga Airport ensures the protection of the reporter's identity. Read more in the section "Communicating on Critical Issues".

## Sustainability Committee

The purpose of the activities of the Sustainability Committee is to implement the sustainability measures of Riga Airport in conformity with the Sustainability Strategy, Corporate Social Responsibility Guidelines and Sustainable Development Policy, as well as to coordinate issues related to sustainable development at the Airport to ensure the sustainability of the

company, considering the environmental, social, and economic impact. The composition of the committee shall be determined in the Terms of Reference of the Sustainability Committee, considering the areas of responsibility defined in the company's sustainability development policy. The committee is chaired by the chairperson of the Board and is represented by heads of structural units or senior employees under the supervision of which is one of the aspects of sustainability.

The Airports Employees' Union of the Republic of Latvia shall participate in the committee as a party of influence in the person of the chairperson of the Board, who represents the interests of the employees.

In 2023, the core members of the Sustainability Committee were 13 women and three men. Committee members do not have a fixed term of office.

The committee meets once a quarter (possibly more or less frequently) to deal with issues related to sustainability, including controlling the activity plan of the Sustainability Strategy.

Subgroups of the Sustainability Committee have been established for each of the sections of the Sustainability

Strategy, expanding the number of specialists involved in the management of a specific aspect.

In 2023, the Sustainability Committee met three times and the most important decisions were made on:

- the activities implemented in 2023 in the Sustainability Strategy;
- Sustainability index performance analysis and expert comments;
- mapping of Riga Airport's key suppliers to determine the level of risk;
- progress on including sustainability risks in the single risk register.

## The Role of Management in Monitoring the Impact of Governance

### 2-12

The Strategy has been developed for Riga Airport, in accordance with which the main performance indicators, as well as other financial and non-financial performance

indicators of Riga Airport are determined in conformity with the objectives defined in the Strategy.

The strategy defines the company's mission, vision, and strategic goals, based on the general strategic goal approved by the Cabinet of the Republic of Latvia, as well as the development and sustainability goals of Riga Airport.

Based on the Strategy, APBAD shall prepare and submit to the Supervisory Board for approval an action plan for the implementation of the strategy for the achievement of which the structural units shall develop activity plans of the structural units every year. To move towards the achievement of the PI defined in the Strategy, the Board of Riga Airport shall annually approve the PI to be achieved in a given year. For the company's management to monitor the processes in which sustainability areas are monitored and to make the necessary decisions, the responsible structural units shall report the following indicators to the Board:

- once every six month, all structural units shall prepare and submit to the responsible member of the Board for approval the reports of activity plans of the structural unit;
- twice a year, APBAD shall report to the Board and the Supervisory Board on the action plan for the implementation of the medium-term operation strategy of

Riga Airport and the performance indicators defined in the Strategy;

- once a year, QSD shall report on the implementation of the Airport's Sustainability Strategy to the company's Board. Annual indicators of the Sustainability Strategy shall be defined for each of the 10 departments and are aligned with the GRI indicators for disclosure and communication of its performance to the airport's stakeholders;
- once a year, the company's Board, Supervisory Board and shareholder shall approve the company's Non-Financial Statement, which has been prepared in conformity with the GRI standard and has undergone a restricted assurance review;
- once a year QSD shall report to the Board and the Board shall approve the Environmental report;
- once a quarter, the QSD shall report to the company's Board on the fulfilment of the objectives of the Environmental and Energy Management Program in the given year;
- once a year, QSD shall report to the Board on the evaluation of the integrated management system (management review), prepared in conformity with the requirements of ISO 9001:2015, ISO 14001:2015 and ISO 50001:2018 standards;
- once a year, QSD shall report to the Board on the progress of the plan of noise reduction measures;

- at least once every six months to the Board and at least once a year to the Supervisory Board, the Risk Manager shall report on the progress of the implementation of the Airport's priority risk control measures and changes in the level of risks.

The involvement of senior management in cooperation with stakeholders on sustainability issues is described in the sections "Economic, Environmental and Social Affairs Committees" and "Cooperation with Stakeholders". Also, the management of Riga Airport shall coordinate/implement cooperation with stakeholders on sustainability issues through:

- the Airport Users' Committee,
- annual surveys of service providers and air carriers,
- media,
- external and internal newsletters,
- online conference of the Board for employees.

Comments and suggestions received at user committee meetings and surveys shall be evaluated, possible and reasonable ones shall be implemented, and feedback shall be provided to cooperation partners.

In 2023, Riga Airport started work on a supply chain assessment in line with the requirements of the Corporate Sustainability Reporting Directive and the European Sustainability Reporting Standard: In 2023, Riga Airport performed the following tasks:

- mapped suppliers according to their importance to the Airport's operations, their impact on the Airport's critical sustainability areas and associated risks, and their geographical location;
- developed a Supplier Sustainability Risk Level methodology and accordingly assessed suppliers.

The management of Riga Airport starting from 2024 will be informed about the results of the due diligence once a year by reporting on the evaluation of the annual integrated management system which provides the summarized information on the assessment of suppliers. Read more about the supplier evaluation results in the "Suppliers" section.

In respect of the selection of suppliers, Riga Airport shall control contractual partners, more information is available in the section "Procurements and Supply Chain Management".

## Delegation of Responsibility for Impact Management

### 2-13, 2-14

Sustainability issues of Riga Airport shall be coordinated by the head of the Sustainability and Environmental Management

Department which is in QSD. Each structural unit shall oversee some activities related to sustainability aspects, the coordination of which shall be provided by QSD. Also, QSD shall be responsible for the development, implementation, and monitoring of the sustainability strategy. Environmental, energy management and environmental noise issues shall be under the direct supervision of the department.

The company has had a Sustainability Committee since 2019, whose activities and senior management involvement are described in the section "Sustainability Committee".

To ensure the maintenance of the energy management system in conformity with the requirements of the ISO 5001 standard, the Energy Management Working Group system shall operate at Riga Airport. More about its operation and senior management's involvement see in the section "Energy Management Working Group system".

The reporting process for the heads of structural units and other responsible employees of the airport to senior management on sustainability issues is described in the section "Management's role in monitoring the impact of management".

The Board of Riga Airport is responsible for the development and adoption of the Sustainability Strategy, which is the basis

for the content of the Sustainability Report. This includes setting priorities and objectives and allocating resources to sustainability initiatives.

Riga Airport's Board and Supervisory Board, as internal stakeholders, are involved in determining the materiality aspects of the company. The Board and the Supervisory Board give their opinion on the key aspects of Riga Airport in a stakeholder survey. The Chairperson and a member of the Board, as well as the Chairperson and a member of the Supervisory Board, participate in a stakeholder workshop organised to identify relevant aspects. The Chairperson of the Board chairs the Sustainability Committee, and the development of the materiality matrix is on the agenda of the Sustainability Committee. The Board approves the materiality matrix of Riga Airport.

Riga Airport has been disclosing sustainability information since 2019 in a Non-Financial Statement prepared according to the GRI standard. In accordance with the section "Information on the Company and the Report", the Board of Riga Airport is responsible for the preparation of the report, which certifies that the information contained in the report is true and provides a reliable and clear picture of the company's activities, the report is approved by the Supervisory Board and shareholder of Riga Airport before its publication.

## Evaluation of the Management Performance

### 2-18

Taking into account the Law, the Rules of Procedure of the Supervisory Board, the Internal Regulation of the Ministry of Transport No. 01-02/31 of 27 September 2021 "Procedure for the Management of State Equity Shares", the performance evaluation of the members of the Board and self-assessment of the Supervisory Board shall be carried out in accordance with the Guidelines No. 1.2-23/3/2 of 17 August 2020 "Guidelines for Performance Evaluation of the Board and Supervisory Board Members" and Guidelines No. 1.2-23/3/1 of 17 August 2020 "Guidelines for the Annual Self-Assessment of the Supervisory Board" of the Cross-Sectoral Coordination Centre.

The Supervisory Board's self-assessment is reported to the shareholders' meeting.

In accordance with the guidelines of the Cross-Sectoral Coordination Centre No. 1.2-23/3/2 of 17 August 2020, Guidelines for the Evaluation of Performance Results of Members of the Board and Supervisory Board, evaluation of performance results of the members of the Board, as well as

self-evaluation of the Supervisory Board must be carried out at least once a year. Following the recommendations of the Board, the Supervisory Board shall determine the objectives to be achieved by each member of the Board for a specific period. At the end of the evaluation period, the member of the Board performs a self-evaluation in conformity with the operational goals set for him and submits it to the Supervisory Board. The Supervisory Board shall evaluate the performance of the member of the Board.

The assessment of the performance of the members of the Board is based on various business indicators which include the fulfilment of the strategic financial and non-financial objectives of Riga Airport.

The 2023 objectives to be achieved by the Board of Riga Airport regarding sustainability aspects are related to ensuring disclosure of non-financial information, increasing energy efficiency of business processes, reducing the negative impact on the environment, as well as improving the employee remuneration policy by developing an employee motivation programme based on the PI performance results, etc.

The performance evaluation may be considered in deciding on the review of the Board's monthly remuneration and the granting of bonuses to members of the Board.

# The Most Important Policies and Settings, Their Implementation in Practice

## 2-23, 2-24

Riga Airport has developed the following key policies:

Policy	Objective of the policy	Integration of policy	Human rights aspect	Training
Sustainable Development Policy	Promote and ensure sustainable development policy to ensure that the Airport's long-term business success, strategic goals and objectives are achieved with responsible and balanced actions in all aspects of sustainability, following the Corporate Social Responsibility Guidelines of the Airport.	The basic conditions of the policy are integrated into the Sustainability Strategy and the activity plan that is part of it. The employees of the airport are informed about the issues contained in the Sustainability Policy through the closed Facebook site, the newsletter, and the online conference of the Board with the employees.	X	The basic principles of the environment are covered in the Environmental and Energy Management Policy training.
Environmental and Energy Management Policy	Prevent or reduce adverse impacts on air quality, soil, surface water and groundwater resulting from airport operations, to control noise pollution, to preserve biodiversity and to ensure the rational use of natural resources.	The basic conditions of the policy have been implemented in all processes of Riga Airport through the integrated management system.		New employees are informed about the environmental and energy management policy in introductory briefings when they take up their positions, every employee must undergo repeated training once every two years.
Corporate Social Responsibility and Public Investment Policy	The policy sets out the company's corporate social responsibility and community investment policies.	Policy settings and basic principles shall be introduced within the framework of the Activity Plan of the Sustainability Strategy, the Activity Plan of the Memorandum of Cooperation with Mārupe Municipality, as well as the Action Plan of the Communication Unit.		n/a
Personnel Policy	The purpose of the personnel policy is to promote the achievement of strategic goals and the fulfilment of tasks by providing the airport with professional, motivated, result-oriented, and loyal employees. Salary guidelines are defined in Annex 1 to the Personnel Policy "Principles of Salary Policy".	Read more about the Personnel policy, remuneration system and motivation measures in the section "Employees" and read more about the human rights aspect in the section "Human Rights".	X	New employees are informed about the personnel policy in their induction briefings when they start their duties.
Code of Ethics	The purpose of the Code is to promote honest, responsible, and lawful conduct of the Airport's employees in the interests of the company and society and to increase public trust in the Airport, including the development of a company culture based on values, honesty, mutual respect and openness, thereby promoting employee loyalty, satisfaction and productivity.	See the "Human Rights" section	X	All employees must periodically undergo Code of Ethics training.

Policy	Objective of the policy	Integration of policy	Human rights aspect	Training
Security Policy	The security policy includes a commitment by senior management to meet the Airport's operational requirements and to continuously improve the security aspects of the Airport. The implementation of the security policy is closely related to labour protection in several basic principles.	The security policy is documented, and its current version is included in the SMS manual, which is an annex to the Aerodrome Operations instruction. The security policy shall be posted in the work rooms of the Airport structural units. The security policy is available electronically to the Airport employees on the intranet, and to other aerodrome service providers on the Riga Airport website (section "Partner Portal" with authorised access). Heads of Airport departments are responsible for informing their employees and explaining the Airport Security Policy.	X	For all employees of the Airport and employees of other companies working at the Airport to be aware of SMS requirements, including those laid down in the security policy, and to be able to comply with them in their work, Riga Airport shall provide the necessary training. Training programmes shall be differentiated by content and scope in conformity with the responsibility and participation of specific employees in the operation of SMS.
Risk Management Policy	The policy sets out the common objectives, stages, key elements, principles, types of risks, and roles and responsibilities of the actors involved in the risk management process.	Read more in "Risk Assessment and Risk Management" section.	X	Read more in "Management Training to Promote Sustainability Skills and Awareness" section.
Corporate Governance Policy	The purpose of the policy is to establish the principles in accordance with which good corporate governance is implemented.	Read more in "Corporate Governance" section.		n/a
Quality Policy	Policy, which is aimed at the implementation of the Airport's mission, sustainable development, and achievement of strategic objectives, in order to ensure the safe and comfortable service of aircraft and passengers thereof in the planned time and to achieve the highest possible satisfaction of all interested persons with the services provided by the Airport.	For the quality management system to achieve the intended results, the understanding of employees at all levels is promoted, and also the involvement in the maintenance of the company's quality management system by organizing effective processes and providing the necessary resources.		The quality policy is focused on customer satisfaction, read more in "Passenger Experience and Satisfaction" section.
Corruption and Conflict of Interest Prevention Policy	The purpose of policy is to establish common guidelines and principles for the prevention of corruption and for the timely and transparent identification, prevention and management of real, perceived and potential conflicts of interest in order to prevent employees from exercising their duties and powers in a conflict of interest situation at the Riga Airport, as well as the duties and responsibilities of those involved in the prevention of corruption and conflicts of interest.	Read more in the section "Ethics, Anti-corruption Policy and Prevention of Conflict of Interest".		Read more in the section "Ethics, Anti-corruption Policy and Prevention of Conflict of Interest".
Privacy Policy	The purpose of the policy is to provide the natural person with information on the purposes for which Riga Airport collects personal data, information on data volumes and data processing periods, data protection, as well as to inform the data subject about his/her rights and obligations under the GDP Regulation. The personal data processing policy is part of the Privacy Policy.	Read more in the section "Data Protection"	X	All employees must undergo training on "Personal data protection".

In 2022, Riga Airport developed, and the Board of the company approved the Code of Business Ethics which is binding on all contractual partners of the company from 1 September 2022. Read more in the section "Code of Business Ethics".

All company policies are approved by the Board of the company. In addition, the Law determines that the task of the Supervisory Board is to approve the most important policies which define the operating principles of the capital company in respect of risk management, prevention of conflicts of interest, combating corruption, corporate governance, and other issues. The Supervisory Board of Riga Airport approved the Corruption and Conflict of Interest Prevention Policy, the Corporate Governance Policy, and the Risk Management Policy.

They are available to employees on the intranet of Riga Airport, and upon their entry into force, employees certify that they are familiar with them. The policies and Marketing Principles are publicly available in the section "Policy" of the website of the Airport.

## Human Rights

The objective of Riga Airport is to ensure compliance with all laws and regulations binding on the company, which affect the

observance of human rights at the workplace, in the provision of services and in the evaluation of partners.

Riga Airport recognizes compliance with all the conventions and protocols of the International Labour Organization ratified by Latvia, the main purpose of which is to promote social justice and the recognition of international labour rights. The Personnel Policy of Riga Airport defines that the company must respect the prohibition of different treatment and discrimination in relation to employees depending on the employee's gender, age, race, origin, financial status, and other circumstances. To ensure respect for human rights among employees, aspects such as respectful, tolerant and equal treatment in mutual contact and communication are defined in the Code of Ethics of Riga Airport. The code of ethics is mandatory for all employees. In 2023, 263 employees completed the training of the Code of Ethics.

TC of Riga Airport organises trainings to ensure the understanding and knowledge of the Airport employees when serving customers of different cultures, ethnic origins, and religions. This topic is part of the course "Customer Service" which the employees involved in customer service shall take every two years. In 2023, 299 employees took this course. The issue of non-discriminatory service is included in the training of airline passenger service terms and conditions. To deepen

knowledge and understanding of cultural differences for employees, the Aviation Security and Customer service training programmes of the Security Department include topics on different religions and cultures. TC of Riga Airport organizes, and Airport employees also participate in external training courses which include various aspects of human rights. For example, in 2023, employees completed the following courses:

- Critical thinking and information analysis – 77 employees completed the course in 2023;
- Generations X, Y, Z and A: Challenges for Employers, Parents and Educators; generational management – 97 employees completed the course in 2023;
- How to prevent and resolve conflicts? Awareness-based approach – in 2023, 53 employees completed the course;
- Constructive communication: How to talk, understand and cooperate – nine employees completed the course in 2023;
- Serving persons with disabilities and reduced mobility (course includes information on recognising the signs of human trafficking) – 427 employees completed the course in 2023.

The unified market for air transport services must be equally accessible to all persons, therefore Riga Airport ensures equal and non-discriminatory travel for persons with functional disabilities. People with functional disabilities have the same rights to freedom of choice and mobility, equality, and non-discrimination as everyone else.

In respect of the selection of suppliers, Riga Airport shall control contractual partners, more information is available in the section "Procurements and Supply Chain Management".

On 18 October 2023, a representative of Riga Airport participated in the seminar "Establishing an Effective Referral Mechanism for Human Trafficking Cases in Latvia", organised by the International Organisation for Migration in cooperation with the association "Centre MARTA", the Ministry of the Interior, and the Kingdom of Sweden. In order to continue inter-institutional cooperation in preventing human trafficking in the aviation industry, in 2024 a meeting of the involved institutions is planned on a new information campaign, including passenger education, within the framework of the Memorandum of Cooperation on Preventing Human Trafficking in the Aviation Industry, concluded between Riga Airport, airBaltic, the Ministry of Foreign Affairs, the Ministry of the Interior, the society "Shelter "Safe House"" and the society "Centre MARTA".

## Precautionary principle

One of the basic principles of environmental protection on which the environmental management system of the Airport is also based is the precautionary principle. To prevent

consequences before they occur, the Riga Airport has implemented an environmental risk assessment procedure. Environmental risk assessment takes place in accordance with the Environmental Risk Management Procedure – EM 1418 P. In the field of environmental management, 47 environmental risk assessment meetings have been held in 2023 (38 meetings in 2022) in order to assess possible risks during procurement and project implementation. As a result of the assessments, five new environmental risks in processes and technical facilities have been identified and assessed.

## Management Training to Promote Sustainability Skills and Awareness

### 2-17

In September 2023, Riga Airport organised an internal training on "Sustainable Procurement", which was attended by heads of departments, procurement specialists and procurement officers from various departments. The training covered key issues on the legal framework, risks and opportunities and practical application of sustainable procurement.

As part of the outsourcing of the Airport's sustainability risk assessment methodology compliance assessment and sustainability risk assessment, a training on "Sustainability Risks and their Management at the Airport" was organised in January 2023, attended by members of the Board, Heads of Departments and those responsible for coordinating the Airport's respective risk management area. The training provided information on the nature and importance of sustainability risks and their management, as well as proposals for possible changes in the airport's risk management approach.

Riga Airport Supervisory Board member E. Salava in 2023 obtained the "GRI certified sustainability expert" certificate.

Riga Airport member of the Board A. Saveljevs in 2023 completed the ACI Airport Executive Leadership Program, which included a sustainability section.



## Risk assessment and risk management

In order to promote sustainable value creation for the affected parties and to prepare for the implementation of the sustainability risk reporting requirements of the European Sustainability Reporting Standard (ESRS)<sup>19</sup> and to establish an adequate and effective risk management system, and in accordance with Article 107, Part two, paragraph 12 of the Law, in 2023, the Risk Management Policy of Riga Airport was updated and approved, setting out common objectives of the risk management process, areas of risk management, key elements, process stages, basic principles and guidelines, including sustainability risk management aspects and requirements, as well as duties and responsibilities of the participants involved in the risk management process. A Risk management committee has been established at the Airport, which monitors the risk management process of the company, including evaluating information on the Airport's risks, including strategic, operational, and financial risks, and makes appropriate decisions within its competence. The security risk management process of Riga Airport is ensured within the framework of the safety management system,

considering EC Regulation No 139/2014 of 12 February 2014 which determines the requirements and administrative procedures related to aerodromes in accordance with Regulation No 216/2008 of the European Parliament and Council.

The risk management policy determines the management of various types of risks, for example, strategic risk, operational risk (legal, conformity, personnel, fraud, corruption and conflict of interest risks, business continuity risks, etc.), financial risks, risks of the fields of operation (aviation security, information system, environment, energy management system and work environment risks), which can also be sustainability risks.

<sup>19</sup> The ESRS is in force with the adoption of EC Delegated Regulation (EU) 2023/2772 (31 July 2023) supplementing Directive 2013/34/EU of the European Parliament and of the Council with regard to sustainability reporting standards



**Strategic risks** – risks related to inappropriate planning and implementation of the Strategy of Riga Airport, as well as the adoption of strategic or development decisions affecting the operation of the airport, including reputational risks.

**Security risks** – risks related to the safe operation of the aerodrome and managed within the framework of the Safety Management System of the Airport.

**Aviation security risks** – risks managed within the framework of the aviation security system of the Airport.

**Environmental risks** – risks managed within the environmental management system of the Airport.

**Energy management risks** – risks managed within the energy management system of the Airport.

**Risks of information systems** – risks related to the security of the Airport information systems, including personal data protection risks.

**Personal data protection risks** – risks related to GDR regulations<sup>20</sup> violations.

**Work environment risks** – risks related to the Airport work environment, work safety and health, as well as other aspects of the work environment.

**Operational risks** – risks related to the process, personnel actions, or external events of the processes/projects of the Airport which are inappropriate, incomplete or non-compliant with requirements, such as legal, compliance, personnel, fraud, corruption and conflict of interest risks and ICT risks.

**Financial risks** – risks related to possible losses due to unforeseen changes in the financial field, as well as insufficient flow of financial resources of the Airport, including

<sup>20</sup> Regulation 2016/679 of the European Parliament and of the Council on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC

budget planning, performance monitoring, raising funds to cover financial obligations, such as liquidity risks, market risks and credit risks.

When implementing the Risk Management Policy, the following principles of risk management shall be observed:

- integration in management,
- dynamism, practicality, and efficiency,
- traceability and validity of information,
- continuous improvement, involvement, and cooperation,
- the concept of "three lines of protection".

Detailed information on risk management principles is published in the ["Policies" section](#) of the Riga Airport website.

To promote the achievement of the objectives laid down in the Strategy, the risks affecting the Strategy have been identified and assessed, as well as their mitigating measures have been determined, including them in the section "Risk Analysis" of the Strategy.

As part of sustainability risk management, Riga Airport in 2023 carried out:

- Assessment of compliance of the Risk Management Policy and the Risk Management Manual with the requirements of the draft ESRS, the CSRD<sup>21</sup>, Article 58.<sup>2</sup>, Part two, Paragraph 3

of the Law on Governance of Capital Shares of Public Entity and Management of Capital Companies Thereof, as well as the Corporate Governance Code<sup>22</sup> section "Internal Control System, Risk Management and Internal Audit" and other legal requirements binding on Riga Airport, if any are identified;

- developed proposals for improvements to the Airport's regulatory framework to ensure the quality management of sustainability risks and compliance with the regulatory framework and best practice;
- identification of sustainability risks and opportunities;
- online training on sustainability risk management for Airport Board and heads of departments.

In 2023 were identified and assessed/reassessed:

- the risks related to the field of corporate social responsibility, such as environmental risks, energy management risks, work environment risks;
- strategic risks, operational risks, and financial risks.

To ensure the sustainable operation of Riga Airport, in 2023, the following risks were identified and assessed and reassessed:

- the risks related to the field of corporate social responsibility, such as environmental risks, energy management risks, work environment risks, as well as other risks;
- strategic risks, operational risks, and financial risks.

The above-mentioned risks are managed, including by determining risk-mitigating measures, in compliance with the internal normative documents of Riga Airport regulating the relevant type of risk, including, for example, "Instructions for managing strategic, operational and financial risks", which provides for establishing the strategic, operational and financial risk management procedures for Riga Airport, that ensures timely identification of risks, appropriate analysis and evaluation, response to them, as well as the implementation of monitoring, revaluation, documentation and reporting, communication and consultations.

The implementation of the risk management policy, as well as the progress of the implementation of risk mitigation measures, are monitored by the permanent Risk Management Committee, the Board, and the Supervisory Board in conformity with their competence.

Within the framework of the risk management monitoring of Riga Airport, the following was prepared:

<sup>21</sup> Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No. 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU as regards corporate sustainability reporting (CSRD), which entered into force on 5 January 2023.

<sup>22</sup> Approved by the Cabinet of Ministers of 15 March 2023 No. 175 "Regulations on corporate governance recommendations applicable to a publicly owned company and a publicly private company"

- the annual report on the risk management of Riga Airport, including the implementation of the Airport's risk management policy reviewed by the Risk Management Committee, Board and Supervisory Council;
- a semi-annual report on the progress of implementation of the priority risk control measures of the Airport which was reviewed by the Risk Management Committee and submitted to the Board.

To promote the achievement of the objectives defined in the Strategy and the Sustainability Strategy, it is necessary to ensure further maintenance of the risk management process of Riga Airport and its continuous improvement, taking into account the requirements of international and national regulatory enactments and good practices, including in the field of sustainability.

## Internal Audit Function

At Riga Airport, internal audits are constantly conducted by the head of the Internal Audit Unit. The Internal Audit Unit is functionally subordinate to the Supervisory Board, and administratively to the Board. In accordance with the Strategic Internal Audit Plan 2022-2024 and the Internal Audit Plan 2023, four priority system audits were carried out in 2023 – "Inventory", "Ensuring protection of personal data stored in

and outside information systems", "Implementation of Airport Corporate Governance" and "Implementation of Airport Process Automation and Digitisation". The head of the Internal Audit Unit provides regular reporting to the Board of the company, Supervisory Board, and shareholders on the results of audits and the implementation of audit recommendations, and upon the request of the management, conducts unscheduled inspections on current issues, as well as provides individual consultations upon the request of structural units.

## Process Quality and Safety Audits

To achieve the strategic goals, set by the Airport, process and risk management has been established and is being implemented in the integrated management system. During the process quality and safety audits, the efficiency of the created system, process execution and conformity of services with the established requirements are evaluated. In 2023, 20 process audits took place in the structural units of Riga Airport and in the companies of service providers of the Aerodrome. In addition to internal audits, 15 external audits and inspections were carried out at Riga Airport in 2023 by the CAA, the certification organisation Bureau Veritas Latvia Ltd., the express mail service providers DHL and FEDEX, the State Fire and Rescue Service,

and the airlines Ryanair, Finnair, and SkyUp Airlines, which operate flights to/from Riga Airport.

Every year, a schedule of environmental inspections is developed at the Airport. In accordance with the schedule of environmental inspections in 2023, 12 environmental inspections at the Airport's facilities and on the territory of Riga Airport's lessees and service providers. During the inspections, no significant violations that cause pollution or threat thereof were found. The most significant infringements detected during environmental inspections related to non-compliance with the requirements of the relevant permits and certificates, improper management of hazardous waste and the labelling of chemicals. Some recommendations related to necessary improvements in the inventory of chemicals and mixtures, the accounting of hazardous and environmentally hazardous waste, and precautions to contain spills. During the inspections, lessees were also informed about existing and planned changes to the laws and regulations affecting their polluting activities.

Once a year, during the annual management review, the Board of the company evaluates the integrated management system and determines possible improvements to ensure the continuous suitability, efficiency, and compliance of the systems with the certified standards.

# Ethics, Anti-corruption Policy and Prevention of Conflict of Interest

## 3-3, 2-11, 2-15, 2-26, 205-2, 205-3

Riga Airport promotes commercial activity corresponding to honest principles, conformity with ethical norms, as well as takes actions to prevent the risks of corrupt and fraudulent activities and to reduce and prevent possible violations.

Cabinet Regulation No. 630 of 17 October 2017, Regulations Regarding the Basic Requirements for an Internal Control System for the Prevention of Corruption and Conflict of Interest in an Institution of a Public Person, defines the basic requirements of the internal control system for the prevention of the risk of corruption and conflict of interest at Riga Airport. In accordance with Sub-paragraph 8.2 of the abovementioned Cabinet Regulation, Riga Airport shall, at least once every three years:

- review the functions or areas of operation or processes in the institution that are exposed to the risk of corruption, the identified risks of corruption, evaluating the likelihood of their occurrence (probability) and the impact in the event of

the occurrence of the risk (caused consequences), taking into account the existing control mechanisms;

- evaluate the implementation of the measures implemented to prevent the risk of corruption, their effectiveness and usefulness;
- ensure the improvement of the knowledge of employees whose positions are exposed to corruption risks on conflict of interest and corruption prevention issues.

At Riga Airport, the Code of Ethics has been developed and approved by the Board of the company which also includes the prohibition of fraudulent and corrupt practices and is binding on every employee of the company.

Confirmed at Riga Airport:

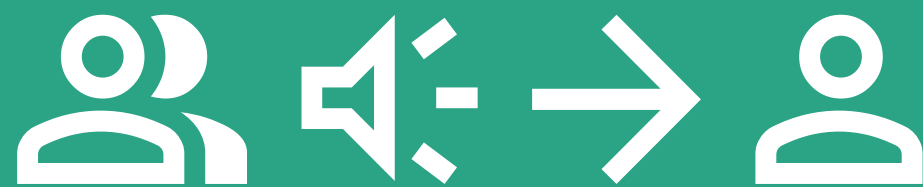
- Corruption and conflict of interest prevention policy, read more in the section "The Most Important Policies and Settings, Their Implementation in Practice";

- Conflict of interest prevention management instruction, which determines the procedure in which:
  - the Supervisory Board shall coordinate and supervise the necessary procedures for the prevention of conflict-of-interest situations, as well as manage conflict of interest situations involving members of the Airport Supervisory Board and the Board or persons related to them;
  - the Board manages conflict of interest situations involving the Airport's employees and monitors the Airport's transactions with former members of the Board and Supervisory Board, as well as persons related to members of the Airport's Supervisory Board or Board.

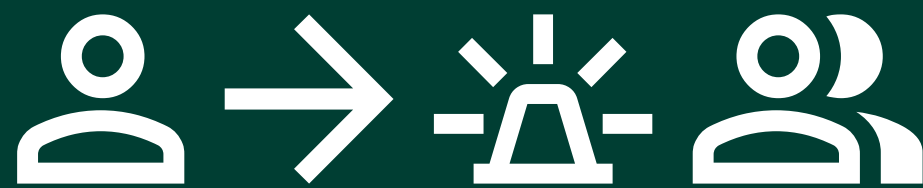
In 2023, not a single case of corruption was reported or identified at Riga Airport. Also, no contracts with counterparties were terminated in 2023 due to corruption offences, as there were no such offences and no public corruption proceedings were initiated against Riga Airport or its employees during the reporting period.

The airport's intranet or internal website "eRIX" provides all employees with information on

## how to deal with bribery.



Every employee has also the right to report to higher management regarding possible violations, fraudulent and corrupt actions, including cases of attempted bribery.



In the case of necessity, if the situation cannot be resolved with the direct manager due objective reasons, the employee shall report to the permanent commission for investigation of possible violations.

Every employee of Riga Airport has the right to report possible violations of the employee's rights and interests defined in the Code of Ethics, Whistle-blower Procedures, and other regulatory documents. In accordance with the Code of Ethics of Riga Airport, if an employee has a reasonable suspicion of non-compliance, he or she turns to his or her direct or superior manager, who decides on further action.

The airport's intranet or internal website "eRIX" provides all employees with information on how to deal with bribery.

It is the duty of the permanent commission for investigation of possible violations to examine the received information on possible violations and to prepare opinions for further action. See more in the section "Permanent Commission for Investigation of Possible Violations".

The employees of Riga Airport shall report a possible violation, including one that falls within the scope of the Whistleblowing Law, using the order of the chairperson of the Board No. 22/39B of 25 April 2022, Regarding the Procedures for Reporting and Examining Employee Complaints, Possible Violations, the internal procedure and reporting system.

Cooperation partners and persons who are not employees of Riga Airport can report a possible violation by email Office@riga-airport.com, indicating the information available to the person related to the possible violation, including a description of the violation, mentioning specific facts. If a person wants to submit a whistle-blower's report in conformity with the Whistleblowing Law, the person shall fill out the form developed by the State Chancellery which is available on the website www.trauksmescelejs.lv. After filling out the form, it shall be signed with a secure electronic signature and send it to Office@riga-airport.com. If the form is signed in writing, it shall be sent to Riga Airport by post.

In addition, Riga Airport has developed the training programme for the Code of Ethics and determined that training of all employees shall take place once in every three years. The curriculum is based on the requirements for action in relation to issues of possible violations, fraudulent or corrupt activities. The knowledge test of employees on the basic principles of the Code of Ethics shall be binding on all employees of Riga Airport (except for the public officials who are bound by the law On Prevention of Conflict of Interest in Activities of Public Officials).

Paragraphs 11 and 11.1 and 11.2 of Regulation No. 630 of the Cabinet of Ministers of 17 October 2017 "Regulations on Basic Requirements of the Internal Control System for Preventing

the Risk of Corruption and Conflict of Interest in a Public Institution" stipulate that training on corruption and conflict of interest issues for employees whose position is exposed to the risk of corruption must be conducted upon commencement of employment and every three years this training must be repeated. In 2023, 50 employees were trained in e-learning, which represents 3.52 % of the total number of Airport employees. In 2022, the Riga Airport Board held an online training session "Current issues of conflict of interest, prevention of corruption and ethics".

To promote the integrity of the company's business partners, since April 2019, an additional point has been included in the Terms of Reference of procurement tenders of Riga Airport. It provides that the client and every employee of the client do not allow fraudulent and corrupt actions in their activities, which includes the prohibition of bribery of both domestic and foreign officials. The client has approved the Code of Ethics, as well as assesses corruption risks and implements measures to reduce and prevent corruption risks. Separate training is not organised for business partners. The basic principles for the cooperation with contractual partners and the Code of Business Ethics can be found on the website of the Airport in the section "Ethical Principles for Partners". More about the Code of Business Ethics in the section "Code of Business Ethics".



In 2023, Riga Airport participated in the Forum "Strengthening Transparency and Governance through Collective Actions" organised by the Basel Institute on Governance in Bulgaria in the panel discussion "Collective Action Models in Europe: Best Practices and Lessons Learned"<sup>24</sup>, where it shared its experience of participation in the OECD and Basel Institute on Governance programme "Compliance without Borders"<sup>25</sup>. The programme aims to use cooperation to reduce the risk of corruption, establish high-quality compliance systems and improve integrity standards in the management and operation of state-owned enterprises.

## Compliance with Laws and Regulations

**2-16, 2-26**

In accordance with Order No. 22/39B of the Chairperson of the Board of Riga Airport of 25 April 2022 "Regarding the Procedures for Reporting and Examining Employee Complaints, Possible Violations", in 2023, no reports have been received by the Permanent Commission for the examination of possible infringements and no cases of possible infringements identified in the Whistleblowing procedure have been reported. In 2023, one report was received and dealt with concerning possible breaches of the protection of the rights and interests of employees under the Employee Regulations and other regulatory documents. Read more in the section "Permanent Commission for Investigation of Possible Violations".

<sup>23</sup> Strengthening transparency and governance through Collective Action

<sup>24</sup> Models for Collective Action in Europe: Best practices and lessons learned

<sup>25</sup> Compliance without Borders

# Compliance with Laws and Regulations

## 2-27

In 2023, integrated inspections by the controlling authorities have not been carried out. Violations of environmental regulatory enactments and category B polluting activity permits for 2023 were not found, accordingly fines from the institutions controlling environmental protection requirements were not applied.

No inspections by the State Construction Control Bureau were carried out in 2023 to verify compliance with the Energy Efficiency Law at the Airport. In 2023, Riga Airport submitted an energy savings report to the Energy Resources Information System on the savings achieved in 2022 because of the energy efficiency improvement measures implemented. In 2023, no energy efficiency levy has been imposed by the authorities enforcing energy management requirements.

For failure to properly maintain the ditch (failure to properly maintain the drainage system (shared water drains), which includes cutting trees, mowing grass, removing water flow barriers, as well as recuperation and reconstruction of water drains), by the decision of Construction Board of the Municipality

of Mārupe Municipality of 1 August 2022, the Riga Airport received an administrative fine of EUR 100 in the administrative offence case, which was paid to the Municipality of Mārupe on 10 February 2023 (the information on this fine was also included in the 2022 Non-Financial Statement).

In 2023, no sanctions have been applied for the non-conformity of the operation of Riga Airport with regulatory enactments in the social or economic field. Also, no administrative penalties have been applied to Riga Airport in the social, environmental, and economic fields in previous periods, which was also reflected in the Non-Financial Reports of previous periods.

Although Riga Airport is not subject to the Law on the Prevention of Money Laundering and Financing of Terrorism and Proliferation, it does not allow money laundering in its operations. Riga Airport has an internal regulatory document "Procedure for Sanctions Risk Management and Internal Control System" the purpose of which is to determine the procedure by which Riga Airport conducts inspections of its business partners, customers and suppliers based on the international laws and national laws on sanctions of the Republic of Latvia in order to prevent or reduce the risk of sanctions related to violation or circumvention of possible sanctions (sanctions imposed by the EU or a member state of the North Atlantic Treaty Organization), and the regulatory framework of national sanctions.

# Procurement and Supply Chain Management

## 3-3, 2-23, 2-24, 204-1, 308-2

As Riga Airport provides both aviation and non-aviation services, it mainly procures various types of services, supplies and construction works to support its core business, as well as investment projects, considering the requirements of the Law on the Procurements of Public Service Providers and other laws and regulations in force in Latvia that directly regulate the subject matter of a particular procurement.

The most important internal regulatory enactments that regulate the field of procurements at Riga Airport are as follows:

- A procurement procedure (hereinafter referred to in this subparagraph as the Procedure) based on the principles and requirements of external regulatory enactments, ensuring that procurement is carried out in compliance with the general principles of procurement - openness of procurement, free competition and fair treatment of suppliers and efficient use of Riga Airport's resources. This Procedure applies to all procurements made by Riga Airport and is binding on all structural units of the Riga Airport. The

Procedure shall be applied in all cases when the estimated contract price of the supply, service or construction works contract, excluding VAT, is up to the thresholds of contract prices specified in Cabinet Regulation No. 105 of 28 February 2017, Regulations Regarding Thresholds of Contract Prices of Public Procurements. The Procedure regulates procurement procedures at Riga Airport, including by determining deadlines, methods, procedures for developing technical specifications/qualification requirements, regulating other issues related to procurements;

- The Code of Business Ethics, which can be read in more detail in the section "The Code of Business Ethics";
- The guidelines for sustainable public procurement about which you can read more in the section "Application of Social and Environmental Criteria".

Regarding procurement in 2023, the following objectives were set:

- ensure that one of the sustainable procurement criteria – "green criteria", socially responsible criteria or innovative solutions is used at least for 10 % of the procurements intended in the procurement plan for 2023. The objective was achieved, with a total of 150 procurements with a contract price above EUR 15,000.00 (excluding VAT) in 2023, of which 39, or 26 %, applied green or sustainable criteria;

- to ensure that at least 80 % of suppliers certify that they comply with the principles contained in the Code of Business Ethics of Riga Airport. The objective was achieved by randomly checking 50 open tenders and price inquiries organised by Riga Airport, and it was found that in all cases or 100 % of the suppliers confirmed that they comply with the principles contained in the Riga Airport Code of Business Ethics.

The main stakeholders in the field of procurement are the Procurement Monitoring Bureau, the CFLA, the Competition Council and the Corruption Prevention and Combating

Bureau. During the reporting period, there were no significant changes in the company's supply chain structure and cooperation with suppliers, service providers or customers.

Every year the company intends approximately 25-30 million EUR for the purchases (services, deliveries and construction works). In 2023, approximately 54 million EUR were planned.

In 2023, 238 transactions (contracts) were concluded, including 13 construction contracts, 99 supply contracts and 126 service contracts. Compared to 2022, the total number of transactions (contracts) decreased by 10 (5 for construction, 15 for supplies, 30 for services).

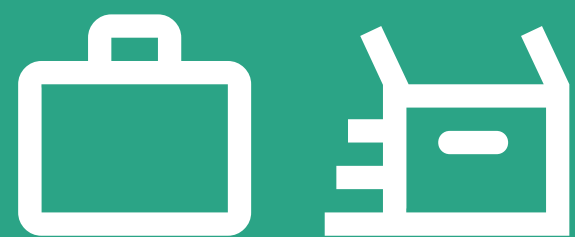
### Types of procurement in 2023 (contract prices of concluded transactions (contracts))



# The most important procurements of Riga Airport

## Deliveries

- Purchase of electricity,
- Purchase of heavy-duty apron technical equipment
- Purchase of aircraft push tractors
- Replacement of runway lights with LED
- Purchase of buses
- Purchase of resource planning system
- Supply of anti-icing agents
- Supply of diesel and petrol,
- Purchase of fire truck
- Purchase and installation of cabin baggage explosive detection system (EDS) with C3 standard
- Purchase and installation of two automatic basket return lines, etc.



## Services

- Employee health insurance
- Territory maintenance service in winter
- De-icing (production) waste water removal
- System service, design, supervision and feasibility study service, construction supervision and engineering consultant services for the construction of the terminal extension round 6, etc.



## Construction works

- Reconstruction of boarding sectors B8/B9 and B1
- Reconstruction of engineering networks in Tehnikas Street; repair works of streets, squares, apron pavement and replacement of pavement in the Airport territory
- Design, supply, installation and connection of electric car charging infrastructure in the Airport territory
- Optimisation of 10kV network and switching to 20kV network
- Construction of 20kV transformer point for power supply in Muzeju Street, Ziemeļu and Pilotu Street areas
- Riga Airport terminal expansion round 6 of the Riga Airport construction works
- Design, supervision and construction of a solar panel park in the north of the Aerodrome, etc.



## Regulatory base

When organising procurement, Riga Airport complies with Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC, including relying on the Law on Procurement of Public Service Providers, the Cabinet Regulations issued on its basis, as well as other regulatory enactments regulating the procurement in question.

If the estimated contract price does not reach the threshold value laid down by the Cabinet for the application of the Law on the Procurements of Public Service Providers, the company shall follow the procurement guidelines for public service providers developed by the Procurement Monitoring Bureau and the procurement procedures of Riga Airport developed based on the principles and requirements of the above-mentioned external regulatory enactments. Riga Airport also considers the EU judicial practice, the decisions and explanations of the Procurement Monitoring Bureau, the provisions and principles of the Treaty on the Functioning of the EU, for example, on the free movement of goods, the right to do business, the freedom to provide services, the principle of prohibition of discrimination, the principle of equal treatment, openness principle and the principle of mutual recognition.

## Code of Business Ethics

In 2022, Riga Airport developed, and the Board of the company approved the Code of Business Ethics which is binding on all contractual partners of the company from 1 September 2022.

The Code of Business Ethics stipulates the following for cooperation partners:

<h3>Social standards</h3> <ul style="list-style-type: none"> <li>• working conditions,</li> <li>• human rights,</li> <li>• prohibition of discrimination,</li> <li>• fair pay and working hours,</li> <li>• labour protection and training</li> </ul> 	<h3>Environmental standards</h3> <ul style="list-style-type: none"> <li>• control and reduction of emissions,</li> <li>• energy efficiency,</li> <li>• implementation of basic principles of circular economy,</li> <li>• rational consumption of water resources,</li> <li>• mitigation of environmental risks</li> </ul> 	<h3>Business and ethical integrity</h3> <ul style="list-style-type: none"> <li>• necessary documentation,</li> <li>• quality, confidentiality,</li> <li>• transparent transactions,</li> <li>• prevention of conflict of interest,</li> <li>• compliance with sanctions, integrity</li> </ul> 	<h3>Prevention of conflicts of interest, fraud, and corruption</h3> 
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In its procurements, Riga Airport requires suppliers to certify that the suppliers comply with the basic principles of business ethics in their operations (including the operations of the supplier's employees and subcontractors) and will comply with

the performance of the procurement contract, as defined in the Code of Business Ethics of Riga Airport. The Code of Business Ethics is published on the website in the section "[Ethical Principles for Partners](#)". See more in "Human Rights" section.

## Sustainability criteria in the selection of contractual partners

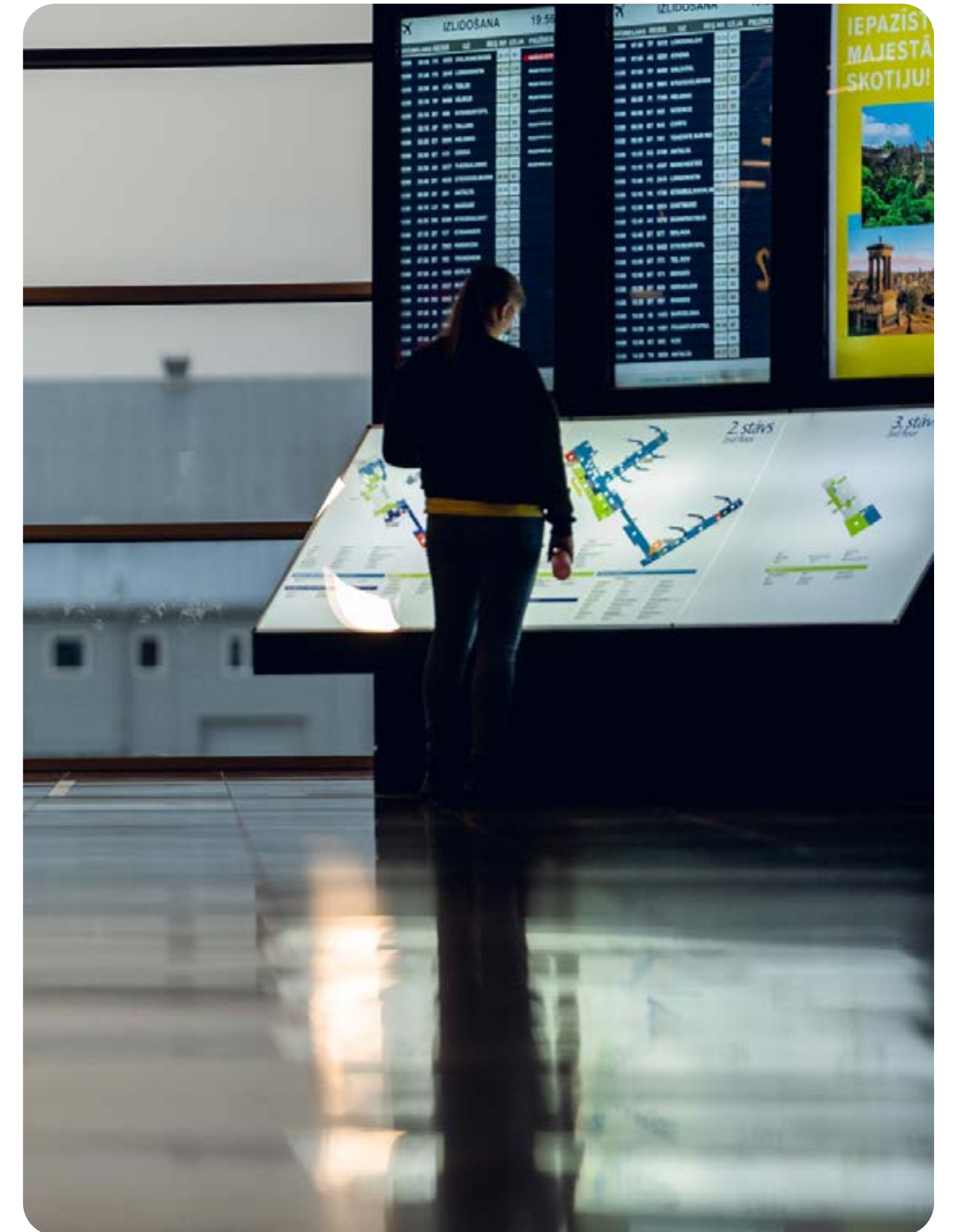
When organizing procurements, Riga Airport, as a public service provider, is bound by regulatory enactments that regulate the procurement process, i.e. the Law on the Procurements of Public Service Providers. The provisions contained in this law are almost entirely taken over from Directive 2014/25/EU of the European Parliament and the Council of Europe of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC.

Depending on the expected contract price, it is checked whether the cooperation partner, its members of the board, supervisory board, persons entitled to representation have not had a previous criminal record for any kind of participation, organisation, etc. in criminal organizations, bribery or taking bribes, fraud, embezzlement or money laundering, any kind of participation in terrorism, human trafficking, tax evasion or payment of similar payments. It is verified whether the cooperation partner (in some cases also subcontractors of the cooperation partner) pays taxes on time, including mandatory

state social insurance contributions, or whether the cooperation partner, its subcontractor has not been punished for violating of the competition law, has not employed employees without a contract or without a residence permit. Cooperation partners are also verified for applicability of sanctions. The contracts include the right of Riga Airport to unilaterally immediately terminate the contract with the other party if it is established that it is subject to sanctions or that the other party has been punished for a violation of competition law.

When organising procurements, Riga Airport assures cooperation partners in the procurement documentation from the outset that Riga Airport and each of its employees does not allow fraudulent and corrupt behaviour in its operations, which includes the prohibition of bribery of both domestic and foreign officials.

In its procurement, Riga Airport requires suppliers to certify that if the supplier employs citizens of the EU and/ or third countries, it complies with the laws and regulations governing the industry and the principles and obligations contained therein with a high level of responsibility. Thus, Riga Airport reduces the possibility that suppliers could employ persons without valid employment contracts and promotes compliance with their rights provided for in regulatory enactments.



# Suppliers

Riga Airport purchases goods, services and construction works from both Latvian and foreign companies. Suppliers registered in Latvia are perceived as local suppliers in the context of the report. 87 % of suppliers of goods, 92 % of suppliers of services and 100 % of suppliers of construction works are companies registered in Latvia.

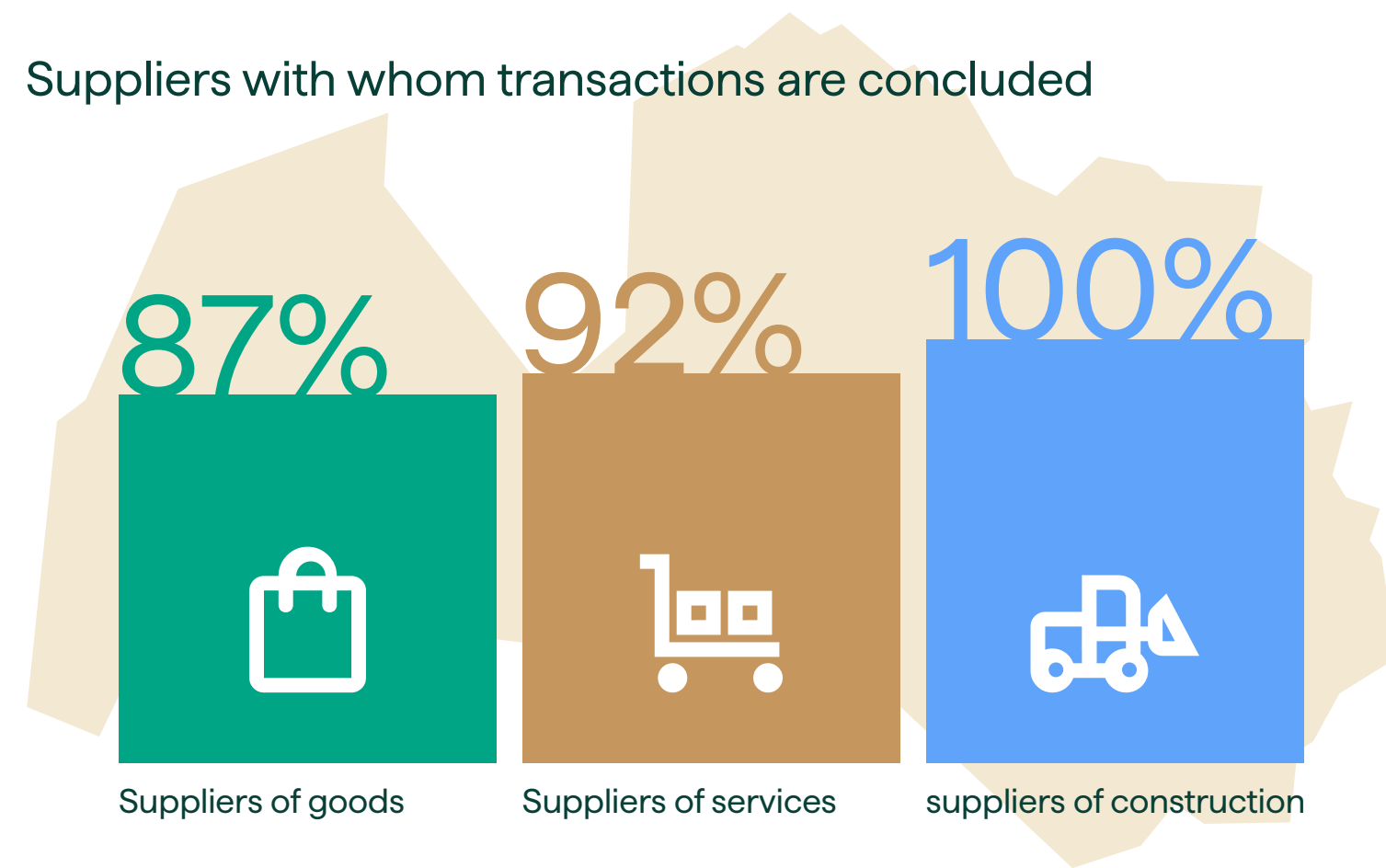
Since many of the goods needed to ensure the operation of the airport are produced abroad, Riga Airport also cooperates with suppliers from other European countries and North America. Riga Airport has a total of more than 200 suppliers with whom transactions have been concluded.

According to Riga Airport, 141 suppliers met the characteristics of material suppliers in accordance with the Corporate Sustainability Reporting Directive and the European Sustainability Reporting Standards in 2023. Of the total number of significant suppliers, 80 % were Latvian and 20 % foreign suppliers.

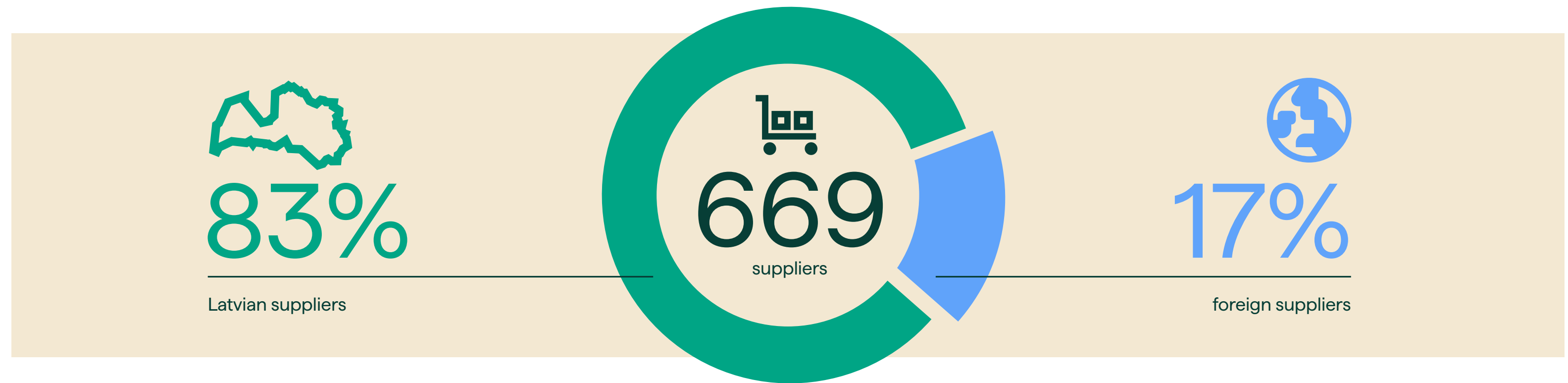
In total, Riga Airport had 669 suppliers (including service providers) in 2023, some of them for one-off services or the supply of goods. Of the total number of suppliers, 83 % were Latvian and 17 % foreign suppliers.

Additional measures for suppliers identified as high ESG risk will be included in the supplier due diligence procedure to be developed in 2024. In 2023, no supplier has had its contract terminated due to its negative environmental impact.

Suppliers with whom transactions are concluded



In total, Riga Airport suppliers



# Application of social and environmental criteria

Riga Airport regularly revises and improves its internal regulations during the reporting year, modernizing and improving the efficiency of the Procurement Department of the Airport, considering the Law on the Procurements of Public Service Providers and jurisdiction.

To strengthen the theme of social responsibility in the procurement system, the procurement procedure of Riga Airport includes a rule that in certain cases, when choosing a supplier of services/goods, Riga Airport has the option of awarding the contract to a company that has obtained the status of a social enterprise. This means that when choosing a supplier of goods/services, the client can set criteria that, for example, give preference to an entrepreneur who employs people with disabilities.

Following this procedure, social and/or environmental criteria were foreseen in several procurements, for example:

- dismantling of dangerous buildings (GPP requirements in the technical specification);
- purchase of light passenger vehicles up to 3.5 t (electric engine is required for all vehicles);

- rental of printing equipment (GPP requirements in the technical specification);
- Purchase of furniture and equipment for the Tango VIP lounge (compliance with the social criteria set out in the Code of Business Ethics);
- territory maintenance service in winter conditions (social criterion – health insurance policy for each employee);
- changing runway lights to LED (GPP requirements in the technical specification);
- purchase of buses (all buses are required to have an electric engine);
- delivery of six explosive residue detectors in 2023, 2024 and 2025 (electricity consumption is evaluated with points);
- purchase and installation of cabin baggage explosive detection system (EDS) with C3 standard (electricity consumption is evaluated with points).

In accordance with the requirements of the regulatory enactments, Riga Airport applies ZPI in individual purchases, trying to purchase goods and services with the least possible impact on the environment, considering the life cycle costs of

products or services with the same primary function and those that contribute to social improvements.

In addition to external laws, in 2023 Riga Airport developed an initial draft of a supplier control mechanism, which includes criteria that assess the sustainability impacts of suppliers: social impacts (positive and negative impacts) and environmental impacts. This process is planned to be completed in 2024, including the development of a supplier due diligence procedure in the Riga Airport Legal Department Procurement Division's 2024 Action Plan.

In 2023, Riga Airport approved the Sustainable Procurement Guidelines, which summarise best practices and opportunities for applying sustainability criteria and socially responsible procurement principles. This will allow the employees of Riga Airport to find information in one document to prepare the highest quality procurement documents related to sustainability in order to receive the best possible result for every EUR of company funds spent and thus help make the procurements of the Airport innovative, sustainable, inclusive and competitive.

## Ethical and competitive tariff structure

The tariffs of Riga Airport are determined using the so-called "one cashier" principle. This principle provides that costs are covered by both revenue from aviation services and non-aviation services which affects the amount of fees applied to airlines and passengers. In general, the tariffs should cover the operating costs and the financing costs of the capital investments, while also providing for a commensurate profit.

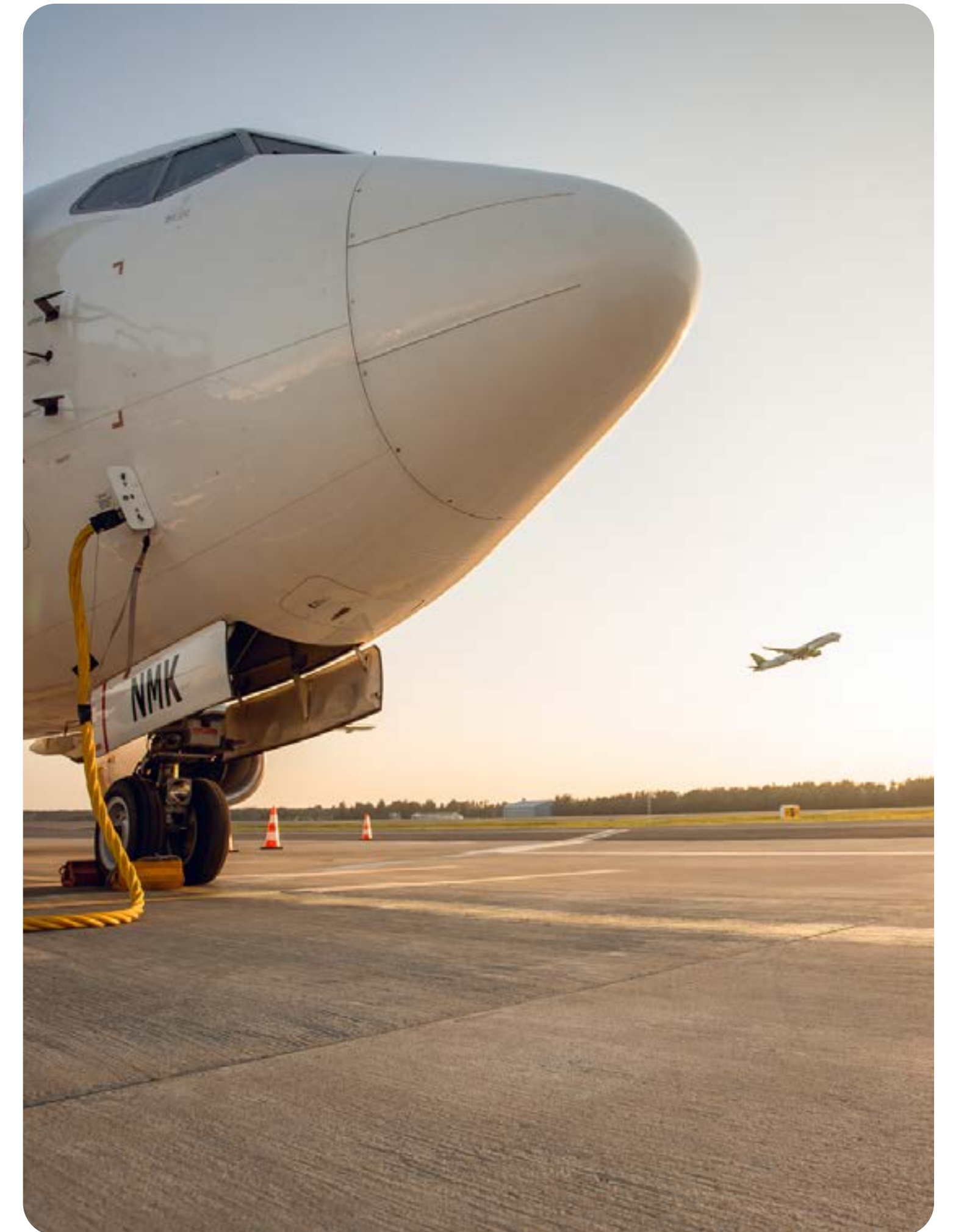
European legal acts prohibit discrimination of airline customers and illegal state aid, therefore the tariff/fee structure of Riga Airport can be changed only in compliance with Cabinet Regulation No. 540 issued in Riga on 5 July 2011, Procedures for Determining and Changing Fees for Services Provided at the Aerodrome, which include the legal norms arising from Directive 2009/12/EC of the European Parliament and of the Council of 11 March 2009 on airport charges. The main principles in setting tariffs are tariff transparency, legality, and equality. Prior to changes in fees, consultations are held with air carriers about the costs included therein and amount thereof.

In accordance with Section 28, Paragraph 3 of the Law "On Aviation", the Cabinet of Ministers shall determine the fee for such services provided at a civil aviation aerodrome of national importance, as well as the procedure for its collection and use, specifying the services included in the fee and exemptions from it:

- aircraft take-off and landing fees;
- fee for parking aircraft in an operational aircraft parking area for the duration of pre- or post-flight servicing;
- passenger service fee;
- fees for safety and rescue measures, including fees for the provision of aircraft safety and civil aviation security oversight.

However, fees for services not covered by the third paragraph of this Article shall be determined by the service provider.

The aircraft take-off and landing fee, aircraft parking fee and passenger service fee at Riga Airport shall be determined by Cabinet of Ministers Regulation No. 111 "Regulations on Fees for Services Provided at the Aerodrome of the State Joint Stock Company Riga International Airport", and the fee for security and rescue measures – by Cabinet of Ministers Regulation No. 823 "Regulations on Fees for Security and Rescue Measures Provided at the Aerodrome".

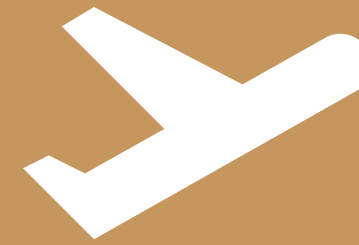


# Tariff structure



Aerodrome service fees, which are set by Cabinet Regulations in accordance with the Law "On Aviation":

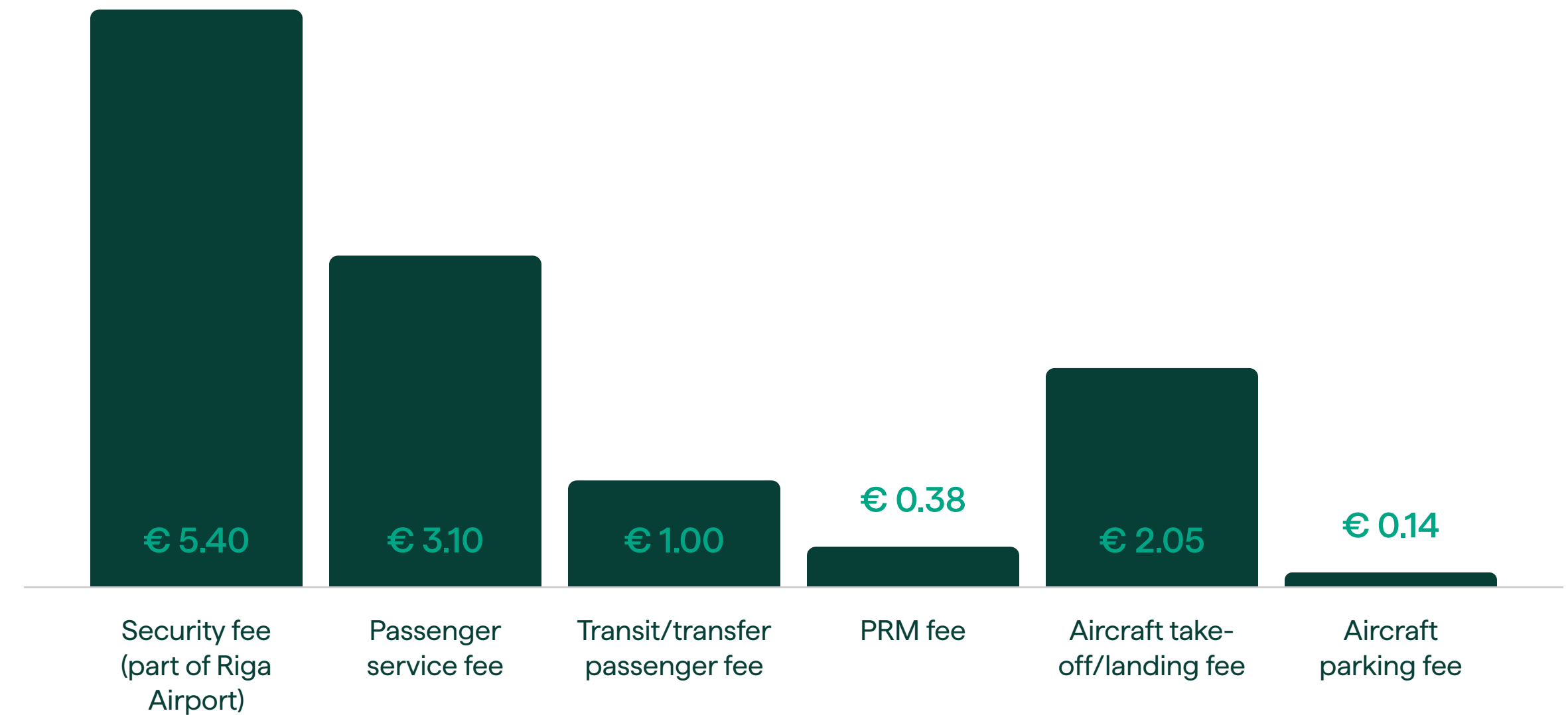
-  € aircraft take-off/landing fee;
-  € aircraft parking fee;
-  € passenger service fee;
-  € safety fee.



Aerodrome service fees set by Riga Airport:

- € PRM fee;
- € centralized infrastructure fees;
- € other aviation fees.

Current tariffs of Riga Airport in 2023, EUR (without VAT)



The fee for the take-off and landing of an aircraft which includes the use of the runway and taxiways, runway and lighting of taxiways, the services of the aerodrome management service and other aerodrome infrastructure, if the infrastructure is necessary to ensure

the take-off and landing of the aircraft, is EUR 2.05 for every 1,000 the maximum permissible take-off mass of the aircraft in kilograms (rounded up to 10 kg) for each take-off and landing.

The fee for the take-off and landing of an aircraft which includes the use of the runway and taxiways, runway and lighting of taxiways, the services of the aerodrome management service and other aerodrome infrastructure, if the infrastructure is necessary to ensure the take-off and landing of the aircraft, is EUR 2.05 for every 1,000 the maximum permissible take-off mass of the aircraft in kilograms (rounded up to 10 kg) for each take-off and landing.

The fee for parking an aircraft in an operational aircraft parking area for the period during which the aircraft is serviced before or after a flight shall be EUR 0,14 per 1 000 kilograms per hour of the maximum take-off mass of the aircraft.

The fee for the use of passenger and public waiting areas and corridors, as well as other passenger terminal infrastructure (excluding centralised infrastructure), is EUR 3.10. It applies to every departing passenger.

The fee for the use of the passenger terminal infrastructure for transit and transfer passengers (passengers departing from the controlled area of Riga Airport on the same aircraft as their arrival or on another aircraft) is EUR 1.00 and applies to each departing transit or transfer passenger.

The safety fee covers the following services of Riga Airport: security check of passengers, check-in, and cabin baggage, as well as Airport safety and crisis management (including rescue). The share of the safety fee for security services provided by Riga Airport remained unchanged at EUR 5.40. Part of the Riga Airport safety fee is applied to direct departing passengers.

In addition, a safety fee shares for the CAA's aircraft safety and civil aviation security oversight (EUR 1.10 until 31 October 2023 and EUR 1.40 from 1 November 2023 until 31 December 2023 for each departing direct passenger and EUR 0.49 for each departing transit or transfer passenger) is applied. The PRM passenger service fee is applied to each departing passenger.

## Tariff competitiveness

Despite the challenging financial situation, Riga Airport has managed to keep the main aviation tariffs unchanged since 2009 (take-off/landing, parking, and passenger fees) and safety fees unchanged since 2011, as well as providing air carriers with the opportunity to extend payment deadlines during a difficult period for the entire industry.

In 2022, the PRM fee was revised, determining its increase from 0.28 to 0.38 EUR per passenger from 1 July 2022. In the autumn

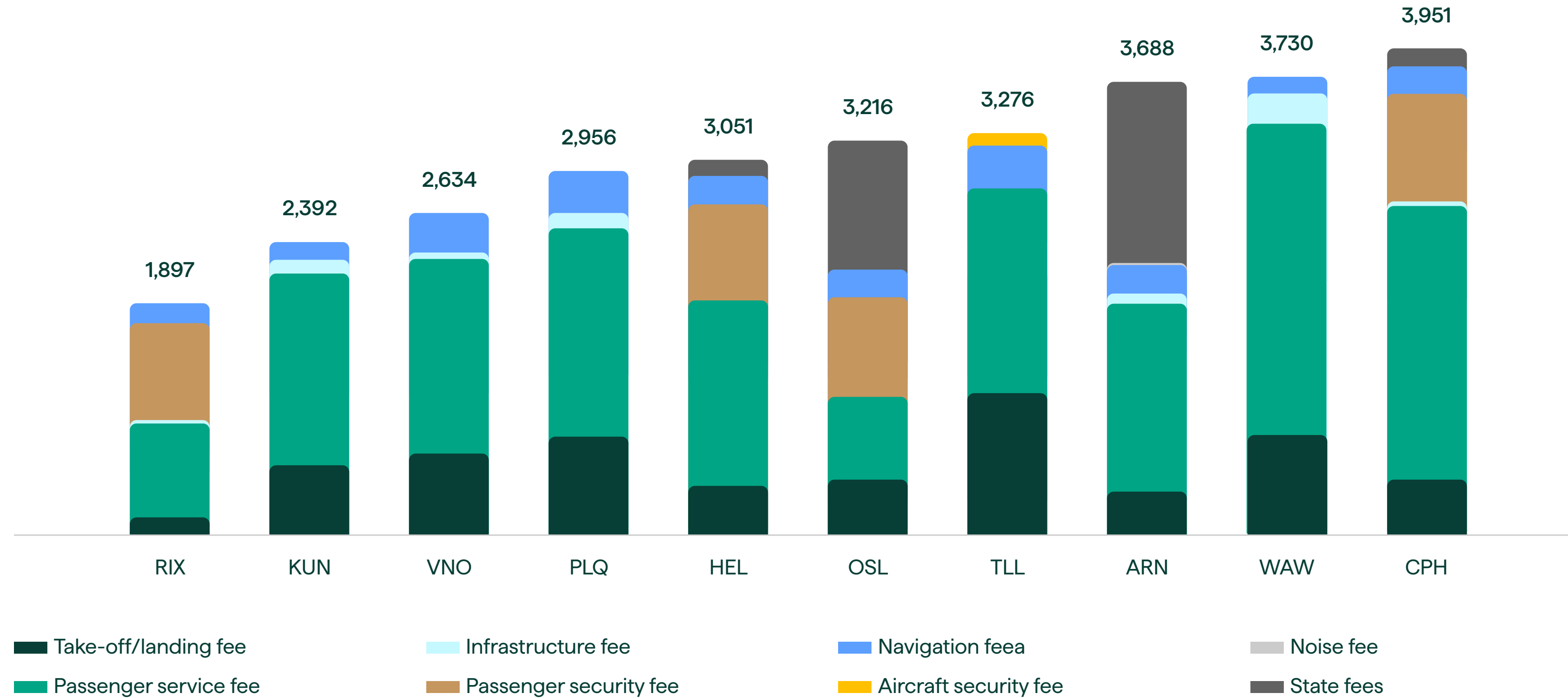
of 2022, Riga Airport started consultations with air carriers regarding changes in take-off/landing, passenger departure and security fees.

In accordance with Riga Airport's updated calculations and development priorities, work on the financial model of the Strategy, including the renewal of the tariff policy, started at the end of 2022. In cooperation with the consultant, a methodology for setting the Airport fees was developed in early 2023 and, in consultation with air carriers, a proposal for tariff changes was developed in the first half of 2023. Consultations with the carriers ended on 27 July 2023, when the carriers voted overwhelmingly in favour of the Airport's tariff proposal.

Considering that the proposal of Riga Airport fees envisages changes in the Airport fees set by the Cabinet Regulations No. 111 and No. 823, Riga Airport in cooperation with the Ministry of Transport has developed draft amendments to the Regulations, which are being submitted to the Cabinet for approval. The changes to the Airport's tariffs are expected to come into effect no earlier than 1 April 2024.

Riga Airport has long offered airlines some of the lowest airport tariffs in Europe. Depending on the type of aircraft operated, in 2023 Riga Airport's tariffs were the lowest in

Comparison of airport fees, 2023



\* Airbus A320 (MTOW — 77 tons, 180 seats (144 passengers at 80% occupancy), parking — 1 hour. Current information as of 1 December 2023.

the region. In addition, airport fees at other airports in the Baltic States were significantly increased in 2023, while at the main airport, in Riga Airport, the airport fees remained unchanged. Riga Airport grants fare discounts for new routes that exceed 4,200 km in distance to support the expansion

of the destination network and the opening of long-distance destinations. On the other hand, support in the form of marketing activities is offered to nearby newly discovered destinations and new air carriers.

When comparing Riga Airport with the largest airports in Northern Europe and airports in the region with which Riga Airport competes, it is important to compare with the total amount per aircraft handling fee payable by an air carrier, as airports have different approaches to setting fees and their structure differs. Airports can operate on the principle that all aviation costs are covered by aviation income, or like Riga Airport, they can choose to compensate a part of aviation costs with non-aviation income, which allows the fees to be set lower. Some airport infrastructure and security fees are distributed separately, other costs are included in the passenger service fee etc.

In the development of the tariff proposal, particular attention was also paid to developing the Airport's competitiveness and establishing a tariff structure that would facilitate the achievement of the Airport's strategic objectives. To stimulate the achievement of passenger volume forecasts and support the development of a wide network of destinations, the fare changes will be accompanied by the entry into force of the incentive programmes, which will provide for discounts on the Airport's fees for new flight routes over 3,000 km from Riga and passenger growth discounts for carriers that have delivered growth above the Airport's target levels. The Airport will also continue to provide marketing support to carriers.

Considering the growth of the number of passengers at Riga Airport in recent years, such a tariff strategy has contributed to the development of the company. Therefore, it is planned to maintain it in the medium term, but in the future period to assess whether the company will be able to provide investment capital for the implementation of development projects with such a tariff structure. Riga Airport plans to review its tariffs every three years.

## Dividend policy

In 2019, Riga Airport agreed with the EC on a different dividend policy for the period of 2017-2022, which is applied to 2017 and 2018.

With the beginning of the Covid-19 pandemic and the drop in air transportation, the Ministry of Transport, as the Airport's shareholder, appealed to the Cabinet of the Republic of Latvia, asking to increase the company's share capital by EUR 49.9 million and leaving dividend payments in the amount of EUR 4.5 million for 2019 at the company's disposal to implement the investment projects started and reduce the losses caused by the Covid-19 crisis. On 23 April 2020, the Cabinet supported the increase of the Riga Airport's share capital in the amount of EUR 35.2 million and leaving dividends at the disposal of the company.

On 8 March 2021, the EC supported the increase of the share capital of Riga Airport by EUR 35.2 million and leaving dividends of the profit of 2019 in the amount of EUR 4.5 million at the disposal of the company (decision in the case SA/57756 (2021/N) – Latvia COVID-19: Recapitalisation of Riga International Airport (hereinafter – the EC decision)).

On 2 June 2021, the Cabinet, considering the decision of the EC, with Order No. 366 (minutes No. 45 § 76) clarified Order No. 219 adopted on 23 April 2020, Regarding Increasing the Share Capital of the State Joint-stock Company Riga International Airport (hereinafter – the Order), determining that the share capital of Riga Airport should be increased by EUR 35.2 million. and dividends for the profit of 2019 in the amount of 4.5 million are left at the disposal of the company.

Also, along with Paragraph 10 of Order No. 366, on 1 July 2021, the Ministry of Transport concluded state aid agreement No. K-21-2 with Riga Airport, ensuring the requirements of the EC "Temporary Regulation for State Support Measures that Support the Economy in the Current Situation of the Covid-19 Outbreak (hereinafter – the Temporary Regulation)".

In compliance with the 2 June 2021 Order No. 366 (minutes No. 45 § 76. §) Clause 11[1], and with the conditions set out in the decision of the European Commission of 8 March 2021 in the

case SA/57756 (2021/N) – Latvia COVID-19: Recapitalisation of Riga International Airport, the Company is restricted from making dividend payments until the Company has implemented the termination of the State's investment.

Management proposes that the Company's profit for the 2023 Annual Report of 64 % be paid as a dividend, provided that by the time the Annual Report is approved in accordance with paragraph 64 a(b) of the Interim Framework, the independent valuation has established a positive market value - i.e. the market value of the State beneficiary has increased relative to the mid-market valuation of the investee shares as at 30 April 2020 and the relevant issue of terminating the State participation has been discussed with the relevant authorities.

The Company's shareholders' meeting decides on the distribution of profits for 2023. By the time of approval of the financial statements, the market value of the State beneficiary has been reassessed and has increased compared to the average market valuation of the investee's shares as of 30 April 2020, and the Company will refer the issue of termination of the State's shareholding to the relevant authorities.

# The Process of Rectifying Negative Impacts

## 2-25

At Riga Airport, the procedures for submitting, examining, and preparing responses to reviews, including complaints, are determined by the Customer Review Management Instruction. Depending on the content, the review is forwarded to the responsible structural unit for the preparation of a response. In case of a complaint, the responsible structural unit evaluates its validity.

If the complaint is recognized as justified, the head of KSPN evaluates whether the conditions mentioned in the complaint indicate the need to take corrective and/or preventive actions to improve client service. If such actions need to be taken, the head of KSPN shall, in cooperation with the head of the responsible structural unit, determine the necessary corrective and/or preventive actions to improve client service. The head of the structural unit responsible for taking corrective and/or preventive actions shall inform the head of KSPN, who makes an appropriate entry in the Customer Review Register.

If the feedback received is related to ground handling, fire safety/crisis management, aerodrome operation processes or infrastructure problems in the terminal, the Customer Relations Specialist forwards this feedback to the specialists of the SMS Assurance Team.

If the review contains features of a property claim, its further consideration is based on the Instructions for Claims of a Property Nature.

The customer relations specialist shall prepare a monthly report on the reviews received in the previous month. A summary of the feedback is communicated to all employees of the Airport through an internal customer service mailing list. The Head of KSPN analyses the feedback statistics on a quarterly basis and informs the Customer Service Working Group about the progress made in cooperation with Riga Airport departments. Current customer feedback statistics

are available in the "Customer Service" section of the Riga Airport internal website "eRIX".

A detailed overview of customer reviews received in 2023 is available in the section "Passenger Experience and Satisfaction".

To manage issues related to the impact of Riga Airport on the environment and the local community, the Airport carries out various monitoring activities, e.g. until 2023 Riga Airport carried out forest monitoring, in 2025 there will be a regular survey of Mārupe residents on the impact of the Airport on the local community – positive and negative aspects, including noise. Together with the affected parties, Riga Airport operates in the Environmental Noise Management Working Group. Read more about the cooperation and the decisions made addressing the environmental noise issue in the section "Environmental Noise Management Working Group".

# Membership in Organisations

## 2-28

Riga Airport is a member of national and international aviation, business, and employer organisations, where it supports and participates in the representation of the company's interests as far as the promotion and development of the sustainable operation of the aviation industry is concerned.

**Riga Airport is a member of the following organisations for the development of industry and national economy and the representation of business interests:**



**ACI EUROPE –**  
Airports Council International EUROPE



**IATA GHC (IGHC) –**  
International Air Transport Association,  
Ground Handling Council



**LAA –**  
Latvian Aviation Association



**LDDK –**  
Confederation of  
Employers of Latvia



**LTRK –**  
Latvian Chamber  
of Commerce and Industry



**DAIF Latvija –**  
Latvian Federation of Security  
and Defense Industries



**LPVA –**  
Latvian Personnel  
Management Association



**Latvian Hydrogen Alliance**



**“Mārupes uzņēmēji” –**  
Association “Mārupes uzņēmēji”

Representatives of Riga Airport work in the following committees and working groups of ACI Europe:

- in the Customer Service Committee,
- in the Economic Committee,
- in the Aviation Security Committee,
- in the Environment Committee,
- In the Technical and Operational Safety Committee,
- in the Commercial Committee,
- in the Management and HR Resources Forum,
- in the Audit Expert Group,
- In the Digital Communication Forum,
- in the Airport Communication Group.

The representatives of Riga Airport work as part of organisations representing business interests, thereby contributing not only to the development of Riga Airport, but also to the aviation industry.

By participating in the ACI Europe Commercial Forum, Riga Airport contributes to the promotion of non-aviation income of airports in Europe, while by participating in the subcommittee of the Economic Committee of ACI World, Riga Airport contributes to the promotion of non-aviation income of airports at the world level. At the national level, the Airport is involved in commenting on and drafting laws.

Representatives of Riga Airport work in the industry organisation LAA, the supervisory board of which is chaired by the chairperson of the Board of the Airport. As a member of LAA, the Airport was involved in the organization of the international conference "Riga Aviation Forum 2023", which in 2023 covered the entire Baltic aviation industry, attracting speakers and partners from Estonia and Lithuania, as well as the Ministry of Transport, other Latvian and EU institutions. The

conference analysed the future development scenarios of the aviation industry from the perspective of four approaches: strategic planning in the Baltic States and the region, the investment and innovation approach in the operations of companies in the sector, multimodality and synergies between different modes of transport, as well as new technologies and the development of new modes of transport and the opportunities and challenges they present.



In 2023, Riga Airport together with LAA participated in the think tank on sustainable aviation fuels, Riga Airport also participates in the working group on the use of sustainable aviation fuels in Latvia organised by the Ministry of Transport

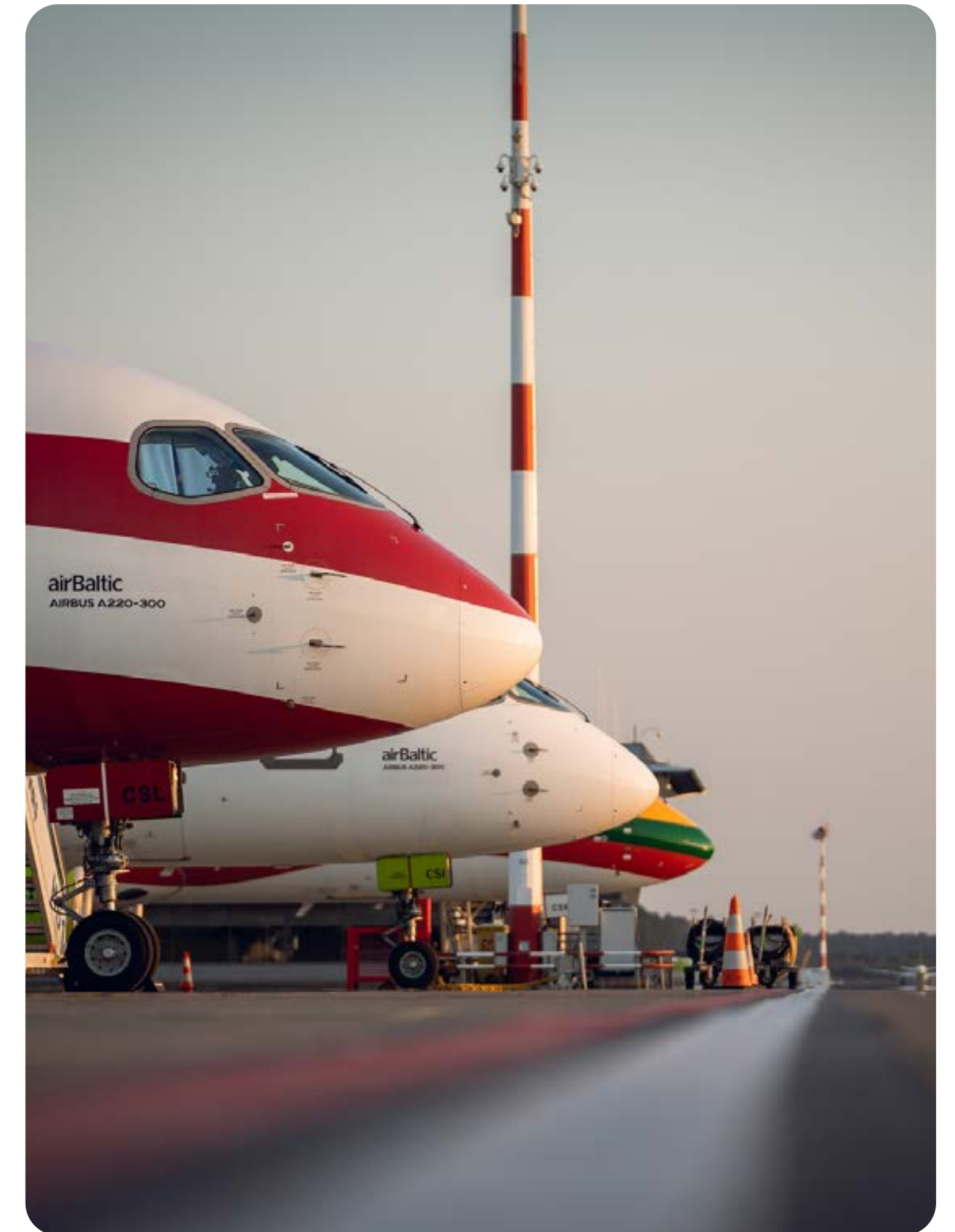
To represent the interests of Riga Airport in the field of logistics, a representative of Riga Airport serves on the LV Logistics Industry Council.

Riga Airport participates in the Marketing and Product Development Subgroup of the Latvian Tourism Advisory Council organised by LIAA, providing its opinion on the necessary marketing measures and activities to promote aviation transport. In September 2023, Riga Airport representatives participated in the Baltic Sea Region Forum on Sustainability in the Tourism Sector organised by LIAA.

In cooperation with the State Border Guard and the Ministry of Transport, Riga Airport is preparing for the introduction of the entry/exit system, which is scheduled for the second half of 2024. The Airport receives information about the progress of the introduction of the system from the ACI Europe Customer Service Committee. Several meetings were held with the State

Border Guard on the equipment and process needed at the Airport.

At the local level, the interests of Riga Airport are represented in the Business Consultative Council of the Mārupe Municipality. Also, the Airport continues to actively participate in the business organisation "Mārupes uzņēmēji" of the local government, thus contributing not only to aviation, but also to improving the business environment of the municipality and improving relations with the local government. A representative of the Airport serves on the Board of the Association and the Airport, as a member of the Association "Mārupe Entrepreneurs" in 2023, actively participated in the activities of the Association, including the Mārupe Entrepreneurs' festival, which took place on 9 September 2023, as well as in the educational project organized by the association "The School Enters the Life, the Life Enters in a School", in the organization and running of the contests "Mārupe Municipality Students' Business Ideas Competition 2023" and "Business Sharks of Mārupe", as well as in support projects for school enterprises of students.



05

# Service quality and passenger experience



# Punctuality and capacity

## 3-3, RIX1

Punctuality of flights is the second most important indicator of service quality after flight safety. This demonstrates the ability of the airline to effectively consolidate multiple service providers. They include both the own resources of the airline and other service providers. For example – a list of flights coordinated with the capacity of other airports that meets the flying needs of the consumer, the capacity of aircraft and crew corresponding to the flight list, timely and high-quality provision of technical and ground services, timely and high-quality provision of fuel, food, and anti-icing service. To ensure the highest possible rate of punctuality, airlines carry out continuous monitoring of the quality of all services. According to the monitored results, the airlines provide a set of active communication and necessary corrective actions to achieve the required quality of service from their providers.

In general, the service for the consumer is determined by Annex 9, Simplification of Air Transport Formalities, to the Chicago Convention on International Civil Aviation. The flight punctuality indicator for each service provider is regulated by the mutually concluded agreements, the annexes of which

determine the appropriate level of service quality or SLA (service level agreement).

Two providers of ground handling service operate at Riga Airport – Havas Latvia Ltd. and RIX GH.

The lowest rate that is set in the contract between RIX GH and the airline is a punctuality rate of 97 %. Riga Airport is excellently meeting its commitments, as in 2023, with 25 916 departures, RIX GH experienced only 151 delays and achieved a punctuality rate of 99.42 %. By regularly monitoring its performance, ensuring regular communication with regular customers, and promptly making the necessary adjustments to its work organisation, RIX GH has improved its on-time performance compared to 2022, when the on-time performance was 99.25 %. The 2023 punctuality objective of >97 % was also met.

The following partners are involved in the total service chain:



The security service of Riga Airport can serve



# Passenger experience and satisfaction

## 3-3, RIX4

According to the Strategy of Riga Airport, client service is included in one of the five strategic objectives – to improve the experience of passengers and partners, making processes more efficient, introducing innovations and automation.

To implement the laid down objective, the Client Service Strategy 2021-2025 was approved in March 2021, within the framework of which tasks are defined for the achievement of the objective of the client service of the Airport – to create, maintain and improve a positive customer experience by providing professional client service and efficient, high-quality services. To implement the laid down objective, several tasks are defined in the Client Service Strategy, for example:

- to develop and implement a unified Client Service strategy throughout the Airport community;
- by evaluating the wishes and needs of passengers and customers, to develop services and solutions suitable for specific target audiences.

The following documents have been developed at Riga Airport, which regulate the management of the field related to customer service:

- Action Plan for the Implementation of the Customer Service Strategy for 2021-2025 – defines tasks, deadlines, responsible and involved structural units;
- Instructions for Customer Review Management – determines the procedure for receiving, registering and analysing customer reviews, as well as the procedure for responding to customer reviews;
- The Order Regarding the Establishment of the Customer Service Working Group – determines the composition of the working group and the tasks to be performed;
- Customer Service Standard – determines the level of customer service and customer service for clients of Riga Airport to ensure consistently the same quality of service, through a common understanding of client service guidelines for all employees involved in client service (both of the Airport and cooperation partners who provide services to customers at the Airport). The Standard also defines the procedure for monitoring the quality of customer service.

To achieve the objective of customer service, several tasks are defined:

- to introduce the Customer Service Standard,
- to improve the clarification of customer opinion, for example, in addition to the ACI ASQ departing passenger survey, implement segmented customer surveys,
- to improve communication about customer service,
- to improve customer service training processes,
- to improve the planning and implementation process of customer service improvements,
- to be accredited in the ACI Airport Customer Experience Program.

To achieve objective of the customer service and implement the tasks, Riga Airport cooperates both with ground handling service providers and with state authorities at Riga Airport, as well as with customer service providers – merchants, in order to jointly improve the customer experience at the Airport. In addition, the exchange of experience is ensured by participating in the ACI Europe Customer Service Committee.

Riga Airport highly values the wishes and opinions of customers, which are used as a basis for building relations and cooperation with customers. According to the results of the ACI ASQ survey, the most important services for passengers at Riga Airport are:



On the other hand, aerodrome service providers represent different types of business, therefore the most important thing for each is what directly affects the business of the specific aerodrome service provider. Airlines also have different needs, which is influenced by whether it is a low-cost airline or a classic airline, as well as whether the airline has a base in Riga or not.

At Riga Airport, client service is based on the experience provided to the customer throughout the service provision chain of the

Airport, starting from the parking lot to boarding the aircraft, regardless of which company provides the specific service.

Operational risk management assesses and reassesses customer service process risks and identifies mitigating actions, thereby contributing to the achievement of the customer service objective within the risk tolerance (risk appetite).

## Passenger Survey

Since 2015, the company has been participating in the ACI ASQ global benchmarking programme to evaluate the services and service quality provided by the airport and receive data analysis, which ascertains the opinion of passengers about the services available at the Airport, starting from the moment of arrival at the Airport. Since 2016, Riga Airport has been included in the group of EU airports serving 5-15 million passengers per year.

The passenger survey is carried out by APBAD employees, offering passengers to fill out a questionnaire on a tablet. Survey participants are selected considering the methodology established by ACI ASQ – a specific number of surveys on a specific flight day and time of the week.

Considering the beginning of the Covid-19 pandemic in Latvia in March 2020, because of which regular passenger transportation was completely stopped, as of April 1, 2020, Riga Airport stopped participating in the ACI ASQ survey. As the volume of flights and passengers recovered, in February 2022, Riga Airport renewed its participation in the ACI ASQ survey, starting from the 2nd quarter of 2022.

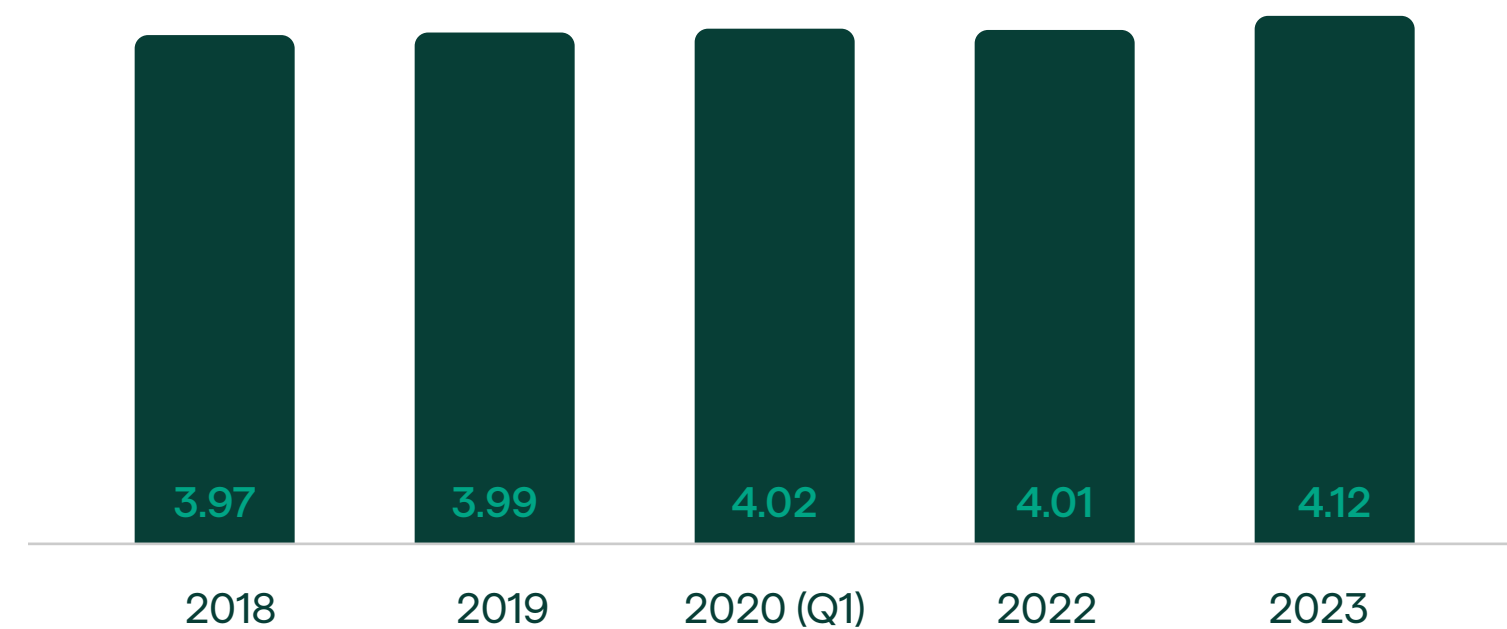


From 2022, ACI has made changes to the departing passenger survey questions, both to clarify them and to ensure that the data captured reflects the passenger's Overall Experience, Overall Satisfaction and Emotional Experience.

In 2023, 1,400 passengers (350 passengers per quarter) who departed from Riga Airport took part in the ACI ASQ survey.

In 2023, the average annual assessment of Riga Airport in the "Overall Satisfaction" section was 4.12 points (on a scale of 1 to 5 points), which is the highest annual indicator so far in the last five years.

Overall Satisfaction



Average Overall Satisfaction and Overall Experience indicators for different airport groups in 2023:

	Riga Airport	ASQ Global Satisfaction <sup>26</sup>	Adjusted panel average indicator <sup>27</sup>	EU average <sup>28</sup>	5-15M on average <sup>29</sup>
Overall satisfaction	4.12	4.30	4.13	4.07	4.27
Overall experience	3.99	4.17	3.95	3.94	4.15

According to the indicators, despite the historically highest score, Riga Airport's score in the Overall Satisfaction category is below the average in all categories except the average for European airports, while in the Overall Experience category it is below the average in two categories – ASQ Global Satisfaction and 5-15M Airport Average.

In this category, Riga Airport takes the 3rd place, behind Tallinn Airport (4.42) and Helsinki airport (4.28), while Vilnius Airport takes the 6th place with 3.94 points.



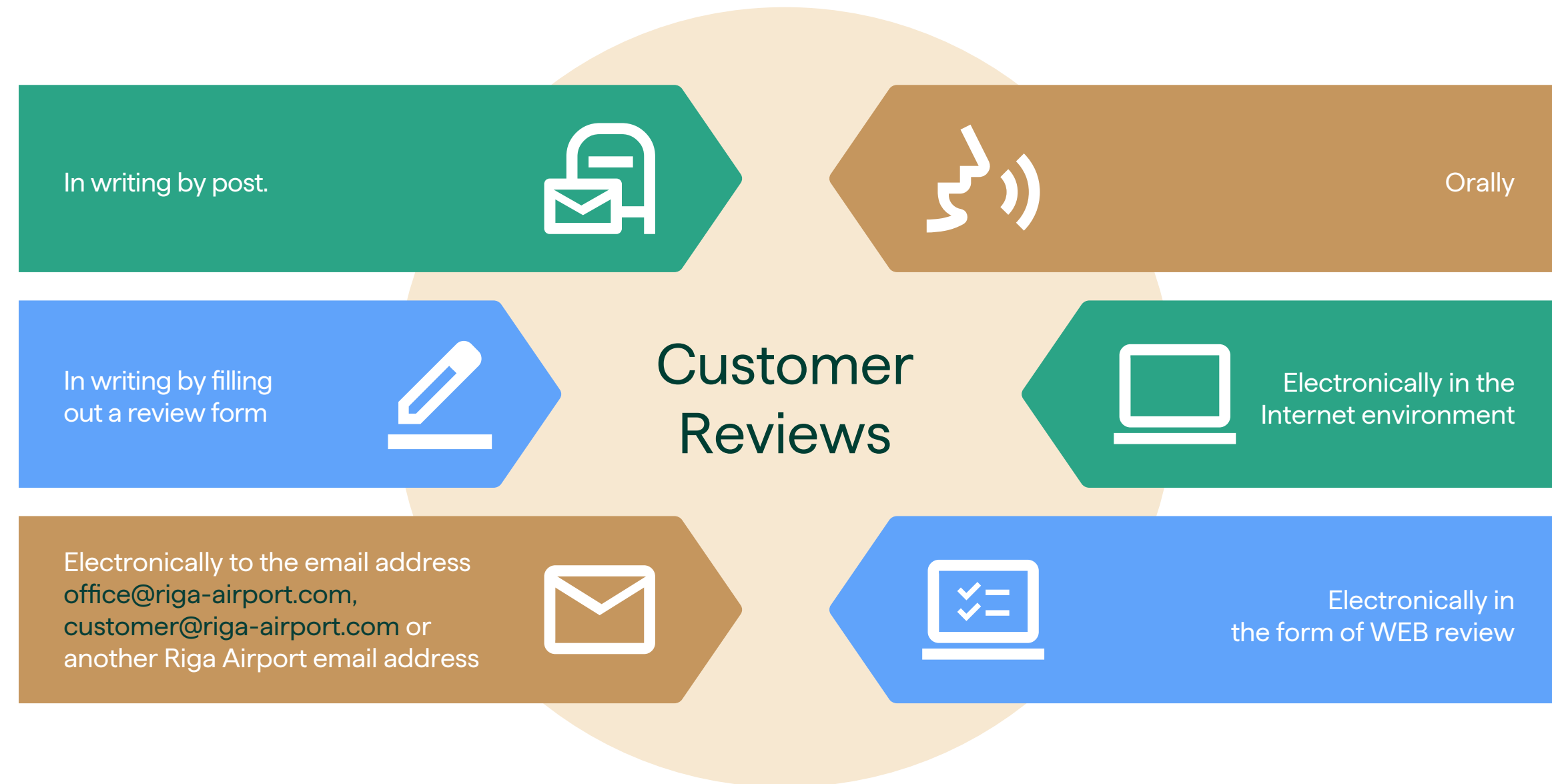
<sup>26</sup> ASQ Global Satisfaction/Experience — Average of all airports participating in the ACI ASQ Departing Passenger Survey.

<sup>27</sup> Custom panel average — average of airports selected for the comparison of RIX results: TLL, VNO, HEL, WAW, CPH ARN

<sup>28</sup> EU average — the average indicator of all European airports participating in the ACI ASQ Departing Passenger Survey

<sup>29</sup> 5-15M average — average of all airports with a passenger volume of 5-15M participating in the ACI ASQ Departing Passenger Survey

# Customer Reviews



The reviews filled out in the review form and verbal reviews are most often submitted to the information service employees.

In 2023, Riga Airport received 3,634 reviews, an increase of 125 % compared to 2022. The increase in the number of reviews can be explained by the increase in the number of passengers of Riga Airport and, accordingly, also by the number of greeters and escorts of passengers.

Looking at the total number of complaints received in 2023 and comparing it to the number of complaints received in 2022, there has been an increase of 28 %, however, in terms of the proportion per 1,000 passengers handled per year, the number of complaints is the same as in 2022 – 0.07 or 4 %.

Feedback can be divided into several groups: questions, suggestions, acknowledgements, complaints, receipt of removed items.

Type of review	2018	2019	2020	2021	2022	2023
Acknowledgments	16	31	16	42	22	56
Questions	334	810	723	1 065	1 209	2 539
Suggestions	10	27	16	22	15	22
Complaints	449	613	181	307	368	469
Receipt of removed items	-	-	-	-	-	548
<b>Total</b>	<b>809</b>	<b>1 482</b>	<b>936</b>	<b>1 436</b>	<b>1 614</b>	<b>3 634</b>

Acknowledgements were received for the Airport's services (50 of which 37 for the PRM service; six for the courtesy and helpfulness of the airport employees; three for Airport tours; two each for the information/reference service), the courtesy and helpfulness of the check-in employees, a thank you for finding a lost item, one each for the ticket counters, free drinking water in the terminal, the courtesy and helpfulness of security employees, security screening and the passenger experience.

The number of acknowledgements received in 2023 has increased, as has the rate per 1,000 passengers, from 0.004 (2022) to 0.008 (2023).

### Complaints

The most frequent complaints were about passenger experience (100), access (98 of which 74 were about parking and the price of adequate parking), security (87 of which 48 were about security check and the thoroughness of security check) and the services available at the Airport (77). Of the 469 complaints received in 2023, 44 have been recognized as justified.



### Questions

Of the 2,539 questions received in 2023, 862 were about passenger experience, a large proportion of which related to lost items at the Airport and airline terms and conditions. A large number (462 questions) were also related to safety, such as aviation security requirements (396).



### Questions about services

292 questions were received about the services available at the Airport, the majority of which were about e-commerce (84), shops, restaurants, and catering facilities (39), followed by PRM service request options (37). 257 questions were received about access, most of them about parking prices, operation, and availability (192). There were also a relatively high number of questions (205) about passport/ID control, i.e. passengers asked for information to find out what travel documents were required for a flight or when crossing Latvia in transit. 187 questions were asked on other topics, mostly related to fake news on Facebook. 187 questions were also received on the topic of orientation, most of them related to flight information and transit issues.



Considering that the number of questions and complaints about items removed from checked baggage at security control remained high until the beginning of 2023, on 1 February 2023 Riga Airport introduced the service "Return of unauthorised items removed from checked baggage at security control to the owner". In 2023, a total of 846 requests for retrieval of removed items were received, of which 605 items or sets of items were issued.

In addition, passengers and Airport guests can comment or make observations about their experience at Riga Airport and suggest improvements using the square codes available in the Airport terminal. These feedbacks are received via email [customer@riga-airport.com](mailto:customer@riga-airport.com), they are anonymous (passengers do not need to provide contact information), but are also registered in the Customer Feedback Register and processed in the same way as complaints, acknowledgements or recommendations.





In 2023, 191 feedback has been received with the square code function, of which 52 were acknowledgements and 133 complaints, while six were blank. 80 negative comments were received on services available at the Airport, 26 on the availability of free drinking water in the terminal – recommendations for additional water points and improved signage, 25 on charging points for electrical appliances, 15 on shops/restaurants/ food establishments. Of the 52 acknowledgements, 28 were for services provided at the Airport. Most of the positive comments were about the friendliness and helpfulness of the Airport employees (10), the free drinking water ⑨ and the possibility to charge electrical appliances ④. The Airport environment has received 15 acknowledgements, mainly for the comfort of the boarding areas.

Based on the feedback received, a survey of the departure sectors has been carried out and:

- in January 2024, work started on installing additional charging points for electrical appliances;
- signs at drinking water intake points have been changed;
- consideration given to adding additional pictograms to wayfinding signs to give directions to smoking and water points;

- procurement has been started for the refurbishment of the damaged chairs in the passenger waiting areas, and a long-term concept for the chairs in the passenger area of the terminal has been developed in cooperation with an architectural firm;
- in 2023, the range of children's sports buggies used at the Airport was replaced and improved;
- provided support for passengers at automatic border crossing gates;
- installed additional drinking water intake points;
- started procurement of additional monitor units;
- expanded security check area, making the preparation area more visible, freeing up extra space for queuing;
- a family line, providing a separate flow for families with children up to 7 years of age and "Honoured Family" card holders;
- improved signage, providing a more visible and straightforward breakdown of flows.

On 27 April 2023, Riga Airport received the ACI ASQ Passenger Experience Accreditation Level 1 Certificate.

## PRM passenger survey

To assess the quality of the services provided to PRM passengers, Riga Airport surveys these passengers. Of the 18,106 PRM passengers served in 2023, 14 % or 2,491 PRM passengers participated in the survey – this corresponds to the objective set in the PRM quality standards – to survey 10 % of the PRM passengers served annually. Of the respondents, 1,492 were departing passengers, 821 were arriving and 178 were transit passengers, of which 1,936 times the PRM service had been applied for and 555 times the PRM service had not been applied for previously.

The average satisfaction score on a five-point scale is 4.79 points. For 2023, the objective indicator is 4.5 points.

## Survey of Air Carriers and Aerodrome Service Providers

In 2023, the survey of air carriers and aerodrome service providers was conducted by the Business Development Department of APBAD.

The survey is conducted electronically, with the aim of assessing the adequacy of the Airport's infrastructure to meet the needs of users and the Airport's reputation, as well as its communication with the Airport. The survey also includes questions on the business case for air carriers and aerodrome service providers in 2023 and near-term targets in the areas of environmental protection and energy efficiency.

29 respondents took part in the survey, of which 17 were aerodrome service providers, 11 air carriers and airport user "TAV Latvia". A five-point scale was used for the evaluation, where five – completely correspond, one – not at all and n/a – no answer.



The average Airport infrastructure adequacy score was 4.04 (4.00 in 2022). This section of the survey covered aspects to be assessed such as the terminal, aerodrome, security checkpoints, airport passes, access to the airport, transport parking and cargo handling infrastructure. In addition, airlines also rated check-in, border control, boarding areas, baggage reclaim, shopping facilities and other aspects.

The main improvements suggested by respondents relating to the Airport infrastructure were:

- passenger terminals: increasing capacity in the check-in hall, security check area, boarding areas and departure lounges, as well as ensuring a comfortable temperature in the terminal and increasing the number of machines used for check-in, etc;
- aerodrome: reconstruction of platform 4, improvements to service routes and facilitation of cooperation between aircraft handlers in narrower aircraft parking areas, etc;
- security checkpoints: faster servicing of operational vehicles entering the aerodrome area, increasing the number of personnel servicing checkpoints, opening additional checkpoint lines, etc;
- other aspects such as: airport passes (e.g. availability, information to be included in passes, training, and deadlines); parking (e.g. technical condition, capacity of existing parking); adjacent infrastructure (e.g. public transport connectivity to the surrounding area, developed infrastructure for pedestrians and cyclists).

The construction of the round 6 of the terminal expansion at Riga Airport will address issues such as the capacity of check-in and security areas, as well as arrival halls and service areas. In terms of technological equipment, new passport readers and mobile scanners have been purchased for more efficient

and faster passenger handling, as well as improved Wi-Fi coverage in the terminal. Funding has also been found for the reconstruction of platform 4 under the Military Mobility Programme. Three new passenger air bridges have been put into service, with an additional two to be put into service in early 2024. Construction of a new car parking lot for Airport employees has begun, and design work has been started on two more car parking lots. Riga Airport continues to work on the necessary improvements in other aspects as well.

The Airport's reputation was assessed in terms of being a technologically advanced and innovative company, a strategically important company for the Latvian economy, open in its communication with the public and customers, and a well-managed company. The reputation of the Airport was assessed with 4.41 points (4.30 in 2022).

Although some partners expressed a desire for faster cooperation and responses, communication with the Airport was rated higher than before at 4.50 (4.40 in 2022). The answers also confirm that the communication is aimed at finding solutions in a constructive manner, as well as responsive and kind.

The results were discussed with the responsible departments of Riga Airport to find the best possible solutions for the



necessary improvements. The results were presented at the Airport Operational Managers' Meeting and the Airport Users' Committee in December 2023 and sent electronically to Airport users with a summary of the Airport's next steps on the issues reviewed.

# Safety and security

## 3-3

The main priority of Riga Airport in the implementation of the security policy is to guarantee the safety of flights at the aerodrome. The company's core mission is to provide safe flights and a continuously safe environment for employees, lessees, and customers.

Security at Riga Airport has two components – aviation security and safety, which are the responsibility of two structural units. Safety and security requirements are determined by the company's top management, following the requirements of the International Civil Aviation Organization, EC, European Aviation Safety Agency, European Civil Aviation Conference and other regulatory and recommending documents for the operation of Riga Airport.

To prevent illegal interference in the operation of civil aviation, in accordance with the Aviation Security Programme of Riga Airport, which has been developed on the basis of Cabinet Regulation No. 397 of 27 April 2010, Regulations on the State Civil Aviation Security Programme, common basic standards for maintaining civil aviation security are defined. In the field

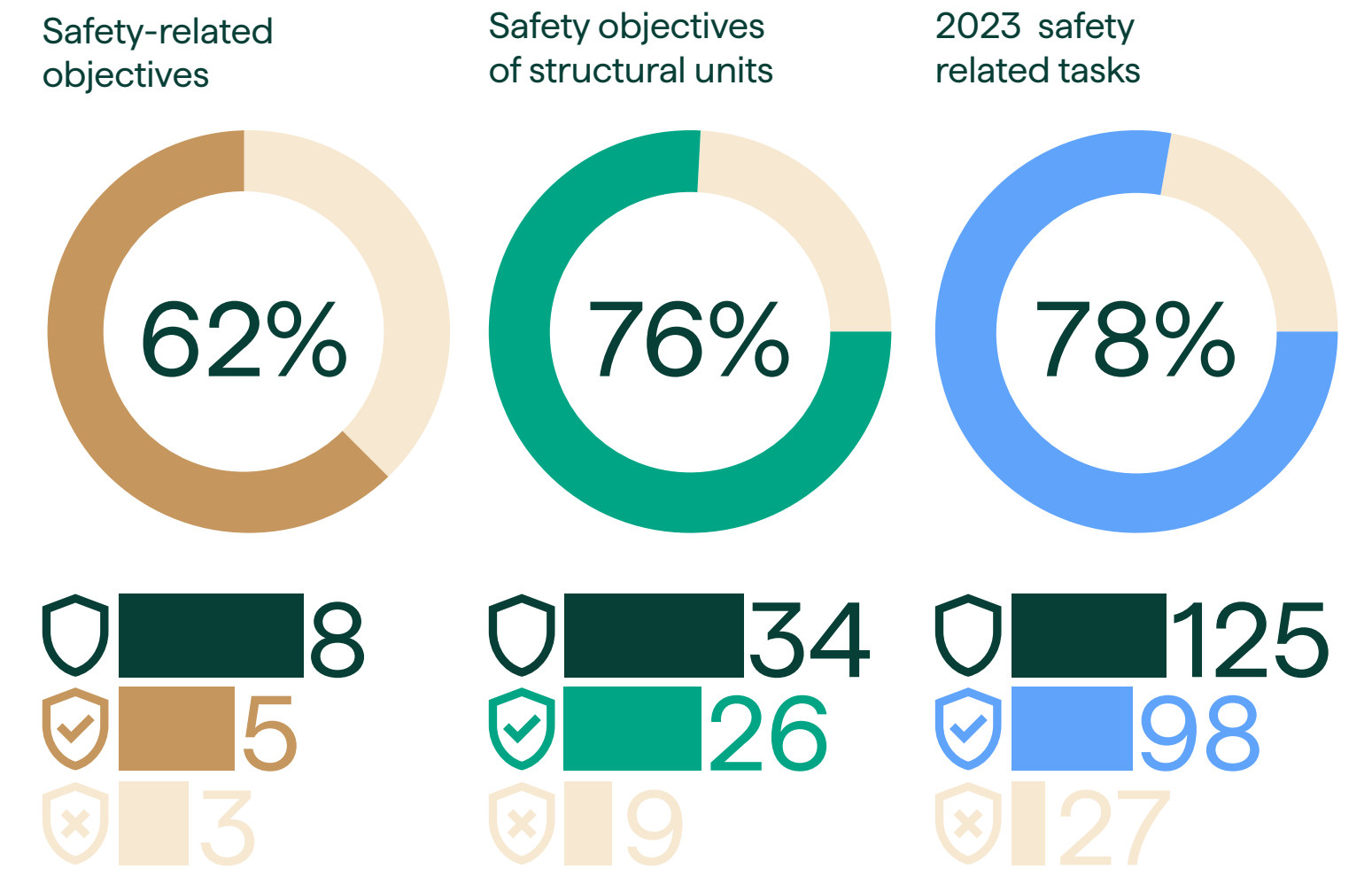
of safety, in 2023, illegal interference in the operation of civil aviation will not be allowed.

In order to ensure the level of safety at Riga Airport and to continuously reduce the risks to the operation of the Airport, the Safety Policy of Riga Airport, the basic principles and scope of the Safety Management System, as well as the procedure for setting and monitoring safety targets (for each calendar year) have been established in accordance with the DPS manual developed on the basis of the requirements of EC Regulation No 139/2014. The level of safety achieved daily is monitored by monitoring the safety indicators (120). Each safety case is recorded in the safety case register under the relevant safety indicator, which is the responsibility of the Airport's department heads. All safety indicators that (within one month) do not meet the specified safety status level are reviewed in monthly DPS working groups and meetings with the Aerodrome Accountable Manager. Read more about the safety policy in the section "The Most Important Policies and Settings, Their Implementation in Practice".

In 2023, Riga Airport set eight safety related objectives, of which five were achieved (62 % achievement), while 26 of the 34 safety objectives set for Riga Airport departments were achieved (76 % achievement). In 2023, 98 of the 125 objectives set to achieve safety objectives were fully achieved (78 % achievement). Others

required an extension of the deadline and were carried over to the 2024 Action Plan or had an original deadline of 2024. The results of the defined objectives are periodically (once a quarter) analysed in the monthly working group of safety management, where the reasons for not achieving the objectives or the tasks set for the achievement of the objectives are identified, the non-fulfilment and new goals and/or tasks for the achievement of the objectives are determined, as well as the deadlines. In the field of safety in 2023, no unacceptably high level of safety was identified in the aerodrome processes.

## Achievements of safety objectives



The most important parties of influence of Riga Airport in the field of safety and security are the responsible structural unit of the Airport - the Security Department, the SMS Assurance Team of the Aerodrome Security and Management Department, the employees of Riga Airport, as well as the competent state institutions, such as CAA, ATL, Aerodrome service providers, State Border Guard, Latvian State Police, etc.

According to the security policy of Riga Airport, all employees of the company and its territory must take care of safety at the aerodrome, while supervision is provided by the SMS Assurance Team, which is a part of the Aerodrome Security and Management Department, that works to reduce safety risks and hazards up to minimum. The safety/security requirements for the operation of Riga Airport are determined by the Aerodrome Accountable Manager and the Supervisory Board of the Airport.

SMS operates at Riga Airport based on the certificate LV-02 issued by the CAA, the requirements and recommendations set by the international regulatory documents and the CAA have been complied with. The operation, priorities and direction of the SMS are determined by the SMSS Manual, Security Policy, and Objectives.

## Conformity Monitoring

At Riga Airport, a compliance monitoring process for the aerodrome processes has been established and is maintained (hereinafter – the conformity monitoring) to ensure compliance of SMS and aerodrome operation and maintenance processes with the requirements of binding regulatory enactments. The conformity monitoring is applied to all aerodrome processes subject to the requirements of the EC and European Aviation Safety Agency regulatory documents, including those processes that are fully or partially performed by other organizations.

As part of the conformity monitoring, four-level measures are regularly held:

- **Level 1 measures** – daily and periodic monitoring measures of the aerodrome.
- **Level 2 measures** – planned – daily and periodic – control inspections of the execution of monitoring measures (including extraordinary ones) of the aerodrome.
- **Level 3 measures** – monitoring measures of the safety requirements for the calendar year planned within the framework of SMS.

- **Level 4 measures** – planned or extraordinary conformity monitoring measures of the aerodrome processes (process audits and inspections) planned in the plan for the conformity monitoring measures of the aerodrome processes.

In 2023, 14 Level 4 conformity monitoring events took place at Riga Airport, for instance:

- inspection for wildlife threat management,
- audit on platform safety management,
- audit of aerodrome operations in restricted visibility, adverse weather conditions, traffic management and control, aircraft escort,
- audit of coordination of aircraft anti-icing treatment and aircraft anti-icing treatment.

# Safety process improvements

To improve the level of safety and the comfort of passengers at security checkpoints, several measures have been implemented in 2023:

- the project "Acquisition and Installation of Third Standard Explosives Detection System (EDS) Equipment" is implemented and the new equipment is put into operation. The algorithm of these devices will allow more accurate detection of potential explosives in checked baggage and reduce false alarms.
- The project "Purchase and Installation of Cabin Baggage Explosive Disposal System (EDS) with C3 Standard" was implemented. The new standard EDS cabin baggage screening equipment has been installed at three aviation security checkpoints, including the Fast Track security line and the security line for passengers with children up to seven years of age. The algorithm of these machines allows to check your cabin baggage without removing laptops and liquids. This will allow for increased speed of passenger service and, in the future, remote baggage screening.
- Two explosive residue detectors (ERDs) have been purchased under the procurement "Supply of six explosive residue detectors in 2023, 2024 and 2025" to ensure enough ERDs for security checks at airport checkpoints.

- The project "Purchase, installation and training of five shoe metal detectors and five arch metal detectors" was implemented. The use of shoe metal detectors can reduce the number of mandatory shoe removals by up to 80 %, significantly speeding up the overall checking process. Fewer shoes to take off also reduces potential conflicts and increases customer satisfaction with the security check process.
- To achieve the full technical efficiency of the EDS equipment, the manufacturers intend to integrate the equipment into the automatic basket return lines, which is why the procurement "Purchase and installation of two automatic basket return lines" has been launched at the end of 2023. This combination of equipment and automatic basket return lines will ensure increased line throughput, passenger, and customer satisfaction with a simplified and faster security screening process. It is also expected that the number of conflicts over the security checking process itself will be reduced, regarding the screening of cabin baggage and the prohibition of the onward carriage of prohibited and dangerous articles on board aircraft. The physical workload of employees for the circulation of baskets will also be reduced.



Also, from the beginning of 2024, families with children will have a more convenient security check at the Airport: a separate screening line – the family line – has been established at the passenger security checkpoint for passengers travelling with children under the age of seven.

## Development of a heliport and an advanced manoeuvring centreline lights system

In 2023, with the support of the Cohesion Fund, Riga Airport built a new helipad and two specialised parking areas, which is a significant addition and a long-term investment in the infrastructure of Riga Airport. Heliport has an airport-grade, highly durable concrete surface on an area of 5,235 m<sup>2</sup> and an asphalt concrete surface on an area of 1,077 m<sup>2</sup>.

The centreline lights system includes nearly 14 km of external electricity cables, three lighting masts and 73 pavement lights. One km of external electronic communications cables and three km of fibre-optic cables were laid, and two high-definition video surveillance cameras were installed. Heliport will be used to provide emergency medical and rescue services, as well as to accommodate military, government, and other helicopters at the airport. The heliport and the related newly developed flight procedures will both increase the air traffic safety and improve the quality of Riga Airport's services, including for the needs of state and



civil defence and disaster medicine, and will also reduce the CO<sub>2</sub> emissions and noise levels by reducing helicopter manoeuvring on the aerodrome.

Heliport is an addition to the new centreline light system of taxiways started working in the end of 2022 at Riga Airport which facilitates the movement of aircraft on the aerodrome under the conditions of poor visibility and is an essential step to introduce a modern follow the greens aircraft control system in the future.

In January 2024, Riga Airport has announced a tender for the development and supervision of construction designs for the rehabilitation of taxiways C, E and F and the modernisation of the lighting system. The procurement will include, among other things, the renewal of the electricity supply cabling network and the runway secondary lighting system cabling network, as well as the replacement of worn-out runway edge halogen lights and centreline lights with more energy-efficient LED lights, improving runway visibility. These measures will make taxiing aircraft on the ground more efficient and safer, reducing CO<sub>2</sub> emissions and energy consumption.

## Emergency Training

To check the response of the personnel involved in the crisis elimination of Riga Airport, the cooperation of the structural units of the Airport and the operational services of the state, as well as the described procedures and emergency equipment, EC Regulation No 139/2014 stipulates the requirement to carry out full-scale emergency training at least once every two years. The previous full-scale training took place in 2022 and the next one is planned for 2024.

To maintain the ability of Riga Airport employees to respond to unlawful interference with civil aviation operations, two emergency drills "Unlawful Acts against the Airport, its Facilities or Air Navigation Equipment" were held at Riga Airport in 2023. The objective of the exercise was to test the behavioural algorithm of employees in the event of a threat call and to assess the exchange of information between Airport departments. During the practical training, it was concluded that, in general, the personnel of Riga Airport have been trained in handling a threat call and are able to independently and promptly process the information received and act in accordance with the emergency plan.

## Incidents of Non-conformity Regarding the Health and Safety Effects of Products and Services

### 416-2

In 2023, Riga Airport has not recorded any cases of non-compliance regarding the impact of products and services on the health and safety of customers for which Riga Airport has been fined or sanctioned.



## Bird strikes

### A09

Riga Airport has five bird and animal control specialists who monitor and prevent potential threats posed by birds and animals. Bird and animal control officers have access to a wide range of modern equipment to tackle bird and animal threats, including bird radar, eight bird scaring guns, lasers, sound and missile guns, acoustic equipment and more.

In 2023, Riga Airport recorded 56 confirmed aircraft bird strikes and 30 unconfirmed aircraft bird strikes. The number of confirmed cases of aircraft collisions with birds in relation to 10,000 flights – 0.091 (in 2022 – 0.102).

In 2024, Riga Airport will continue to look for solutions to replace the grass on the aerodrome to potentially reduce the number of garden beetles, which is one of the ways to reduce the presence of birds on the aerodrome.

# Cybersecurity

## 3-3

In 2023, the cybersecurity sector continued to face many new challenges, driven by technological developments, the expansion of digital ecosystems and increasingly sophisticated cyber threats. Riga Airport also continued to develop its digital services (internal and external) and despite this, Riga Airport has managed to avoid serious IT security incidents. This does not exclude future cybersecurity risks, but cybersecurity risks can be mitigated by taking the necessary risk mitigation measures. Riga Airport continued to take care of its cybersecurity environment by taking various measures to mitigate cybersecurity risks, the most important of which are:

- participation in the Latvian cybersecurity competence community. The Latvian National cybersecurity competency community brings together community members and experts from public authorities to share information on upcoming and current developments in the field of cybersecurity. This helps Riga Airport to obtain current and important information.

- In 2023, the Cybersecurity Unit updated the content of employee cybersecurity training, conducted internal phishing campaigns to assess both the individual cybersecurity capabilities of employees and the actions and motives of employees in the event of actions that compromise cybersecurity. The test results achieved compare well with publicly available information on industry reported results.

The nature of IT security incidents in 2023 varied in both impact and type, but compared to 2022, Riga Airport had no external incidents with user accounts affected by password leaks. This is partly due to the two-factor authentication used. The employees involved in the incidents had a wide range of qualifications and job levels, which leads to the conclusion that the human factor is still very important, and Riga Airport needs to strengthen the individual cyber resilience capabilities of its employees.

The external regulations that determine the basic requirements for the cybersecurity of the information and communication technology environment of Riga Airport are:

- Law on Security of Information Technologies,
- Cabinet Regulation No. 100 of 1 February 2011, Procedures for the Planning, and Implementation of Security Measures for the Critical Infrastructure of Information Technologies,
- Cabinet Regulation No. 422 of 3 August 2015, Procedures for the Ensuring Conformity of ICT Systems to Minimum Security Requirements,
- EC Regulation (EU) 2015/1998 of 5 November 2015 laying down detailed measures for the implementation of the common basic standards on aviation security,
- EC Delegated Regulation (EU) 2022/1645 of 14 July 2022 laying down rules for the application of Regulation (EU) 2018/1139 of the European Parliament and of the Council, as regards requirements for the management of information security risks with a potential impact on aviation safety for organisations covered by Commission Regulations (EU) No 748/2012 and (EU) No 139/2014 and amending Commission Regulations (EU) No 748/2012 and (EU) No 139/2014.

During 2023, the implemented cybersecurity solutions were actively used to analyse and review the information they accumulate, produce reports, and inform the airport's senior management. Based on the results, measures to mitigate cybersecurity risks are being developed, such as monitoring the software versions used in airport equipment and information systems.

Several audits were held at the Airport in 2023 which also affected the cyber security sphere. The inspections revealed two non-conformities and one observation, which were corrected within the deadline. Also, cooperation in the field of cybersecurity with the competent institutions, for example, CERT.LV, took place actively.

The Cybersecurity Unit continued to increase its competence by participating in cyber security events organised by CERT.LV, exchanging the information on current cyber threats between various state and local government institutions, and the largest private commercial structures in Latvia.

Riga Airport takes care of the information communication technology environment under its management and ensures the maintenance of its cybersecurity capabilities in accordance with regulatory enactments.

## Data Protection

### 3-3

The processing and protection of personal data at Riga Airport considers the requirements set out in various external and internal regulatory enactments of the Airport.

Riga Airport must be able to demonstrably demonstrate that the processing of personal data takes place considering the requirements of GDP Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons regarding the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC.

As a data controller, Riga Airport must process personal data in compliance with Article 6<sup>①</sup> of the GDP Regulation, that is, the processing of personal data is legal only to the extent and only if at least one of the justifications mentioned in the GDP Regulation is applicable. The processing of personal data is carried out by Riga Airport based on the laid down processing purposes, having regard to the principles of data minimization, transparency, confidentiality, and review responsibility, as well as on the basis of the general legal regulation of data storage.

Riga Airport has developed internal regulations in the field of personal data protection to periodically evaluate the amount of personal data being processed and its conformity to the achievement of the purposes of personal data processing and data safety, for example, the procedure for reviewing requests from data subjects, the procedure for protecting the personal data processing system, etc. Great attention is paid to employee training.

When processing personal data, Riga Airport must also comply with the personal data processing principles set out in Article 5<sup>①</sup> of the GDP Regulation and the requirements set out in other regulatory enactments in the field of personal data processing and protection – ensure processing of personal data that is legal, fair, transparent in relation to the data subject, accurate and to the minimum extent necessary only for the achievement of the purpose.

In 2023, in compliance with the requirements of the GDP Regulation, Riga Airport:

- carried out assessments of the impact on personal data protection, taking into account the conditions of the third paragraph of Article 35 of the GDP Regulation, if, when evaluating the way of personal data processing, it is concluded that it could pose a high risk to the rights and freedoms of natural persons, and an impact assessment has not been carried out until then to the protection of processed personal data, including risk analysis;
- advised employees on current data protection issues;
- evaluated information systems both from the aspect of risks and data protection;
- developed and clarified existing quality system procedures that regulate issues related to data protection;
- developed information material on the recognition of personal data breaches/incidents, including practical examples/real-life scenarios;
- provided opinions on the contracts developed by the structural units of the Airport, international agreement contracts, cooperation contracts and their draft amendments;
- informed and provided advice to users of personal data about their obligations in matters of personal data processing and protection;



- supported Airport employees during the training process, raising awareness of personal data protection;
- performed personal data audits of the computers and email systems connected to the Airport's IT infrastructure, etc.

The board, administration, and other employees, as well as third parties with whom the company has signed cooperation contracts, are involved in the process of personal data processing.

The evaluation of the operations so far shows that Riga Airport ensures the protection and safety of personal data in accordance with the regulatory requirements of the GDP Regulation, the Law on the Processing of Personal Data and other legal acts and complies with the principles of good practice in the processing of personal data.

## Justified Complaints About Violations of Customer Privacy and Loss of Customer Data

### 418-1

In 2023, not a single complaint from data subjects related to violations of customer privacy and personal data processing was registered. The Airport has taken preventive action in 2023 to avoid or prevent adverse consequences.

# Availability

## RIX 2

### Access by Public Transport

To get to the capital and back, passengers can use public transport bus No. 22 of Rīgas satiksme Ltd., taxi services, transportation by passenger cars on websites or mobile applications, as well as using shared cars.

The public transport stop is in Riga Airport short-term car parking lot P1 near the passenger terminal. Public transport from Riga Airport to Riga runs several times an hour, on average every 20 minutes. Taxis are available at the nearest car parking lot near the terminal or users of the app can request taxis at Riga Airport's short-term parking area.

International bus traffic is also available from Riga Airport provided by the following international transport companies: Eurolines with routes to Panevezys and Vilnius, FlixBus with routes to Tallinn, Vienna, Vilnius, Bratislava, Vaasa, and Warsaw, Ollex with routes to Šiauliai, Plungi and Klaipeda.



There are three parking lots available for passengers and customers at Riga Airport, providing the opportunity to park 2,770 cars. Parking capacity as a percentage (from the total number of parking spaces):

- P1 short-term parking lot – 10 %;
- P3 long-term parking lot – 72 %;
- P4 long-term parking lot – 18 %.

The short-term parking lot P1 is in the foreground of the terminal, before the arrival sectors E and C, while the long-term parking lots P3 and P4 are located in the distance of a walk of

few minutes from the terminal of Riga Airport. Parking lot P2 is for the use of employees and employees of business partners.

For the convenience of customers, a free transfer from the long-term parking lots to the Airport terminal and back is available. There is no charge for the first 10 minutes of using the P1 short-term car parking lot when meeting or accompanying passengers, and no charge for the first 30 minutes for passengers with a disabled parking card (once per 24-hour period). In all parking lots, you can pay with cash, with a bank card, or with Mobilly mobile app. Parking services can be purchased by pre-booking them on the Airport's website.

The information on the Airport parking lots is available in the section "[Parking lots](#)" of Riga Airport.

The pick-up and drop-off point for shared cars is in the long-term parking lot P3 of Riga Airport. There are four companies operating at Riga Airport that provide shared autonomous services, offering low-emission and zero-emission vehicles for rent. In the territory of Riga Airport there are also bicycle parking spaces, and passengers can leave their bicycles for storage in the Airport's baggage storage. Bike sheds are located near the terminal building (next to the P1 short-term parking lot, between E and C arrivals), as well as a parking space for motorcycles and mopeds.

Information on the means of transport to and from Riga Airport is compiled in the section "[Transport](#)" of the website of the Airport.

## Access for People with Reduced Mobility

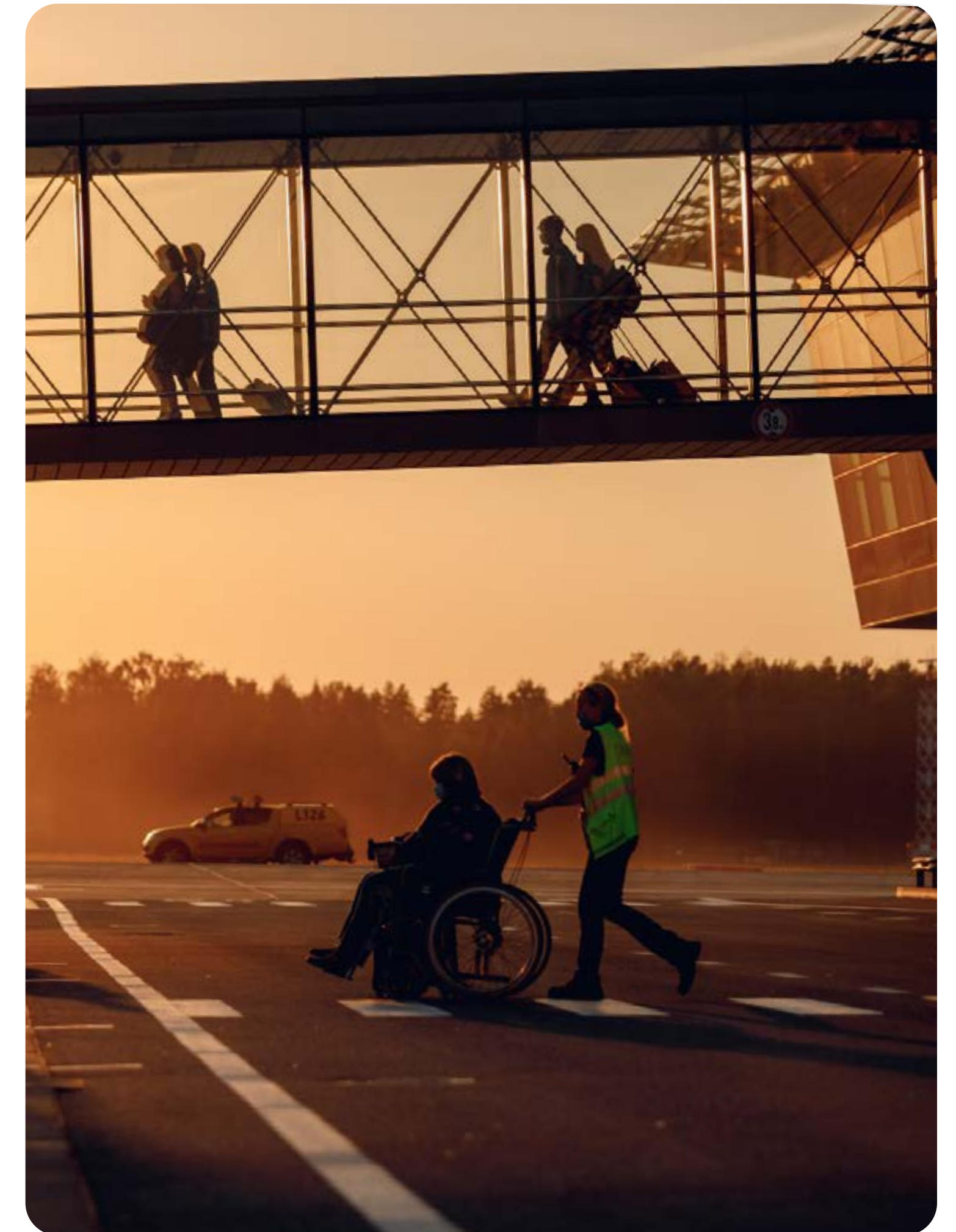
### 3-3

Riga Airport is responsible for introduction and ensuring the requirements of Regulation (EC) No 1107/2006 of the European Parliament and of the Council concerning the rights of disabled persons and persons with reduced mobility when travelling by air. It includes employee training and disability awareness, environmental accessibility, infrastructure improvement/adaptation and equal, harmonious, and non-discriminatory PRM service. Considering the requirements of Regulation No. 1107/2006, Riga Airport promotes equal service to all passengers and guests of Riga Airport. The PRM service

quality standard has been developed for Riga Airport based on the requirements of EC Regulation No. 1107/2006. For the service to be provided in accordance with the requirement, a service manual for passengers with limited mobility has been developed for Riga Airport.

By investing in the modernization of the passenger infrastructure, the Airport passenger terminal built in 1974 has been supplemented with annexes adapted for PRM passengers and corresponding to the requirements of an accessible environment for every person, regardless of his or her physical or other abilities.

In 2023, the highest number of the total number of acknowledgements received was for the quality of PRM services (37).



# PRM Services

The PRM service is available to passengers with temporary or permanent mobility limitations. This service must be requested in advance at the time of purchase of air tickets. If the ticket is purchased less than two days before the flight, the service can be requested electronically by writing to [IPAsupervisor@riga-airport.com](mailto:IPAsupervisor@riga-airport.com). The airport provides a pre-registered PRM service within 10 minutes from the moment of its activation, and up to 40 minutes for non-pre-registered PRM services.



The service is provided from the point of call to boarding the aircraft and includes the following assistance:

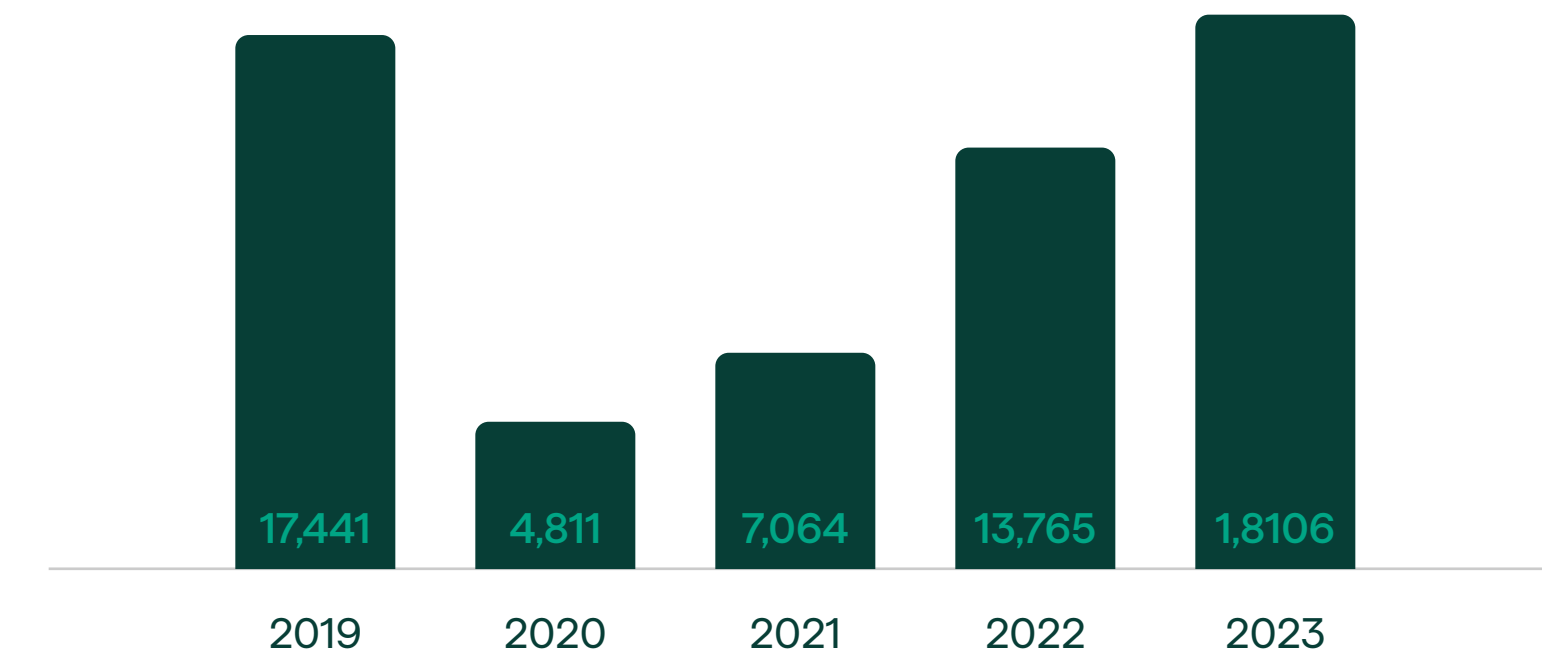
- to register for a flight, to hand over baggage, a wheelchair or other aid which has been approved for transportation by the airline selected for the flight;
- to perform a safety, customs and border control check;
- to visit shops, cafes or business lounge premises;
- to visit the facilities;
- to get from the departure sector to the seat of the aircraft and deposit the passenger's cabin baggage in its designated place.

When arriving at Riga Airport, assistance is provided for the following:

- to get off the aircraft and get to the terminal;
- to get to the departure hall (if the passenger is a resident of Latvia), go through customs and border control checks, receive baggage, get to the passenger's next selected point (in the airport territory), which is a parking lot, taxi, public transport or hotel;
- to get to the necessary aircraft connection (if the passenger is flying on a transfer) and pass customs and border control checks.

In 2023, 32 % more PRM passengers were served at Riga Airport than in 2022. A total of 18,106 PRM passengers were served in 2023. In respect of the total number of passengers in 2023, the share of PRM passengers is 0.27 %.

PRM passenger volume by year  
2019 - 2023



06

# Impact on the environment



# Impact on the environment

## 3-3

The environmental and energy management policy of Riga Airport is focused on sustainable development, preservation of the surrounding environment and concern for the society. The main activity of the Airport is to serve aircraft and passengers, operate the aerodrome, as well as maintain and develop the infrastructure in accordance with the basic principles of sustainable development, respecting the environmental, economic, and social aspects and fulfilling the norms of legal acts, as well as the requirements of the ISO 14001 and ISO 50001 standards.

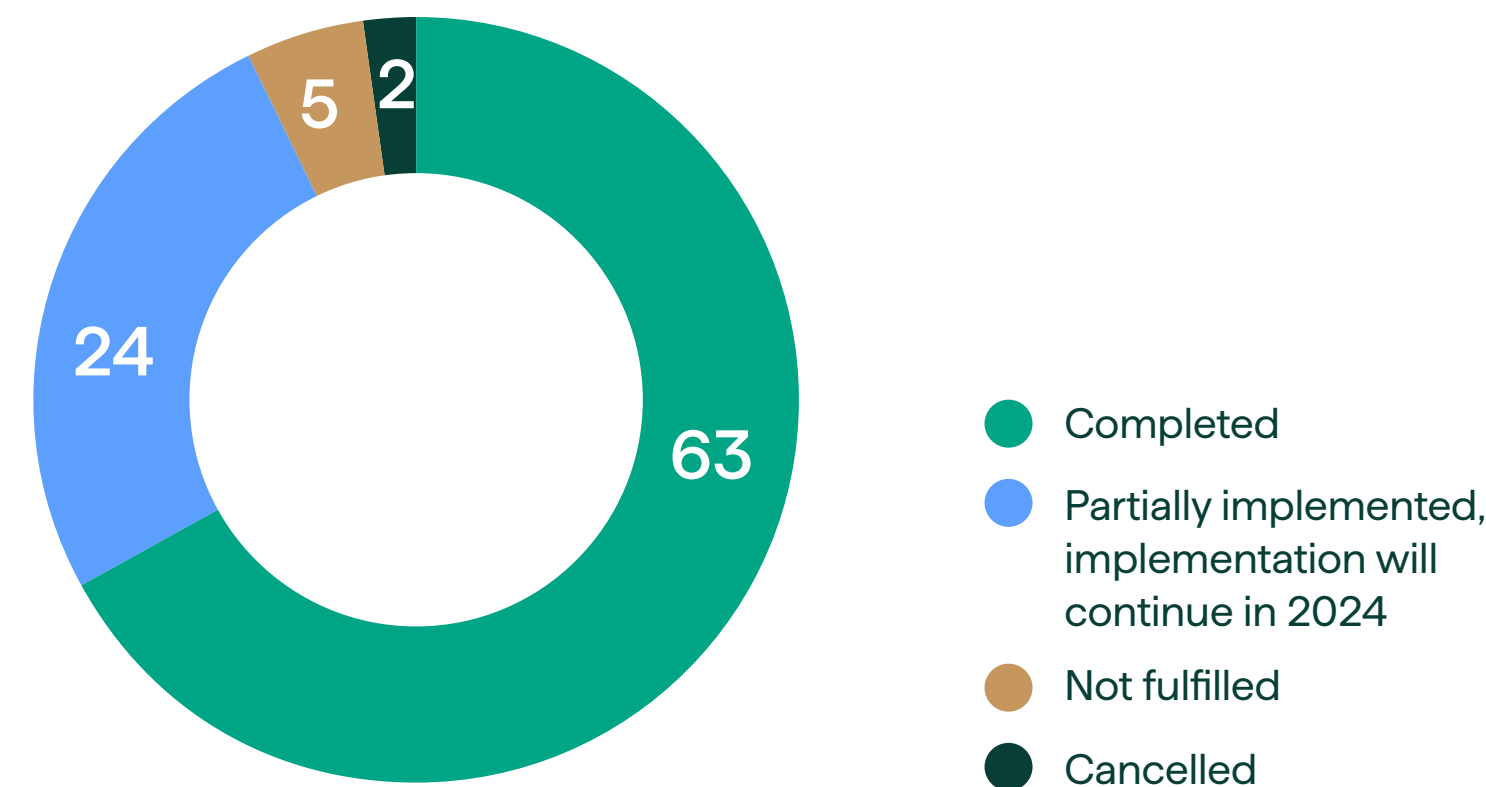
Riga Airport regularly invests financial resources to ensure environmental protection and energy management requirements stipulated in regulatory enactments, as well as evaluates the compliance of the Airport's operations to ensure compliance with the laid down requirements.

The implementation of the energy management system in accordance with the requirements of the ISO 50001 standard is determined by the requirements of the current regulatory enactments. If the requirements of the energy management system are not met and financial resources are invested to

fulfil the obligations of the energy management system, the company is at risk of paying the energy efficiency fee in the manner and to the extent laid down in the Energy Efficiency Law. In 2023, the energy efficiency fee has not been paid.

Ten objectives were included in the programme for Environmental and energy management for 2023, as well as 49 tasks and 94 activities to achieving the laid down objectives.

Implementation of the 2023 programme



Of the 94 activities, 63 (67 %) have been fully implemented, 24 (27 %) have been partially implemented and will continue in 2024, five have not been implemented and two have been cancelled.

Riga Airport regularly monitors the fulfilment of environmental requirements of lessees and aerodrome service providers by organizing environmental inspections. In 2023, 8 Environmental inspections were carried out at lessees and airport service providers. Since 2022, Riga Airport has started mapping emissions of the 3rd scope, also involving lessees and aerodrome service providers in their reduction.

In the survey of aerodrome service providers conducted in 2023, in which 29 respondents participated, the environmental protection and energy efficiency goals of the Airport users were clarified. Aerodrome service providers mention the following as the most important measures to reduce their emissions:

- transition to the use of sustainable aviation fuel;
- purchase of electric cars;
- reduction of CO<sub>2e</sub> emissions;
- installation of solar panels.

In the Airport Users' Committee, Riga Airport informs its users about its sustainability activities, as well as the expected involvement of airport users in both Scope 3 emissions reduction and waste management. According to the Net Zero road map of Riga Airport, in 2025 the Airport will qualify for level 3 of the ACA programme, which envisages developing a detailed stakeholder engagement plan in 2024.

# Financial Risks and Impacts Related to Climate Change

## 201-2

In 2023, Riga Airport continued to identify and assess sustainability risks, considering the Airport's Risk Management Policy, the draft European Sustainability Reporting Standard, Riga Airport's materiality matrix for 2022 and other airports' disclosures on their risks.

The types of climate change-related risks identified so far are attributable to damage to the Airport infrastructure or the impact of extreme weather conditions (floods, storms, heat, fog) of long-term suspension of the Airport operations, frequent extreme weather changes due to which the Airport might have to adapt its operations and processes. Also, sustainability risks are associated with difficulties in identifying climate-related transition events (if 1.5°C or more increase in average temperature occurs), because of which it may not be possible to identify and implement measures to mitigate the impact of these events.

Since the identification and assessment of sustainability risks, including the determination of financial impact estimates, will continue in 2024, it is currently predicted that along with climate change, the Airport's operational costs related to adapting processes to climate change could increase. More precise information on sustainability risks will be published in the non-financial statement for 2024.

## Involvement in Climate Change Mitigation

### 3-3

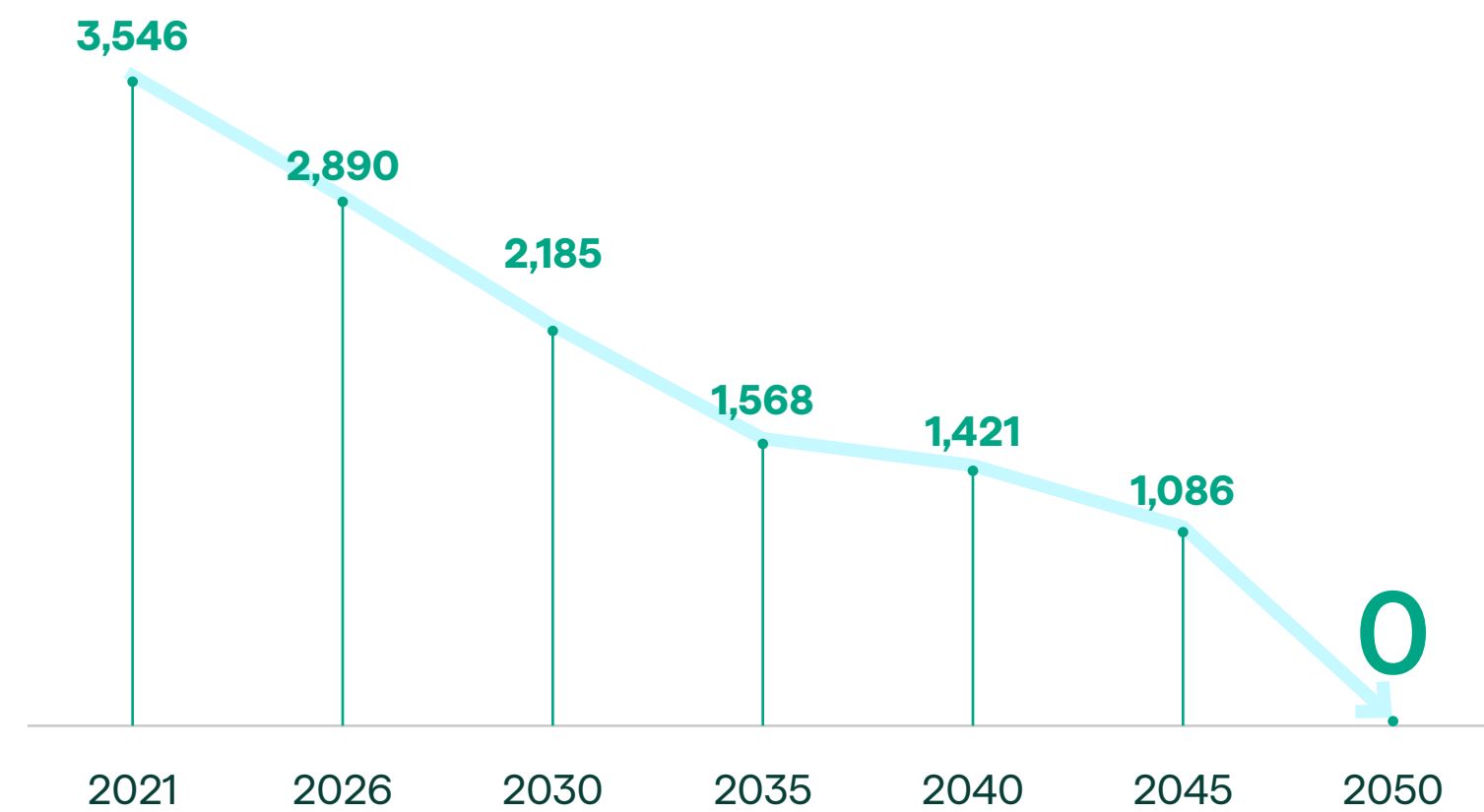
In 2009, during the 18th annual congress of ACI Europe, European airports pledged to reduce CO<sub>2</sub> emissions to achieve the main goal of becoming carbon neutral airports. The ACA programme was created to achieve this goal. Currently, more than 554 airports around the world are accredited in the programme<sup>30</sup> which works purposefully to decarbonize its operations, including Riga Airport.

Riga Airport takes care of the reduction of greenhouse gases in the emission sources controlled by the company and participates in the ACA programme since 2015 (certifying the emissions of 2014). Along with the certification at the 2nd level of the ACA programme in 2020, Riga Airport started targeted work on reducing emissions to reach the 3rd level in the coming years. From 2021, the CO<sub>2e</sub> emissions assessment of Riga Airport will also include the emissions of the scope 3 which are not under the direct control of the Airport, but which are generated by aerodrome service providers and passengers, thus involving airport lessees, aerodrome service providers (e.g. airlines) and passengers in reducing emissions. Riga Airport has developed a process description "Ensuring Greenhouse Gas Emissions Management" for CO<sub>2e</sub> emissions management, while emissions mapping and certification is provided based on the ACA programme guidelines. In 2021, Riga Airport joined the ACI Net Zero initiative, which aims to reduce the airport's direct emissions to zero by 2050. In 2022, Riga Airport developed a roadmap to achieve Net Zero by 2050, and in 2024 it was decided to revise the roadmap with the aim of achieving Net Zero by 2035.



<sup>30</sup> Source: <https://www.airportcarbonaccreditation.org/participants.html>.

Reducing emissions by 2050



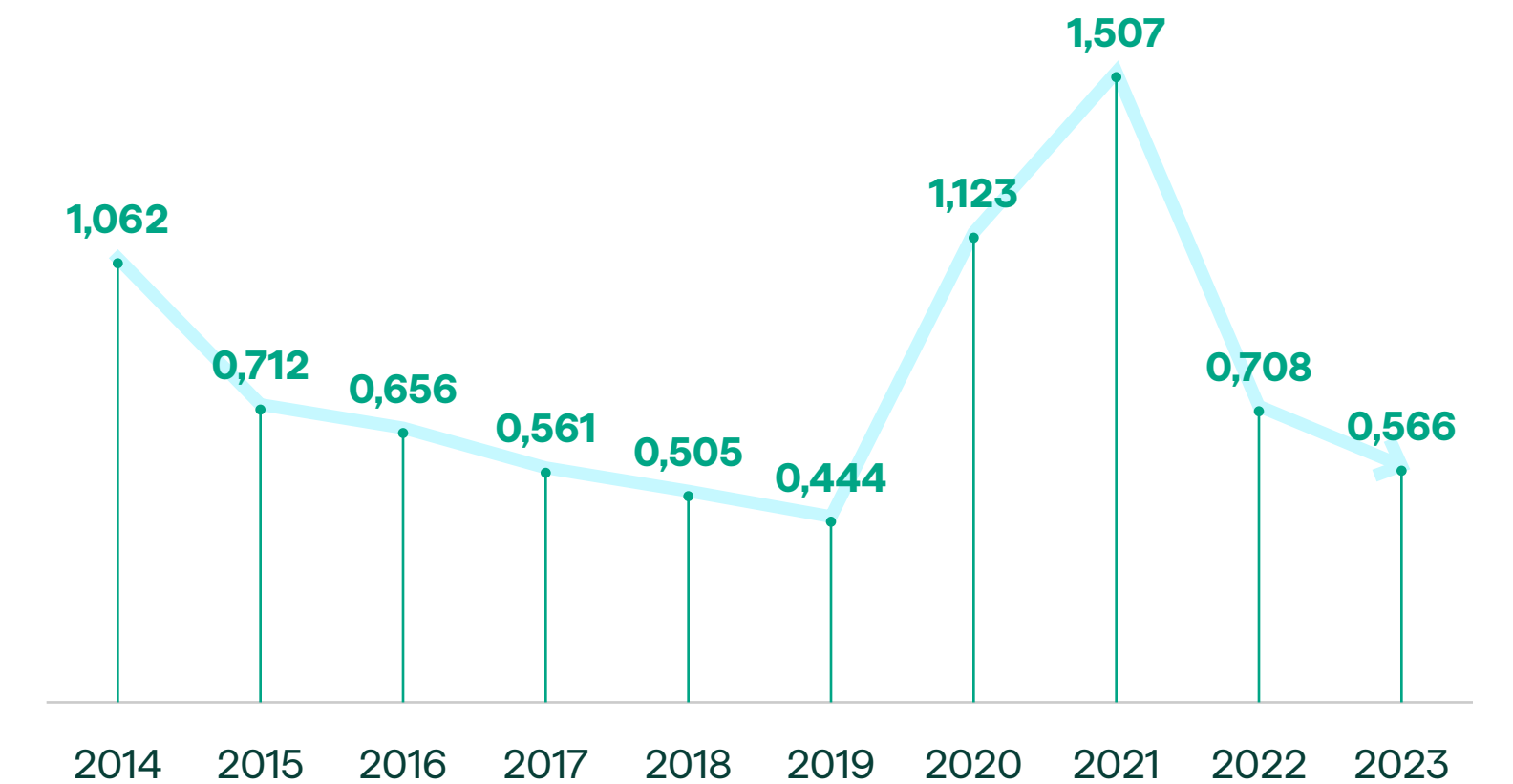
The currently valid Net Zero roadmap envisages a gradual reduction of CO<sub>2e</sub> emissions until 2050. The biggest reduction will be achieved by reducing CO<sub>2e</sub> emissions from electricity. A significant reduction of CO<sub>2e</sub> emissions can also be predicted from the use of fuel and the production of thermal energy, making the transition to alternative energy resources. The Airport plans to compensate CO<sub>2e</sub> emissions from surface anti-icing and cold agents, as well as remaining CO<sub>2e</sub> emissions, which will not be possible to reduce, with measures promoting CO<sub>2e</sub> capture.

The most important measures for the transition to Net Zero include:

- **production of thermal energy from renewable energy resources** – replacing the gas boiler with wood chips or pellets, improving the energy efficiency of existing buildings;
- **transition to alternative fuel transport** – replacement of passenger buses with electric buses, gradual replacement of passenger vehicles with alternative fuel road transport until 2035, replacement of specialized machinery with alternative fuel road transport until 2050, replacement of external power sources powered by diesel fuel with stationary power sources and electrical external power sources until 2030, expansion of intramodality possibilities;
- **electricity production from renewable energy resources** – construction of solar panel parks with a capacity of up to 7 MW by 2035, installation of vertical wind generators by 2030, CO<sub>2e</sub> capture measure implementation in 2050;
- **efficient use of energy** – replacement of platform and runway lighting with efficient LED lighting by 2025, renovation and updating of existing buildings;
- **to create a modern and demand-compliant power grid** to balance supply and demand over time to optimally manage electricity at Riga Airport.

Riga Airport also developed a new plan for the management of CO<sub>2</sub> emissions for 2023-2025 to achieve the climate objective defined in the Sustainability Strategy – to reduce CO<sub>2e</sub> emissions by 65 % compared to 2014. The Sustainability Strategy objective for 2023 was 26.55 %. The objective to reach the level of CO<sub>2e</sub> emissions of 0.346 t CO<sub>2</sub> /passenger, which is 39 % less than in 2023, is laid down in the plan for the management of CO<sub>2</sub> emissions for 2023-2025.

Airport emissions, TCO<sub>2</sub>/1000 passengers



CO<sub>2</sub> emissions management plan is supplemented with an Action Plan, which lists projects that should be implemented in the next three years to reduce CO<sub>2e</sub>. The activities in the Action Plan will reduce total emissions by 721.71 t by 2025.



In 2023, work on infrastructure and innovation projects to reduce CO<sub>2e</sub> emissions continued:

- Riga Airport and Lithuanian airports company "Lietuvos oro uostai", in a joint project with EU funding, will modernise the aerodrome power supply systems over the next three years. The electrical supply infrastructure modernization project at the Riga Airport envisages the reconstruction of the existing electrical network from the current 10 kV to a 20 kV network, and the installation of a solar panel park on the

roofs of several Airport buildings to generate renewable energy;

- To reduce CO<sub>2e</sub> emissions and contribute to climate change mitigation, Riga Airport installed in 2023 and will commission in 2024 its first solar panel park with a capacity of 701 kW, which will provide the Airport with green energy from 2024 (projected electricity production of 597.95 MWh per year);
- In 2025 and 2026, two more solar parks with a capacity of 348 kW and 2 MW will be installed, providing a total annual electricity production of 2622.84 MWh. As a result, Riga Airport will include a new performance indicator in its 2025 report – the share of renewable energy in the total energy mix;
- Riga Airport signed a contract to replace nine diesel buses with electric buses in 2024, reducing the use of fossil fuels;
- to encourage the increasing use of electric vehicles, the Airport is planning to install additional electric charging points as well as fast charging points in the Airport area.



## Greenhouse Gas Emissions and Their Intensitye

### 305-1, 305-2, 305-3, 305-4, 305-5

To assess its GHG emissions, Riga Airport uses the guidelines of the ACA programme, as well as the version Acert 7 of the tool provided thereby. The ACA guidelines provide an opportunity for the calculation of emissions by applying both site-specific emission factors and emission factors calculated based on trade.

Riga Airport calculates emissions using location-specific emission factors. Emissions are mostly calculated using the built-in emission factors in Acert 7, except in some cases where the emission factor must be entered manually. The emission factor laid down in the regulatory enactments is accepted as the electricity emission factor, but the heat energy emission factor is calculated from the information provided by the heat energy supplier.

	2019	2020	2021	2022	2023
<b>Emissions from own direct consumption</b>					
CO <sub>2e</sub> emissions, t	1.403	718	1.707	2.068	1.922
CH <sub>4</sub> emissions, t	-	-	0.057	0.069	-
N <sub>2</sub> O emissions, t	-	-	0.070	0.086	-
HFC emissions, t	-	-	0.010	0.111	-
Biogenic CO <sub>2</sub> emissions in metric tons of CO <sub>2</sub> equivalent <sup>31</sup> , t	25	23	23	21	-
<b>Emissions from the production of purchased energy</b>					
CO <sub>2e</sub> emissions, t	2.058	1.540	1.832	1.742	1.833
CH <sub>4</sub> emissions, t	-	-	-	-	-
N <sub>2</sub> O emissions, t	-	-	-	-	-
<b>Impact party emissions</b>					
CO <sub>2e</sub> emissions, t	-	-	285.506	401.562	The calculations will be in September 2024 and will be published in the report for the year 2024.
CH <sub>4</sub> emissions, t	-	-	204	15	
N <sub>2</sub> O emissions, t	-	-	1	1	

<sup>31</sup> Biodiesel emission factor of 2.5 kg CO<sub>2</sub> eq/l (9.45 kg/gallon or 2.5 kg/l) and ethanol emission factor of 1.52 kg CO<sub>2</sub> eq/l (5.75 kg/gallon or 1.52 kg/l) were used  
[https://www.epa.gov/sites/default/files/2021-04/documents/emission-factors\\_apr2021.pdf](https://www.epa.gov/sites/default/files/2021-04/documents/emission-factors_apr2021.pdf)

Both direct and indirect emissions are included in the GHG emissions protocol of Riga Airport. Direct emissions of the Airport are those emissions that arise from the Airport's self-consumption of energy resources and are under the direct control of the Airport. The volume of indirect emissions consists of the services provided by the Airport, but the Airport itself is not a consumer and has no direct control over emissions. CO<sub>2e</sub> emissions are attributed to the relative value – the number of passengers served. The Airport has developed the plan for the management of CO<sub>2</sub> emissions for 2023-2025 which defines the procedure for managing and controlling CO<sub>2e</sub> emissions. The Airport does not collect data on the number of emissions for individual technical units or individual activities, but calculates the total CO<sub>2e</sub> emissions from the consumption of energy resources.

When developing the CO<sub>2</sub> emissions management plan in 2022, 2014 was set as the base year for scope one and two emissions, as it was the first year when emissions were calculated. In 2014, fixed emissions in absolute units were 5,114 t CO<sub>2e</sub>, while in relative units – 1,062 kg CO<sub>2e</sub>/1,000 passengers. The base year for Scope 3 emissions is not yet set, as only Scope 3 emissions are being mapped in Tier 2 of the ACA programme.

In 2023, the emissions calculation tool has been changed from Acert 6.0 to Acert 7 and the new version no longer provides the option to calculate CH<sub>4</sub> and N<sub>2</sub>O emissions.

# Reduction of greenhouse gas emissions

## 305-5

The CO<sub>2</sub> emissions management plan for 2023-2025 sets a goal of reaching 0.346 t CO<sub>2e</sub> per passenger in 2025. In 2023, Riga Airport reached 0.566 t CO<sub>2e</sub> per passenger.

Data on project implementation resulting in reduced GHG emissions in 2023 are calculated until 1 June 2024, so this report includes data on emissions reductions in 2022.

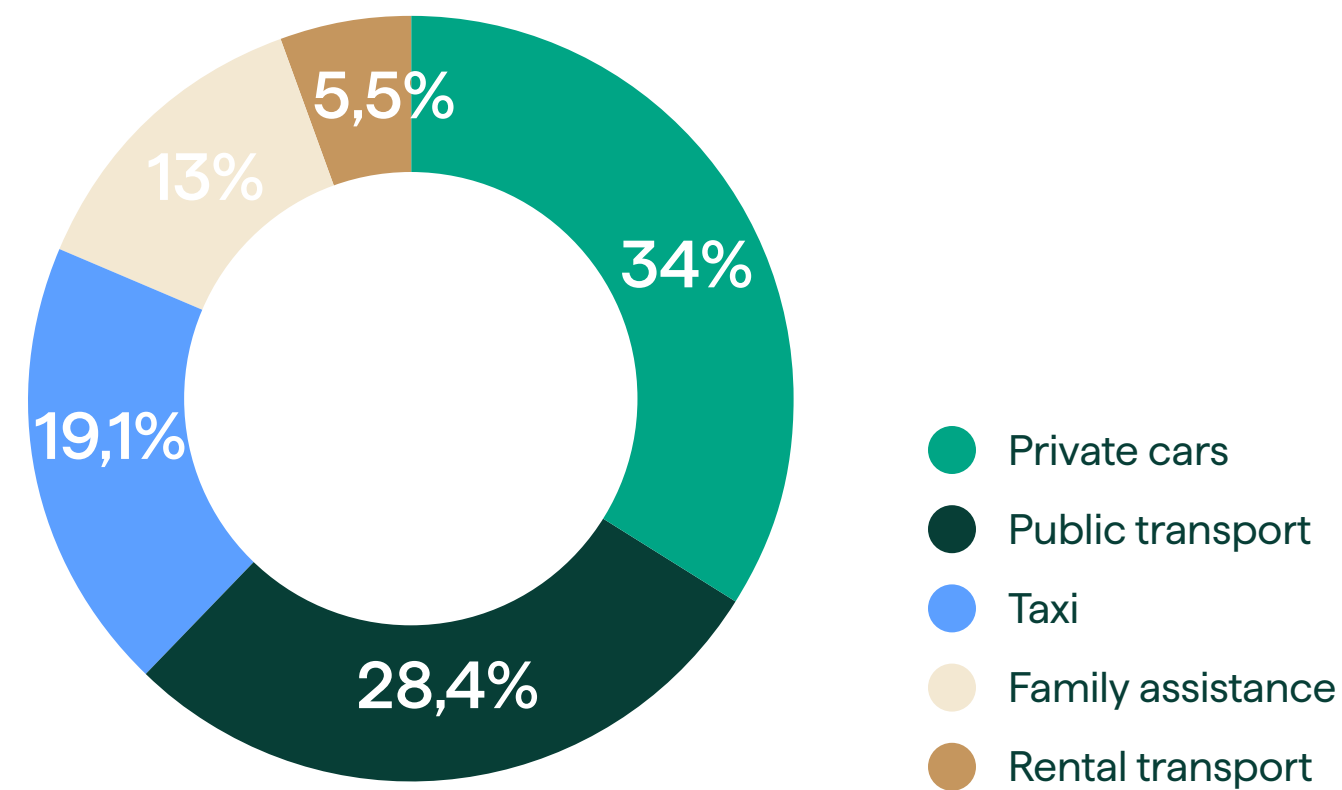
In 2023, Riga Airport continued to carry out several activities laid down in the Sustainability Strategy 2022-2030, which will contribute to the reduction of the emissions of the Scope 3 in the long term:

- Riga Airport started work on the development of the Stakeholder Engagement Plan to ensure their involvement in reducing CO<sub>2e</sub> emissions;
- In 2023, the Ministry of Transport established a working group on sustainable aviation fuel production options in Latvia, in which Riga Airport also participated in cooperation with stakeholders for the introduction of sustainable aviation fuel in Latvia. In 2024, Riga Airport will continue its work in this working group and will coordinate the introduction of sustainable aviation fuel at Riga Airport;

- Two car chargers were installed in the P3 car parking lot of Riga Airport, with the ability to charge four cars at the same time. There is also a car-sharing service at the Airport, see the section "Access by Public Transport" for more information on this service;
- In 2024, Riga Airport plans to further develop its electric vehicle charging infrastructure and install new electric vehicle charging equipment. The construction of electric charging points in the platform and technical area of the aerodrome is necessary to replace the part of the internal combustion transport used by the airport to electric vehicles by 2027, and to ensure the availability of renewable resources for charging electric vehicles for both the Riga Airport and other passenger service companies working at the Riga Airport.

	Unit of Measurement	2019. gads	2020. gads	2021. gads	2022. gads
Reduction of CO <sub>2e</sub> emissions achieved because of the projects	t CO <sub>2e</sub>	1.1	132	0.8	2.6

To contribute to the reduction of emissions from employees, Riga Airport provides remote working opportunities for employees whose work allows it, and in 2023 Riga Airport employees had access to the ride-sharing application "Twogo". Due to the low response, the app is no longer available from the beginning of 2024, but in the first quarter of 2024 it is planned to present it to representatives of other companies operating at the Airport, with the aim of jointly increasing the number of travellers and making better use of the app, which will contribute to reducing Scope 3 emissions.



The 2023 Passenger Survey shows that Airport passengers use private cars (34 %), public transport such as buses (28.4 %), taxis (19.1 %), family assistance (13 %) and rental transport (5.5 %) to get to the Airport. Therefore, in order to reduce these emissions, it is important to participate in the construction process of the railway station "Rail Baltica", to create a suitable charging infrastructure that would motivate the use of electric vehicles, to develop a wider use of shared cars, to cooperate with public transport service providers in order to improve the accessibility of the Airport with low or no emissions means of transport, as well as to cooperate with local governments to promote suitable cycling and micro-mobility infrastructure.

## Cooperation in the development of hydrogen technology

Hydrogen is considered as one of the possible decarbonisation pathways in the world with high growth potential. In 2023, Riga Airport participated in several projects related to hydrogen research and the demonstration of hydrogen technologies:

- In cooperation with the Latvian Hydrogen Association, a hydrogen-electric bus demonstration took place at the aerodrome throughout the day on 18 September. The bus



- was involved in operational work and transported passengers between the terminal and the aircraft;
- Riga Airport, in cooperation with several Latvian companies, the Institute of Solid State Physics of the University of Latvia and its foundation, took part in the Hydrogen x Future Hackathon, a deep science hackathon during the European Sustainability Week. The hackathon focused on the hot topics of hydrogen and renewable energy. Read more in the section "Cooperation with Students and Start-ups".



To contribute the reduction of emissions, to meet European climate objectives and to prepare for the introduction of hydrogen technology in aviation, the BSR HyAirport flagship project of the Interreg Baltic Sea Region Transnational Cooperation Programme was launched on 1 November 2023 to study the infrastructure needed at airports in the Baltic Sea Region to use green hydrogen to power aircraft and airport equipment.



The project involves 16 partners – airports, airlines, research institutions and technology companies from Scandinavia, the Baltic States, Poland and Germany. Project activities are expected to be implemented until 31 October 2026. The objective of the project is to create the conditions for adapting airport infrastructure to hydrogen-powered aircraft flights, preparing airports for the storage, processing, and delivery of green hydrogen as a future energy source for aviation.

In 2023, as part of the Hydrogen Alliance, Riga Airport participates in legislative and joint project focus groups.

## EU Taxonomy

The EU Taxonomy aims to establish a common classification system to determine which economic activities and investments are considered environmentally sustainable. Taxonomy Regulation (EU) 2020/852 sets six environmental objectives:

1. climate change mitigation;
2. adaptation to climate change;
3. sustainable use and protection of water and marine resources;
4. transition to a circular economy;
5. pollution prevention and control;
6. protecting and restoring biodiversity and ecosystems.

Although Riga Airport will be required to report in its Non-Financial Statements from 2026 the proportion of turnover, capital expenditure and operating costs accounted for by taxonomy and taxonomy compliant activities, in preparation for the Corporate Sustainability Reporting requirements, Riga Airport is gradually introducing reporting on taxonomy and taxonomy compliant activities. In the Annex "EU Taxonomy Tables" of the 2023 Non-Financial Statement, Riga Airport has published the taxonomy and eligible activities for the first two environmental objectives of the taxonomy. As the set of

technical criteria for the other four environmental objectives is applicable from 1 January 2024, the full set of economic activities corresponding to the taxonomy will be reflected in the non-financial statement for 2025.

For an activity to be recognized as environmentally sustainable, the economic activity must meet the following four conditions:

- must significantly contribute to one or more environmental objectives;
- must not cause significant damage to other environmental objectives;
- must meet the technical inspection criteria;
- minimum social protection measures must be respected.

The first three activities have been carried out in accordance with the technical verification criteria of Delegated Regulation (EU) 2021/2139.



## Capital expenditure

The share of taxonomy and eligible activities in capital expenditure is determined by assessing the capital investments made in specific investment groups and in more detail by project. In 2023, the largest taxonomy-specific capital investments were made in the Airport territory infrastructure, replacement of vehicles, machinery, and apron equipment, as well as in the development of the electricity supply infrastructure. More than half of these investments – EUR 3.2 million investing in a technical service building which, once completed, will become an energy-efficient and modern workplace for Airport employees. In total, in 2023, the taxonomy's capital investment amounts to 6.1 million EUR.



## Revenue

The share of taxonomy and eligible activities in revenue has been determined by considering the investments made in upgrading the Airport's electricity supply infrastructure and the taxonomy-related capital investments that will contribute to improving the direct passenger experience at the Airport. At the end of 2023, four electric car charging stations with a capacity of up to 22 kW were installed in the Airport's long-term car parking lot P3. The electric car chargers in the P3 long-term car parking lot are expected to be available to customers from Q2 2024.



## Operating costs

The share of taxonomy and eligible activities in operating costs is determined by weighting costs by type, e.g. system maintenance, heating, etc. In 2023, the largest item in operating costs was the installation, maintenance and repair of instruments and devices for measuring, regulating, and controlling the energy performance of buildings, which accounted for 84 % of the total costs of the taxonomy and eligible activities, while investments in the installation, maintenance and repair of energy efficiency equipment amounted to 14 %. In the section of activities related to the taxonomy but not eligible, the costs of heating and electric cars accounted for a significant amount.

# Energy consumption

## 302-1

Riga Airport uses several energy sources – fuel, electricity, and fuel – for its heating, power supply and vehicle operation.

Electricity ensures the power supply of terminals and technical service buildings, as well as the operation of cooling systems. Electricity is consumed for the outdoor lighting of the aerodrome and public areas, as well as for the operation of various equipment and vehicles. The biggest consumers of electricity at Riga Airport are the terminals, the administration building complex and platform lighting. Street lighting, aircraft parking lots and runway lighting are also important consumers of electricity. Riga Airport does not use all the purchased electricity for its own needs but sells part of it to lessees and aerodrome service providers.

The heating and hot water for the Airport's buildings is provided by a boiler house using renewable energy sources such as woodchips and natural gas. Heat energy is supplied to Riga Airport by Industry service partner Ltd., which also ensures the operation of the Airport's ventilation systems. Riga Airport sells part of the purchased thermal energy to lessees.

Diesel fuel, gasoline and electricity are used to operate vehicles and equipment at Riga Airport. Fuel is filled both at the gas station of Riga Airport and purchased at gas stations outside the airport. From 1 July 2022 to 31 December 2023, the share of renewable energy sources in the road transport fuel used at Riga Airport shall be 0 %, based on the amendments to Cabinet Regulation No. 332 of 26 September 2000 "Regulations on Conformity Assessment of Petrol and Diesel Fuel", which provides for the non-addition of biofuels to the fuel.

Energy accounting and calculation is based on measurements, delivery documentation and accounting of the company's internal resources. Riga Airport calculates fuel consumption in litres for each calendar month, therefore, in the processing of energy consumption data, the unit of measure "litres" has been converted to "MWh" using the methodology included in the energy report of Riga Airport.

Energy resource	Unit of measurement	2019	2020	2021	2022	2023
<b>Consumption of energy resources of Riga Airport</b>						
Electricity	MWh	13,209.45	12,308.88	15,734.02	15,681.83	16,157.93
Heat energy	MWh	9,136.81	6,866.37	8,886.80	7,349.29	7,072.95
Diesel fuel	MWh	8,018.76	2,544.86	4,605.90	5,320.46	5,343.35
Gasoline	MWh	353.56	205.99	198.85	215.37	291.83
<b>Total</b>	<b>MWh</b>	<b>30,718.58</b>	<b>21,926.09</b>	<b>29,425.57</b>	<b>28,566.95</b>	<b>28,866.06</b>
<b>The amount of energy resources transferred to lessees</b>						
Electricity	MWh	15,919.17	13,777.87	14,846.15	15,264.38	14,978.17
Heat energy	MWh	2,444.93	1,981.63	2,525.16	2,345.77	2,240.56
<b>Total</b>	<b>MWh</b>	<b>18,364.10</b>	<b>15,759.50</b>	<b>17,371.31</b>	<b>17,610.15</b>	<b>17,218.73</b>

In 2023, Riga Airport's heat consumption was 7,072.95 MWh, a decrease of 276.34 MWh or 3.76 % compared to 2022. Compared to the 2019 heat consumption of Riga Airport, the 2023 heat consumption has decreased by 2,063.86 MWh or 22.59 %, and compared to the 2021 heat energy consumption, the 2023 heat consumption has decreased by 1 813.85 MWh or 20.41 %.

Heat energy consumption in 2023 has decreased due to the implementation of energy saving measures, which are described in more detail in the section "Energy efficiency".

In 2023, the electricity consumption of Riga Airport has increased by 476.1 MWh or 3.04 % compared to 2022. Electricity consumption in 2023 was 86.78 MWh or 0.54 % higher than electricity consumption in 2019. Riga Airport's electricity consumption has reached the 2019 level, but it should be noted that in 2023 the number of passengers, flights and air cargo handled at Riga Airport will not reach the 2019 level, i.e. the level observed in air traffic before the impact of the Covid-19 pandemic.

In 2023, Riga Airport's electricity consumption for cooling systems was 518.19 MWh, which is included in the total electricity consumption. Riga Airport does not provide cooling as a paid service to individual lessees but ensures an optimal indoor temperature in Riga Airport terminals.

In 2023, Riga Airport consumed 568,442 l or 5,343.35 MWh of diesel fuel, which is 0.43 % more than in 2022 and 13.58 % more than in 2019. On the other hand, the amount of gasoline consumed was 31,837 l or 291.83 MWh, which is 35.51 % more than in 2022, but 0.39 % less than in 2019. In 2023, the biggest diesel fuel consumers of Riga Airport were passenger and cargo handling equipment and platform and runway cleaning equipment. In 2023, the biggest consumers of gasoline at Riga Airport were aerodrome equipment and passenger and cargo handling equipment. A significant increase in the consumption of diesel fuel and gasoline in 2023 can be observed in the winter months (January, February, November, December), which can be explained by the fact that fuel consumption was affected by the weather – snow removal from the apron and runway.



# Energy efficiency

## 302-3, 302-4

To determine the operational efficiency of the energy management system and the fulfilment of the defined objectives, Riga Airport carries out regular control of performance indicators. Once a quarter, the Energy management system working group looks at the quarterly consumption indicators and analyses the causes of consumption deviations exceeding 15 %. To determine the efficiency of the use of electricity, the consumption of electricity (MWh) is evaluated in relation to the number of serviced traffic units, while to determine the energy efficiency of heat energy, the consumption of heat energy (MWh) is evaluated in relation to the area to be heated (m<sup>2</sup>).

The Airport does not collect data on the amount of thermal energy produced from renewable energy sources, but the data on the number of emissions from each type of fuel and the percentage of emissions it makes up. In 2023, the percentage of CO<sub>2e</sub> emissions by fuel type was 91.89% for wood chips and 8.11% for natural gas.

<sup>32</sup> The traffic unit is 1 passenger or/and 100 kg of cargo handled.

Performance indicator	2019	2020	2021	2022	2023
Electricity, MWh/SV <sup>32</sup>	0.0021	0.0055	0.0060	0.0028	0.0024
Heat energy, MWh/m <sup>2</sup>	0.269	0.238	0.308	0.255	0.104

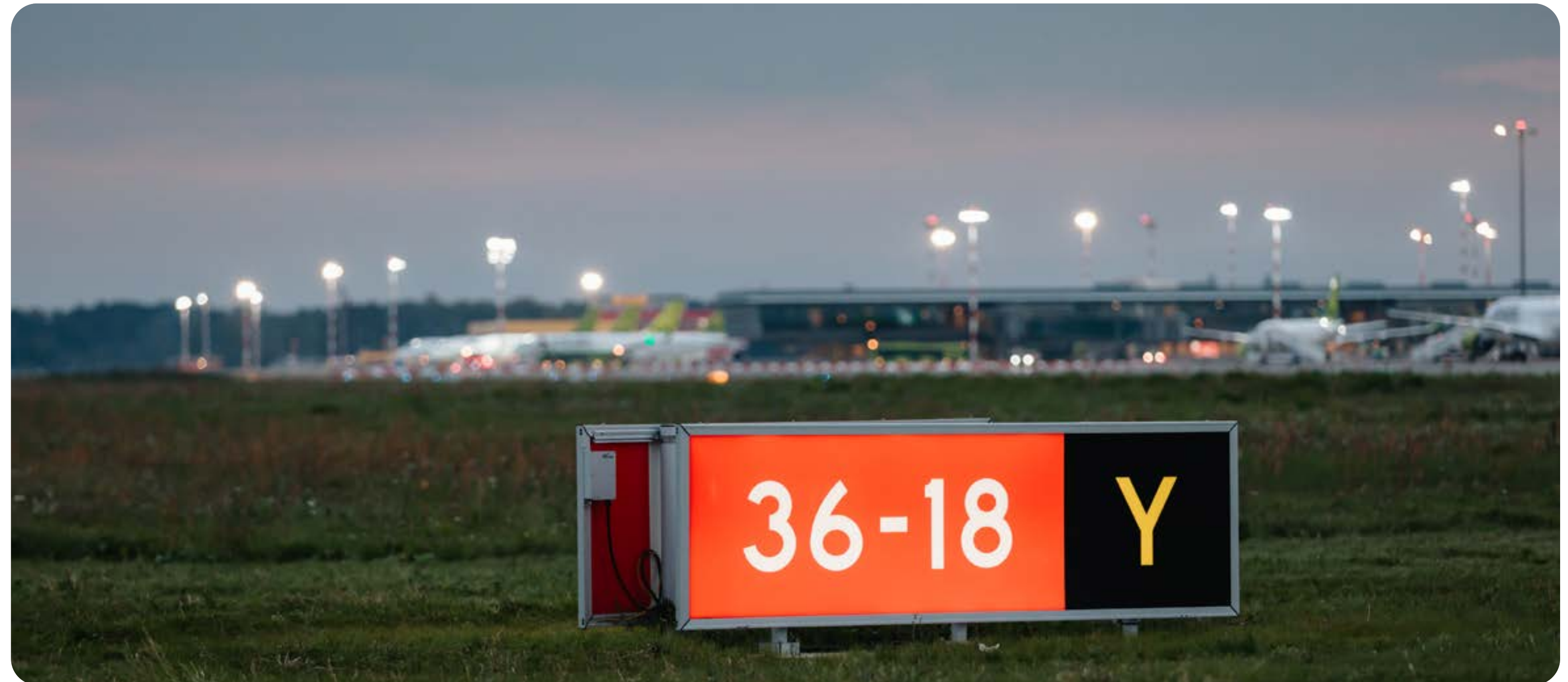
In 2023, the objective not to increase the Airport Riga total electricity consumption below 0.0030 MWh per serviced traffic unit was defined in the Environmental and energy management programme, which has been met. The energy efficiency index for electricity in 2023 is 0.0024 MWh/SV, which is 15.55 % lower than the energy efficiency index achieved in 2022.

In 2023, Riga Airport implemented several energy efficiency improvement measures related to the reduction of electricity consumption for lighting – in several airport buildings the existing lighting was replaced with LED lighting.

In the Environmental and energy management programme for 2023, the objective not to increase the thermal energy consumption of Riga Airport above 0.120 MWh per 1 m<sup>2</sup> of heating area was defined, which has been fulfilled. Regarding the area of heated premises, the amount of heat energy consumed in 2023 compared to 2022 has decreased and in 2023 reached 0.104 MWh/m<sup>2</sup> or decrease by 59.18 %.

On 17 May 2023, Riga Airport introduced a set of energy saving measures to ensure rational use and management of energy, to contribute to the sustainable development of Riga Airport and to achieve its objectives of improving energy efficiency and limiting climate change. The main austerity measures included:

- optimization of lighting intensity both inside and outside the Airport, reducing it by 20 % in common areas, where it is technically possible and no regulatory infringements;
- in the working premises, the heating temperature should be ensured at the level of 19-20°C, outside of working hours the temperature should be reduced to the level of 16-17°C. In rooms where employees do not stay daily or stay for a short time, reduce the temperature to a technically permissible lower temperature;
- air-conditioned work areas should be cooled by closing windows and doors and starting before the highest outside air temperature, in the morning, and ensuring that the temperature in the work area is no lower than 21°C during cooling; it is compulsory to switch off the air-conditioner at the end of working hours;
- increase the air temperature in the server rooms to 24°C by reducing the power of the air conditioners;
- requirements to purchase only A, B energy efficiency class household appliances;



- information and education measures for employees and lessees.

Regarding the rational use of energy and measures to improve energy efficiency, information and education activities for the

Airport's employees are being carried out – training to improve the energy management process for employees involved in the energy management process has been organised. In employee kitchens and other rooms, a reminder is placed near the light switches to turn off the lights when not in the room.

# Water Consumption

## 3-3

Water is one of the most important natural resources at Riga Airport, whose quality and quantity are assessed every year with an internally developed procedure, accredited methods and according to the requirements of the laws and regulations of the Republic of Latvia on the management and protection of water resources. The most important directions of water consumption are providing passengers and employees with high-quality drinking water and using water to ensure technical processes. Water quality control at Riga Airport is carried out by specialists of an accredited company, while its testing takes place in several accredited laboratories of Latvia. The managers and specialists of the involved airport structural units, airlines and other involved parties are informed about the results of the testing.

An annual monitoring program has been developed and approved for the assessment of water quality and quantity at Riga Airport, as well as an internal process has been developed – environmental monitoring and data analysis, which determines the division of duties and responsibilities between employees, structural units, and other involved parties of

Riga Airport. In the final stage of the water quality evaluation, individual evaluations are prepared, in cases of exceeding the limit values, allowing to identify the possible causes of the exceedances, as well as, if necessary, to immediately initiate actions to restore and improve the water quality.

In the sustainability strategy for 2022-2030, the objective has been defined to improve the quality of drinking water at the Airport and promote the rational consumption of water resources, preventing the increase of water consumption per passenger above 0.011 m<sup>3</sup>.

In 2023, this objective was achieved, both considering the indicator of water consumption per passenger (see the section "Water Extraction and Consumption") and the results of water sample testing reports which confirm water quality.

## Water Extraction and Consumption

### 303-1, 303-5

Riga Airport obtains its water from three underground water extraction wells. After water extraction, the water is de-ironed

and softened so that it meets the drinking water quality requirements, after use, the entire volume of the extracted water (except for the small part that is used in the washing hangar) is transferred to Rīgas ūdens Ltd. for purification. Water consumption limits, attainable quality indicators and control frequency are determined in the national regulatory enactments and the polluting activity permit. The company informs the controlling institutions about the amount of drinking water obtained and the results of the quality and quantity monitoring carried out once a year in accordance with the procedures laid down in the regulatory enactments.

Once a quarter, an environmental protection specialist measures the static and dynamic levels of water extraction wells with a special level gauge. Statements are prepared for the measurements, and they allow to assess the recovery rate of the underground water inflow in the mining wells, as well as the working capacity of the wells. In one of the wells, a reduced operational capacity is regularly recorded, but this generally does not pose a threat to the general water supply system at the Airport. Water extraction from each well is regulated so that it does not create potential geophysical hazards, such as the formation of depression funnels.

The availability of water resources at the Airport, as well as the implemented technical and organizational control mechanisms

ensure water extraction in the short and long term. The obtained water is consumed not only for the needs of the Airport, but in conformity with mutually concluded utility service contracts, it is also supplied to the lessees of the Airport and aerodrome service providers. The largest water consumption occurs in the terminal (including for sanitary purposes), administration buildings and the equipment washing hangar. In 2023, compared to the previous year, the direct consumption of Riga Airport increased slightly, consuming a little less than half of the volume of water obtained.

Very small quantities of drinking water in 18,9 l polycarbonate bottles and 0,5 l bottles are supplied to the company by an external service provider.

Water storage does not have a significant impact on water consumption – it is stored in small amounts in the water tower to ensure the continuity of water supplies.

Data on the water consumption of Riga Airport is obtained from verified water meters. The consumption of the lessees

of the Airport is mainly obtained from verified water meters, a small part of the water consumption of the lessees is calculated according to the approved methodology. The methodology for calculating water consumption is applied to those lessees for whom it is technically impossible to install water meters (there is no connection point for the water pipe), for example, individual shops in the terminal. Environmental inspections, as well as internal and external audits, are regularly carried out at the responsible structural unit to ensure process monitoring.

Riga Airport does not obtain water from areas with a water deficit<sup>33</sup>.

In 2023, the premises were surveyed and locations where it is technically feasible to connect the water treatment equipment to the mains were identified, but the project could not be completed due to the need for additional electricity connections – this is planned to continue in 2024. Also, in 2023, material on rational water consumption was placed in the amenities of the passenger terminal.

	2019	2020	2021	2022	2023	% 2023 vs. 2022
<b>Water extraction, m<sup>3</sup></b>						
Underground boreholes	137,238	80,967	75,824	106,414	113,652	+6.8
Other sources (polycarbonate bottles)	146	115	104	139	143	+2.88
<b>Total</b>	<b>137,384</b>	<b>81,082</b>	<b>75,928</b>	<b>106,553</b>	<b>113,795</b>	<b>+6.79</b>
<b>Water consumption, m<sup>3</sup></b>						
Airport	67,389	28,040	30,463	54,064	56,698	+4.87
Lessees and aerodrome service providers	69,995	52,927	45,361	52,350	56,954	+8.79
<b>Total</b>	<b>137,384</b>	<b>80,967</b>	<b>75,824</b>	<b>106,414</b>	<b>113,652</b>	<b>+6.8</b>
<b>Water consumption (m<sup>3</sup> / 1 passenger)</b>	<b>0.0086</b>	<b>0.0139</b>	<b>0.0129</b>	<b>0.0100</b>	<b>0.0086</b>	<b>-14 %</b>

<sup>33</sup> Groundwater stock balance, 2023. VSIA "Latvian Environment, Geology and Meteorology Center".

Available: [https://videscentrs.lv/gmc.lv/files/Zemes\\_dziles/Pazemes\\_udenu\\_krajumu\\_bilances/2022/Pazemes\\_udenu\\_krajumu\\_bilance\\_2022.pdf](https://videscentrs.lv/gmc.lv/files/Zemes_dziles/Pazemes_udenu_krajumu_bilances/2022/Pazemes_udenu_krajumu_bilance_2022.pdf)

Nikodemus, O., Kļaviņš, M., Krišjāne, Z., Zelčs, V. (zin. red.). 2018. LATVIA. LAND, NATURE, PEOPLE, COUNTRY. Riga, Academic Press of University of Latvia.

# Wastewater and Soil Pollution Management

## 3-3

Considering the specifics of the operation of Riga Airport, the management of wastewater is essential for Riga Airport. In 2022, amendments were made to the category B polluting activity permit, because of which SES clarified the conditions in the permit for the frequency of wastewater sampling and quality control. The requirements for wastewater management are defined in Paragraph 9 of Section C of the permit for Category B polluting activity, in the calendar water monitoring plan of Riga Airport and in the internal process – Environmental Monitoring and Data Analysis.

The Airport constantly monitors the quality of wastewater to ensure that the limit values for pollutants specified in Cabinet Regulation No. 118 "Regulations on the Quality of Surface and Groundwater" and Cabinet Regulation No. 34 "Regulations on the Emission of Pollutants into Water" are not exceeded. Evaluating the results of mandatory monitoring and self-monitoring, the quality of wastewater can be assessed as good, as it ensures the limit concentrations specified in regulatory enactments. To improve effluent quality, maintenance and

cleaning of existing facilities was carried out, pumping out accumulated sand and water containing oil products.

In 2023, work on researching technical solutions for anti-icing wastewater treatment continued. The best solution identified today is to install a distillation unit. To install the equipment, an opinion was obtained from the Mārupe Municipality on the compliance of the equipment with the spatial development plan. The existing wastewater treatment equipment installed in the car wash, according to the quality control results, confirms the good efficiency of the equipment operation.

The Airport informs the SES about the quality of wastewater in conformity with the conditions laid down in the permit for Category B polluting activity and indicates the information in the unified environmental information system of State limited liability company "Latvian Environment, Geology and Meteorology Centre" in the state statistical report "No. 2-Ūdens". Other involved parties, such as lessees and service providers, are not informed separately about the quality of wastewater, but they can obtain this information in a general form in the publicly

available annual company environmental report on the website of Riga Airport. At the same time, lessees and aerodrome service providers are bound by the environmental protection requirements set by Riga Airport in the document "Regulations Regarding Environmental Requirements for the Lessees and Aerodrome Service Providers of SJSC Riga International Airport". To control whether lessees and service providers comply with the relevant environmental protection requirements, annual environmental inspections are carried out.

In mid-2022, an initial investigation of historical contamination at the Riga Airport boiler house was carried out to investigate the location and extent of contamination in the ground. Today, the boiler house no longer uses fuel oil as a fuel material, so the pollution is historical and the result of economic activity. The investigation included static probing of the site and soil and groundwater sampling for testing by an accredited laboratory from six soil investigation boreholes and four groundwater investigation wells. According to the results of the investigations, in one borehole the contamination level exceeded the precautionary limit (B value) specified in Cabinet Regulation No.

804 "Regulations on Soil and Ground Quality Standards", while in the remaining boreholes the contamination level did not exceed the target value (A value) specified in the Regulations. No floating layer of petroleum products was detected in any of the boreholes. To ensure compliance with the SES decision, an in-depth investigation of the contaminated site was carried out in 2023, resulting in a geological section of the site. Using the interpolation method, the approximate distribution area of the contamination and the volume of contaminated soil were determined. A remediation programme was developed to ensure the clean-up of the contaminated site.

In 2023, an investigation of perfluorooctanesulfonic acid (PFOS) and perfluorooctanoic acid (PFOA) contamination in soil, groundwater and surface water in the Riga Airport area was also carried out, including the historical fire drill sites. During the investigation, three exploratory boreholes were drilled for groundwater sampling and soil samples were also taken from each exploratory borehole for testing by an accredited laboratory. Considering the results of the investigation on PFOS and PFOSA concentrations in soil, groundwater and surface water, it can be concluded that the concentrations of PFOS and PFOSA in the samples tested in the area under investigation are low. The research report does not indicate that Riga Airport should take any action to reduce pollution.

Surface water samples were taken from rainwater discharges and tested in an accredited laboratory. The results show that the concentrations of PFOS and PFOA detected in groundwater and surface water, as well as in soil, are low and do not cause significant environmental damage.

## Waste Water Management

### 303-2

At Riga Airport, rainwater from the outlets flows into a drainage ditch, from where it flows into the Neriņa River. To monitor the quality of rainwater, analyses are carried out at six rainwater outfalls. In 2023, municipal wastewater was transferred to Rīgas ūdens Ltd., and since 5 May 2021, production wastewater has also been transferred to Rīgas ūdens Ltd. for treatment. In 2023, 2.485 m<sup>3</sup> of production wastewater was transferred to Rīgas ūdens Ltd., which is 9.4 % more than in 2022. The increase is mainly due to more unfavourable meteorological conditions in the winter months of 2023.





## Waste Water Quality and Treatment Methods

The quality control of rainwater and municipal wastewater is carried out based on the approved annual water monitoring plan in accredited laboratories in Latvia and the Czech Republic. The indicators of the quality of rainwater and municipal wastewater and their thresholds are determined in the national regulatory framework, for example, the achievable quality indicators of municipal wastewater are determined in the binding regulations of the Riga City Council No. 17, Binding Regulations for the Operation, Use and Protection of the Centralized Water Supply and Sewerage System of the Riga City, while quality indicators and thresholds in rainwater are determined in Cabinet Regulation No. 34, Regulations Regarding Discharge of Polluting Substances into Water. Once a year, a report on the results of rainwater quality is submitted to the Lielrīga Regional Environmental Board of the SES.

A biological wastewater treatment facility with a capacity of 25 m<sup>3</sup> /day was built in the Airport territory for the treatment of car wash wastewater. The rest of the municipal wastewater is transferred to Rīgas ūdens Ltd. for treatment in conformity with a mutually concluded contract. To ensure adequate indicators of the quality of municipal wastewater, its initial treatment is

provided by grease traps. In accordance with the policies and procedures established by Riga Airport, environmental inspections are regularly organised in the structural units of the Airport, cleaning and maintenance schedules, the actual condition of grease traps and quality indicators (data from testing reports) are checked at lessees and service providers, as well as survey statements are prepared. The requirements for the installation of appropriate cleaning equipment are set by the Riga Airport and the state controlling institutions, considering the specifics of the planned operation and the requirements in the regulatory enactments. To ensure the quality of rainwater and municipal wastewater, equipment surveys are carried out regularly and equipment cleaning and maintenance are carried out at least once every six months (if necessary, once a quarter). Metering of discharged domestic wastewater is not carried out.

Rainwater is discharged into the environment without treatment, except for the areas where oil spills are possible. In these areas, rainwater is collected and directed to oil product separators which clean the rainwater from oil products before discharging it into the environment. 17 oil product separators are in the territory of the Airport.

Since February 2021, the de-icing site wastewater has been accumulated in the airport's stationary storage tanks and transferred to Rīgas ūdens Ltd. for treatment.



# Waste Management and Circular Economy

## 3-3

The activities and measures to be implemented related to the waste management are determined in the Sustainability Strategy and the Environment and Energy Management Programme of Riga Airport. Waste management procedures are determined by the Waste Management Plan for 2022-2027, the permit for the Category B polluting activity No. RI15IB0030, as well as the internal process – Ensuring Waste Collection and Removal.

The objective of municipal waste management in 2023 was to reduce the volume of unsorted municipal waste below 69 %. The objective was not achieved in 2023 (fulfilment in 2023 – 88.46 %). The increase in the indicator is due to both the fact that the planned changes to the terminal's waste management process were initiated but not completed in 2023 and the fact that the volume of deposit packaging has decreased in the overall waste stream as lessees enter HORECA contracts and hand over packaging to the Deposit Packaging Operator Ltd.

## Use of Aircraft and Aerodrome Surface De-icing/Anti-icing Material

### AO6

To ensure safe flights, anti-icing agents are used in the treatment of aircraft and aerodrome surfaces. Since the anti-icing treatment of aircraft takes place on the territory of the aerodrome, the Riga Airport must ensure the collection and processing of chemicals and mixtures used during the anti-icing treatment. In 2023, 2,271.50 tons of production wastewater containing anti-icing treatment agents were collected and handed over to Rīgas ūdens Ltd. from the anti-icing treatment areas.

Quantity of De-icing/Anti-icing material of the Surface of Aircraft and Aerodrome

In 2023, 1,702 m<sup>3</sup> of aircraft de-icing/anti-icing material of type I and 174 m<sup>3</sup> of aircraft de-icing/anti-icing material of type II were used. In 2023, 301.12 tons of liquid anti-icing reagent (KFOR) and 237 tons of granular anti-icing reagent (NAFO) were used for the treatment of aerodrome pavement surfaces.

Number of aircraft and aerodrome de-icing/anti-icing material in percent handed over for recycling or used without recycling

In 2023, all de-icing took place at de-icing remote sites where de-icing fluid is collected and transferred for treatment. Waste water containing anti-icing reagents for aerodrome surfaces is not treated, nor is it separately listed.

Annual goals are not set in hazardous waste management. Riga Airport regularly reviews the objectives defined for the waste management, performing activities within the framework of available funding. The Airport's lessees and service providers are also involved in the waste management system of the Airport, which have concluded utility service contracts with Riga Airport, which provide for the transfer of household or hazardous waste to the Airport. Delivery - acceptance certificates are prepared for the delivery and acceptance of waste, which are used for mutual settlements with Riga Airport and for ensuring waste accounting. The requirements for lessees and service providers in waste management are also defined in the Airport terms and conditions, Regulations Regarding Environmental Requirements for the Lessees and Aerodrome Service Providers of the SJSC Riga International Airport. To control whether the lessees and service providers comply with the relevant environmental protection requirements, Riga Airport carries out annual environmental inspections.

## Waste Management

### 306-1, 306-2, 306-3

The main sources of municipal waste are the airport terminal, administrative and technical premises, external territory, aircraft, and territories transferred for lease. To ensure waste management in accordance with environmental protection requirements, a waste management system has been implemented at the Airport, which involves all employees of Airport, passengers, and lessees of the terminal premises. Participation in the common waste management system of the Airport is not mandatory for the lessees of the territories, however, the same basic principles of environmental protection and waste management must be observed as in the waste management system introduced by Riga Airport.

The total amount of municipal waste generated has decreased from 1,941 t in 2022 to 1,711 t in 2023, a 12 % decrease in total waste over the last year.

The amount of unsorted waste in kg per passenger in 2023 was 0.228 t. Comparing the data of 2022 and 2023, it was found that the amount of waste transferred per passenger in

2023 is smaller (0.292 t/passenger in 2022) and the decrease in 2023 is due to the increase in the number of passengers.

Data on waste volumes are obtained from the information available in the Waste Transportation Accounting System and deeds. Data on hazardous waste is obtained from hazardous waste registration invoices. Once a year, Riga Airport submits the national statistical report "No. 3-Atkritumi", which indicates the types of waste generated at the Airport, the dangerousness, the amount, and the merchants to whom the waste is handed over.

Short-term storage of household, hazardous and environmentally harmful goods waste takes place in the waste hangar of Riga Airport and in a specially designed room in the terminal, with the exception for certain types of waste which are handed over to the waste management company from the place of waste generation. Permanent long-term waste storage facilities have not been established at Riga Airport. The Airport lists all types of waste in accordance with the requirements of regulatory enactments.

Riga Airport transfers the generated municipal, hazardous and environmentally harmful waste to licensed waste management companies with which contracts have been

concluded for a certain period. The largest share is made up of unsorted household waste, which Riga Airport transfers to Eco Baltia vide Ltd. based on the contract. Also, paper, and cardboard packaging, plastic packaging, glass packaging, bulky waste and textiles are handed over to Eco Baltia vide Ltd. In accordance with the concluded contract, the confidential paper waste is transferred by Riga Airport to Šrēdereja Ltd.

Information on waste management methods at Riga Airport can be obtained from waybills, as well as by contacting representatives of the waste management companies. The method used for household waste depends on whether it is sorted. Riga Airport sends paper, glass, cardboard, and other types of municipal waste for recycling.

The purpose of using hazardous waste is indicated in the hazardous waste registration waybills. Storage and processing of hazardous waste takes place at the addresses of hazardous waste receiving facilities. Riga Airport does not compile information on the further use of hazardous waste after its storage.

In 2023, the amount of hazardous waste has decreased since there was no cleaning of the large platform oil traps in 2023.

	2019		2020		2021		2022		2023	
	Household waste (HW), t	Hazardous waste (HaW), t	HW, t	HaW, t	HW, t	HaW, t	HW, t	HaW, t	HW, t	HaW, t
Recycling	1,231	1,639	657	1,509	511	225	368	139	113	28
Composting	118	-	20	-	-	-	-	-	-	-
Landfill disposal	3,522	-	1,546	-	1,548	-	1,573	-	1,599	-
Storage	-	33	-	157	-	22	-	-	-	-
Other management methods (recovery, incineration, underground disposal, etc.)	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>4,871</b>	<b>1,673</b>	<b>2,223</b>	<b>1,666</b>	<b>2,059</b>	<b>475</b>	<b>1,941</b>	<b>139</b>	<b>1,711</b>	<b>28</b>

It is determined in the Airport Sustainability Strategy to ensure the sorting of waste and the transfer of sorted waste for recycling as efficiently as possible, therefore, by the end of 2030, Riga Airport has committed to increase the proportion of sorted waste to 40 % of the total annual volume of household waste.

In 2023, the share of sorted waste to unsorted waste was 11.54 % (18.96 % in 2022). A detailed study of waste statistics shows that the amount of waste sent for recycling has decreased – comparing the data with 2022, the amount of metal, bulky waste and mixed packaging has decreased.

To improve the waste sorting rate, Riga Airport developed a Waste Management Plan 2022-2027 in 2022, which includes activities both to move towards the 2030 target and primarily to achieve the Riga Airport Strategy's objective of increasing the proportion of unsorted waste to 66 %.

The most significant actions completed in 2023 for the implementation of circular economy principles:

- introduction of drop-off (donation) points for deposit packaging in administrative and technical services buildings;



- additional containers for confidential wastepaper in the terminal in the check-in and boarding areas;
- purchase of bags to implement the waste system, made from recycled material.

Existing activities are also successfully maintained – waste sorting takes place both in the Airport terminal and in administrative buildings, processing not only sorted and general waste, but also other waste streams, including electrical and hazardous waste. Unsupervised belongings at Riga Airport are handed over to the "OTRĀ ELPA charity" foundation. The non-profit foundation uses them to provide support to the community. Read more "Donation of Found Property to Charity".

Riga Airport recycles the asphalt milled on its territory to create other pavements. In 2023, the aerodrome perimeter road is still being resurfaced from the asphalt milled on the runway and taxiway.

In 2023, there was also an informative activity for the employees about waste sorting - the annual environmental competition in the closed group "RIXMīlSavējos" of the social website Facebook. The competition focused on circular economy principles or invited employees to share tips and photos on giving things a second life. The authors of the three best ideas received gift vouchers from the social enterprise's charity shop.

In 2024, Riga Airport will continue to implement the activities laid down in the Waste Management Plan for 2022-2027, taking additional measures to promote waste sorting.

## Waste Disposal

Riga Airport does not collect information on the further use of the handed over household and hazardous waste after it arrives at waste management facilities. Information on the volumes of hazardous waste transferred for processing and regeneration is obtained from hazardous waste registration waybills, in which this section is indicated by the waste receiver upon agreement with the transporter. The further cycle and use of recycled and recoverable waste takes place in accordance with the specifics of the operation of the relevant facility and with the requirements of the permit for polluting activity of the waste managers. The amount (weight) of household and hazardous waste transferred to processing and storage and the purpose of management are specified in the section "Waste Management and Circular Economy". Considering that the largest amount of unsorted household waste from Riga Airport is buried in the landfill "Getliņi", where methane gas is obtained and burned during the decomposition of waste, it can be concluded that the transferred waste was at least partly used for energy production.

## Impact on Biodiversity

### 3-3, 304-2, 304-3

Biodiversity is decreasing all over the world under the influence of various conditions. Aware of both the global context and the context of the aviation industry within it, Riga Airport works to ensure that the biological diversity around the Airport does not suffer significantly because of the company's operational activities, primarily ensuring high flight safety. About biological diversity, Riga Airport has set the objective "Encourage that the management of the Airport territory is ecologically responsible and operationally safe, and as far as possible does not affect biological diversity" in the Sustainability Strategy.

Among the binding documents that regulate the area of biological diversity, the external regulations are binding on Riga Airport - the Hunting Law, the Animal Protection Law, the Law on the Conservation of Species and Biotopes, and from the internal documents – the Aerodrome Operating Instructions, which determine the management of wildlife threats.

## Bird and animal control

Safety requirements for airports require limiting the presence of wild animals on the aerodrome to a minimum, especially birds. The Airport is staffed 24/7 by specially trained employees – bird and animal control specialists – who use the gentlest possible methods to repel birds from the runway area.

To preserve those species of birds that are protected in Latvia, but whose presence in the territory of the Airport may threaten the safety of flights, Riga Airport has received a permit issued by the Nature Protection Board to catch and relocate these species to another, more suitable and safer place for birds until 31 December 2025.

To assess the impact of the operational activities of the airport on birds in the territory of the aerodrome, Riga Airport prepares a report once a year on the observed bird species, caught and relocated protected birds, and birds that died in collisions with aircraft. This report is submitted to the Nature Protection Board and assessed in the context of biodiversity at the Airport. If an injured animal is caught, it is handed over to the society for helping Latvian wild birds "Drauga Spārns" for veterinary assistance.



To reduce the presence of birds in the vicinity of the aerodrome, Riga Airport has included in the terms and conditions of the land lease contract the provisions for the lessees of its territories which are aimed at the maintenance of buildings and the environment, and the creation of an unattractive environment for birds and animals.

## Forest monitoring and forest restoration

In February 2023, Riga Airport completed the forest monitoring project initiated in 2018 to monitor and determine the impact of aircraft emissions on forest areas adjacent to the airport, including the "Natura 2000" territory – Beberbeķi Nature Park.

The results of the data analysis showed that the sample plots were diverse, but none of them contained anomalous or atypical species whose presence could not be explained by the interaction of other processes or environmental factors. Consequently, the monitoring did not provide evidence of aviation impacts on vegetation.

In 2019, Riga Airport signed a contract for a comprehensive forest management service, which includes reforestation, including planting and maintenance of young forest stands on the Airport's territory. In 2023, the contract included the felling of forest patches (2.39 ha) where the height of the trees exceeded the horizontal projections of the boundary surfaces of the aerodrome obstacles, as well as the removal of overgrowth in an area of 0.4 ha. 6.84 ha area of agroforestry was carried out to promote forest regeneration.



## Maintenance of the Territory of the Aerodrome

Together with the Nature Protection Board, Riga Airport applied for the research project of the EU Network for the Implementation and Enforcement of Environmental Law "Implementation of the Birds and Habitats Directive at European Aerodromes". The desired outcome of the project is to gain insight into the impact on habitats, birds, pollinators, wildlife, and their management practices at European aerodromes. The project was initially planned to run from 2022-2024 and, although the project has been approved, there is a lack of experts to implement it, resulting in delays. According to the Nature Conservation Agency, the expert visit to Riga Airport is planned for spring 2024.

## Restored and Protected Habitats

The closest specially protected area to Riga Airport is the Beberbeķu Nature Park, which is included in the list of the territories of "Natura 2000", however, the Airport has no direct influence on this specially protected nature area.

In 2022, Riga Airport signed a contract with the foundation "Ziedot.lv" to donate the fees from the passenger deposit packaging to the Latvian Fund for Nature for the conservation of Latvia's biodiversity and the restoration of disappearing natural meadows. In 2023, EUR 806.50 was donated from the packaging placed in the deposit boxes.

## CITES

The Security Department of the Airport cooperates with the Customs Administration of the SRS to prevent the illegal transportation of wild animals. Also, Riga Airport has allocated space in the terminal so that the SRS can carry out informative and educational activities in the form of various visual materials.

During the 2023 summer season, Riga Airport once again launched an educational campaign on social media, encouraging passengers to be careful and knowledgeable when choosing and purchasing exotic souvenirs abroad. In the informative campaign "I am bringing a souvenir, I am bringing smuggled goods", air passengers were reminded of the need to comply with the requirements of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), so that the importation of souvenirs is not followed by a penalty for an offense and confiscation of the souvenir.

## Employee Training

In 2023, 100 employees – X-ray operators and security check personnel – were trained to identify signs of illegal wildlife trafficking, while seven trainers from the Training Centre and from the departments were trained in ACI Europe's online course "Combat Wildlife Trafficking".

In 2023, Riga Airport Training Centre, in cooperation with the Nature Conservation Agency, organised a seminar on illegal trade in endangered animals and plants. During the seminar, the Nature Conservation Agency employees explained the principles of CITES and how to identify the products of plants and animals protected under the Convention.



## Activities for Sustainable Travelling

In order to inform the general public about the environmentally friendly travel choices that every passenger can make at home, at the Airport and at their destination, Riga Airport in 2023 implemented social media outreach activities reminding about the possibility to refill water at the Airport, as well as other environmentally friendly travel habits. Riga Airport's website offers tips and advice on how to travel in a more environmentally friendly way in the "Sustainable Travel" section.

# Ideas Competition for Employees

In January 2022, Riga Airport launched a new initiative, the "Bank of Ideas", a competition for employees, which continued in 2023. The competition is open to employees to submit ideas in several categories, and one idea related to the environment and energy efficiency was the installation of charging points in employee and short-term car parking lots. A similar idea was submitted already in 2022.

Some of the ideas submitted by employees related to the environment and energy efficiency were implemented in 2023, such as containers for used electronic cigarettes at the Airport, optimisation of the escalator in the terminal to reduce unnecessary escalator operation, the creation of an employee ride-sharing app, and the expansion of the deposit system. You can read more about the idea contest for employees in the "Bank of Ideas" section.



07

# Employees



# Employees

## 3-3

According to various studies<sup>34</sup>, Riga Airport is one of the largest and most recognizable employers in Latvia, employees of all generations of the workforce and of various educational levels work together. Many of the company's professions and the knowledge and skills necessary for work are unique in Latvia. To achieve the company's strategic objectives and implement high safety and service standards, it is important to attract, train, manage and retain professional, motivated, result-oriented, and loyal employees.

The Airport implements a personnel policy in conformity with its values – safety and security, growth, responsibility, efficiency, and openness and promotes the implementation of a modern personnel management system based on best practices. Employee selection, training, remuneration, evaluation, and labour protection systems are continuously improved, as well as professional development opportunities and employee well-being are promoted.

HRD, in conformity with the strategic objectives of Riga Airport, especially the objective "To promote the development of

the aviation industry by retaining and attracting high-quality specialists, providing growth opportunities and a work environment that promotes success", ensures the maintenance, improvement and implementation of a Unified Personnel Policy at the Airport, organises employee evaluation and development discussions, coordinates employee motivation processes, participates in the development of a collective labour agreement in cooperation with the Union of the Airport Employees of the Republic of Latvia and organises other projects related to personnel management in accordance with the Terms of Reference of the Human Resources Department.

HRD includes the following departments:

- The Human Resources Management which performs analysis and planning of personnel resources, ensures recruitment, selection and recruitment of personnel, management of personnel documents, control of working time planning and accounting, management of the process of employee evaluation and development discussions, management of salary and motivation processes, engages in the development process in management (talent, career management, succession, competence management and development, etc.) and ensures the connection of the personnel management function with business management processes.
- The Training Centre (TC), which provides training and qualification maintenance of the employees of Riga Airport,

inspections of processes and training and professionalism, determines the required set of training for each position at Riga Airport. TC cooperates with education and training centres in Latvia and abroad, attracting external training providers if necessary. TC also trains employees of other organizations.

- The Labour Protection Department which ensures the management of the labour protection system in accordance with the current regulatory enactments. Read more in the section "Employee Health and Safety".

To achieve the above-mentioned strategic objective, the HRD has defined annual performance indicators and annual achievable indicators, within the framework of which several important projects defined in the Sustainability Strategy and the following documents have been implemented in 2023:

- in the performance report of the action plan of the HRD for 2023, which provides a comprehensive overview of the performance of objectives in 2023, reflecting the planned and performed activities, achievable and actual results, deadlines, involved structural units and performance status;
- in the Plan for Work Environment Internal Monitoring;
- in the Plan for the Personnel Development and in performance of this plan for 2023;

<sup>34</sup> Source: Study of the most attractive employers 2023, KANTAR Top employer 2022, CV-Online

- in the Plan for the Implementation of the MC Strategy for 2022-2027;
- in the Plan for the Professionalism Inspections for 2023.

As Riga Airport continues to develop and the workload increases, the number of employees will reach 1,420 by the end of 2023. Read more in the section "Employee Turnover". Recruitment campaigns, career events, internships and continued cooperation with educational institutions and employment organisations were used to recruit employees. In 2023, a constant level of resources was devoted to the training of new and existing employees, in accordance with the Personnel Training and Competence Procedure. The Plan for the Implementation of the TC Strategy for 2022-2027 was developed and approved, work was continued on the modernisation and digitisation of the training process, determination of the training needs of structural units, new curricula were developed, and professionalism inspections were carried out, in accordance with the Plan for the Professionalism Inspections for 2023. In addition to the training required for the position, employees were also offered other training courses, on which you can read more in the section "Development".

From January 2023, several documents developed or updated in 2022 were introduced:

- Personnel Policy;

- Motivation Programme for 2023;
- Terms of Reference of Awards.

On the other hand, in 2023, the following major measures were implemented:

- established a Bonus Procedure;
- evaluation and improvement of certain processes and functions of the Airport, making changes to the structure of Riga Airport;
- a monthly energy resource allowance for all employees from January to March 2023;
- changes to the remuneration system, which will see salary increases from January 2024;
- the Requirements for the Determination of Employee's Salary have been developed for determining the individual salaries of employees;
- the qualification requirements/criteria with detailed descriptions and distribution of salary in conformity with the criteria for salary increase have been developed for the operational positions within the salary range (from/to);
- the work continued on the development of the PI system, in order to further link the execution of the PI plan with the receipt of the bonus;
- the amounts of several bonuses were increased (read more in the section "Salary");

- several activities for the physical health and safety of employees were implemented (read more in the sections "Well-being" and "Employee Health and Safety");
- developed an Airport mobile app for employees "e-RIX mobile", where you can report various needs, incidents and problems;
- Panorama 365, the personal self-service portal for employees, will be gradually introduced from December 2023, starting with a pilot project in the HRD and IT departments and gradually rolled out to the other departments from February 2024;
- revived the tradition of expressing appreciation and gratitude to employees for significant deeds or contributions to the operation and development of the Airport, marking important events for employees or for Riga Airport, and determining the types of awards and the procedure for granting them;
- significant attention paid to developing the skills and competences of Heads of Units, see more in the section "Manager Training";
- employees received a wide range of refresher and well-being training, see more in the section "Training Provided by the Company";
- organised exchanges of experience both within EU airports and within the local aviation business community, see more in the section "Employee Health and Safety".

# Employee Composition

## 2-7, 405-1

On 31 December 2023, 1,420 employees worked at Riga Airport.

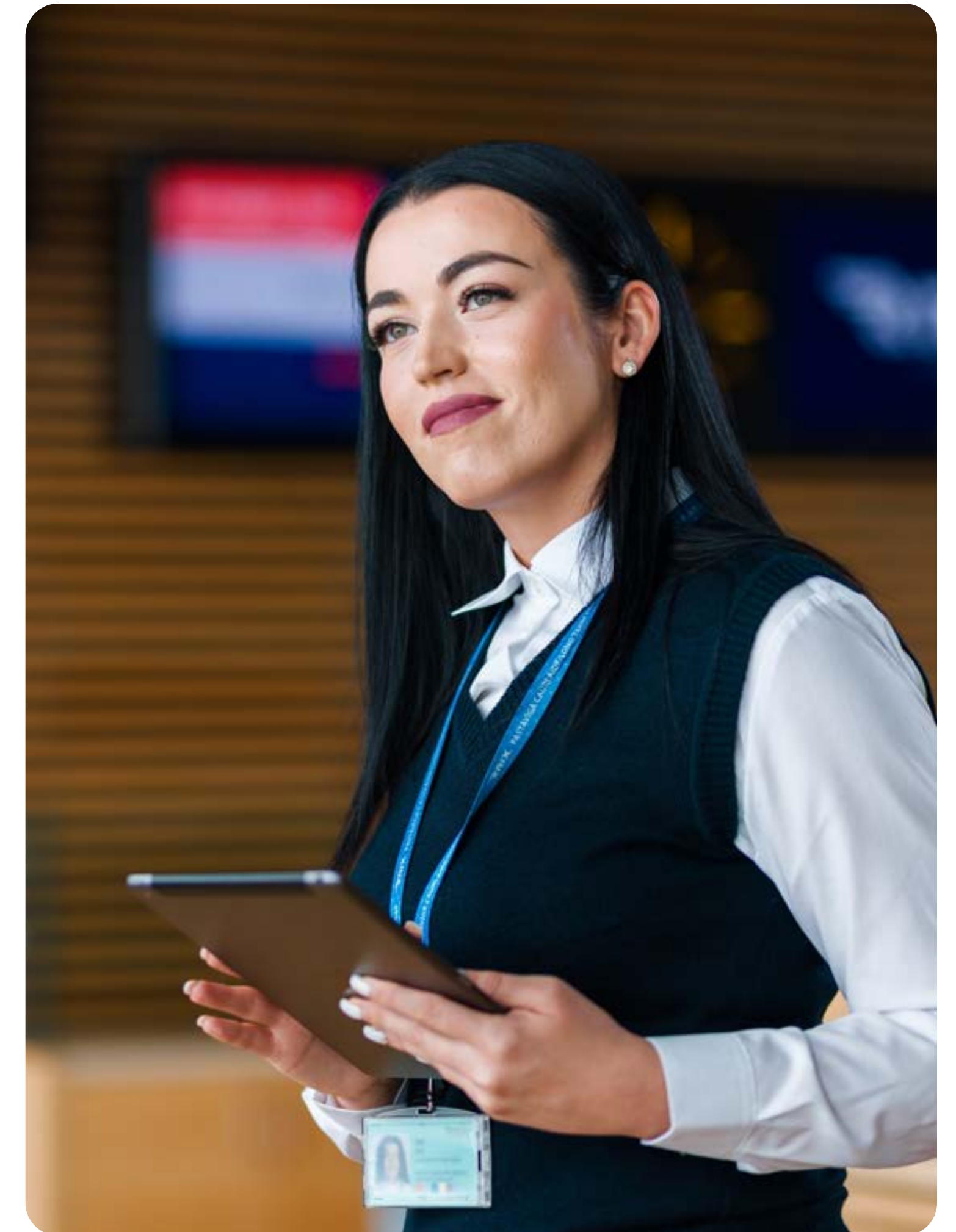
Table. Employee composition in 2023

Men	Women	Total
<b>Composition of top management (Board, directors, deputies)</b>		
57 %	43 %	
<b>Employee composition (excluding senior management, including employees on parental leave)</b>		
67 %	33 %	
<b>Permanent workers*</b>		
927	427	1,354
<b>Temporary workers</b>		
19	11	30
<b>Full-time workers*</b>		
923	435	1,358
<b>Part-time workers*</b>		
23	3	26

\* 36 employees on parental leave are not counted

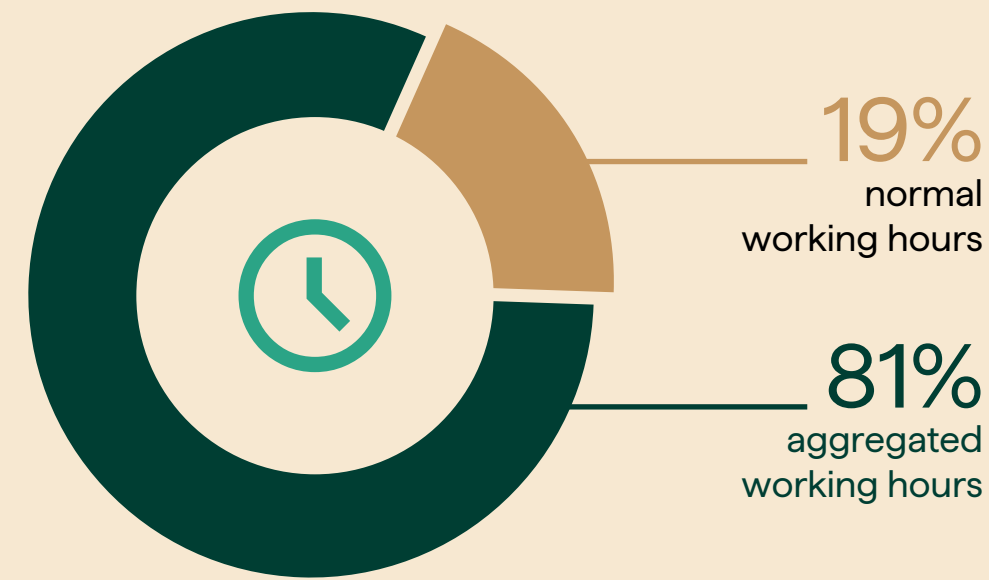
The male workforce at Riga Airport has developed historically and can be explained by the high number of technical occupations. Several Riga Airport occupations also require a high level of physical endurance and strength. For many of the professions needed at Riga Airport, the choice of education is still limited to a small number of women, thus limiting the pool of candidates, but there are changes in some areas. In 2023, women started working at Riga Airport, for example, as bus driver and aircraft service agent, and existing employees have been promoted to IT support specialist, transport systems technician-electrical mechanic, etc. because of internal competitions.

In 2022, Riga Airport joined IATA's "25by25" initiative by signing a memorandum to promote greater representation of women in the aviation industry. In 2023, the number of women in the workforce increased by 2 %, in senior management by 6 %, and the proportion of women among new recruits increased significantly, read more in section "Statistics of Newly Hired Employees".



## Working hours

Excluding senior management, excluding employees on parental leave



**Not including senior management** 80% aggregated working time

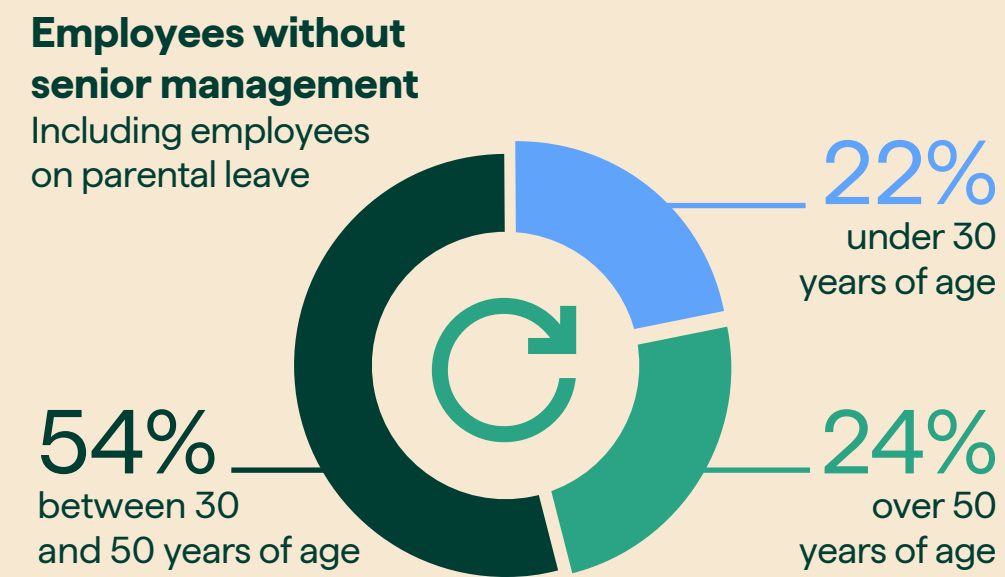
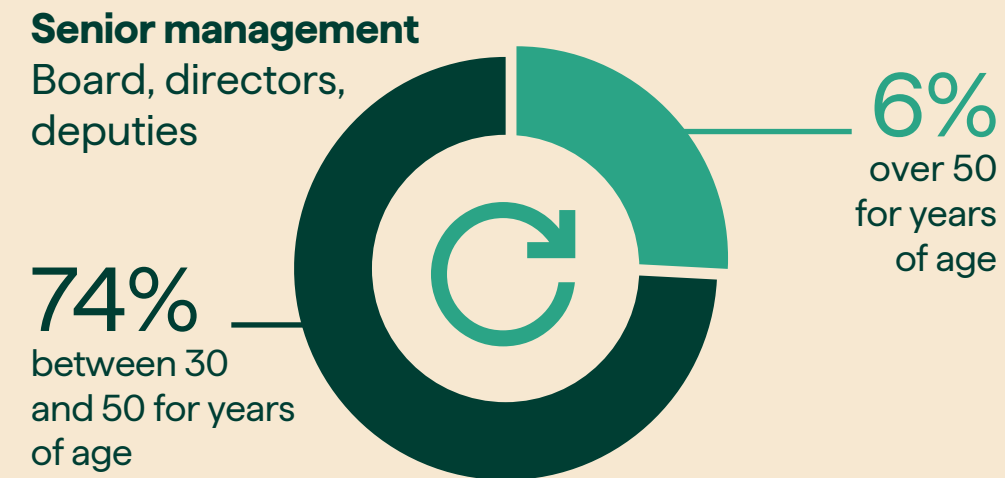
**including senior management but excluding employees on parental leave** 79% aggregated working time

**A total of were on paternity leave**  
Employment contracts entered for indefinite period

36 | 5 men

Full-time employees

## Age of employees



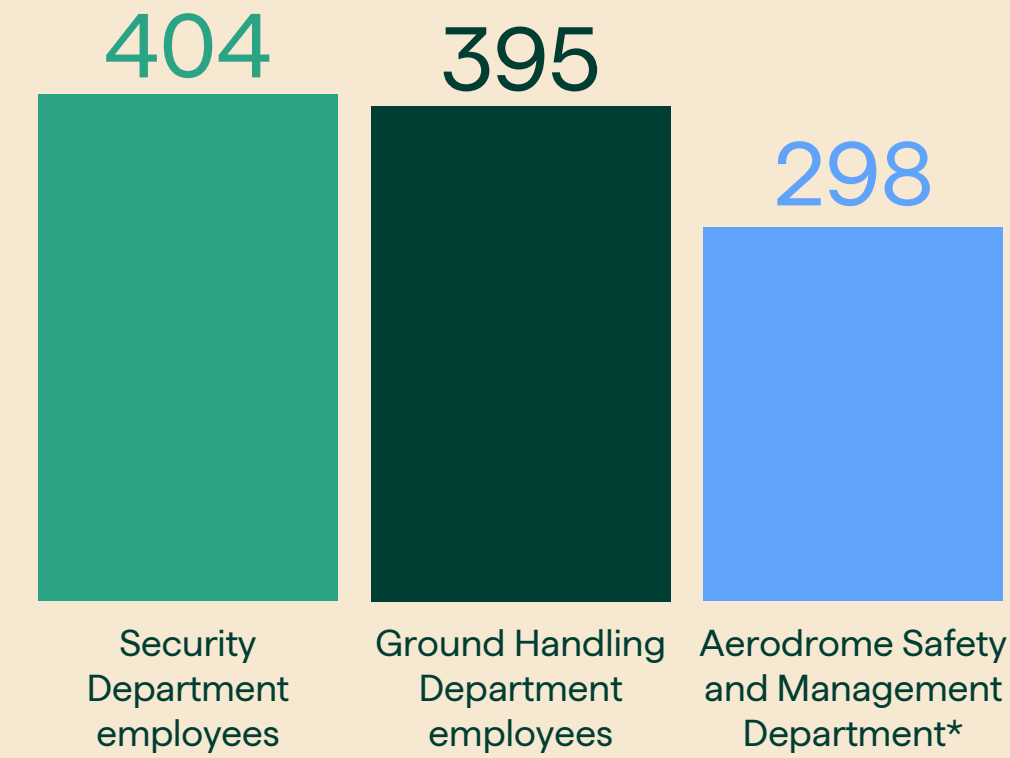
**40 years of age**  
The average age of the employees of Riga Airport  
Including employees on parental leave and top management

**42%**  
Employees have children under 18 years of age  
Including management

**2%**  
Employees work at Riga Airport with a disability

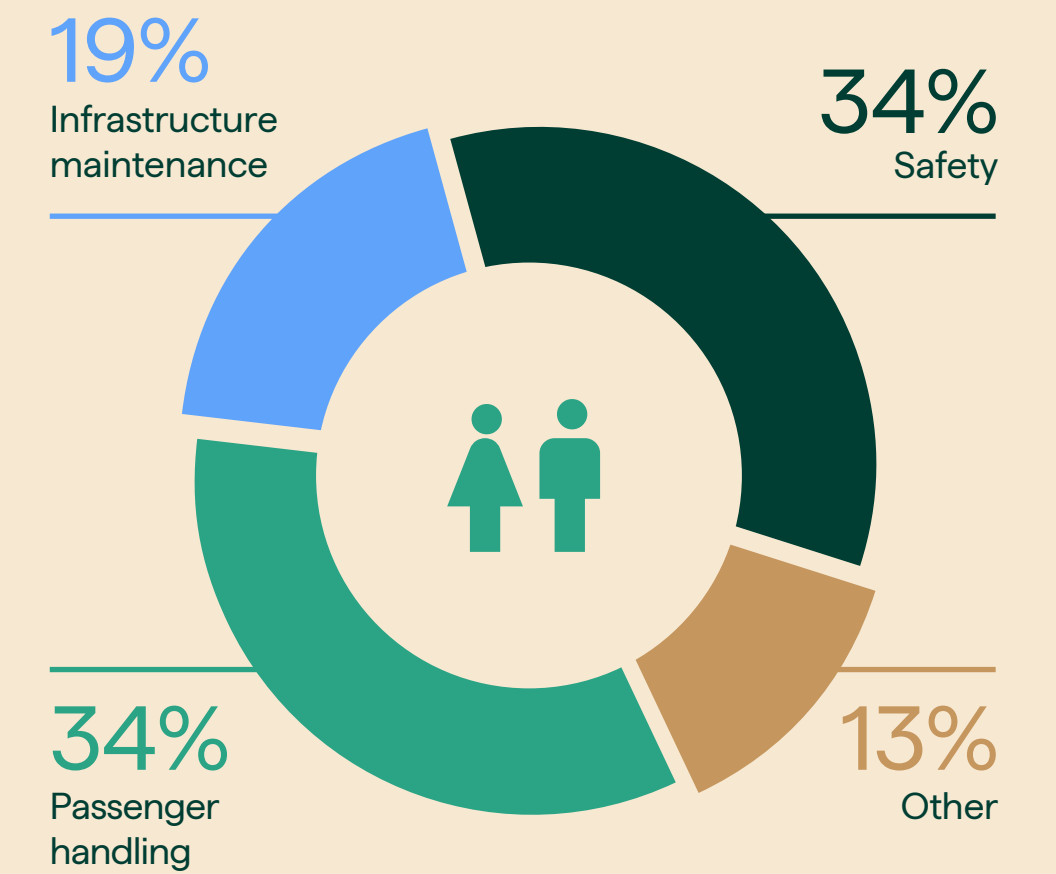
## TOP 3 departments

With the largest number of employees  
Including directors



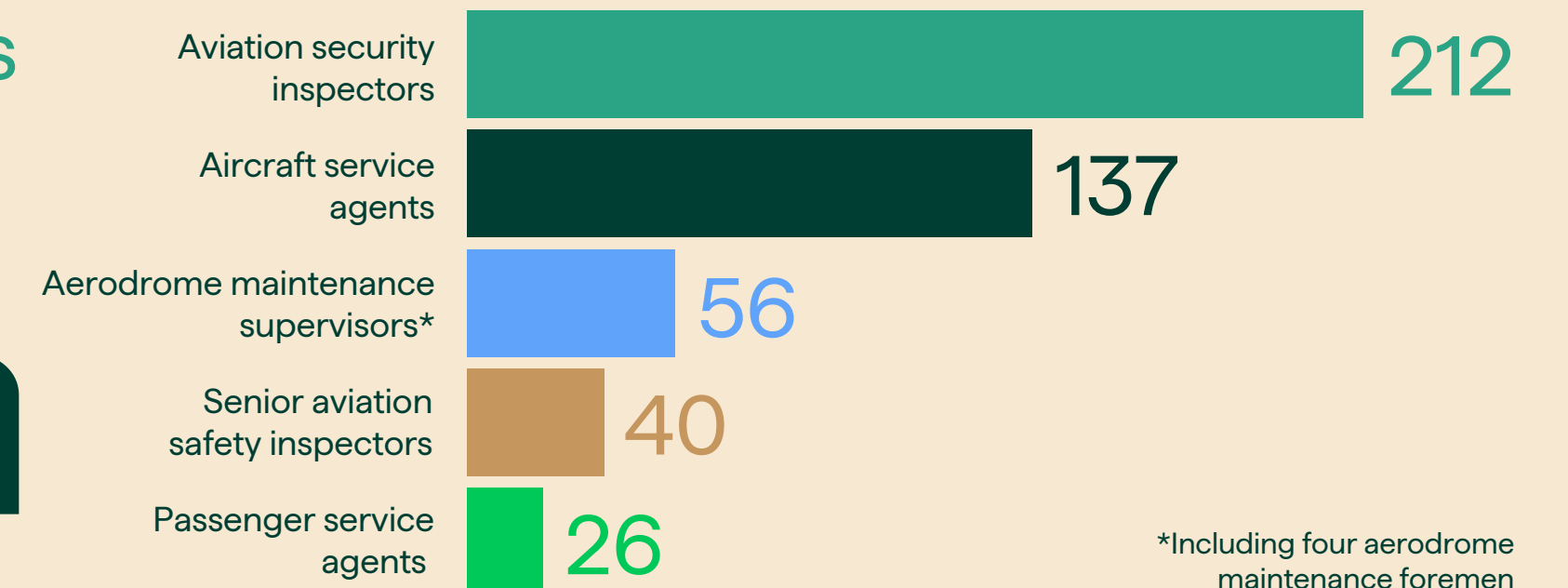
\* Including seasonal employees

## Number of employees by area



## TOP 5 positions

With the largest number of employees



\*Including four aerodrome maintenance foremen

All personnel information is maintained in the programme Microsoft Dynamics NAVISION 2018 and the current personnel list. Data is extracted from these systems and analysed as needed.

# Other Workers in the Territory of the Airport

## 2-8

In 2023, more than 6,580 employees of other organisations – employees of aerodrome service providers, employees of terminal lessees, employees of outsourced service providers, as well as employees of state authorities – worked in the territory of Riga Airport. The number of employees in 2022<sup>35</sup> was estimated at 6,866, which is an increase of 286 employees compared to 2023, however, it should be noted that the above calculations assumed 3,016 employees for SJSC Latvijas Pasts, although a large proportion of postal employees are in regional offices and there were a total of 1,451 employees in the whole Riga region in 2022, so the previous calculation differs from the calculation of 2023. In addition, the number of employees of aerodrome service providers and public authorities at Riga Airport has also changed.

<sup>35</sup> Avots: [https://www.pasts.lv/lv/par\\_mums/parskati\\_un\\_statistika/#finansu-raditaji](https://www.pasts.lv/lv/par_mums/parskati_un_statistika/#finansu-raditaji)

<sup>36</sup> Informācija ietver SIA "Air Baltic Training" darbiniekus

The number of employees of aerodrome service providers was 5,396 in 2023 (5,946 in 2022, incl. SJSC Latvijas Pasts employees, who account for the largest decrease compared to 2022). The aerodrome service providers with the largest number of employees in both 2023 and 2022 were:

- Air Baltic Corporation JSC (with 2,531 employees in 2023<sup>36</sup>, and 2,143 employees in 2022),
- SJSC Latvijas Pasts,
- Airo Catering Services Latvija Ltd. (with 160 employees in 2023 and 170 employees in 2022).

In total, the lessees of Riga Airport had 494 employees in 2023, 113 employees more than in 2022. The lessees with the largest number of employees in 2023 were:

- Riga Airport Commercial Development JSC (170 employees in 2023 and 154 employees in 2022),
- Cakes and Bakes Latvia Ltd. (90 employees in 2023 and 75 employees in 2022),
- Reitan Convenience Latvia Ltd. (62 employees in 2023 and 46 employees in 2022).

It can be concluded that the number of other employees in the territory of Riga Airport has increased compared to 2022, except for the number of employees of SJSC Latvijas Pasts, whose decrease due to the updated accounting method represents an overall decrease but does not reflect the actual situation.

Data on the number of employees were obtained from the 2022 annual accounts, as well as from direct surveys of lessees, aerodrome service providers and information on airport passes issued at the end of 2023 and beginning of 2024.

# Compensation System

## 2-20

The objective of the remuneration policy of Riga Airport is stable, always paid on time and competitive remuneration of employees with social guarantees and benefits, ensuring internal and external justice.

The remuneration system is set out in the Remuneration Terms of Reference (approved by the Riga Airport Board, approved by the Supervisory Board and the shareholders' meeting) and consists of salary, allowances and bonuses (gratuities), as well as any other remuneration related to work.

A working group was set up to develop the remuneration system, thematic webinars and brainstorming sessions were organised for Riga Airport employees, and heads of departments were

invited to give their assessment and suggestions by taking part in a survey. An external consultant was also engaged to assess the existing remuneration system and make proposals for its improvement, providing information on current remuneration trends and best practices, as well as meetings were organised, and the Airport Employees' Union and Riga Airport employees were involved in the improvement of the remuneration system.

The salary system consists of 16 salary levels. The salary level is the salary range (from/to) for certain groups of positions, within

which the salary may change based on the principles of its formation.

"Requirements for the determination of the employee's salary" have been developed for the determination of the individual salaries of employees.

The last, general changes to remuneration came into force on 1 January 2022, with the approval of a new pay system and a revision of the established salary levels for all categories.

In 2022, Figure Baltic Advisory Ltd. (formerly Fontes Management Consulting) compared the remuneration practices of Riga Airport with the general remuneration market in Latvia. The results of the salary survey showed that, at the time the survey was received, the salaries of Riga Airport employees were generally competitive, so it was decided not to review salary levels in 2023, but to look at individual cases, which was also actively done in 2023.

Several departments also revised the existing salary range as part of the review of the qualification criteria, e.g. 187 employees, or 73 % of the salary range, were subject to salary revisions as of 1 March 2023. As of April 1, 2023, 265 employees, or 68 %, have their salaries revised in the Security Department. Employees also receive salary increases when they meet the established qualification criteria, when they take on additional responsibilities and when they successfully pass their probationary period.

In total, until 31 December 2023, the salary of 842 employees was changed.

Also in 2023, Figure Baltic Advisory Ltd. carried out a comparison of Riga Airport's remuneration practices with the general remuneration market in Latvia. The results of the General Remuneration Survey show that the median monthly

The salary of airport employees is created by determining the relative value of the positions by evaluating the positions, considering the following basic criteria:



basic salary in the country has increased by 9.5 % compared to the 2022 median. The projected salary increases for 2024 is 6.9 %, 7.2 % for the Transport & Logistics sector. According to the results of the survey, remuneration at Riga Airport is competitive and in line with the market median.

A balanced remuneration system has a direct impact on the sustainability of an organisation. The remuneration policy implemented at organisational level is the instrument used to attract, retain, and develop relevant employees.

Latvia and the world are currently under pressure from high inflation, rising energy prices and the prices of related goods and services. As the Bank of Latvia has forecast, headline inflation in the euro area is expected to contract, but core inflation (excluding food and energy prices) is expected to be more resilient on the back of rising labour costs and strong demand in the services sector. The high inflation experienced in the past and a tight labour market, which increases employees' bargaining power with employers, are reflected in faster wage growth.

To support employees in connection with the increase in the prices of energy resources during the heating season, at the end of 2022, it was decided to pay a monthly benefit in the amount of EUR 200 (before tax) to all employees whose probationary period has ended on the day the benefit is paid,

except for seasonal employees. Benefit payments took place from January to March 2023.

According to publicly available information<sup>37</sup>, the Covid-19 pandemic and Russia's full-scale invasion of Ukraine have transformed economies and labour markets elsewhere in Europe and here in Latvia. After the pandemic, the Latvian labour market lost some of its workforce. The demand for workers remains high. In Latvia, wage growth is being driven by a shortage of workers, while high inflation is also boosting wage growth. As the national unemployment rate changes, so do wage dynamics. When unemployment is relatively low and the labour market is short, employers are forced to compete, not only by offering higher wages in job vacancy advertisements, but also by increasing the wages of existing employees to prevent them from moving elsewhere.

Considering the above, the salary levels for all job categories at Riga Airport have been revised with effect from 1 January 2024, with an overall increase of 9 % on average.

The planned changes to the establishment plan are based on several aspects, including the above considerations, the current vacancy situation (hardest and most difficult to fill vacancies), employee rotation, the results of the salary survey and the labour market situation.

Arranged WL, reducing/optimizing the number of sub-levels/ warps, incl. revised position hierarchy/ structure. The increase in the minimum wage to EUR 700 is considered, managers' salaries are reviewed and posts for which salary changes have been made this year are additionally examined.

Also in 2024, employees who work on a compressed working time will continue to receive overtime pay every two months instead of every four.

There are several types of allowances at the Airport:

- for overtime;
- for night hours (from the first hour of the night);
- for working on holidays;
- for additional work, scope of work, intensity, etc.;
- for work in short shifts of up to five hours.

The procedure for awarding bonuses to Airport employees shall be laid down in the Remuneration Terms of Reference. At Riga Airport, the bonus is an additional reward for particularly successful performance, recognising an employee for outstanding and exemplary work. Bonuses are incentive-based, not regular and compulsory. The amount of the bonus depends on individual performance, as well as on the fulfilment of

<sup>37</sup> <https://www.em.gov.lv/lv/latvijas-makroekonomiskais-apskats>

departmental/divisional tasks, performance, and performance evaluation, as well as on the overall performance of Riga Airport. The amount and conditions of the bonus shall be decided by the Board. The maximum number of bonuses to be paid in any one calendar year may not exceed four salaries of the employee.

Further work on employee motivation processes and linking PI performance to the receipt of a bonus has led to the development of a Bonus Procedure. Its purpose is to establish a fair and consistent procedure for awarding bonuses to employees of Riga Airport in accordance with the provisions of the Remuneration Terms of Reference, including linking the bonus process to the performance of Riga Airport, a department, and an individual. It is planned to apply the procedure in 2024.

## Collective Labour Agreement

### 2-30

The Collective Labour Agreement concluded between Riga Airport and the Union of Airport Employees of the Republic of Latvia promotes the protection of the legal, economic, and social

interests of employees in addition to the requirements laid down in legal acts. In 2023, the Collective Labour Agreement applied to 99 % of the employees of Riga Airport (excluding seasonal employees), whose probationary period has ended. The Collective Labour Agreement applies not only to the members of the trade union, but to all employees of the company.

The current version of the collective labour agreement was approved on 6 March 2020 at the general meeting of the representatives of employees, concluding the work on changes to the collective agreement that began in 2019.

Since 2020, seven employee trustees have been elected at the general meeting of employees, who are actively involved in representing the interests of employees, for example in labour protection processes, working groups, etc. As of 31 December 2023, five trusted persons were working at Riga Airport.

During the Covid-19 pandemic, the payment of certain financial benefits was suspended due to a significant drop in Airport revenues. As the situation improved, the procedure stipulated in the Collective Agreement was fully restored in 2023.

In accordance with the Labour Law, all issues of labour law (including wages) and labour protection apply equally to all employees.

## Anti-discrimination and Equal Opportunities

### 3-3, 406-1, 405-2

Gender quotas are not defined at Riga Airport. The company respects gender equality – employees are recruited and employed based on the requirements of the position – the potential to learn and the ability to perform the duties and tasks, – and the qualifications required for the position. The selection of employees takes place in compliance with labour law norms, legal principles of equality and non-discrimination, confidentiality regarding the information provided by applicants and the selection process. At the end of the job interview, the interviewed candidates confirm with their signature or in writing in an email that no discriminatory questions were asked during the selection.

In 2022, when updating the Code of Ethics, it included the prohibition of different treatment and discrimination based on gender, race, skin colour, age, disability, religious, political or other beliefs, national or social origin, financial or family status, sexual orientation or other conditions.

This prohibition is also contained in the Personnel Policy, which stipulates that the Airport shall comply with the above-mentioned prohibition of disparate treatment and discrimination set out in the Code of Ethics when establishing an employment relationship and during the employment relationship, when promoting an employee, determining working conditions, remuneration or professional training or qualification advancement.

On 8 November 2022, Riga Airport joined IATA's gender equality initiative "25by2025", which aims to promote greater representation of women in the aviation industry by 2025. The commitment was signed on behalf of the Airport at the IATA conference "Wings of Change" in Istanbul by Laila Odiņa, the Chairperson of the Board of the company. IATA's voluntary gender equality initiative "25by2025" was launched to raise awareness of the need to improve the representation of women in the aviation industry and to create opportunities for the development of all talent, regardless of gender.

Employees can report cases of discrimination using the reporting intranet tool "Violations of the Code of Ethics". More information about the reporting tool is available in the section "Ethics, Anti-corruption Policy and Prevention of Conflict of Interest".

No case of discrimination was reported at Riga Airport in 2023. Read more in the section "Communicating on Critical Issues".

At the Airport, there is no gender pay gap<sup>38</sup>. All employees have the same and clearly known opportunities. Read more about salary determination in the section "Remuneration System".

Riga Airport is committed to opening its work opportunities to the diversity of society:

- participated in an evaluation organised by the Society Integration Fund (SIF) and was awarded the status of a family-friendly workplace for two years, also participating in the SIF grant competition "Family Friendly Workplace" and implementing a project with the funding received.
- submitted its annual report and carried out a self-assessment of HR practices in IATA's gender equality activities in aviation organisations under "25by2025";
- participated in the diversity evaluation organized by SIF and won the Silver category as "Employer open to diversity";
- participated in the Diversity Mentor Program organized by SIF, learning, and sharing experience on the implementation of diversity initiatives.

<sup>38</sup> Remuneration survey in 2023, Figure Baltic Advisory; Airport Remuneration Policy

# Employee Health and Safety

## 3-3

Since Riga Airport is a facility of increased danger, one of its main core values is safety and security. The safety and security of the Airport employees, passengers, guests, and business partners is the foundation of the decisions, processes and actions of Riga Airport.

Riga Airport has adopted and annually updates a Safety Policy aimed at eliminating or minimising risks and hazards related to the operation of the Airport in the field of flight safety, which includes the commitment of the senior management to comply with the requirements set for the operation of the Airport and to continuously improve the details related to the safety and security of the Airport and the awareness of every employee that any process or activity is closely related to safety and only by continuously complying with and improving the safety requirements can incidents and accidents be prevented. Several theses of the Safety Policy implementation emphasise the basic principles of occupational safety, such as providing a safe working environment, ensuring that all employees can participate in the development and maintenance of safety by evaluating each employee's recommendations, providing the

opportunity to report safety incidents or violations, ensuring that only properly trained personnel operate the aerodrome.

The safety and occupational health of the Airport's employees, as well as other employees working on the Airport's premises, is ensured by highly developed safety management and occupational health and safety systems. They help to create and maintain safer and healthier working environments daily, where harmful risk factors are eliminated or reduced to a minimum through a range of preventive measures. Riga Airport invests in promoting the health and well-being of its employees and improving the working environment, including working conditions.

Considering the specifics of the operation of the Airport and the large number of employees, 87 employees have been identified and trained accordingly as responsible for labour protection at Riga Airport, who are responsible for the labour protection of employees under their subordination on a daily basis within the framework of their competence. All persons responsible for occupational safety and health are designated by order and are trained internally at the Airport once every three years in occupational safety and health through a specially developed Riga Airport internal occupational safety and health training programme "Occupational Safety and Health Training for Heads of Departments and Instructors HRD 0531 P".

In connection with the broad spectrum and specifics of the operation of Riga Airport, occupational safety specialists manage 40 occupational safety instructions, 33 dangerous equipment, more than 1,200 measuring equipment, six occupational safety training programmes, approximately 55,275 assessed work environment risks per year (number of positions multiplied with harmful risk factors of the working environment per year), more than 40 harmful risk factors of the working environment to which employees are sent for mandatory health examinations, approximately 40 types of personal protective equipment and 80 types of work clothes and work shoes.

In 2023, the resources of occupational safety and health officers were largely occupied with organising occupational safety and health training for employees and implementing corrective action/preventive measures for accidents at work. In the second half of the year, the Labour Protection started an in-depth study, collection and transfer of workwear, uniforms, and footwear from the Finance Department (work continues in 2024). In the second half of 2023, the Labour Protection also participated in various exchanges, sharing good practices in labour protection with other companies:

- the Airport was awarded 2nd prize in the "Golden Helmet" occupational health and safety competition, sharing best practices on how the company is working to mitigate the impact of climate change on working conditions and employee health and safety;

- On 14 September, the Airport hosted a day-long social initiative experience exchange visit, during which 20 representatives from different companies had the opportunity to see the Airport's daily work and processes, including learning and experiencing how the Airport ensures the highest standards in both the working environment and aviation safety;
- On 20 October, participated in the autumn forum of the social initiative "Mission Zero" with a presentation of best practice experiences, which focused on an important issue for employers and employees – human physical health, health checks and preventive measures to preserve working capacity;
- On 21 November, at the launch of the State Labour Inspectorate's Public Awareness Campaign "Be Safe at Work!", the Airport participated in the campaign's opening conference with an educational presentation on the organisation of labour protection in enterprises on the theme "Teamwork is Power!";
- On 8 December, within the framework of the European Social Fund project "Improving the practical implementation and monitoring of labour safety legislation", the Employers' Confederation of Latvia organised a study tour on labour protection practices, which was attended by 21 labour protection specialists from various companies.

Likewise, the team of occupational safety specialists continued to perform daily tasks - monitoring the dangerous equipment and measuring devices of the Airport, conducting surveys to control compliance with occupational safety requirements both for the employees of the Airport and in the construction works taking place on the territory of the Airport, organising employee mandatory health checks for employees, assessment of work environment risks and develop binding documentation, etc.

Riga Airport annually develops a plan for the internal monitoring of the working environment, which defines the tasks to be performed in the field of labour protection. Once a quarter, reports are given to the Chairperson of the Board for fulfilling the tasks and the document report is available to all employees in the internal document management system of the Airport.



## Occupational Health and Safety Management System

### 403-1, 403-8

The labour protection system and organisational procedures at Riga Airport are created based on the laws and regulations of the Republic of Latvia and the labour protection requirements laid down in the company. Labour protection requirements are regulated by the Labour Protection Manual, which is approved by the chairperson of the Board. The Manual entered effect on 31 October 2022. With its entry into effect, the procedure of the Labour Protection Organisation was annulled. The Manual includes information on duties and responsibilities in labour protection, labour protection measures, internal monitoring of the working environment, methodology for the assessment of the risks of the working environment, employee training in the field of labour protection, mandatory health examinations, personal protective equipment, dangerous equipment, measuring devices, accidents at work and near accidents at work, as well as labour protection monitoring and control, which applies to all structural units of the Airport and is binding on all employees of Riga Airport.

In the field of labour protection, the duties, rights and responsibilities of the employer, heads of structural units and

employees at Riga Airport are defined. The maintenance, provision and development of the occupational health and safety system is the responsibility of the HRD's Labour Protection, which consists of three specialists in the field of occupational health and safety: the Head of Labour Protection, the Senior Labour Protection Officer, and the Labour Protection Officer. All the Airport's occupational safety and health specialists have the appropriate professional qualifications for their duties: two have a Master's degree in occupational safety and health and one has a Bachelor's degree in occupational safety and health and the qualification "Senior Occupational Safety and Health Specialist". In spring 2023, a new post of Working Environment Specialist was created in the Working Environment Unit of the Human Resources Department, with the responsibility of ensuring a holistic approach to organising, maintaining, and improving working environment processes, including the promotion of well-being in the working environment.

The HRD Labor Protection was established in 2021. It is led by a head of occupational health and safety, who is responsible to a senior occupational health and safety officer (who deputises

for the head of occupational health and safety in absentia), an occupational health and safety officer and an occupational environment officer. The structural unit is subordinate to the HRD director.

<p>Workplaces and equipment improved, employee workstations, break rooms and kitchens inspected</p> 	<p>Development of a Work Environment Policy has been started, which will include a coherent approach to the allocation and maintenance of employee work and rest facilities and equipment</p> 
<p>Organized educational events to improve the health of employees, incl. physiotherapist classes at the Airport</p> 	<p>Organised surveys of employees on the working environment and well-being</p> 
<p>Work has begun on the improvement of uniform clothes and shoes, which will continue in 2024</p> 	

The Plan for Internal Monitoring of the Work Environment of the Airport for 2023 was harmonised and approved on 15 January 2023, which determined the organisation of labour protection issues in the company for 2023.

Commitments to achieve safety objectives are set out in the Safety Policy. The Airport's safety objectives for 2023 were approved on 15 February 2023 and include a labour protection objective to prevent occupational accidents (disabling) and injuries (non-disabling), within the processes controlled by the Safety Management System, to employees exceeding 0.95 cases per 1,000 flights.

The employees working in the Airport's controlled area are not included in the occupational health and safety system of Riga Airport, however, based on the requirements of EC Regulation No. 139/2014, Riga Airport has a Safety Management System involving all employees of organisations performing work in the controlled area of Riga Airport. Read more about the Safety Management System in the "Safety and Security" section.

The labor protection system certification audit is planned for 2024. For more information on the compliance of the SMS and aerodrome operation and maintenance processes with the requirements of the binding regulatory enactments, see the section "Conformity Monitoring".

## Hazard Identification, Risk Assessment and Accident Investigation

### 403-2

In accordance with the Safety Policy and the SMS manual, a voluntary reporting system has been introduced and is maintained at Riga Airport. It stipulates that the management of the Airport and other companies operating at the Airport shall undertake not to impose criminal sanctions against whistle-blowers, unless the safety incident was caused by negligence, intentional act, or omission.

Information on measures needed to improve the working environment, including hazardous situations and inadequate working conditions, is obtained from:

- employee trusted persons, with whom meetings are held periodically to discuss all the latest information on both personnel and occupational health and safety issues;
- "Helpdesk" applications;
- general email of labour protection: [darba.aizsardziba@riga-airport.com](mailto:darba.aizsardziba@riga-airport.com).

All requests are always answered by the occupational health and safety officer or referred to another relevant unit.

One meeting was held in 2023 with the Chief Trustee to discuss current topics and issues, both on occupational health and safety issues and staffing issues.

Within the framework of 2023, just as in 2022, labour protection specialists of Riga Airport were actively involved in the briefings of the employees of the Aircraft Services of the Ground Handling Department, informing employees about accidents that occurred in the structural unit, as well as creating a feedback loop, inviting employees to express themselves about similar or other dangerous situations at the workplace, where there is a possibility of injury to employees, as well as listening to recommendations that could prevent hazards at the workplaces.

More information about the internal regulations that determine the actions to be taken in the event of an accident at work is available in the section "Accidents at the Workplace".

For more information on internal regulations and procedures for assessing workplace risks, see in the section "Assessing Workplace Risks".

## Evaluation of the Risk Factors of the Working Environment

### 403-4, 403-10

The semi-quantitative 9×9 point method is used as the basic method in assessing the risks of the Airport's working environment, which is based on control questions suitable for the company's scope, resulting from legislation and practical experience, and with the help of which the risk factors of the working environment at the workplace are determined and the preventive measures to be taken for the prevention or reduction thereof. An auxiliary method for assessing the risks of the working environment is the SGR-A method (for moving weights by hand) and the SGR-B method (pushing, pulling weights) for determining ergonomic risks.

The assessment of the risks of the working environment takes place in accordance with the approved internal monitoring plan of the working environment for 2023, using the above-mentioned methodology, which is included in the Manual of Labour Protection, in the development of the documentation of the assessment of the risks of the working environment.

Within the framework of the risk assessment of the working environment, an inspection of the working environment (workplaces and types of work therein) is carried out in each structural unit at least once a year, determining the factors of the working environment existing in the working environment and the identified factors that pose or may pose a risk to the safety and health of employees. After conducting work environment risk assessment surveys, the work environment risk assessment documentation is prepared - workplace and type of work risk assessment statements, list of mandatory health checks, list of personal protective equipment, statement on the work environment indicative measurements and plan for the preventive measures in work protection.

In accordance with the Semi-quantitative method, the determination of the degree of risk of each risk factor of the work environment is calculated by multiplying the probability of the risk by the degree of the risk consequences. If the calculation results in a risk level III (tolerable risk) or higher, risk mitigation measures are taken. In such cases, the plan of preventive measures in labour protection is prepared, determining the responsible employees and deadlines for the implementation.

In 2023, the assessment of the risks of the working environment took place in all structural units of Riga Airport – in 11 departments, four units and 33 departments. Employees and trusted persons or representatives of employees, after the approval of the work

environment risk assessment documents, are provided with the opportunity to familiarise themselves with the work protection documentation binding on their department/structural unit, including the work environment risk assessments for the workplace and type of work, the list of mandatory health checks, the list of personal protective equipment, protocols of indicative measurements of the working environment and plans for the preventive measures in labour protection.

The Collective Labour Agreement and the Labour Protection Manual provide for the involvement of employees in the improvement of the labour protection system, as well as define and describe the procedures of the labour protection organisation in order to improve the safety and health protection of employees at work. Workplace risks shall be assessed by occupational health and safety experts, with the additional involvement of the head of the unit concerned or his/her delegated representative, the line manager, persons in a position of trust or employee representatives and employees who work in the workplace and are familiar with it. In 2023, trustees participated in 17 accident investigation commissions and three departmental occupational risk assessments - the Ground Handling Department, the Commercial Department and the ASMD. In addition to the assessment of the risks of the working environment, 19 workplace survey acts have been registered in 2023, for the fact that inspections of compliance with labour protection requirements have been carried out at workplaces.

The labour protection instructions and the combined equipment use and labour protection instructions specify the conditions of the working environment harmful to the health the employee, as well as the prohibition to start and continue work if damage to the equipment/equipment is detected which may endanger the health of the employee. Within the framework of 2023, six labour protection instructions and seven instruction manuals were revised and updated, and one was recreated. Two of the revised and updated occupational safety instructions were included in the "Partner Portal" section of the Airport's website (access only for registered users), as the scope of both occupational safety instructions was extended and adapted to all employees working at Riga Airport.

## Reporting Procedure

The procedure for reporting accidents that have occurred or almost occurred is regulated by the Labour Protection Manual. The reporting procedure is also defined in the section "Labour Protection Requirements in Emergency Situations" of each labour protection instruction, where the actions of employees in the event of damage to work equipment, first aid and fire, and when a situation threatening human health and life has arisen are described.

In May 2023, the Airport's internal app "e-RIX" was launched, which allows users to use the Airport's "HelpDesk" functions, including the submission of requests for incident and problem resolution, including on labour protection issues. The app is free and available to all Airport employees by logging in with their email and password.

If the information from an employee is obtained through the incident reporting system, and the employee reports a threat to the safe operation of the aerodrome caused by his or her actions, and if his or her actions were not malicious, the information provided may not be used to punish the employee.

## Investigation of Accidents at Work

In 2023, a total of 27 occupational accidents occurred at Riga Airport (to Riga Airport employees), all classified as non-serious. In 2023 (and 2022), Riga Airport has not received any warnings from the State Labour Inspectorate for infringements, non-compliances, or penalties.

Every accident at work was investigated in accordance with the procedures laid down in Cabinet Regulation No. 950 of 25 November 2009, Procedures for Investigation and

Registration of Accidents at Work, as well as in accordance with the procedures laid down by Riga Airport in accordance with Order No. 22/37B, Regarding the Action of Responsible Persons After an Accident at Work, when investigating an accident at work together with the accident investigation commission.

The investigation of work-related accidents at Riga Airport is provided for in the document Labour Protection Manual, Section 13, Accidents at Work and Near Accidents at Work, where the general requirements, reporting procedure, investigation procedure of accidents at work, registration, and accounting of accidents at work are stipulated.

Both the Labour Protection Manual and in Order No. 22/37B, Regarding the Action of Responsible Persons After an Accident at Work, determine the action of responsible persons after an accident at work, procedure how accidents are investigated, and the composition of the accident investigation commission is determined.

Every accident at work is investigated by the employees of the Airport in the following composition:

- the higher manager of the victim,
- the immediate manager of the victim,
- a labour protection specialist,
- a trust person,

- the manager of the SMS or representative thereof.

If the victim has suffered serious or potentially serious health problems, or the victim has died, then the accident at work is investigated by the investigation commission established by the State Labour Inspectorate, which includes two labour protection specialists from the part of the Airport, who have been granted necessary powers by the Board of Riga Airport.

During the investigation of accidents, preventive and corrective actions are determined, which were also recorded in accident investigation reports, which are submitted to the State Labour Inspectorate, with the aim to prevent the recurrence of specific and similar accidents. For example, sending for a repeated mandatory health check-up, unplanned labour safety training of employees and informing about accidents, improvement and replacement of work equipment, development of instructions, improvement of infrastructure, repeated briefing, etc. Starting from 2023, accidents at work are recorded in the Riga Airport Non-Compliance Register to enable more effective follow-up of the implementation of the preventive – corrective – actions prescribed for accidents at work.

After each accident at work, occupational safety reports about accidents at work are prepared which include a description of the accident situation, the description of the victim's injury,

the cause of the accident and certain preventive actions that everyone can follow daily to prevent the recurrence of similar accidents (in 2023, a total of 33 reports on accidents at work). All occupational health and safety messages are included in the safety briefings, freely available in the public folder on occupational health and safety and posted on departmental notice boards.

Following the investigation of accidents at work, approval and receipt of the binding documents, meetings are held with the injured worker on his/her return to work to discuss the incident with the injured worker's line manager and the occupational safety manager and to identify additional preventive actions. Often during the meeting, information is obtained from the employees about the necessary improvements in the field of labour protection.

The SMS unit organizes working group meetings once a month, where the working group discusses current safety incidents, incl. cases that occurred in labour protection – accidents, near-accidents, potential hazards in the work environment, etc. The SMS also regularly organises safety committees, where safety incidents, including work-related injuries, are discussed among representatives of all companies working on the aerodrome, including representatives of the Airport's Labour Protection Department.

# Accidents at the Workplace

## 403-9, LA6

One of the strategic objectives of Riga Airport, which also includes concerns for labour protection and employee health and safety, is to promote the development of the aviation industry by retaining and attracting high-calibre specialists, providing opportunities for growth and a working environment conducive to success.

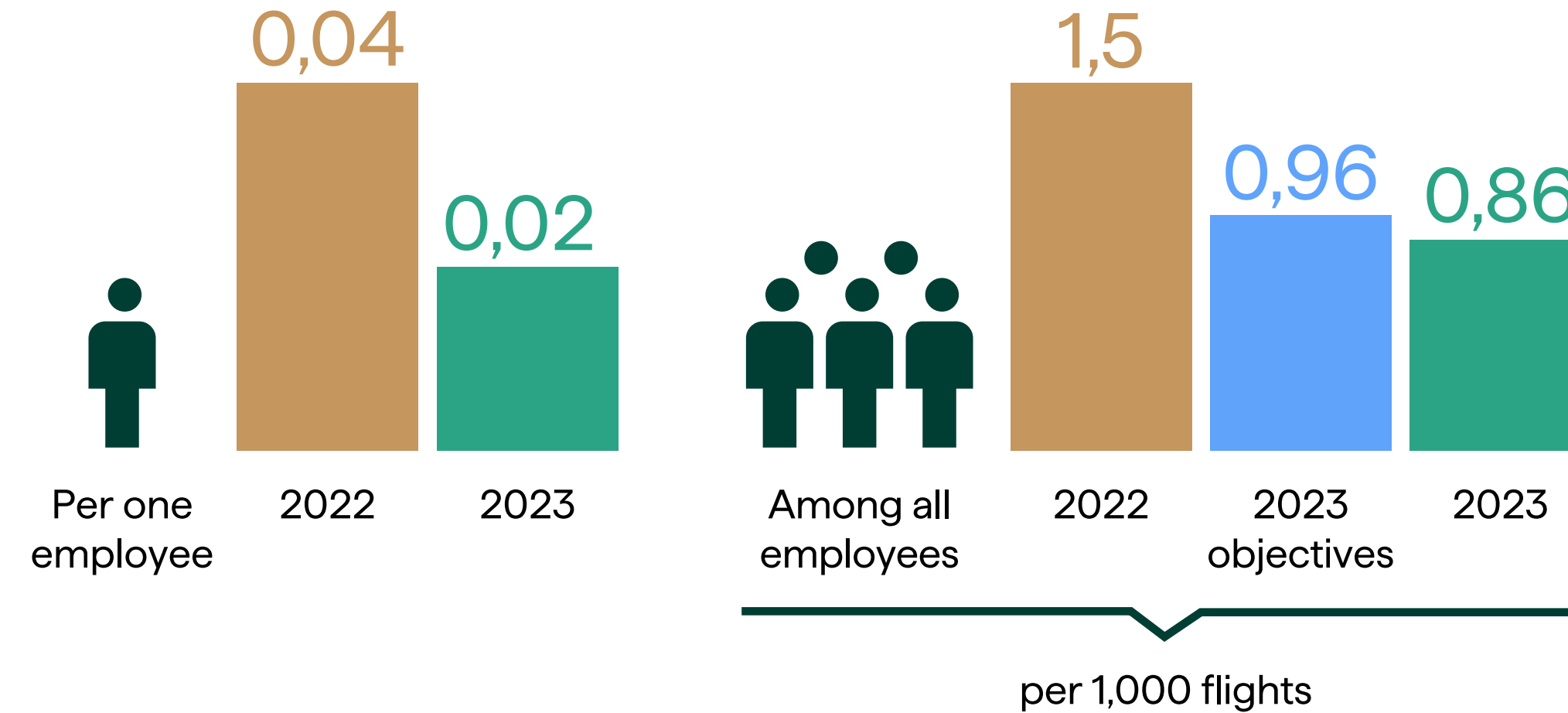
### Set objectives for 2023

Rate of occupational accidents at Riga Airport



### Occupational accidents registered in 2023

Rate of occupational accidents registered at Riga Airport



Number of Occupational Accidents (OA)

#### for Riga Airport employees in 2023

Total Number of OA	OA severity classification		
	Health problems, not serious	Serious health problems	Fatal consequences
27	27	-	-

#### For employees of companies working at the Aerodrome

2	The Airport does not have access to information on the severity classification of OA of employees of other companies		-
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Number of almost happened OA<sup>39</sup>

#### for Riga Airport employees in 2023

Total number of OA	Without loss of working capacity	With loss of working capacity	Fatal consequences
30	30	-	-

In addition, two meetings of the Commission for almost accidents at work were organised in 2023, identifying causes and preventive actions.

<sup>39</sup> Data on almost accidents are not recorded for employees of companies working at the aerodrome.

The statistics on accidents at work in 2023 show that every month at least one work injury occurred at Riga Airport – the highest number of work injuries occurred in June (eight cases, five of which were almost accidents, three of which were disabling) and October (seven cases, five of which were almost accidents, two of which were disabling), and the lowest number of work injuries occurred in September (one almost accident).

The highest number of disabling accidents at work occurred in November 2023 (4 cases), due to the impact of adverse weather conditions – strong gusts of wind and heavy snowfall resulting in slippery surfaces. With the beginning of the summer season (end of March – end of October), the number of flights increases and so does the amount of work to be done, which results in work rushes, employee fatigue and other conditions that contribute to an increase in work-related injuries. The tendency for work injuries to increase in the summer season due to the high volume of work and in the winter season due to adverse weather conditions has also been observed in previous years.

In 2023, the most injured parts of the body are the limbs – fingers, hands, ankles, feet. As in other years, back injuries also feature in the list of injured body parts, but, unusually for previous years, in 2023 there were two cases of hip injuries.



The main health problems experienced were superficial injuries and dislocations, sprains, and strains. Compared to 2022, the number of health problems in which a worker sustains a fracture has decreased significantly. The main types of injuries are related to impingement, compression of various parts of the body, injuries received in connection with physical tension in the muscles and skeletal system, as well as the impact of objects in motion. Evaluating the statistics of accidents at work in recent years, it has been found that mostly men suffer from injuries. Most accidents at work are caused by workers moving awkwardly, not paying enough attention to the work at hand or slippery surfaces caused by adverse weather conditions.

The following measures were organised at Riga Airport in 2023 to reduce the number of accidents at work:

- updated departmental notice boards on occupational health and safety issues – personal protective equipment, accidents at work, safe working methods, etc;
- updated occupational safety training programmes and curricula to include occupational safety reporting of accidents at work;
- unscheduled workplace safety briefings organised in the injured workers' workplaces;
- participation in employee briefings by representatives of the Labour Protection Department, where employees are told about work-related accidents and almost accidents, invited to express their opinions and visions on how to improve work protection and the working environment, and reminded of safe working practices to avoid work-related injuries in everyday life;
- if any of the work injuries resulting from accidents are related to necessary improvements in personal protective equipment, personal protective equipment was tested on the employees themselves for at least one month before a new type of personal protective equipment was purchased (for 2023, mechanical gloves based on work accidents with hand/finger injuries and hard hats based on head injuries were tested);

- if any of the work-related injuries were related to work equipment, improvements were made to the work equipment (slip-resistant floors, handrails, additional safety devices);
- if any of the work-related injuries caused by accidents were due to insufficient coverage of the requirements that the worker should comply with during the performance of his/her duties, changes were made to the binding documents (manuals, instructions for use, etc.) to include additional requirements in the area of occupational safety and health;
- to prevent similar work accidents and to reduce almost accidents in the long term, additional equipment was provided to ensure a safer working environment (shoe cleaning brushes and additional mats to prevent slipping on wet flooring indoors, a Swedish wall for Aircraft Handling Department employees to promote warm-up/warm-down before/after exercise);
- organised physiotherapy sessions in the gym under the guidance of a physiotherapist, aimed at improving knowledge on measures to reduce the negative effects of physical activity to prevent work-related injuries caused by sprains.

<sup>40</sup> Data on the gender breakdown of hours worked by the Airport employees started to be compiled from 2022.

<sup>41</sup> Employee composition (excluding senior management, including employees on parental leave)



**Total number of hours worked by the Airport employees<sup>40</sup>:**

	2021	2022	2023
Total number of employees	1,165	1,388	1,420
Employee composition <sup>41</sup> (%)	33 % women, 67 % men	31 % women, 69 % men	33 % women, 67 % men
Number of hours worked by men (h)	-	1,584,944.9	1,582,537.25
Number of hours worked by women (h)	-	650,596.7	712,202.20
<b>Total (h)</b>	<b>1,642,848</b>	<b>2,235,541.6</b>	<b>2,294,739.45</b>

It is not possible to summarize the total working hours of employees working at the aerodrome (including employees of external organisations).

# Occupational Diseases

## 403-10, LA6

Occupational diseases of employees at Riga Airport are investigated and determined in accordance with the binding Cabinet Regulations and the established procedures of the Airport. In 2023, the occupational disease was reported and was confirmed for two employees (in 2022 – two), of which one employee continues to work, one – terminated the employment legal relationship. Occupational diseases are related to diseases of the joints and spine, which are mainly contributed by such health-damaging and dangerous risk factors of the work environment as physical exertion (forced work postures, moving weights, etc.), general body vibration and psycho-emotional risk factors.

To reduce the risks of occupational diseases and to assess the time of exposure to employees in aspects where it is possible, measurements of the risk factors of the working environment are carried out – both indicative and laboratory. Managers and employees under their authority receive the necessary information about the risk factors of the work environment on regular basis and can also freely access risk assessments of the work environment in the internal network of Riga Airport.

All employees of the company receive labour protection reports prepared by labour protection specialists, which discuss current labour protection issues. These reports are also available in occupational safety training programmes. Information on labour protection issues is provided in the e-RIX intranet, in email – in the mailing lists "e-RIX Reports" and "Labour Protection News". Riga Airport provides new work equipment and trains employees in the use of equipment, as well as replaces technologically outdated equipment with modern solutions.

One workplace hygiene report was prepared in cooperation with the State Labour Inspectorate in connection with occupational disease applications from Riga Airport employees in 2023.

The labour protection organisation and procedure at Riga Airport apply to all employees.

# Training of Employees on Occupational Health and Safety

## 403-5

Employee training at the Riga Airport is the basis for promoting safety culture awareness. The procedures for employee training in occupational safety are determined by the Labour Protection Manual and Order No. 23/80B, Regarding the list of Positions which Ensure and Carry out Labour Protection Instruction at the Workplace. Employee training in the field of labour protection includes introductory training, labour protection briefings and thematic training on a specific labour protection issue.

Introductory training of new employees in labour protection takes place on their first day of work. In 2023, all new employees, including interns, as well as employees returning from a long absence and seasonal employees, received introductory training in labour protection. Labour protection briefing at the workplace was carried out for all employees of Riga Airport with periodicity once or twice a year, depending on the assessment of risks of the working environment related to the position.

In accordance with Order No. 23-84B, Regarding the Procedure for Training Employees in the Field of Food Hygiene, employee training was held regarding the procedure in the field of food hygiene in the company, by training 35 employees in total in 2023.

In accordance with Order No. 23-43B,  
**Regarding the Training of Employees in High-risk Jobs,**  
 external training in high-risk jobs took place, by training in total in 2023:

In accordance with Order No. 23-61B,  
**Regarding the Assignment of Personnel Servicing Hazardous Equipment and the Periodicity of Training**  
 the following training was held in servicing of hazardous equipment:



## Educational campaigns for employees on occupational safety

During 2023, the HRD's Labour Protection Department was active in developing various education campaigns for employees on occupational safety and health:

- once a quarter, all employees of Riga Airport are informed about the statistics of accidents at work, in which a summary of accidents at work and near accidents at work has been created; once a year, employees are informed about the statistics of accidents at work in the previous year;
- in May, a step challenge among Airport employees was held, where participants competed on a mobile app to see how many steps they had walked in a month. During the challenge, employees were regularly informed about the positive effects of walking on both health and the environment;
- in July and August, physiotherapy classes were held in the gym of the Internal Safety Department, with the possibility for any Riga Airport employee to participate in the classes;
- in autumn, a series of five occupational safety videos was produced on common workplace risk factors at the Airport – handling heavy loads, psycho-emotional stress, working

- with computers, increased noise and working outdoors – the myths and the truths behind them. The video series was distributed to all employees via the "E-Rix Report" newsletter, and episodes of the video series were included in employees' occupational safety and health training content and posted on departmental information screens;
- October was Occupational Safety and Health Month, where workers were encouraged to move around – replace elevators with stairs (video), take a break from the computer and exercise (visuals), and received other daily occupational safety tips;
  - as part of the Occupational Safety and Health Month, from mid-October until the national holiday, the HRD Labour Protection Department challenged employees to get moving and take breaks to go geocaching at RIX Geocaching spots around the Airport;
  - from October to December, physiotherapy sessions were held under the guidance of a physiotherapist to improve employees' knowledge of measures to reduce the negative effects of physical strain and to prevent work-related injuries caused by sprains.

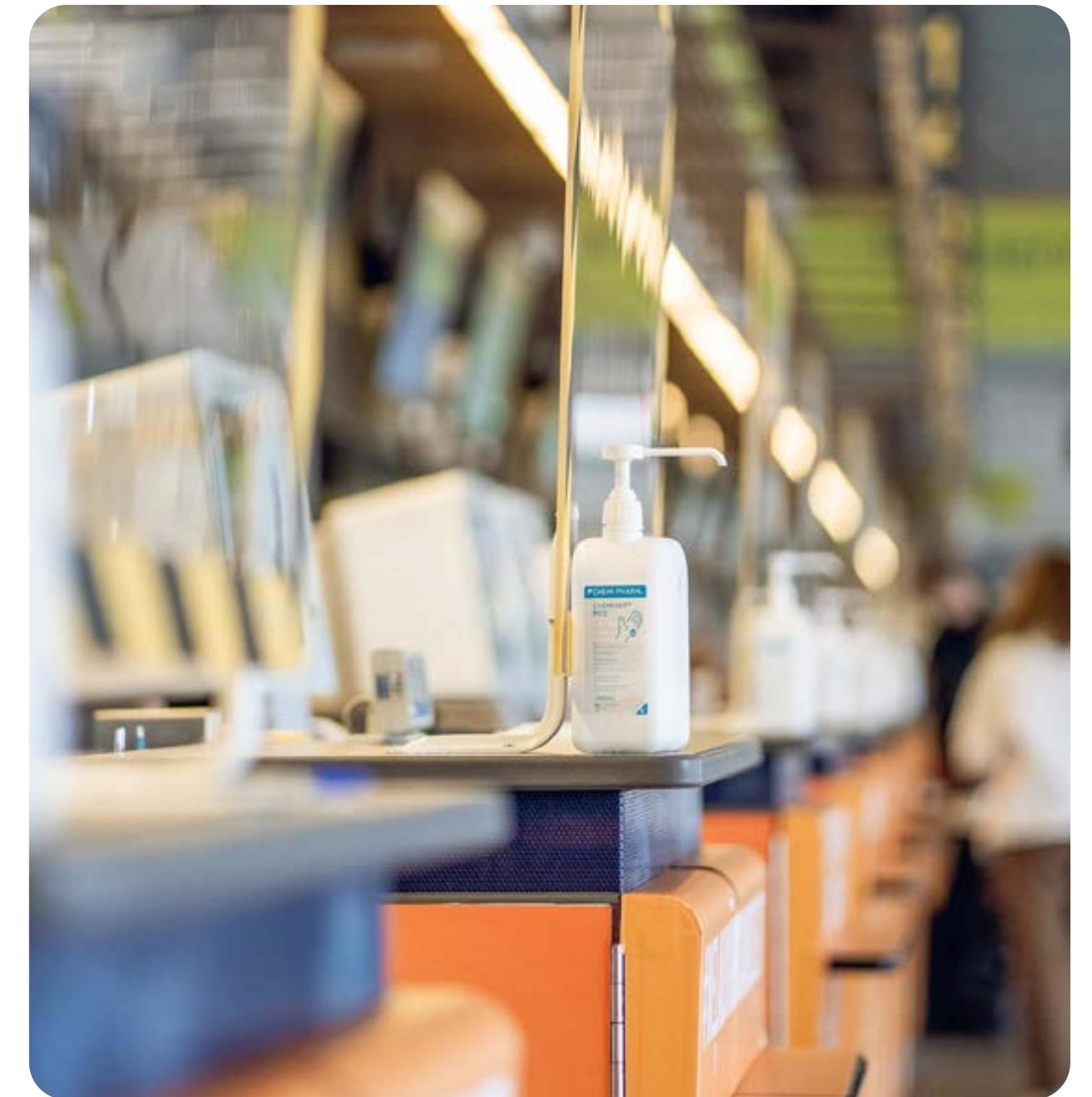
Other measures to reduce accidents at work are described in more detail in the section "Accidents at Work".

## Epidemiological safety measures

Riga Airport constantly provides clear and comprehensible information about the epidemiological safety measures implemented in the company and how both arriving and departing passengers should act. The employees were informed about the current and national labour protection and health measures with special orders – safety statements, which are updated according to the procedures established in the country for ensuring epidemiological safety. Current information was communicated to employees by email.

Also in 2023, Riga Airport continued to respect and comply with the measures to restrict Covid-19 in accordance with the state regulations, recommendations of specialists and good practice. Measures at the Airport:

- hand and surface disinfectants, protective face masks, and other protective means are provided;
- provided voluntary testing of employees, applying current regulations;
- employees provided with self-tests;
- in structural units where a higher level of infection has been observed, disinfection of common areas has been carried out by engaging a certified external service.



The Airport also encourages its employees to get vaccinated against tick-borne encephalitis, Covid 19, flu, etc. In addition, in 2023, more than 40 employees were vaccinated against flu in the workplace.

# Health of Employees

## 403-6

Health of employees is one of the priorities of the personnel policy of Riga Airport, paying more and more attention not only to physical, but also to mental health, which was also separately highlighted when updating the Personnel Policy.

To preserve the confidentiality of the data and health data of the employees of Riga Airport, the company performs the following actions:

- health information is stored and transferred in compliance with confidentiality and data protection requirements (closed cabinets/closets, electronic documents protected by a password, issued to the employee only to the work email or in person upon presenting a personal identification document);
- information is available only to those employees whose job duties include working with it;
- data is processed to the minimum necessary extent;
- the circulation of information on health insurance services takes place between the employee himself/herself and the insurer.

# Health Insurance

All employees who have completed their probationary period, except for seasonal employees, are provided with a health insurance policy in accordance with the Collective Labour Agreement. In the cases specified in the Collective Labour Agreement, the policy is retained by the employee even after the termination of the legal employment relationship. The policy has wide service coverage and limits, incl. health checks, vaccinations, doctor's consultations and examinations, outpatient and inpatient care, rehabilitation, dentistry, sports, and critical illness insurance.

Following the needs of employees and the situation in the field of medical services, new paid services such as psychotherapist visits have also been included in recent years. When purchasing the 2023 policy, the range of mental health professionals was expanded, oncology treatment was extended and the company purchased an open policy, which allows medical services in non-standard situations to be covered at the request of the employee.

A health insurance policy provides employees with a sense of safety, as it is possible to receive medical services more promptly, promoting the detection and treatment of diseases

in their early stages, which, in turn, contributes to faster recovery, and it also includes health promotion measures. The health insurance policy provides that employees can receive health care services without paying with personal funds, including at the outpatient medical facility located in the territory of the Airport, at contract institutions in the amount of 100 %. Employees also have the option to purchase a policy for their first-degree relatives.

The purchase of the policy is organised by the procurement commission – representatives of the PD, the Procurement Department, the largest structural units and the Union of the Airport Employees of the Republic of Latvia, attracting experts in the field of medical services and insurance, taking into account employee feedback and survey results, overall service usage statistics for employees of the Airport, the market situation - in medicine and insurance and budget possibilities of Riga Airport.

Once a year, the PD surveys employees about the health insurance service and analyses the statistics on the use of the policy and, based on the information obtained, tailors the policy coverage to the employees' needs as far as possible.

190 employees, or 14 % of the number of employees covered at the beginning of the policy period, participated in the survey carried out in July 2023. Satisfaction with the insurance policy has increased in all six areas assessed, compared to the previous insurance period. Given that the content of the policy has changed minimally compared to 2022, the rating can be explained by employees' appreciation of the health insurance policy and its ease of use.

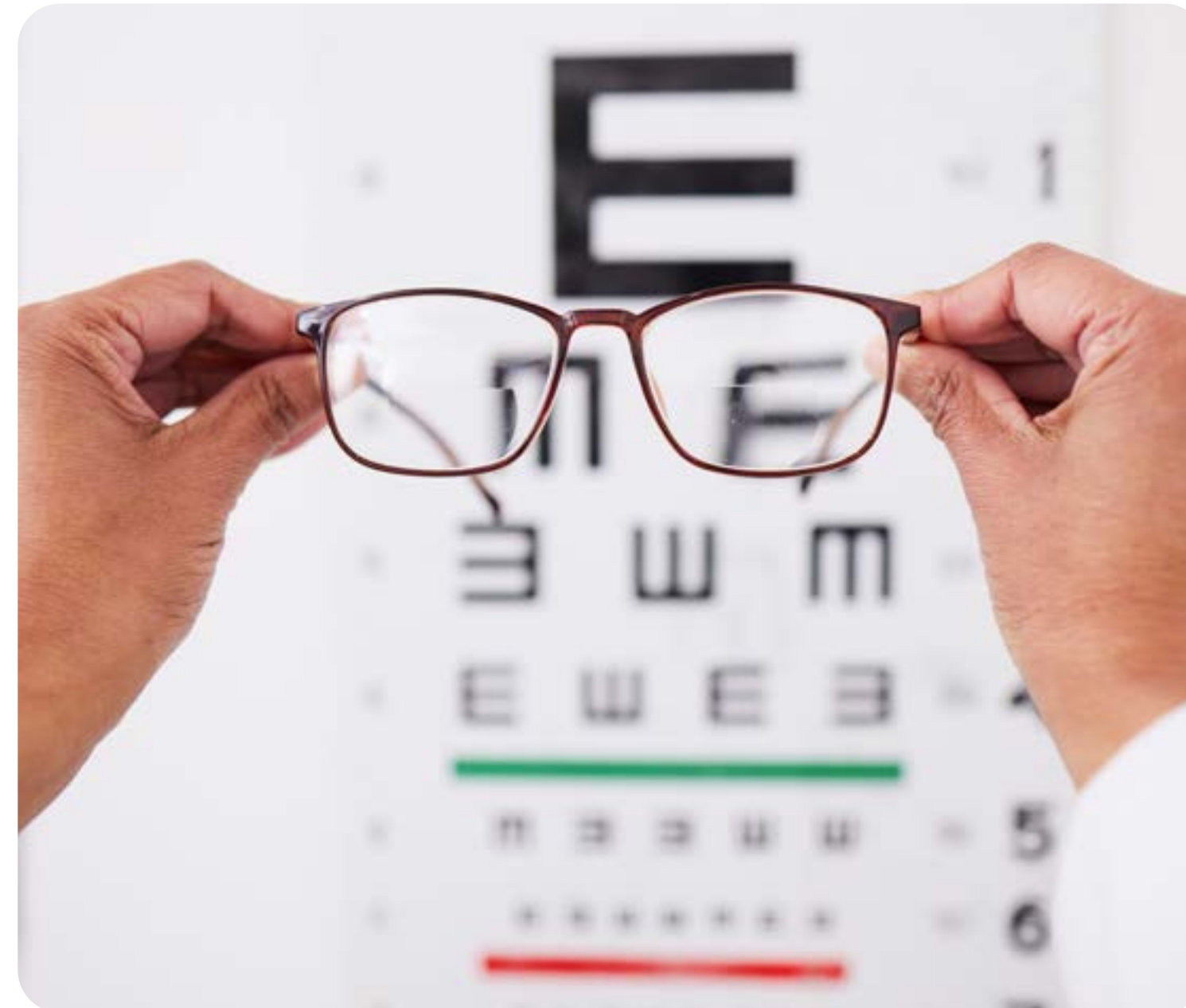
The Health Insurance Procurement Committee and the Airport management have been doing their utmost in the last two years to maintain the current policy coverage, which requires significant additional resources, despite price increases in the medical services and insurance sector.

Employees receive information about health insurance services:

- from HRD in their emails and individual consultations;
- in the "Health" section of the intranet;
- once a month during a meeting with the insurer's representative.

## Other Health Promotion Activities

There is a medical centre in the passenger terminal of Riga Airport. Employees can turn to it in case of injury, sudden illness, or deterioration of their health. The medical centre works around the clock, seven days a week and provides first



aid and medical consultation. The medical centre actively cooperates with labour protection specialists, for example by sending information about occupational injuries that occur in the territory of the Airport, including employees of other companies. The medical centre sends information to the Labour Protection Department and the SMS Assurance Team for every injury to employees of companies working in the territory of the Airport.

There is an outpatient medical facility in the territory of the Airport, where services can be received promptly, as well as mandatory health examinations can be performed, and they can be paid for with a health insurance policy.

Medical optical vision correction products are paid for employees within the laid down limit once every two years. In case of long-term and/or serious illnesses, in accordance with the Collective Labour Agreement, employees are granted an allowance if the expenses are not covered by the health insurance policy or the state. In 2023, Riga Airport paid the expenses of the child's treatment for 11 employees, as well as paid other health-related expenses for 11 employees.

## Healthy diet activities

Riga Airport is constantly making sure that employees can follow the basic principles of a healthy diet. All departments have kitchens for employees to eat takeaway meals, food can be bought and eaten on the Airport premises, drinking water is provided for employees and separate health promotion campaigns are organised.

In 2023, Riga Airport organised a wider set of events on healthy diet, also involving employees' family members, as dietary choices are closely linked to household dietary habits.

The project "Healthy diet activities for the well-being of employees and their families" was organised with the support of the Society Integration Fund within the framework of the programme "Family Friendly Workplace" financed by the Latvian state budget.

Several events were held within the project:

- a webinar by a nutritionist, followed by a recording of the webinar on healthy diet;
- published information, recipes and tips on healthy diet on the intranet and via email;



- a competition for employee recipes and a nutrition masterclass, attended by family members of employees;
- individual consultation of a nutritionist for employees.

As part of the project, Riga Airport recruited a nutrition student, who took part in organising and conducting a masterclass, researched the nutritional value of the food on offer at the airport and made dietary recommendations for employees working on shifts. All employees were provided with an online lecture series "Freedom to eat – healthy and without restrictions" for six months.



## Mental Health and Well-being

Since 2020, Riga Airport has been purposefully organising activities to maintain and improve the mental health of its employees, considering the global challenges faced by society in recent years. The most important in 2023:

- the health insurance policy includes three mental health specialist consultations;
- HRD regularly collects and sends open access webinars, including in the field of well-being and mental health, to heads of structural units;
- informative materials and contacts are available on the intranet of Riga Airport, to whom to turn in case of psycho-emotional crises, information about offers and opportunities is regularly communicated to employees by email;
- At the end of 2022, Riga Airport started cooperation with the "LU Open Minded" platform. As part of the cooperation, in 2023, several training courses devoted to mental health issues were connected to all employees for six months. Read more about this initiative in the "Training Provided by the Company" section.

## Sports

Riga Airport believes that the provision of various sports activities is important for the health of employees, as well as joint sports unites the company's employees and creates a positive microclimate which is also an essential part of promoting health and well-being. Also in 2023, the company, in cooperation with the LV Airports Employees' Union, provided employees with the opportunity to participate in various sports activities by providing paid football, basketball and volleyball lessons and partially paid hockey lessons.

In 2023, the Airport team also participated in the most important mass sports events – the RIMI Riga Marathon and the World Running Championships. 52 employees of Riga Airport and their children were represented in the RIMI Riga Marathon team, and 22 Airport employees took part in the World Running Championships. Participation in sports tournaments – Mārupe Municipality Basketball League, Riga Football League, and 6th Aviation Cup competition in indoor football.

In 2023, the annual Riga Airport Employees' Sports Games were held, organised by the Airport in cooperation with the Latvian Airport Employees' Trade Union. 473 Airport employees

and their family members took part in them. During the day, 10 teams competed in various sports disciplines. A wide range of activities was also available for children during the games. The progress of the games was covered in the employee Facebook group of the Airport #RIXmīlsavējos.

Also, employees of Riga Airport had the opportunity to participate in sports events in which participants start individually – in the run "Stirnu buks" and the bike ride "Vienības velobrauciens". On average, 30 runners and Nordic walkers from the Airport's team took part in the "Stirnu Buks" trail run in 2023 (the Airport paid the participation fees for 187 participants in all stages), while 12 riders took part in the bike ride "Vienības velobrauciens". The most active members of "Stirnu buks" shared their experiences in the Airport's internal newsletter "e-RIX reports", thereby promoting the interest of other colleagues in this sports activity.

On the airport's intranet "e-RIX" employees have access to a range of recommendations for online, remote, or outdoor exercise opportunities through a health insurance policy. The health insurance policy of the employees of Riga Airport covers the costs of a variety of sports classes, including subscriptions – classes in sports clubs, swimming pools, sports dances, ice skating, etc. within the framework of laid down limits.

As every year, the Riga Airport team took part in the charity football tournament organised by the logistics company DHL and the Latvian Football Federation, where they won first place. All funds obtained at the event – EUR 8,200.00 – were donated by the tournament organisers to the needs of the Latvian SOS Children's Villages Association football team, providing young people with everything they need to play football daily.



# Employee Skills and Development

## 3-3, 404-1

Work in the aviation industry requires responsibility, precision, knowledge, and diligence, therefore, by providing appropriate training, Riga Airport takes care of both the development of the potential of employees and the responsibility of employees in providing quality services. It is organized and largely ensured by the structural unit of Riga Airport – TC.

The professional knowledge of TC of Riga Airport is acquired not only by the employees of the Airport, but also by employees of companies working at the Airport and lessees of the Airport, as well as specialists of various Latvian and foreign aviation and other industries. TC training is conducted by professional instructors who have qualified in ICAO (International Civil Aviation Organisation), IATA, ACI and other internationally important training institutions of the industry and who have both theoretical and practical knowledge of the topics of the training courses. TC also cooperates with other Latvian and foreign training centres, creating joint training projects. The training centre develops and delivers specialised training programs in compliance with the requirements of binding regulatory documents and good practices.

Since May 2020, TC has been in modern and comfortable premises specially adapted for the organisation of training. The existing infrastructure is sufficient for TC to successfully provide training, even with an increase in the number of trainees.

The policy and procedures of personnel training and professional development are defined in several documents: Personnel Policy, Procedure for Personnel Training and Competence, and Personnel Management Manual, Aerodrome Operating Manual etc.

The data on the number of training hours by employee position categories and genders cannot be obtained now, as several systems used are not mutually compatible, but in 2024 it is planned to finish a new training accounting system that will allow data to be collected in different categories, including position categories.



# TC Strategy

In 2021, the HRD TC development strategy for 2022-2027 was developed and approved in December. To implement the strategy, the Plan for the Implementation of TC Strategy for 2022-2027 was developed and approved in January 2022 – a detailed action and time plan which defines the actions planned within the tasks to be implemented, the expected time for the implementation of the actions, the expected result and deadline. In accordance with the Plan for the Implementation of TC Strategy in 2023:

- development and implementation of a new LMS training platform solution that meets the current requirements and airport training specifics;
- the training programmes to which the new training model and various digital solutions can be applied have been evaluated and identified;
- technological solutions identified and a specification for the implementation of virtual reality in the training process to be developed in 2024;
- to support various opportunities for cooperation, the functionality of the TC website and customer attraction materials were developed.

In 2023, TC continued existing and developed new opportunities for the cooperation in both the international field, for example with ACI Global Training and with the airports of Georgia, Uzbekistan, and Kazakhstan, as well as with local organisations. TC also provides a lot of training for civil servants and other organisations working at the Airport.

## Provision of Skills and Raising of Qualifications

### 404-2

When starting work, the company provides each employee with the professional training necessary for the job, as well as further qualification improvement measures during the paid working time. For all new employees, the training required for the position lasts from two days to several weeks, depending on the position.

Training formats for Riga Airport employees:

- face-to-face training;
- remote trainings – live broadcasts;
- e-training or self-learning training;

- combined training – using e-training, live broadcast and/or face-to-face training.

Types of training for Riga Airport employees:

- initial and repeated training, mostly in the fields of ground handling, aviation security and aerodrome handling;
- unplanned trainings – after an incident, negative process trends, management order, significant changes in the airport's operation, structure, binding processes and regulatory documents;
- practice;
- training that is not in the form of training required for the position and whose procedure is described in the Personnel Management Manual, for example, partially or fully paid studies at a university or training courses.

In addition to the above-mentioned training, several learning opportunities are constantly offered for the development of employees, which can be used voluntarily, on one's own initiative. Considering the results of the annual development discussions and the established development objectives, as well as the opinion of employees about the learning and development experience during the last year, this type of training will be maintained in 2024. The trainings organised by the training centre constantly receive a high rating, in 2023 the average rating was 4.79 points (out of 5).

# Training Provided by the Company

Heads of structural units determine the necessary set of training for each position, which is included in the form of training required for the position. In accordance with the laid down form of training required for the position, training is organised by the TC or the structural unit itself. On average, one employee spent 6 hours in training within TC provided programmes in 2023, excluding the courses acquired by self-learning (that can be learned at their own pace), as well as voluntary training, such as online mini-lectures or participation in voluntary training courses for employees on various topics.

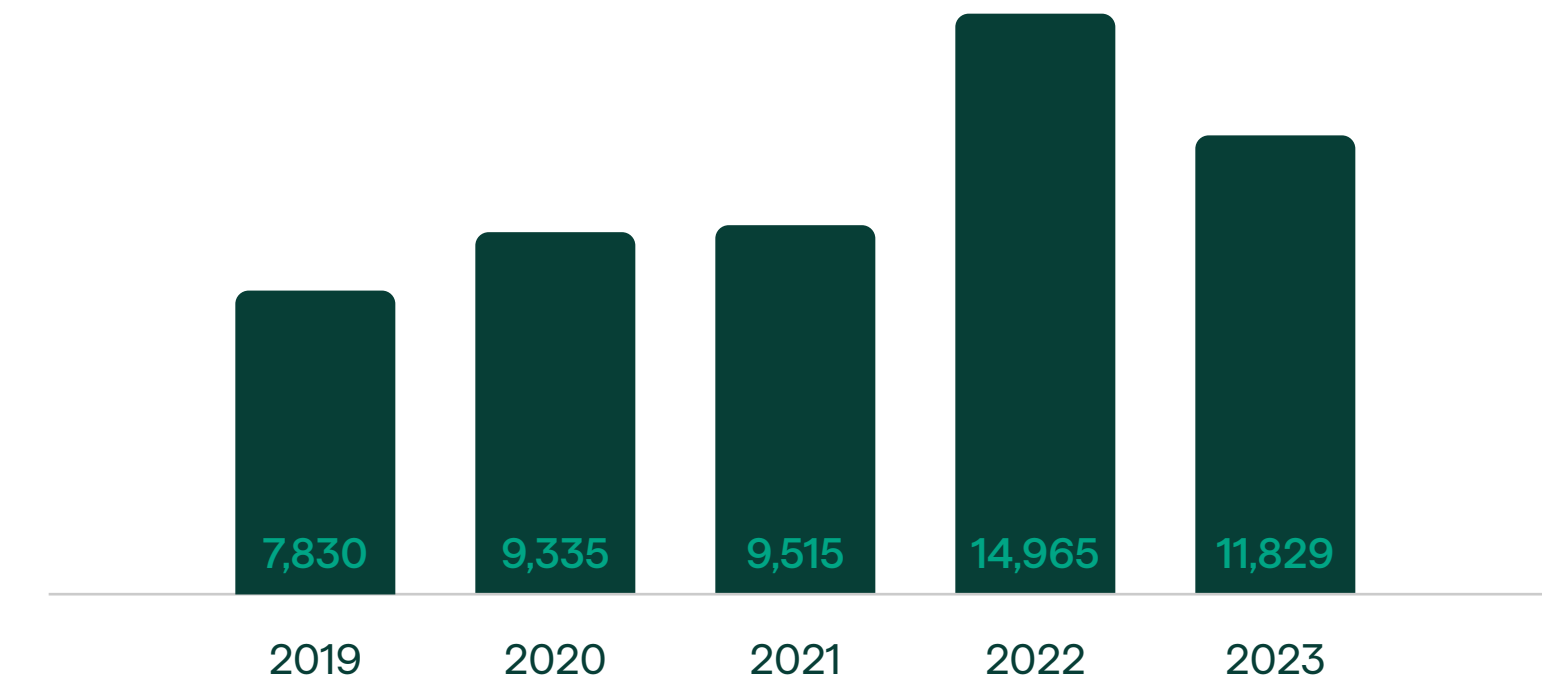
In 2023, 110 employees were tested for professionalism. In 2023, training activities continued to increase significantly, which is related to both the need to train new employees and the opportunities to organise training both in person (which was hindered by the restrictions related to Covid-19 in the previous period), as well as online and e-training, developing technical capabilities.

In 2023, 1,401 training courses were held at the TC – a total of 7,464 hours of training for 12,871 people. 1 083 courses were

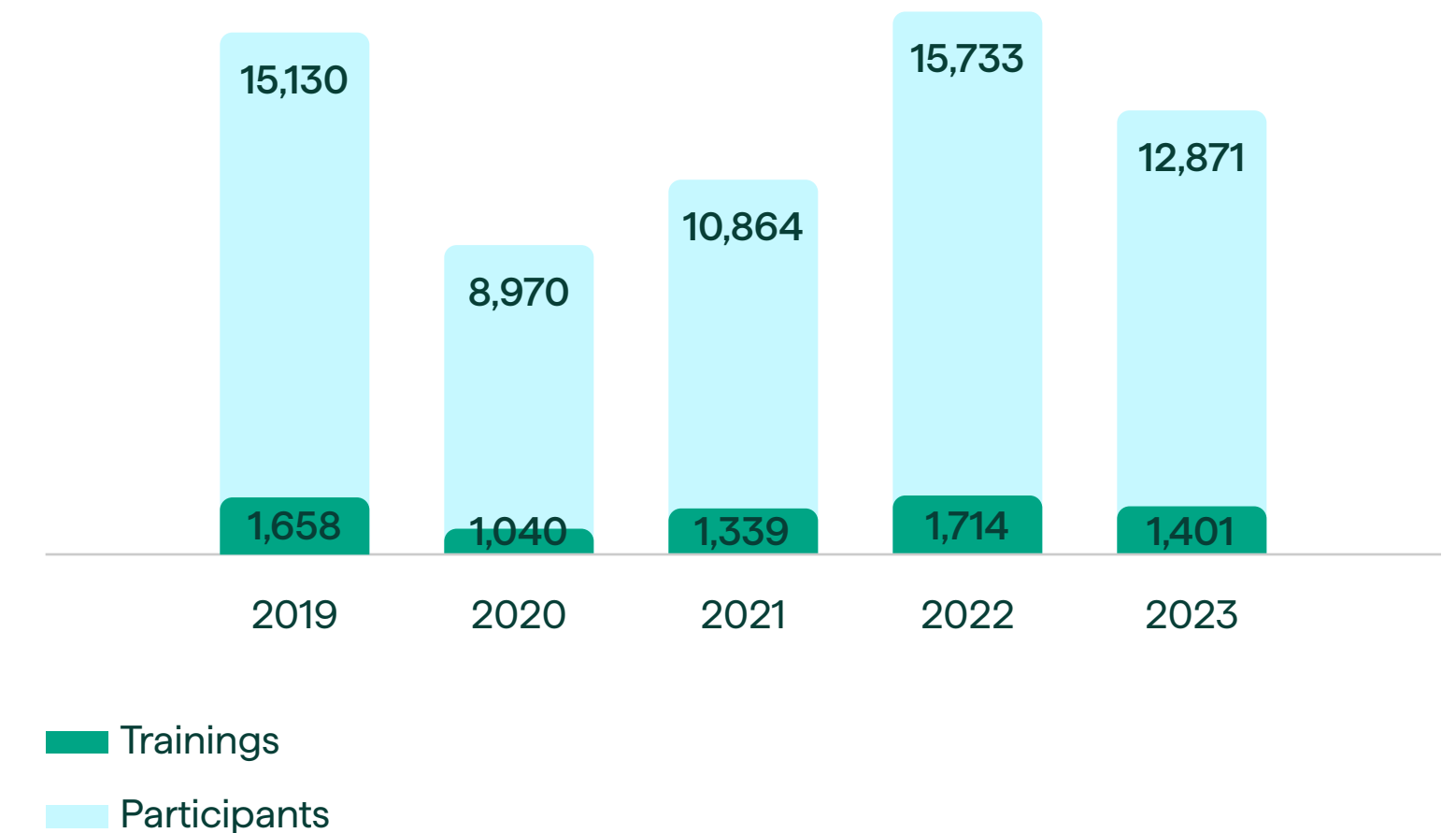
for Riga Airport employees (one employee attends several courses) and 442 for employees of other organisations. On the other hand, in 2023, training was provided to 671 persons in guest lecturer courses. 11,757 people learned the courses through self-learning in the e-environment. The hours of training provided by external organisations are listed only for those trainings that are provided in the premises of Riga Airport (the average length of training is 7 hours).

TC of Riga Airport developed and provided 131 current training programmes in 2023, of which 45 training programmes were created anew or updated in 2023. 14 programmes are under development. The work on the development and updating of new programmes is ongoing, considering the actualities of industry or airport operations, changes in regulatory documents and analysis of practice cases. The main areas of the training programmes developed by TC are related to the airport's core business areas – ground handling, aviation safety and aerodrome operation, as well as crisis management, fire safety and labour protection. Training programmes for learning new equipment or processes were re-established.

Self-learning (e-environment) trainings  
Number of people trained



All trainings organised by TC  
Live and on-site by year



Main areas of training programmes developed by TC

Field	Number	Training programmes developed/renewed in 2023
Aviation safety processes	21	3
Labour protection	6	3
Emergency situations	13	4
EASA regulated training	36	10
Rescue and fire fighting	20	3
Airport processes	36	11
General area	9	1
Area of dangerous substances (products and cargoes)	4	-
Serving people with reduced mobility	5	-

In addition to the training required for their position, Riga Airport employees can attend further training in Latvia or abroad. In 2023, 107 employees representing 46 positions travelled on 120 business trips to attend training or conferences.

Through the online intranet e-RIX, the "Upskilling" section on development opportunities publishes and regularly updates information on free online training for employees, focusing on competences identified for employee development in the 2023 Development Plan, as well as on topics to promote employee well-being:

- HRD employees are regularly informed about free training, encouraged to participate in national lifelong learning projects implemented by the State Education Development Agency and the State Employment Agency (SEA).
- At the end of 2022, HRD organised a webinar where employees could receive individual assistance on choosing an SEA course and enrolling in a lifelong learning project, where employees in 2023 could learn job-relevant skills such as English and driving, computer skills and improve their national language skills free of charge.
- To improve employee competences and support the implementation of development goals, at the end of 2022 Riga Airport started cooperation with the largest online course training platform in Latvia – LU "Open Minded". The courses that employees could take were selected on topics related to the Airport's projects, the Personnel Development Plan 2023 and the employees' own choice through a vote. In 2023, employees had the opportunity to attend 15 courses. By the beginning of 2024, Airport employees completed (including started) 899 courses and obtained 515

certificates. Considering the positive feedback and activity, the project is planned to continue in 2024.

- In 2023, the education of employees on various financial issues of daily importance continued by offering five specialised webinars in cooperation with Swedbank (Savings for Today and/or for the Future; Myths and Truths of the Pension System; How to Borrow Responsibly?; Insurance – Guardian or Unnecessary Spending; Financial Security in the Digital Environment). Due to the continuity of the Airport's operations, the webinars were recorded and made available on the intranet for a certain period so that all interested parties could watch them at their convenience.
- In 2023, for the first time in a longer period, we implemented a broader and more multifaceted employee education on healthy diet, including the involvement of employees' family members, more "Healthy Diet Activities".

## Support for Obtaining Education

According to the Personnel Management Manual, employees have the right to apply for payment of tuition at accredited universities in Latvia, accredited bachelor's, master's, and doctoral study programmes, as well as professional training or training for qualification improvement.

If professional training or qualification improvement measures are related to the work performed by the employee in conformity with the circumstances, but such professional training or qualification improvement is not of decisive importance for the performance of the contracted work, the employer can reimburse the expenses of the employee's professional training or qualification improvement. An agreement is concluded between the employee and the company regarding training and reimbursement of related expenses.

In 2023, two employees took the opportunity to apply for tuition fees.

## Study Leave

Employees of Riga Airport can receive a study leave of up to ten working days a year to pass semester tests or develop a doctoral thesis, or up to 20 working days to take final exams and state exams. To acquire the necessary knowledge for the performance of work duties in conformity with the job description and if the working conditions allow it, Riga Airport grants a study leave while maintaining the salary. In this case, the employee, while continuing his work, must successfully study at a state-accredited educational institution or a foreign educational institution, the issued diplomas of which are recognised in Latvia.

In 2023, two employees used the right to paid study leave. Studying employees have spent 18 calendar days on paid study leave.

## Manager Training

In 2023, Riga Airport continued the previously started initiative – manager education, using online options:

- HRD regularly compiled and informed managers about recommended webinars;
- managers, like all Airport employees, can use the training offers published on the Airport's intranet, which include various competences necessary for managers;
- in the spring of 2023, "Effective non-compliance management" training was held for managers;
- in 2023, planning and research took place to begin long-term training for senior executives. two face-to-face training sessions were held in the autumn – "Leadership" and "Team Management and Development". In 2024, further training is planned with courses on "Project Management" and "Change Management";
- at the end of the year, a six-month online course on the LU "Open Minded" platform "Emotionally Intelligent and Inspiring Manager" is offered to department and division heads and HR business partners.

# Internal Communication and Engagement

## 3-3

The basic principles of the Airport's internal communication are determined by the Communication Strategy 2022-2027 and the Internal Communication Procedure adopted by Riga Airport in 2022. The procedure applies to all structural units of Riga Airport and is binding on all employees of the Airport.

Company employees are identified in the Communication Strategy as the most important audience with direct and indirect influence on all other communication audiences.

The communication strategy also envisages, considering the generational change in the collective of the Airport, where more and more new generation of employees are entering whose mentality, social and information consumption habits, emotional attitudes and life goals are different from the scope of previous generations, to develop new internal communication channels and tools, including non-traditional and digital solutions, during the period of operation of the Strategy.

The communication strategy provides for the following basic principles and tools of internal communication:

Employees are the first to learn about important airport work issues, news, results



Main communication channels

- intranet,
- regular employee meetings with company management - both at the level of structural units and common to all employees,
- the newsletter "e-RIX reports",
- emails – as necessary,
- closed Facebook group,
- informative materials in work and rest rooms;
- modern digital communication tools.



We will plan and organize employee motivation events related to important events for the company, country or calendar



We will plan internal communication campaigns on a monthly basis, covering as wide range of topics/interests as possible



At least once every two years, as part of an employee survey, we will evaluate the effectiveness of the internal communication process and the channels used



Internal communication plays a vital role in the Airport, as it covers all communication and information relationships within the Airport, between management and employees, as well as among employees themselves. Internal communication is a tool that ensures the functioning and coordination of functions and processes for the efficient operation of the company. It helps to perform work correctly, promotes employee motivation, understanding and satisfaction, increasing loyalty to the company, helps to strengthen trust and credibility and resolve conflicts.

With the help of internal communication, the circulation of information in the company, understanding of the transferred information and feedback is ensured. In this way, the strategic plans, objectives, tasks, projects, achievements, news, and current events of Riga Airport are communicated, as well as other information that can help to improve the operation of the Airport, involve and motivate employees to achieve the defined objectives.

The purpose of internal communication is to ensure management and understanding of the objectives by employees, ongoing activities, and other topics important to the company, promote employee involvement and loyalty to the Airport, effective cooperation between colleagues and

structural units, create a corporate culture, and quickly and effectively convey various messages to employees.

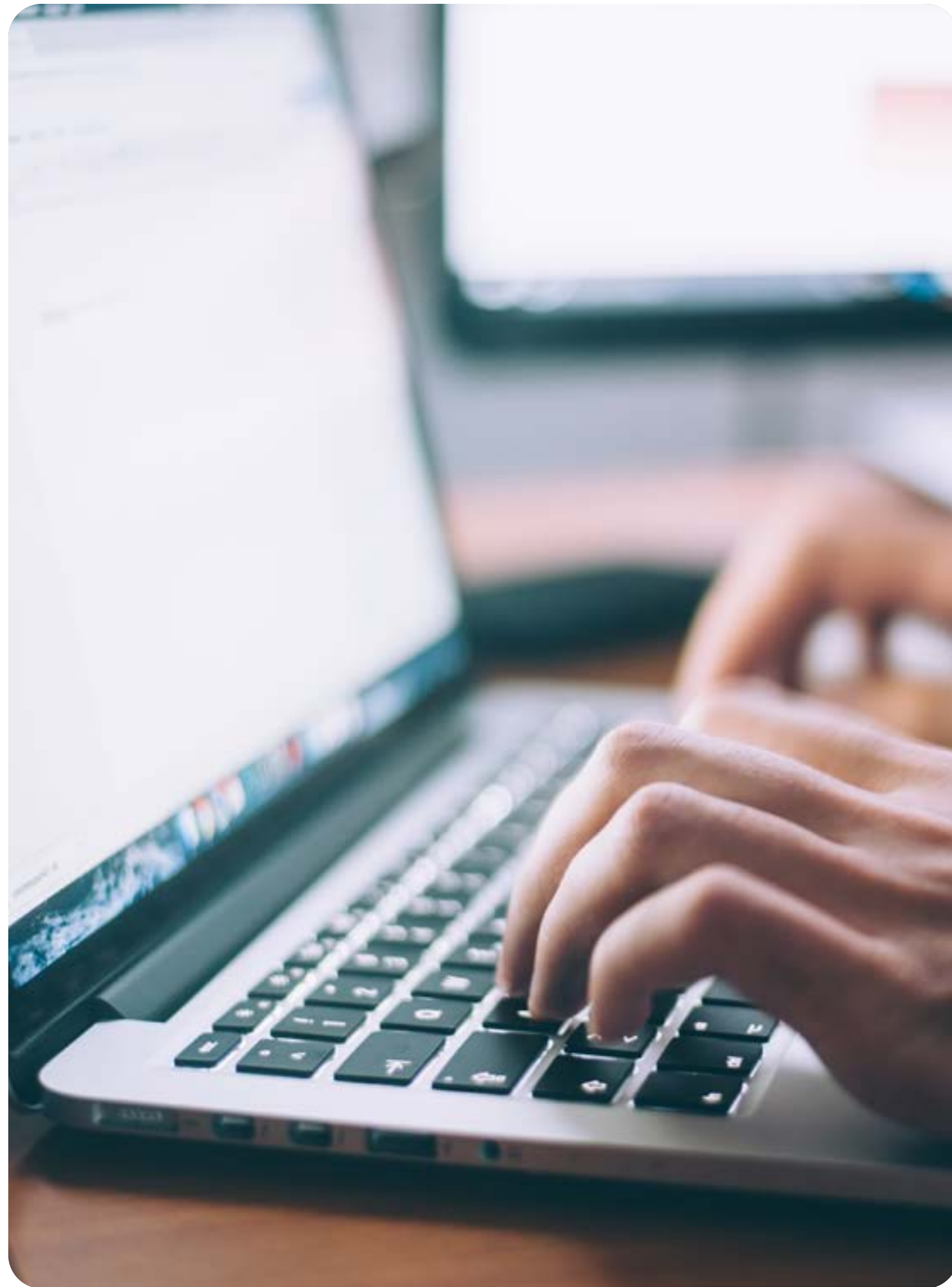
The objectives of internal communication are linked to the objectives defined in the Strategy:

- employee satisfaction in 2027 > 4 (on a scale of 1-6);
- voluntary employee turnover in 2027 < 15 %;

- the company's recommendation index (Net Promoter Score, e-NPS) among employees in 2027 > 30.

In the 2023 employee survey (scale 1-5), employees generally rated the communication aspects of the company highly (median 4, average 3.57).





## Communication Channels

To provide employees with information about what is happening in the company in a summarised way and promptly, once a week all the employees receive the newsletter "e-RIX reports" in their emails. It is a summary of the week's highlights, performance indicators, results and available vacancies and other useful information for employees. In addition to the weekly newsletter, in 2023, a separate newsletter dedicated to labour protection and safety issues continued to be published. Also, from 2023, a special monthly newsletter will be sent to Airport and Airport Community employees on a regular basis, reflecting customer service updates, values, and strategic objectives.

In 2023, the development of the intranet e-RIX was continued, where not only current information is available, but also the employee contact directory, documents required for work, application forms, information on salary, health insurance, bonuses, and other useful information for employees. In 2023, new sections on actions in the event of bribery, the transfer of documents to the State Archives, as well as risk management and employee involvement, were created on the intranet. Structural changes have also been made to make the website more transparent and easier to use. A mobile app has been

developed for Airport employees to access information posted on the intranet, report and resolve incidents and work tasks.

To follow up-to-date information, the email and e-RIX environment of Riga Airport can also be used remotely (on a smartphone, tablet, home computer) by authorising with the employee's access data.

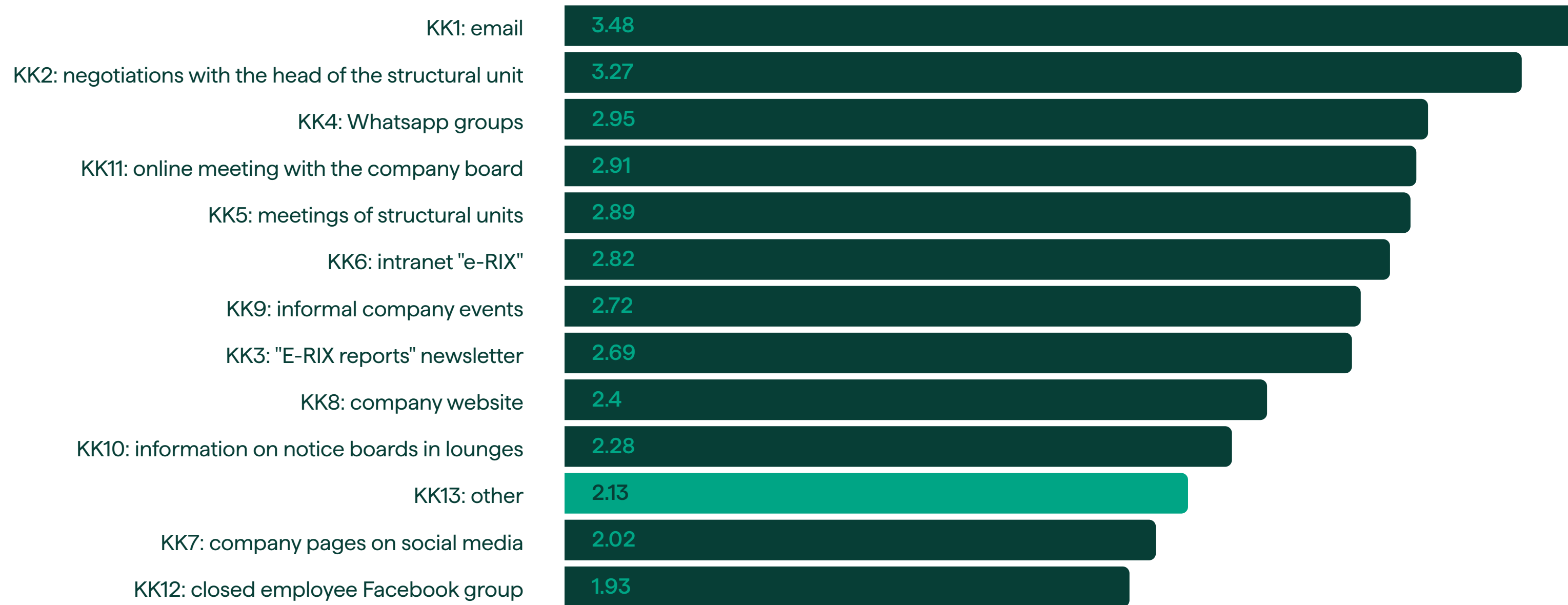
Internal communication channels of Riga Airport also include email, phone, "WhatsApp" groups, meetings, employee surveys and direct communication with the manager. Employees also have the possibility to join a closed Facebook group, which increased to 544 members in 2023 (5.1 % increase, data as of 15 January 2024). 421 members on 1 January 2023, 322 members on 30 January 2022, no earlier data available.

In 2023, online meetings of the Board with employees on the platform "Zoom" were continued regularly once every two months. During the online meeting, the company's management presents the employees with current information, operational data and results of economic activity, planned works, and during the meeting, everyone has the opportunity to ask a question to the company's management. Between 350 and 400 employees participated in each of the online meetings with company management.

Regular (for example, weekly) online meetings are also organised within the structural units, involving the employees of the structural unit, discussing what has been done, what is planned and other current events, while providing and receiving mutual support and promoting the maintenance of team spirit.

The 2023 employee survey (on a scale of 1-4) shows that the most effective communication channel is email, as well as conversations with the head of unit. "Whatsapp" groups and regular online meetings with the company's Board are also highly rated channels, while the other channels are rated as less effective.

Which internal communication channels do employees value the most (1-4)?



## Employee surveys and studies

Riga Airport constantly organizes the following employee surveys and studies:

- survey of new recruits at the start of their employment. 165 responses were received in 2023;
- survey of new recruits at the end of their probationary period and a survey of departing recruits (for more details, see section "Statistics of Newly Hired Employees" ("Employee Turnover"));
- survey on employee involvement in Airport activities. In 2023, 68 responses were received on their willingness to participate in various Airport activities, including volunteering;
- survey of employed students about their work experience at the Airport. In 2023, 51 responses were received, representing 61 % of the employed students. The results were presented to the heads of the participating structural units;
- An annual survey on the health insurance programme. 90 responses were received in 2023 and the results were sent to the procurement committee and the insurer's representative. The comments of the employees were reviewed during the meeting with the representatives of the insurer.

In 2023, other employee surveys were held on topics important to employees:

- survey on the need for a child monitoring service. For this project, it is planned to look for cooperation partners and attract other companies working in the Airport area;
- two surveys on the ride-sharing app "Twogo" – its functionality and user experience;
- survey on improving the methodology of the annual employee engagement survey;
- survey about experiences and proposals in the LU "Open Minded" learning platform;
- at the end of the healthy diet project, employees had the opportunity to evaluate the project and make suggestions for future activities;
- to improve the working environment, employee surveys were carried out on the need for a food-stall in the terminal, the need for an additional transport route for employees and the most convenient type of physiotherapy session and, provisionally, the most convenient course times.

At the end of 2022, after a three-year period, Riga Airport organised a comprehensive study of employee satisfaction, i.e. employee involvement and work environment, by engaging an external service. 943 or 68 % of the employees of Riga Airport participated in the study. The next employee satisfaction survey will take place at the end of 2024.

In 2023, the results of the comprehensive employee engagement survey carried out in the departments at the end of 2022 were assessed in detail and, in collaboration with the Heads of Departments and the responsible specialists, the HRD identified the necessary actions to improve the aspects to be improved. The results of the survey and an action plan for improvements were presented to employees within the departments. In 2023, several comprehensive improvements took place, for example in the areas of remuneration, working environment and management development.

In November 2023, employee survey was carried out to improve the methodology of the annual engagement survey, in collaboration with an intern who analysed the data as part of Master's thesis. Based on scientifically validated surveys and theories, the structure and questions of the questionnaire were refined, and it was investigated which factors play a significant role in employee engagement and intentions to leave the work.



The survey found that employee engagement is most influenced by the meaning of work, organisational support, team, pay and fairness, but there are differences between seniority groups. Of the benefits offered by the employer, health insurance, bonuses, allowances, benefits, and parking are the most valued by employees, but there are differences between demographic groups.

A new feature of the 2023 survey was a self-assessment of employees' digital skills, using eight generic work and communication questions from the "DigSatCom" test.



## Bank of Ideas

In 2023, Riga Airport continued the internal communication activity started the previous year – "Bank of Ideas". Its purpose is to involve employees in improving the company's operations and processes, creating and implementing new, innovative solutions, improving the working environment and client service. The procedure of the Bank of Ideas is determined by the "Terms of Reference of the Competition of the "Bank of Ideas"". The ideas submitted in the competition are evaluated by the Preliminary Evaluation Commission, headed by the Chairperson of the

Supervisory Board of the Airport. The committee determines the further direction of the idea, which is then the responsibility of the head of the relevant responsible structural unit. Ideas that participate in the contest are eligible for cash prizes. The winners of the Bank of Ideas are determined by a vote of the employees and the Supervisory Board of the Airport every year in November, and, in December, the winners are awarded.

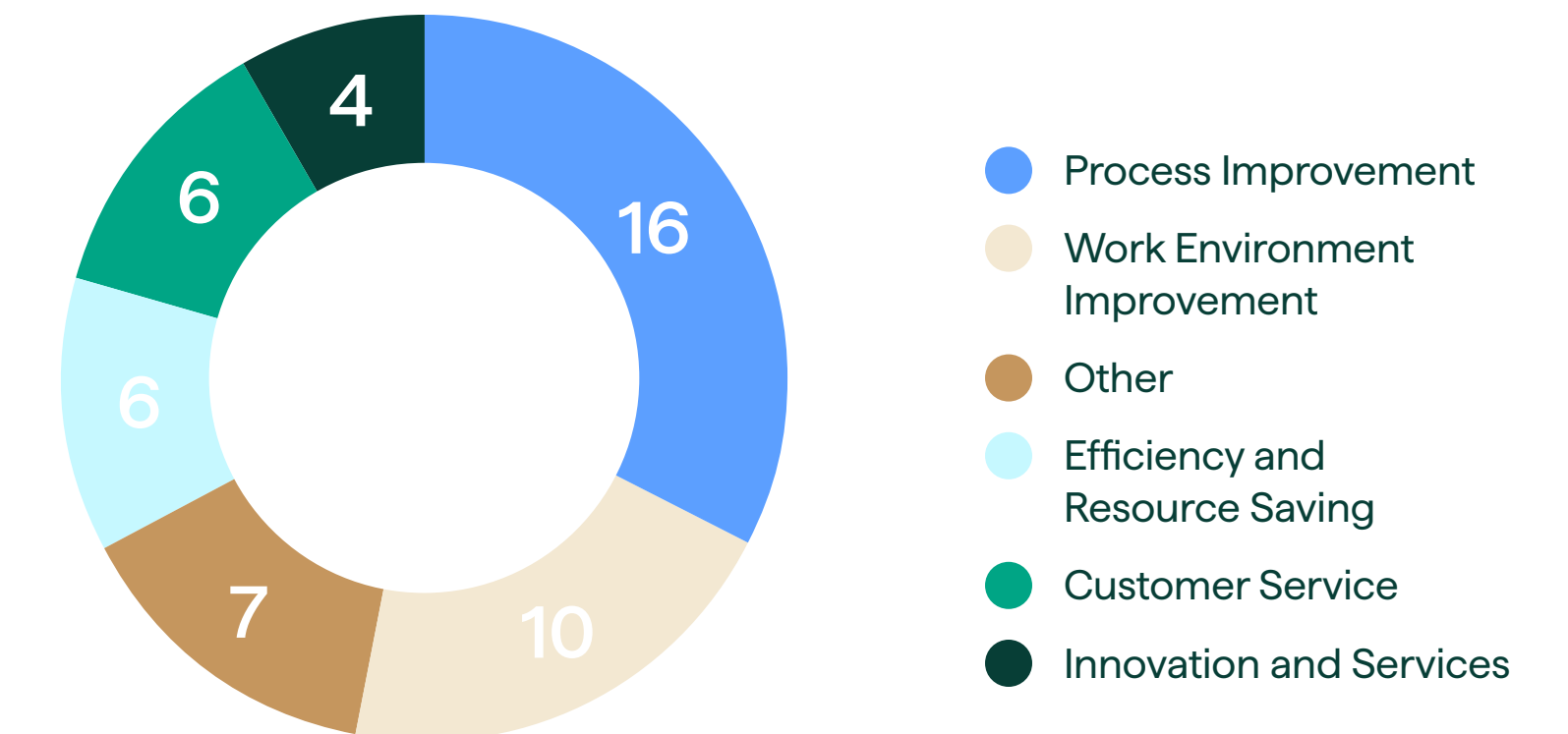
Employees can easily submit their ideas on a specially created site on the airport intranet "eRIX", where feedback is also provided – employees can find out information about the progress of their idea and receive an explanation of the decisions made. The competition has received a great response from employees – in the 1st season (from 11 January to 31 October 2022), employees submitted a total of 90 ideas. In season 2 of the competition, employee activity decreased, and 49 ideas were submitted. The highest number of ideas – 16 – was submitted in the "Process Improvement" category, 10 in the "Work Environment Improvement" category, seven in the "Other" category, six each in the "Efficiency and Resource Saving" and "Customer Service" categories and four in the "Innovation and Services" category.

From the ideas submitted in both seasons, 13 ideas were implemented by the end of 2023. A further nine ideas will be implemented in the short term (up to one year), while four are considered feasible in the long term – over a period of more

than one year. Twenty-one ideas were already on the agenda of a department, while thirteen ideas had been submitted previously. At the end of 2023, three ideas were still under evaluation. 70 ideas were considered not feasible, while four ideas did not meet the objective of the competition.

In 2023, a number of ideas submitted by employees were implemented, such as optimising the organisation of passenger flow in specific aerodrome car parking lots, introducing new or improving existing services available to customers (access to Wi-Fi network in P3 car parking lot, easy access to bahills at passenger security checkpoints), improving the working environment (improving information access and circulation for operational employees, improving air quality at workplaces, access to drinking water at remote workplaces).

Second season of the competition, breakdown of ideas by category



# Minimum Notification Periods for Changes in the Company's Operations

## 402-1

In 2020, based on Cabinet Regulation No. 427 of 17 September 2002, Procedure for the Election of Trusted Representatives and the Activities Thereof, seven trustees were elected at the general meeting of employees, from which the main trustee was chosen.

Riga Airport regularly informs employees and the trade union about the actualities of operations, development, and planned changes in the structure. In accordance with to the Order No. 23/55B of 1 June 2023, a permanent working group for consultations with the trade union has been updated.

In addition to the provisions of the Labour Law, the collective agreement requires at least one month's prior consultation of the trade union where changes to the existing remuneration system are planned or a new remuneration system is being developed, and at least one month's prior information and consultation of the trade union before decisions are taken

which may affect the interests of employees, in particular decisions which may have a significant impact on pay, working conditions and employment in the undertaking.

## Development Discussions

### 404-3

Development appraisals/negotiations are related to the performance of the employee, the relevant unit and Riga Airport during the year/review period and are held to improve the quality of work of the employee, the unit, and Riga Airport, promote employee engagement and motivation, identify training and development needs, etc.

The purpose of development appraisals/interviews is not only to ascertain the current level of competence and motivation of employees, but also to encourage the expression and development of employees' potential and to make necessary adjustments to the expectations placed on them.

Development appraisals/interviews for all Riga Airport employees shall be organised by the HRD at least once every two years. Since the development discussions for all

employees took place in 2022, the next ones will take place in 2024. Within the framework of the structural unit, it can be decided to conduct development evaluation/negotiations (full or partial) more often.

In 2023, daily evaluations were carried out in the operational units in accordance with the approved procedures for the evaluation of units/individual posts/groups of posts. For example, in December 2023 for all operational employees of the Security Department and Ground Handling Department. Daily evaluations are related to the employee's performance, compliance with the employment contract, work terms and conditions and other regulatory documents during each work shift and are carried out to improve the quality of the employee's and Riga Airport's daily work and to promote employee motivation and commitment to work.

Read more about development projects in the "Employee Skills and Development" section.

# Employee Turnover

## 401-1

In 2023, 1,420 employees worked at Riga Airport (as of 31 December 2023). The number of employees has increased compared to 2022, and it is planned to continue to increase in 2024.

In 2023, the most recruited positions were in the areas of security, ground handling and aerodrome maintenance, and in the following positions:

- aviation security inspectors;
- aircraft service agents;
- PRM service agents;
- internal security inspectors;
- managers of aerodrome maintenance equipment (seasonal employees).

Also, with the increase in the number of flights, the number of employees in other areas also increased, reaching the historically highest number of employee positions – 1,434 as of 1 February 2023 (the highest number of positions was previously 1,430 in August 2008).

Employees can apply for internal vacancies and take advantage of growth opportunities in other structural units as well. In 2023, 153 employees took advantage of this opportunity and changed their position.

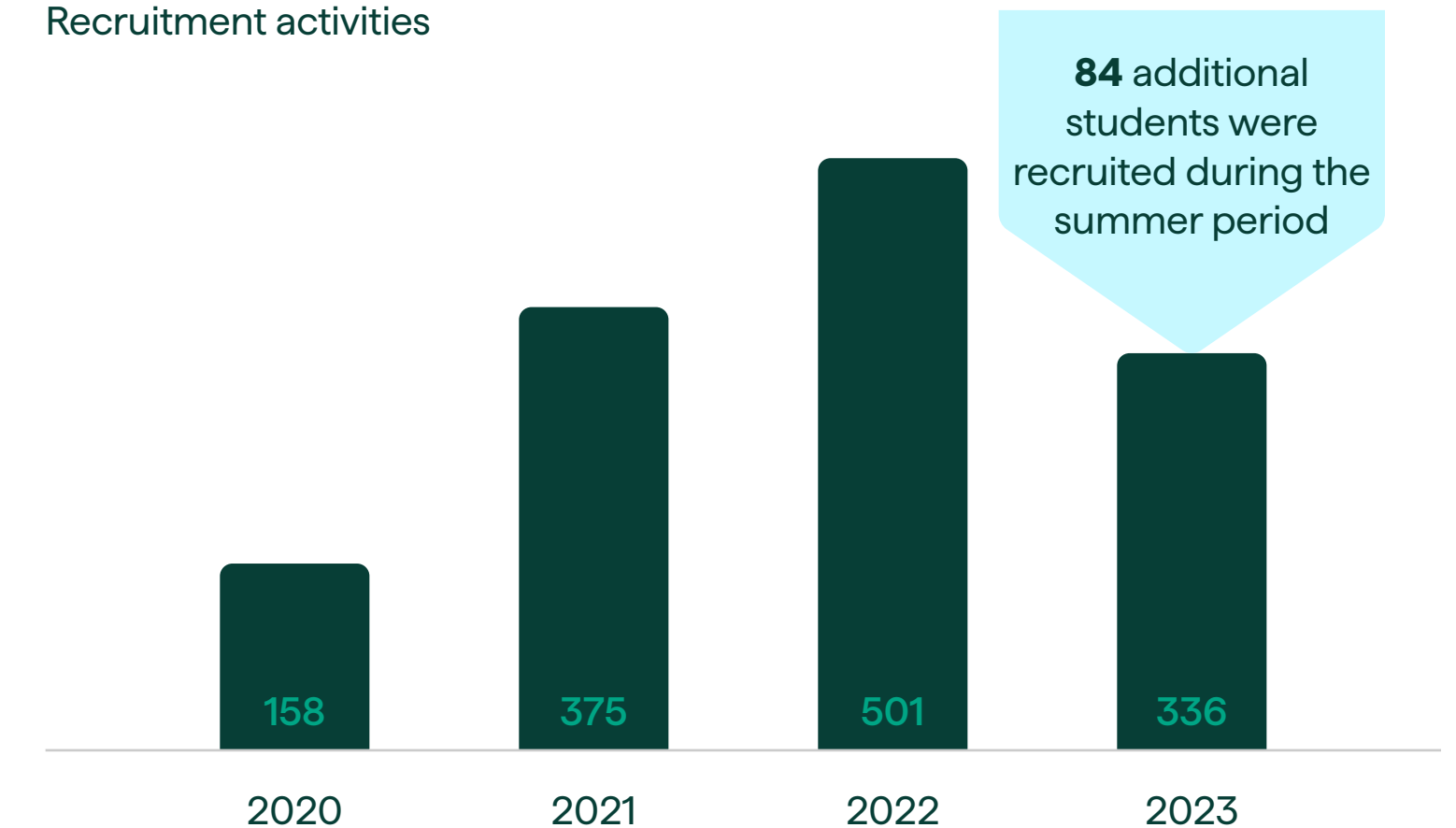
Internal vacancies are available to employees on the intranet and via email. To communicate internal promotion opportunities and support career development to employees in a more visible and motivating way, career ladders were revised or redesigned in several units – reflecting positions, job criteria and salaries. In 2023, career ladders were revised in all units of the Security Department, clarifying criteria, and career ladders were developed in two units of the Aerodrome Security and Management Department.

To ensure the attraction of large-scale, diverse specialties and qualified employees, in 2023, Riga Airport organised open days and other personnel attraction campaigns, as well as participated in career events of other organisations:

Read more about the events in the section "Career Events and Internship Opportunities".

As a result of recruitment activities, 336 new employees started work in 2023 (compared to 501 in 2022, 375 in 2021 and 158 in 2020) and 84 additional students were recruited during the summer period as part of a student employment project organised by the State Employment Agency.

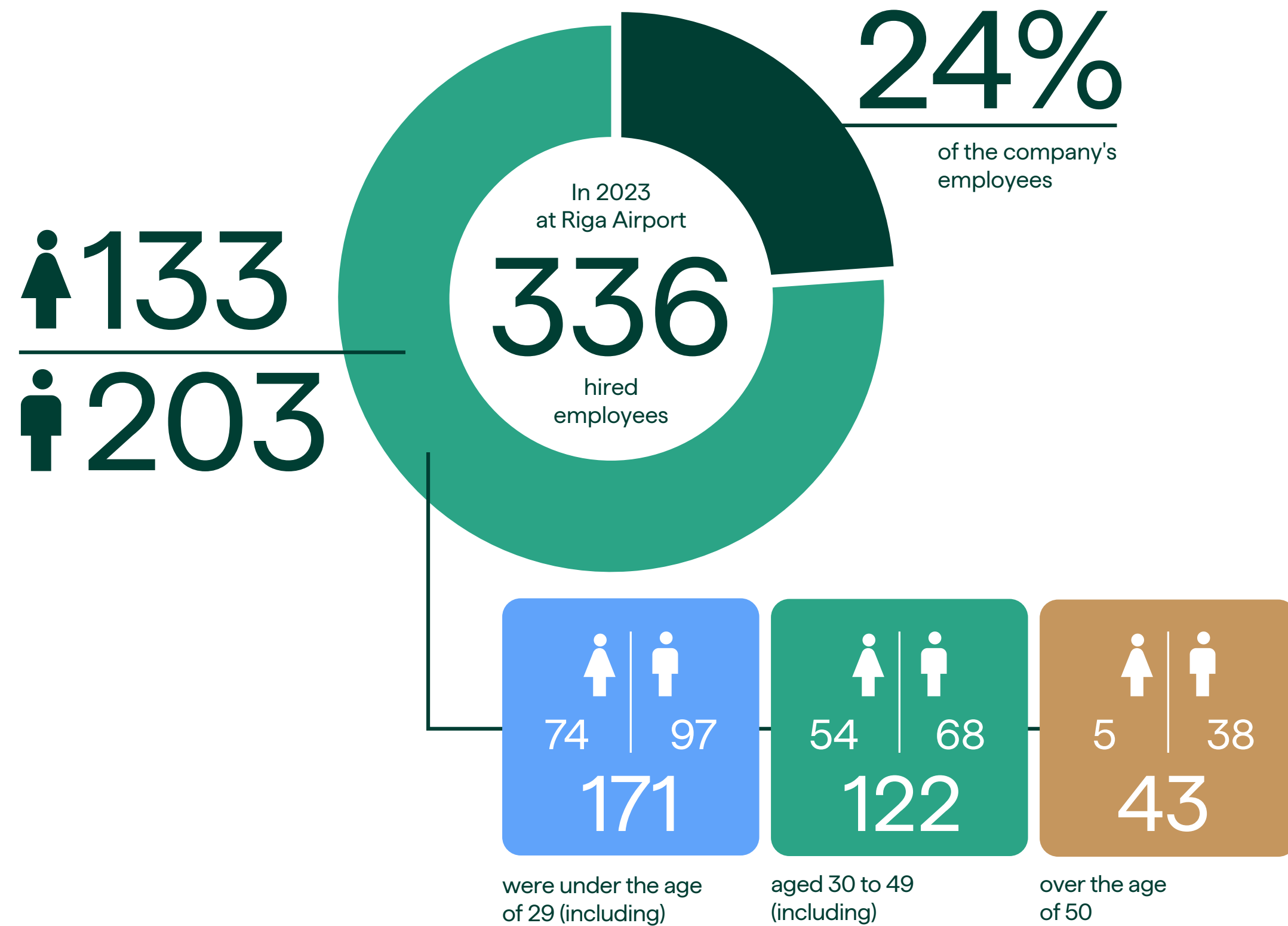
Recruitment activities



Among the employees leaving their jobs in 2023, 95 were women and 209 were men. 146 persons under the age of 30, 123 persons between the ages of 30 and 50, and 35 persons over the age of 50 terminated their employment.

# Statistics of Newly Hired Employees

In 2023, 336 employees were hired at Riga Airport, which is 24 % of the company's employees:



In 2023, the voluntary turnover rate was 16.1 % (i.e. employees wishing to terminate their employment themselves), compared to 14.39 % in 2022, 14.28 % in 2021. Considering the rapid renewal of operations at Riga Airport and the recruitment of personnel, ~50 % more employees were recruited in 2022 than in 2021. On the other hand, in 2023, 165 fewer employees were hired than in 2022, which is in line with the planned indicators.

In 2023, two employees of Riga Airport retired. In the previous five years – 2022, 2021, 2020, 2019 and 2018 – respectively two, two, six, three and four employees retired.

From August 2022, the HRD will introduce an electronic questionnaire on the reasons for termination of employment. In 2023, 68 employees completed the interview, giving their views on aspects such as the training process, the work process, and the team, as well as their reasons for leaving Riga Airport.

38 of the employees who completed the questionnaire indicated that they would recommend Riga Airport as a place to work.

The most common reasons for termination of employment in 2023: another job offer, studies, family, or private circumstances, failed probationary period, etc.

Also, from August 2022, the HRD introduced an electronically completed survey for employees whose probationary period is coming to an end. Employees are given the opportunity to share their first impressions about aspects such as the recruitment and training process, the work process, and the team, including the direct manager, as well as about growth and development issues. In 2023, 81 employees completed the interview. 74 employees say they have a positive view of the decision to start working at the airport, seven have a neutral view, and no respondents have a negative view of the decision.

# Range of Benefits

## 401-2

Riga Airport offers its employees a diverse and attractive range of benefits, including those in addition to those laid down in the Labour Law. The tools of material motivation of employees are defined in the Wages Terms of References, the Collective Labour Agreement, the Personnel Management Manual, and by separate decisions of the Board and orders of the Chairperson of the Board. They are summarized in the Motivation Program for 2023.

In accordance with the Collective Labour Agreement concluded between Riga Airport and the Union of the Airport Employees of the Republic of Latvia, employees whose probationary period has ended (except for the seasonal employees) have access to a wide range of benefits, in addition to those laid down in the Labour Law.

The range of benefits includes:

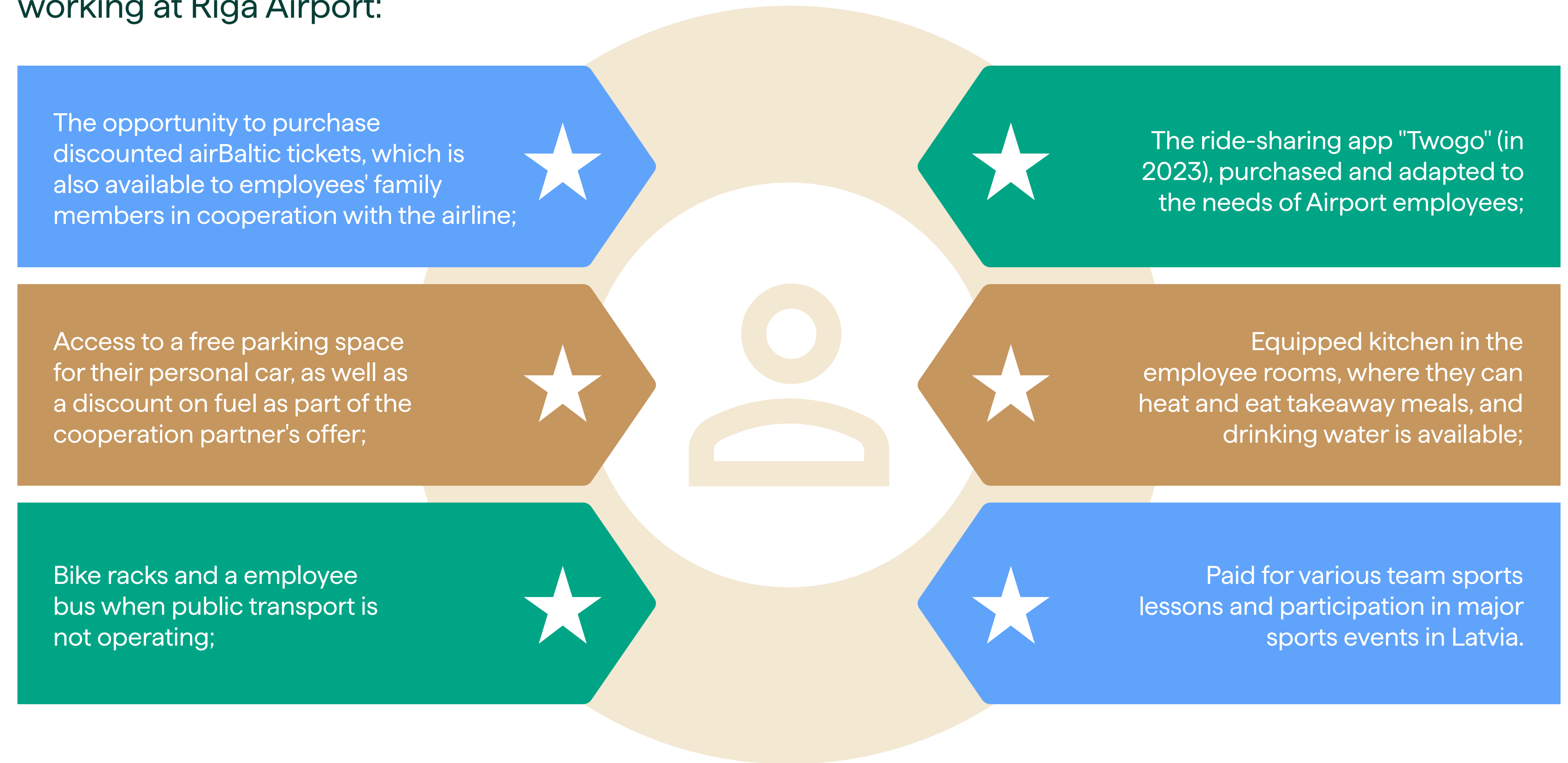
<p>Benefits in important life events, for example, in connection with marriage, birth of a child, adoption of a child</p> 	<p>Benefits in case of retirement</p> 
<p>Material support for employees or their relatives, for example, to cover expenses for the treatment of a child, expenses related to the death of a family member or a former employee</p> 	<p>Purchase of optical vision correction products</p> 
<p>Vacation allowance (from the second working year) – once during the calendar year, when leaving on annual paid leave of not less than 14 calendar days, from 70 % to 100 % of the salary (amount depending on length of service)</p> 	<p>Allowance of the Knowledge Day for the employees who have children aged 5-18</p> 
<p>Health insurance policy for employees, providing opportunities to receive high-quality and versatile health services - with the possibility to purchase it for your first-degree relatives, as well as accident insurance</p> 	<p>One-time material benefit for other reasons</p> 
	<p>In conformity with the budget possibilities, on the round anniversaries of the company (every five years), a one-time bonus is paid to employees with ten or more years of service</p> 

In 2023, Riga Airport will continue its work on evaluating and improving the benefits system, identifying areas for best practice in incentive and reward issues.

Two of the most desirable types of benefits, according to the 2022 end-of-year survey, are support for transport and catering – not only financial, but also organisational.

Information about current benefits available to employees is communicated in job advertisements, career portal and career events. It is introduced to new employees during induction training, detailed information and current events are published on the intranet and email.

### Other benefits for employees working at Riga Airport:



## Flexible working hours and remote work

At Riga Airport, as in other companies, the balance between private and work life is essential for employees.

Most of the employees of the Airport (79 %) work cumulative working hours (shifts), and they have the opportunity to influence the schedule of work, vacation and holidays, by applying in a certain order not to plan shifts on specific days or to change them. 26 employees are assigned part-time work.

Riga Airport continues to develop technological solutions for efficient forms of flexible working and more and more functions can be performed remotely in a convenient and secure way. Remote and flexible working at the airport is organised in accordance with the "Remote and Flexible Work Organisation Procedure". Employees can use remote and flexible work opportunities in accordance with a clearly defined procedure - in coordination with the manager of remote work if it is possible to perform the specified work duties remotely. If it is possible to work remotely and/or flexibly in the position, this is also indicated in the job advertisement.

In connection with energy-saving measures, from the winter of 2022/2023 remote work will be additionally promoted for those working during normal working hours, determining Fridays to be remote workdays.

## Career Events and Internship Opportunities

To achieve Riga Airport's strategic objectives, it is important to attract new employees both within the year (read more in the section "Employee Turnover") and in anticipation of attracting employees in the future. Riga Airport organises and participates in various events to provide an opportunity to learn about working at Riga Airport for pupils and students, as well as for a wider audience of job seekers or representatives of certain professional fields.

In 2023, face-to-face and online events were purposefully planned, taking advantage of each format. Online events provided an opportunity for visitors from Latvian regions and abroad, as well as larger groups of educational institutions, to get to know the Airport, while face-to-face events provided a more complete picture of the working environment and processes.

In 2023, many events and projects took place in which Riga Airport participated, for example:

- participation in the Labour Exchange event organized by the Riga Support Centre for Ukrainian residents;
- participation in career days of higher educational institutions, as well as basic and secondary educational institutions in various formats;



- online meetings with jobseekers, participation in the "Vacancy Fair" and participation in the school summer employment project in cooperation with the SEA;
- participation in the job opportunity festival "Visiem", "Mārupe Entrepreneur festival" and the online career project "Work Tinder".



Information on vacancies and career events is always available on the Riga Airport career website [darbslidosta.lv](https://darbslidosta.lv), and we inform existing Riga Airport employees about them via a weekly newsletter, as the new employee survey shows that existing employees play an important role in attracting new employees.

Riga Airport informs pupils, students, and pupils of vocational education institutions about the Airport's career events, internship and job opportunities in various specialities through the [prakse.lv](https://prakse.lv) portal, social media accounts and by addressing the specialists in charge of educational institutions – career counsellors, programme managers and others.

In 2023, Riga Airport provided 34 internships for training and study programmes at different levels of education (secondary vocational education students, college, bachelor's and master's students, and continuing education programmes) in the following areas:

- business management/entrepreneurship (eight internships);
- human resources/personnel management (four internships);
- administrative and secretarial services; aviation management; energy and electrical engineering; information technology; business/e-commerce; law; tourism services; total quality management (two internships per field);
- air transport; customs and tax administration; real estate management; protection of persons and property; nutritional science; environmental sciences (one internship per field).

Riga Airport also supports the acquisition of education or qualification of employees by organising the necessary educational internship in the company if the employee wants it and has the opportunity to provide internship in his/her or another structural unit. In 2023, 14 employees of Riga Airport used this opportunity.

In the spring of 2023, a study visits for four interns from Slovakia took place at Riga Airport, within the framework of the "Erasmus+" mobility program.

In 2023, an agreement was signed with the Institute of Transport and Communications to continue academic cooperation.

In 2023, Riga Airport shared its experience on employment challenges and workforce attraction:

- in the media about the employment of employees of different generations;
- at the conversation festival "Lampa", in the discussion "Job opportunities for all!" on the practice of employing people from different social risk groups;
- "Mission Zero" autumn forum on promoting the physical health of employees;
- organising exchanges on health promotion measures for employees as part of the Entrepreneurs' Experience Days;
- sharing experience with other companies on various issues related to labor law and best HR management practices.

8

# Economic and social impact



# Positive impact and investment in the economy and society

## 3-3, 203-2

Airports are the engine of regional and national development. The study "Economic Impact of Europe's Airports" shows that airports in Europe contribute to 12.3 million jobs, while airport connectivity, as measured by the Connectivity Index, a tool developed by ACI, shows that a 10 % increase in connectivity has a 0.5 % impact on GDP per capita<sup>42</sup>.

The significance of the economic impact of the airport is also characterised by the strategic objective – while maintaining the leading position in the Baltics, to develop connectivity and increase the number of served passengers and cargo turnover with the aim of becoming the traffic centre of Northern Europe.

Riga Airport is the leader of passenger and air cargo transportation not only in Latvia, but also in the entire Baltic, with the ambition to become one of the air traffic centres of Northern Europe. Riga Airport ensures the connectivity of the region with strategic destinations, which directly affects the tourism and hospitality industry and foreign investments in

<sup>42</sup> Source: ACI EUROPE Sustainability Strategy for Airports

<sup>43</sup> Source: Oxford research "The economic impact of the Latvian aviation industry on the national economy"

Latvia – the wide range of destinations promotes economic growth and creates new jobs in the hotel, leisure, public transport, catering and other service sectors in the country. It also shows the critical importance of restoring connectivity after the Covid-19 pandemic, supporting the country's economic recovery.

To improve the connectivity of the region, one of the priorities of Riga Airport is the development of a wide network of routes, therefore the Airport is constantly negotiating with air carriers about the opening of new flight routes, which is described in more detail in the chapter "Connectivity and Promotion of Latvia as an Attractive Destination". Riga Airport is one of the largest taxpayers in Latvia and one of the largest employers. Read more about the impact of Riga Airport on the national economy in the chapter "Impact on the National Economy".

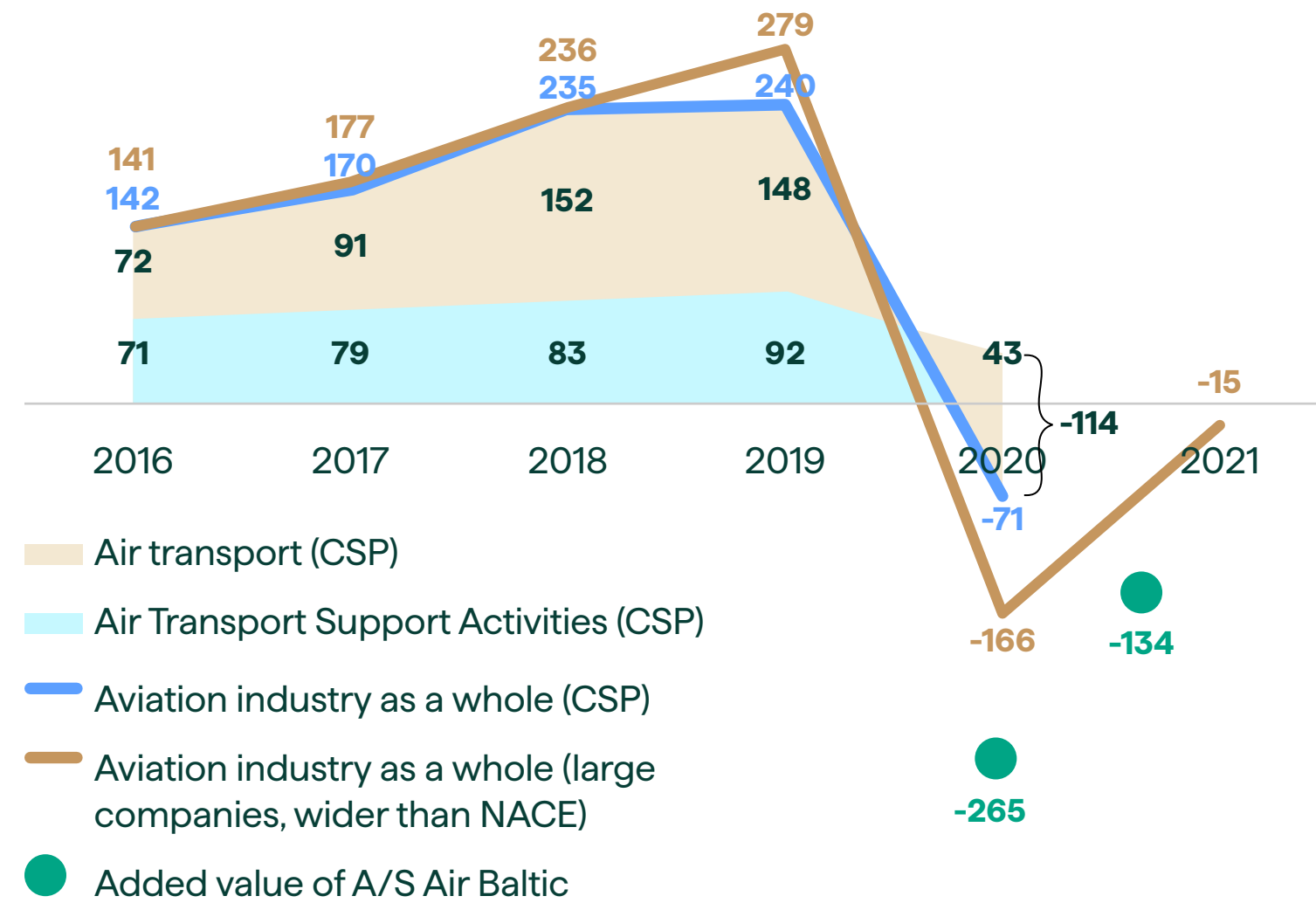
Also, a study is conducted every two to three years on the economic impact of the aviation industry on the Latvian economy in cooperation with LAA and Latvian aviation industry companies – airlines and aviation service providers.

"Economic impact of the Latvian aviation industry on the national economy in 2018 – 2021" of the "Oxford research" study<sup>43</sup> results

The study "Economic impact of the Latvian aviation industry on the national economy in 2018 – 2021" conducted by "Oxford research" in 2022 shows that the direct added value of the aviation industry in 2019 reached at least 240 million euro. If the aviation industry also includes companies in significant fields that are not included in the air traffic and air transport auxiliary industries according to the NACE classification, then the direct added value in 2019 was at least 279 million euro which made up 0.9 % of Latvia's GDP.

Due to the impact of the Covid-19 pandemic, in 2020 the added value of the aviation industry fell to minus 71 million EUR. The added value of air transport companies fell to minus 114 million euro, but it was balanced by air transport auxiliary companies, where the added value fell by half since 2019, but was positive – 43 million EUR.

Direct added value, million, euros  
According to two methods —  
CSP and large companies' data



**Methodology: Method 1 (blue)** — aggregated CSP data "GDP060 Total value added in actual prices" for sectors H51 and H5223. The sum of the two sectors indicates the total value added in the aviation sector. **Method 2 (red)** — the list of the largest companies in the aviation industry created by the Latvian Aviation Association is used, which covers more than the CSP. The direct added value is calculated using the data of the annual reports of companies according to the formula: Profit or loss before corporate income tax plus personnel costs plus depreciation. 2016 and 2017 data from previous years' studies (available at the Latvian Aviation Association) were used to represent the direct added value of large companies. 2020, 2021 in addition, the negative impact of COVID-19 on A/S Air Baltic is shown.

If the expanded circle of aviation industry companies is assessed, the total drop in added value reaches minus EUR 166 million in 2020. The impact of the pandemic is also characterised by percentage changes compared to 2020 which

were thirty times higher than in the country (-30 % versus -1 %). However, already in 2021, a rapid increase of EUR 151 million up to minus EUR 15 million was detected (assessed by the activity indicators of large companies, which cover the aviation industry more broadly than the NACE classification applied by CSB).

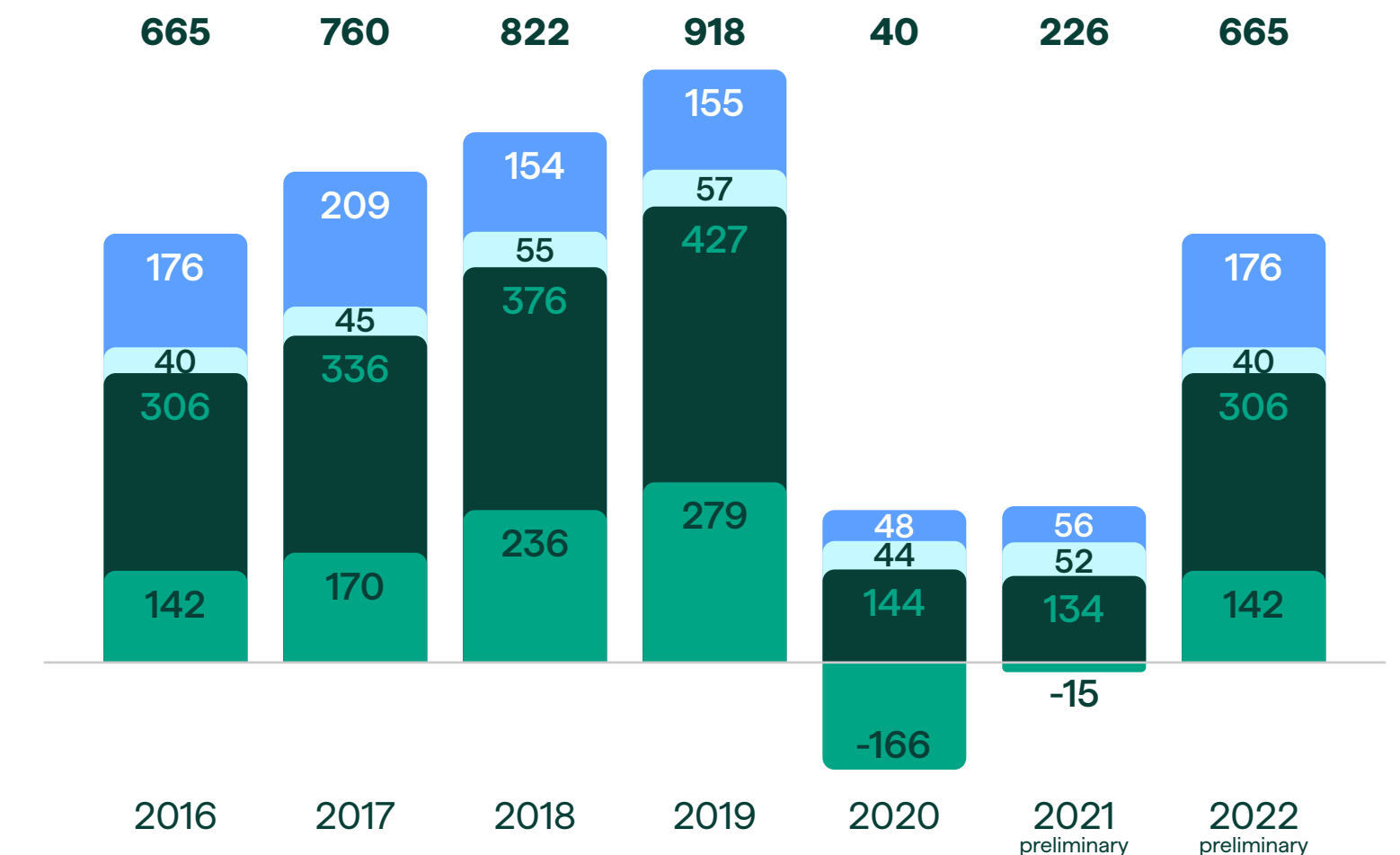
In the aviation sector, the direct value added is on average one quarter of the total value added if the impact of Covid-19 is not taken into account. This means that one EUR of direct added value in the aviation sector indirectly generates three EUR of added value in other sectors.

It was established in the study that the total impact of the aviation industry on the national economy, which includes not only the direct, but also the indirect, induced and catalyst effects, is worth at least in the amount of 918 million EUR in period before the pandemic in 2019, or 3.4 % of GDP:

- indirect impact – the added value of products and services purchased by the aviation industry amounted to EUR 427 million EUR, or 47 % of the total added value of the aviation industry;
- induced impact – the added value created for ensuring the consumption of those working in the aviation industry amounted to EUR 57 million or 6 % of the total added value of the aviation industry;
- the impact of the catalyst - the contribution of the aviation industry to the provision of tourism, post and courier operations amounted to EUR 155 million, or 17 % of the total

added value of the aviation industry. 92 % of the impact of the catalyst is made up of the tourism sector – consumption created by foreign arrivals.

Total added value, million, euros



- Direct** from the aviation industry
- Induced** from the consumption of those working in the aviation industry
- Indirect** from goods, services purchased by the aviation industry
- Catalyst** from the added value created in the tourism and postal sectors

The total added value of the aviation industry fell to EUR 40 million under the influence of Covid-19 in 2020.



## Impact on the Economy

Riga Airport is one of the largest taxpayers in Latvia, paying 19,002,552 EUR in taxes to the state budget in 2023.

In the SRS taxpayer rating, Riga Airport has been awarded the highest A level, which indicates good compliance with its obligations. According to the SRS, a Tier a company pays its taxes on time and in full and has no significant risk of irregularities. You can find out more about the principles of how a taxpayer's rating is formed on the website of the SSR<sup>44</sup>.

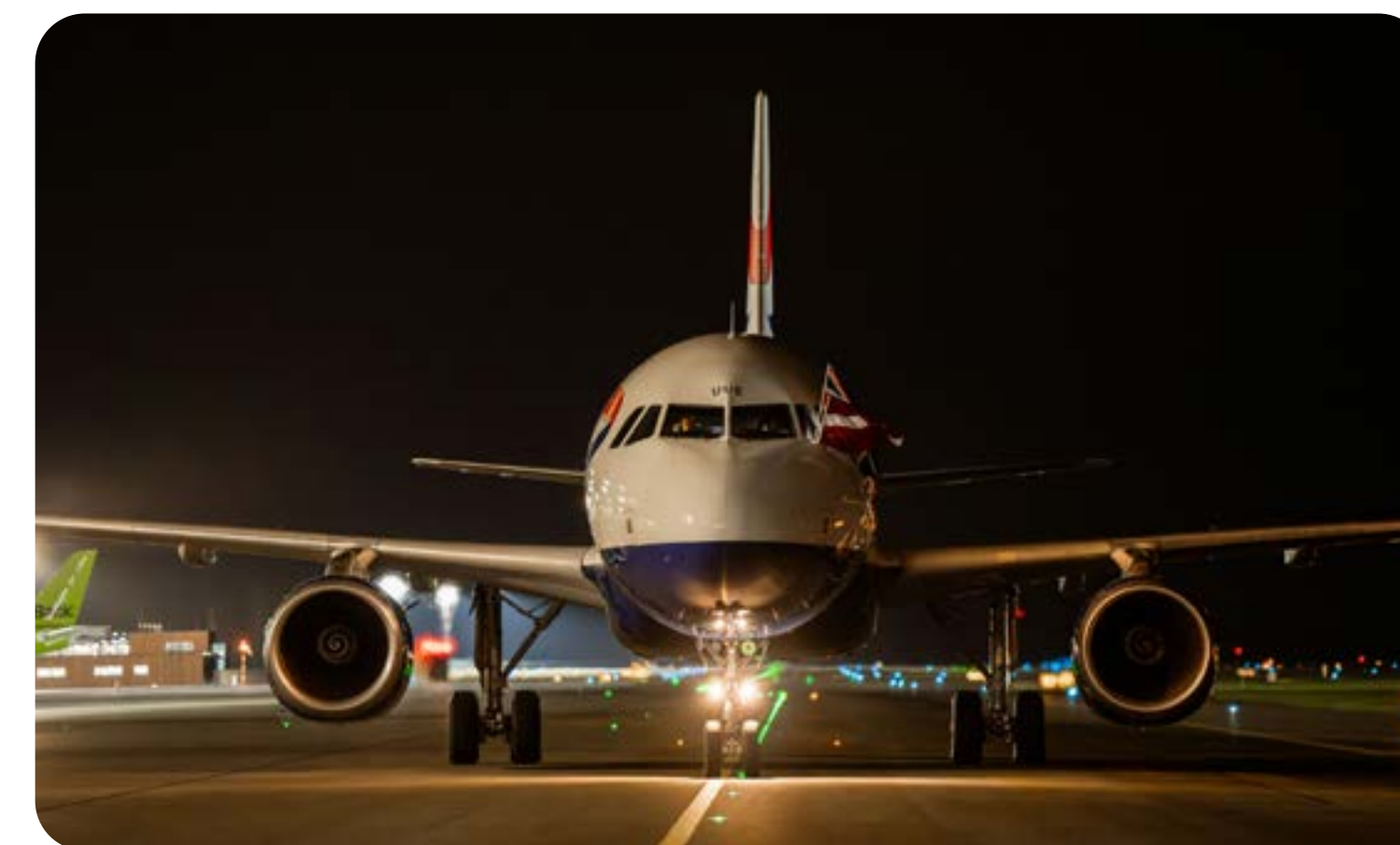
<sup>44</sup> Taxpayer rating system | State Revenue Service (vid.gov.lv)

## Connectivity and Promotion of Latvia as an Attractive Destination

One of the priorities of Riga Airport is the development of a wide network of routes, so the Airport is constantly negotiating with air carriers about the opening of new flight routes.

During 2023, individual negotiations have been held with air carriers to renew and expand the route network, resulting in a high number of direct destinations in the summer season – 106; in the winter season – 87. The number of destinations for the 2023 summer season has reached and even slightly exceeded the number of destinations for 2019, while the number of destinations for the winter season is even ten destinations higher than in 2019.

In 2023, 12 airlines operated scheduled flights from Riga Airport, including two new carriers – "Aegean Airlines" with flights to Athens and "British Airways" with flights to London-Heathrow. The development of charter services was boosted by the entry of two new tour operators – "Anex Tour" and "Itaka" – into the Latvian market. Charter programmes operated in cooperation with tour operators were operated by a total of 12 carriers in 2023, of which four



were new carriers – "Air Montenegro", "Mavi Gok", "Rynair Buzz" and "Skyline Express".

10 new scheduled regular passenger destinations – Gdansk, Hannover, Bucharest, Porto, Bilbao, Belgrade, Baku, Yerevan, Agadir and London-Heathrow - were launched, while five more destinations – Kavala, Tirana, Rimini, Bodrum and Matala Airport (Sri Lanka) – were served by charter programmes.

To promote the increase in the number of passengers and the volume of cargo, as well as to promote the expansion of the network of destinations, marketing support is provided to airlines.



To promote passenger transportation in 2023, Riga Airport participated in the "Connect", "Routes Europe" and "World Routes" route planning forums. Individual meetings with carriers were also held to promote passenger traffic.

The aviation industry – Riga Airport airBaltic, LGS, CAA and LAA – continued to work together to promote the growth and development of aviation.

One of the growth pillars of Riga Airport is the development of aviation cargo. To promote the development of the cargo segment, Riga Airport has joined the national transit and logistics trademark "VIA Latvia", which has been developed under the supervision of the Ministry of Transport. The participation of the Airport in this project provides an opportunity to be involved in the development and presentation of multimodal transport and logistics solutions at international exhibitions and meetings of the country's foreign working groups.

Thanks to joint marketing activities of air, sea, and rail transport companies, in cooperation with JSC "Latvijas Pasts", it was possible to implement an e-commerce air cargo programme from China (Hangzhou and Hong Kong) with further distribution to other countries through the post office network by February 2022. It was also possible to ensure the flow of e-commerce transit courier mail for shipments from China to Ukraine, Lithuania, and Estonia via Riga. The new cargo programmes led to an increase in freight traffic in 2020 and 2021, which continued even until the Russian invasion of Ukraine on 24 February 2022. The hostilities

initiated by Russia in Ukraine significantly reduced cargo transportation due to the closed markets and airspaces of Russia, Ukraine, and Belarus. Before the beginning of hostilities, a large volume of air cargo from Asia to Latvia was transported through Russian airspace. However, also in 2023, to continue the development of cargo transport and attract new partners, Riga Airport participated in the Air Cargo Europe 2023, "TransKazakhstan/Translogistica 2023" and "TransUzbekistan/Translogistica 2023" exhibitions, as well as met individually with cargo carriers and logistics companies.

In total, 19,160 t of air cargo will be handled at Riga Airport in 2023 (-9 % compared to 2022), 53 % of the cargo volume or 10.1 thous. was transported in the cargo hold of passenger flights (4 % more than in 2022), while 47 % of the cargo or 9 thousand tonnes were carried on cargo flights (20 % less than in 2022). Air cargo transportation is negatively affected by geopolitical processes, which have led to significant changes in cargo supply and logistics chains. The geopolitical situation means that much of the cargo, such as e-commerce cargo from China, arrives in the Baltics by road from Central Europe. Similarly, the negative global economy and supply chain conditions have weakened air cargo transportation worldwide in 2022-2023.



Part of the lost cargo volume was offset by increased military activity in the region and related air cargo transshipment, as well as the successful operation of scheduled cargo carriers. The largest cargo carriers in 2023 were "airBaltic" (42 %), "DHL" (24 %) and "FedEx" (14 %).

The most important cargo segment development projects in 2023:

- in cooperation with SJSC "Latvijas Pasts", discussions continued with Chinese logistics companies on the possibility of restoring lost air cargo flows, which due to changes in routes are now mostly delivered by air to Central European airports, from where they are transported by land carriers to our region;
- search for new freight markets – active efforts to promote cooperation with Central Asian carriers and logistics

companies, meetings on the possible development of freight transport with representatives of companies and organisations from Uzbekistan, Kazakhstan, the People's Republic of China, Ukraine and Turkey;

- discussions with Billund Airport on the establishment of a Riga-Billund-Riga express route;
- Ukrainian express mail "Nova Poshta" e-commerce cargo flight program on the route Riga – Rzeszow – Riga in cooperation with JSC "RAF-Avia";
- continuing the implementation of EU regulatory requirements and binding World Customs Organisation standards, the SRS Customs Administration introduced two new customs information systems, a new export declaration system and a new transit control system.

## Direct Economic Value Created and Distributed

### 201-1

The year 2023 has marked a stabilisation of aviation services at Riga Airport, as evidenced by the volume of flights and passenger services, which is in line with the budget. However, the Russian war in Ukraine and the related closure of airspace and several restrictive measures adopted by the EU will continue to have a significant impact on Riga Airport's services, energy prices and operating results in 2023, as they had in 2022. The mentioned risks were also evaluated in the planned budget for 2023.

The following have been served in 2023:

- 6.63 million passengers, which is 6 % more than in the planned budget, 23 % more than in 2022, but 15 % less than in 2019;
- 61,345 flights, which is 2 % less than planned in the budget, 12 % more than in 2022, but 29 % less than in 2019.

Considering the above, the net turnover of Riga Airport in 2023 was 72,501 thousand EUR, which is by 1,342 thousand EUR or 2 % more than was planned in the budget. Net turnover consisted of revenues from:

- for aviation services 43,329 thousand EUR, which is by 328 thousand EUR, or 1 % less than was planned in the approved budget of 2023;
- for not-aviation services 29,172 thousand EUR, which is 1,670 thousand EUR, or 6 % more than was planned in the approved budget of 2023, even though revenues from electricity trade and distribution did not reach the budget plan by 1,077 thousand EUR (not including state aid compensations for mitigating energy resource price increases).

The following service positions had a positive impact on turnover:

- revenues from renting out premises exceeded those planned in the budget according to the increase in the number of passengers;
- parking lot revenues exceeded budgeted revenues due to unbudgeted price increases in January and July 2023 as well as an increase in the number of parking lot customers;

The largest cost saving in 2023 was in utilities – 3,656 thousand EUR or 32 %, and this is due to a cheaper electricity

procurement price, as well as several cost-saving measures to reduce resource consumption and environmental impact, and lower than budgeted heating costs.

Riga Airport closed the year 2023 with a profit of 1,612 thousand EUR, which, thanks to the increase in revenues and cost savings, is by 5,830 thousand EUR better result than planned in the budget (planned losses 4,218 thousand EUR).

Likewise, until 31 December 2023, fixed assets have been purchased, works have been performed and/or advance payments have been paid in the amount of EUR 22,071 thousand.

Read more about investment projects in the section "Strategy and Investments".

Type of costs	Costs, thousand EUR
Production costs	76,052
Personnel costs (including health insurance and risk fee)	42,893
Interest payments	653
Dividends	-
Funding for neighbourhood activities	2

## Contributions to pension funds

### 201-3

Riga Airport, as an employer, is aware of the importance of financial savings for increasing pension capital and evaluates the possibilities of diverting a part of the wages of employees to contributions to the pension fund manager selected in the competition in the private pension funds offered thereby. Due to the dramatic impact of the Covid-19 pandemic and, since 2022, the geopolitical situation on the economic activity and financial indicators of the Airport, the company has postponed the further development of this approach until the economic activity and financial indicators of the Airport return to the required level.

In 2023, in cooperation with Swedbank, Riga Airport organised a specialised webinar on pensions for employees as part of a series of financial literacy seminars to raise employees' awareness of the Latvian pension system, their options and motivate them to actively participate in managing and building up their pension savings.

# Financial Support Provided by the State

## 201-4

In 2023, Riga Airport received and used for the specified purposes state subsidies from the state budget programme 44.00.00 "Funds for Ensuring Aviation Safety, Rescue and Civil-military Cooperation".

## The field of aviation security

In accordance with the Cabinet Order No. 337 of 8 June 2023 and the Ministry of Transport Order No. 01-03/103 of 12 June 2023 "On financing of civil aviation security maintenance measures in 2023 from the state budget programme 44.00.00 "Funds for Ensuring Aviation Safety, Rescue and Civil-military Cooperation" (hereinafter referred to as the Order), Riga Airport has been granted funding in the amount of EUR 412,218 to partially cover expenses related to the purchase of two explosive detectors, as well as the purchase of an airport firefighting vehicle for the civil aviation aerodrome of national importance Riga Airport.

The procurement "Supply of six explosives residue detectors (ERDs) in 2023, 2024 and 2025" was launched on 2 June 2023 and the contract was signed with the successful tenderer on 3 August 2023 for a total transaction amount of EUR 238 226 (excluding VAT). The ERDs planned for 2023 have been delivered and on 12 October 2023 has been made a payment of 66,550,000 thousand EUR.

Regarding the purchase of fire engines, two purchases were made in 2023. The first procurement for the purchase of fire-fighting vehicles has been completed and on 13 July 2023, a contract for EUR 1,089,900 (excluding VAT) was concluded, with an advance payment of EUR 216,980 paid from Riga Airport funds.

The procurement for the second fire engine has been concluded and the contract was awarded on 28 November 2023 for EUR 559,410.50 (excluding VAT). An advance payment was made, and EUR 345,618 was used from the allocated funding.

Accordingly, from the funding allocated in the Order (EUR 412,218), EUR 412,168 were used in 2023.

The Riga Airport regularly informs the Ministry of Transport about the use of the subsidy.

# Noise

## 3-3, A07, RIX3

Riga Airport is aware of the impact of noise on the surrounding inhabitants and the company's role in aircraft noise management, by conducting an aircraft assessment, participating in and promoting the optimization of flight procedures, as well as encouraging the affected parties to act together to reduce the impact of noise on the inhabitants living in the vicinity of the Airport.

The law "On Pollution" regulates the management of environmental noise at the national level, by setting the requirement for the transport infrastructure manager to ensure the development of strategic noise maps and action plans for noise reduction. Cabinet Regulation No. 16 of 7 January 2014, Procedures for the Noise Assessment and Management, in accordance with the law On Pollution, determines both noise thresholds and requirements for strategic noise mapping and the development of action plans for the noise reduction.

The Airport collects and analyses aircraft noise measurements at four stationary stations, aircraft radar data, and aircraft flight information. Aircraft noise monitoring was started in 2008.

Riga Airport develops a strategic noise map (SNM) and the Action Plan for the Noise Reduction every five years.

In July 2023, a new SNM based on 2022 data was approved, which found an area of 21.2 km<sup>2</sup> of  $L_{dvn}$  exceeding 55 dBA, which is 20 % less than was found in 2016, when an area of 26.5 km<sup>2</sup> exceeded the 55 dBA  $L_{dvn}$ . Therefore, the objective of the Sustainability Strategy 2022-2030 "To provide a high-quality living environment for the inhabitants of the areas surrounding the airport by ensuring that the area with a daily aircraft noise  $L_{dvn}$  exceeding 55 dBA does not increase compared to 2016" has been met in 2023.

The population of the area with an aircraft noise  $L_{dvn}$  above 55 dBA decreased less than the area, from 1,703 inhabitants in 2016 to 1,642 inhabitants in 2022, or by 4 %. In the area where  $L_{dvn}$  exceeded 55 dBA in 2016, the population increased from 1,703 inhabitants in 2016 to 2,372 inhabitants in 2022, or by 39 %.

The 2023 approved SNM revealed that aircraft noise in 2022 exceeded the daytime noise limit values for an area with 300 inhabitants, the evening noise limit values for an area with 2033 inhabitants and the night-time noise limit values for an area with 2,896 inhabitants. Amendments to the

permitted use of land by local authorities have changed the applicable noise limits in several areas. In addition, the impact of changes in the permitted use of the site is exacerbated by population growth. Although there has been a significant increase in the number of people exposed to exceedances of the evening noise limit value, this is not due to changes in aircraft noise contours but to population growth and changes in the permitted use of the area. Although the overall number of people exposed to aircraft noise exceedances has increased by 62 % and 41 % both in the evening and at night, changes in aircraft noise levels have reduced these numbers by 10 % and 24 %.

On 11 November 2023, amendments to Cabinet Regulation No. 16 "Noise Assessment and Management Procedures" came into force, which set different noise limits for traffic noise,  $L_{day}$  – 65 dBA,  $L_{evening}$  – 60 dBA and  $L_{night}$  – 55 dBA. The SNM approved in 2023 also established that in 2022 no residents lived in an area where aircraft noise levels exceeded such noise levels.

Following the approval of the SNM, Riga Airport organised meetings with residents in Jaunmārupe and Piņķi. During the meetings, the SNM was presented, residents' questions were answered and possible measures for the new Noise Action Plan were discussed.

Riga Airport's Noise Reduction Action Plan and its Executive Summary, approved by the Airport Board in December 2018, are currently in force. It was developed by the Environmental Noise Management Working Group in cooperation with municipalities, public authorities, airlines, and Latvian Air Traffic. Work on a new Noise Action Plan started in 2023 and will continue in 2024.

Aircraft noise management requirements at the Airport are defined in the process description Ensuring Environmental Noise Management by identifying interactions with other processes and stakeholders. Cooperation with the affected parties is regulated by the Terms of Reference of the Working Group of Environmental Noise Management of Riga Airport and the Subgroup of the Aviation Industry, in which the responsibilities of the parties, including the Airport, are determined.

By analysing noise monitoring, radar and flight plan data, the Airport provides comprehensive information on the aircraft noise situation and its influencing factors. The action plan for noise reduction is a tool to implement noise reduction or non-deterioration of the situation, where possible.

The action plan includes informational measures, for example, data on the [aircraft noise index](#) for 2023 and information on [the frequency of overflights of certain territories](#) is published on the website of the Airport. Riga Airport analyses the use of taxiways and the execution of "E" type flight procedures during the night, as well as the profile of aircraft arrivals. As a result, changes have been made to the Airport's publication of aeronautical information, and information on airline arrival performance has been published on the website of the Airport.

The aircraft noise situation, especially in the areas close to Riga Airport, is mainly determined by which aircraft and at what time of day the airlines operate flights. The Airport has limited ability to influence these factors. However, the replacement of the aircraft fleet that has taken place in the last ten years has ensured that the impact of the aircraft noise has decreased. For example, in 2023, compared to 2016, there were 23 % more passengers and only 3 % less freight, while the aircraft noise level L<sub>dn</sub> at the noise monitoring stations decreased by 1.5 to 4.0 dBA at all stations.

## Noise Index at Noise Monitoring Stations

The noise index at the noise monitoring stations is calculated by applying the instructions approved by Riga Airport. In calculating the index, the measured aircraft noise level is considered. It is normalized by the number of passengers carried in the base year, the amount of cargo handled and the number of other flights. The base year for TMS2B is 2016, for TMS1 and TMS4 it is 2012. The index methodology significantly increases the impact of evening and night flights. One evening flight corresponds to about three-day flights, and one night flight corresponds to ten-day flights.

The average value of the noise index at the noise monitoring stations has decreased by 0.3 dBA compared to 2022. The index has decreased each year since 2016 by a total of 3.0 dBA, equivalent to an increase of 101 % in the operational scale, keeping the noise impact constant. The noise index has decreased by 0.3 dBA for TMS2B, by 0.9 dBA for TMS4 and increased by 0.3 dBA for TMS1 compared to 2022. On the other hand, compared to 2019, a decrease can be observed at all noise monitoring stations – TMS1 – 0.8 dBA, TMS2B – 1.3 dBA, TMS4 – 1.6 dBA.

Station/ year	Noise index, dBA				
	2019	2020	2021	2022	2023
TMS1	50.0	50.4	49.7	48.9	49.2
TMS2B	55.4	54.8	54.0	54.4	54.1
TMS4 <sup>45</sup>	53.9	53.5	53.0	53.2	52.3
Average value	53.1	52.9	52.6	52.2	51.9

<sup>45</sup> On 23 August 2022, TMS4 was moved to another location in the same building in order to reduce the impact of residual noise, in order to ensure the possibility of comparing the results, the measurements in previous years have been reduced by 1.1 dBA.

At all stations, the time when aircraft flew increased the noise index in 2023 compared to 2022. On the other hand, in relation to 2019, TMS1 reduced it, TMS4 increased it, and TMS2B had a neutral effect. The aircraft type structure relative to 2022 has no impact for TMS1 and TMS2B but

has increased the noise index for TMS4. In relation to 2019, changes in the structure of aircraft types have reduced the noise index. In all stations, the overall impact of changes in the number of flights and the volume transported is lower in 2022 than in 2019.

The same aircraft have remained louder in TMS1 and TMS2B due to the change in the type "J" flight procedures that entered into force on 16 June 2022. Therefore, the changes affected the entire year 2023, but only a little less than half of 2022. The changes shifted the flight paths of aircraft performing type "J" procedures to the north of TMS2B, where aircraft noise affects a smaller population. As a result of these changes, in 2023 aircraft performing type "J" flight procedures were on average 846 m away from TMS2B, compared to 1,098 m in 2022 and 1,188 m in 2021. This change in distance should increase the noise level of "J" type flights by 2.3 dBA compared to 2022. However, when looking at flights with recorded noise events, the average noise event sound exposure level has increased by 0.3 dBA. This small increase is since the distance to TMS2B has decreased less for louder types than for quieter types, and the proportion of quieter types in the total number of flights has increased.

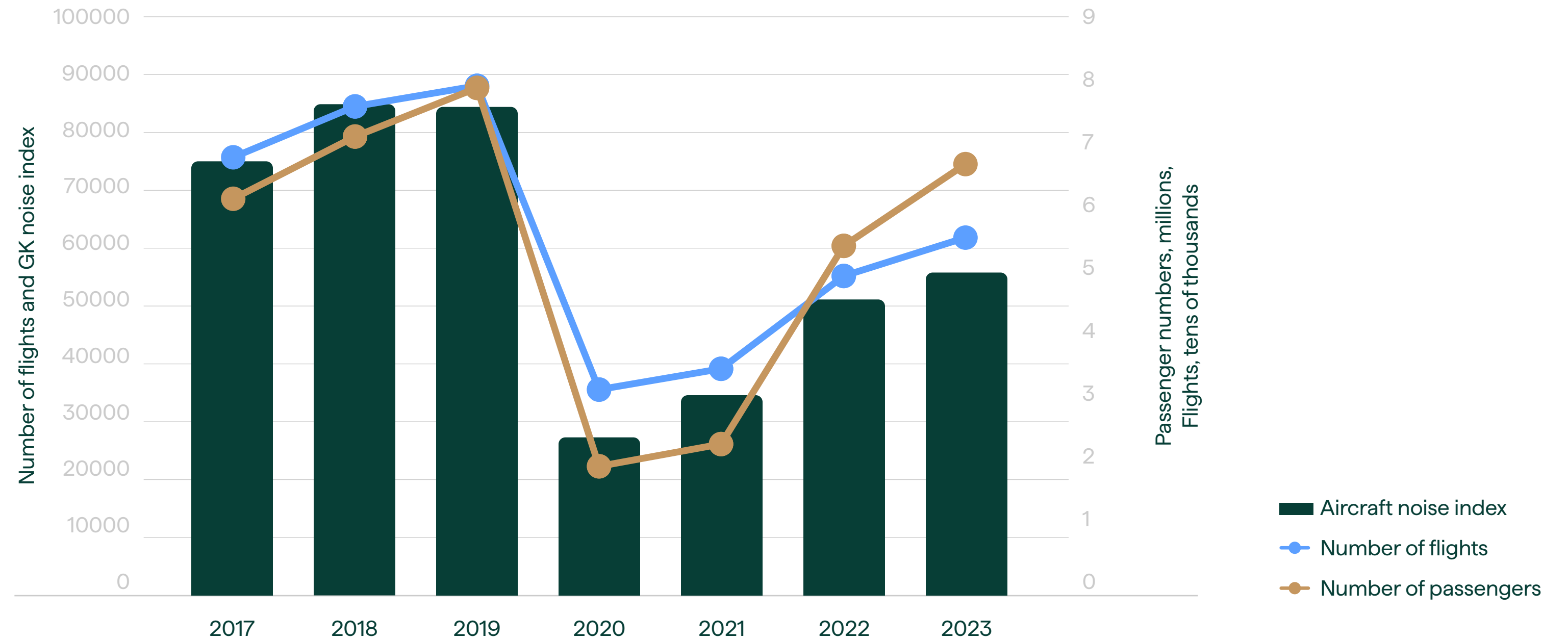
Parameter	2023 vs. 2022			2023 vs. 2019		
	TMS1	TMS2B	TMS4	TMS1	TMS2B	TMS4
Effect of part of the day	0.2	0.4	0.2	-0.2	0.0	0.4
Effects of aircraft structure	0.2	0.4	0.2	-0.2	0.0	0.4
The effect of the number of flights	0.0	0.0	-0.5	-0.6	-0.8	-0.7
Effect of volume transported	0.5	0.5	0.5	-1.7	-1.5	-1.6
The sum of the number of flights and the volume carried	-0.9	-1	-0.7	1.1	0.5	1.2
Aircraft volume changes	-0.4	-0.5	-0.2	-0.6	-1	-0.4
The influence of known factors	0.7	0.2	-1.9	-1.0	-2.3	-0.5
Observed changes	0.3	-0.3	-0.9	-0.8	-1.3	-1.6

# Aircraft Noise Index

The aircraft noise index is calculated in conformity with the methodology approved in the Noise Reduction Action Plan. For less frequently used aircraft, the average certified noise level of the aircraft type is used, while for the majority (86 % of the index) the database of aircraft noise certificates published on the EASA Environmental Portal is used. 2017 is the base year of the index, where the index value corresponds to the number of flights. In accordance with Clause 8 "Introduction of additional aircraft noise indicator" of the Action Plan of Riga Airport for the noise reduction, the Airport must calculate and publish information on the previous year's noise index value on its website once a year (until the end of March).

Year	Aircraft Noise Index
2019	83.821
2020	26.725
2021	34.063
2022	50.687
2023	55.413

The aircraft noise index in 2023 was 55,413, higher than in 2022 but significantly lower than in 2019. The index value in 2023 is 34 % lower than in 2017, despite an 8 % increase in passenger numbers.



The increase in the aircraft noise index is mainly due to the increase in the number of flights (11.9 %). At the same time, a lower share of evening and night flights (-1.6 %) and quieter aircraft (-0.7 %) have had a decreasing effect. The Airport has set an objective in its Strategy to ensure that the aircraft noise index

value does not exceed 75,439 points. The result of Riga Airport for 2023 is lower than the objective for 2027. In the following years, the Strategy foresees a large increase in the number of flights, which will increase the aircraft noise index, however, Riga Airport is on the way to achieving the objective for 2027.

## Noise Complaints

In 2023, two aircraft noise complaints were received, the substance of which was about "J" type flights affecting both the Mežāru village of Mārupe Municipality and the Buļļuciems neighbourhood of Jūrmala state capital. Although Riga Airport applied for changes to the type "J" flight procedures in the summer of 2022, the flight procedures did not enter into force due to the soon to be expected obstacles in updating the data. The changes would have moved the aircraft further away from Mežari village and the vicinity of Buļļuciems. The changes are expected to take effect in the first half of 2024.

## Proportion of CDA

Riga Airport CDA (Continuous Descent Approach) rates shall be calculated in accordance with the methodology approved in the Noise Action Plan. In 2023, 88 % (89 % in 2022) of incoming flights took place in accordance with Riga Airport CDA criteria. The criteria used by the Airport is an aircraft flying at an altitude of less than 10 km with a gradient of less than 1 % below 10,000 feet (about 3,000 m).

In 2023, as in 2022, the passenger carriers "Ryanair", "Finnair", "Norwegian Air Shuttle" and "Norwegian Air Sweden" have performed well, with more than 90 % of aircraft arriving at a steadily decreasing altitude. "airBaltic's performance is significantly undermined by the poor CDA performance of its leased aircraft, with only 68 % of its flights meeting the CDA criteria. At the same time, 93 % of "AirBaltic Airbus A220-300" flights met CDA criteria. Cargo carriers underperformed, with "European Air Transportar" having the highest share at 80 %, beating last year's best performer "Swiftair" by one percentage point. Business aviation aircraft and carriers with less than 120 flights have a significantly lower figure, below 70 %.

## Community Support

### 3-3, RIX5

CSR is the voluntary activities of companies for the improvement of public welfare and the surrounding environment in cooperation with interested parties. To support the good practice of corporate social responsibility, the Airport implements its CSR activities in several directions and forms in conformity with the principles and criteria defined in the CSR guidelines.

To determine the CSR priorities and tactical level activities of Riga Airport, as well as to ensure a balanced development of the organisation in the long term, the CSR guidelines of company were developed in 2016. Aware of the place and role of Riga Airport in the overall development of Latvia and the dimensions of responsibility, the company has defined the following areas of CSR and public investment policy or support:

- the well-being of the local community;
- environment protection;
- human resource development;
- business and tourism development in Latvia.

The abovementioned areas of support were chosen considering the impact of the operation of the Airport on the well-being of the local community and the environment, as well as based on the strategic objectives of the Airport, which, among other things, envisage the promotion of business in Latvia and the development of the aviation industry, retaining and attracting high-quality specialists, ensuring growth opportunities and work environment supporting success.

According to the CSR guidelines of the Airport, the subjects of support can be organisations and institutions whose activities or implemented projects correspond to the priority areas of support defined in the company's public investment policy,

while religious organisations and persons and organisations related to political processes are not supported.

Public support projects are implemented by Riga Airport as voluntary work and financial support, ensuring the transparency of this process.

To apply for support, the applicant must fill out the form on the website of the Airport and send it to the email address [pr@riga-airport.com](mailto:pr@riga-airport.com). All received applications that meet the priority support areas and criteria defined in the society's investment policy of the Airport are evaluated by the Sustainability Committee every six months. In 2023, no project application was received in accordance with the procedures laid down in the CSR guidelines.

Information about the financial support provided by the company is published on the website of Riga Airport in the section "Overview of donations and gifts given by the airport".

The implementation of CSR is coordinated by the Communication Unit of Riga Airport, email: [pr@riga-airport.com](mailto:pr@riga-airport.com).

The Airport also develops other partnerships, supporting charities and organising joint activities. Thus, for example, in support of the association "Latvijas Kustība par neatkarīgu

dzīvi", the exhibition "Miljons sveču grupu mājai" was opened in the terminal of Riga Airport from December 2022 to March 2023, calling for support for the construction of a group home for young people with very severe developmental disabilities. The Airport also continues its cooperation with the regional charity organisation "Labdarības lapa", which collects donations and provides support to Ukrainian refugees in Latvia. At the beginning of 2023, the Airport handed over the goods donated by its employees in the charity campaign to this organisation.

Implementing the CSR priority "Human Resources Development", Riga Airport is actively involved in various educational projects. One of them is the joint project "School goes to life – life comes to school" of the association "Mārupes uzņēmēji" and Mārupe elementary school, within the framework of which specialised lessons are prepared which are led by entrepreneurs of the Mārupe Municipality, giving students the opportunity to learn the subject matter in the practical conditions of a real business environment. As part of this project, Riga Airport employees taught eight lessons to pupils at Mārupe elementary school in 2023. The training programmes developed by Riga Airport were implemented in the spring of 2023. Two biology lessons for 7th graders were led by Senior Bird and Animal Control Specialist Mareks Arbidāns and took place at Riga Airport. Three sessions on customer service were conducted by Mārtiņš Lācis, the Airport's Customer Service Manager, for pupils from grades 7 to

9, and another three sessions were conducted by Sanita Šaitere, the Airport's HR Project Manager, where pupils could learn about job applications and preparing for job interviews.

Employees of Riga Airport contribute their volunteer work to the preparation of programmes and teaching lessons. In 2023, a total of 104 volunteer hours were donated by Airport employees, both in preparing and conducting lessons and in organising the Airport Children's Day.

In the picture: Mārupe elementary school pupils in biology class at Riga Airport in April 2023.



The Airport has been an active participant of the Shadow Day organised by Junior Achievement Latvia for many years. On Shadow Day 2023, the Airport offered 39 vacancies for 20 different positions to children and young people. 45 "shadows" got to know professions of the Airport on this day.

By implementing various infrastructure projects, providing as well as expanding the range of services, the benefit is not only for the passengers of Riga Airport, but also for the wider society. For example, everyone can use the publicly available electric car charging points in the airport car parks, use the ride-sharing service, as well as the services available in the public part of the terminal. In 2023, Riga Airport continued its cooperation with Rīgas Satiksme Ltd. to evaluate changes to the public transport route to cover a larger area and make public transport options more accessible to passengers and airport guests. As a result of the negotiations, at the end of 2023, simultaneously with the opening of the newly built L1 and L2 roads within the Rail Baltica project, the public transport stop was moved closer to the Airport terminal – to the P1 car parking lot.

Also in 2023, for the convenience of the Airport's passengers and guests with special needs, the time for free use of the specialised PRM parking spaces in the Airport's short-term car parking lot P1 has been extended to 30 minutes. To obtain the service, you must present your boarding pass and a Latvian

or international disabled person's parking card at the Airport Visitor Centre in Arrivals Hall E.

In connection with the construction of the Rail Baltica station in the territory of the Airport, the road network around the Airport was significantly changed in 2023 – new access roads L1 and L2 were constructed, as well as changes were made to the traffic organisation on other streets and roads around the Airport and the construction of several new car parks was started. Although these construction works are not under the direct control of the Airport, nevertheless, to reduce the inconvenience to motorists and employees, which could be caused by the regular changes in the organisation of road traffic around the Airport, the company, in cooperation with the implementers of the "Rail Baltica" project, implemented communication on social networks, the website and internal information channels.

When evaluating the Airport's performance in the implementation of CSR guidelines, it can be concluded that although the abovementioned guidelines sufficiently accurately reflect the principles and priorities of the company's public support, it would be necessary to update them, including by improving and making the project submission mechanism more convenient, as well as by setting achievable goals. The guidelines are planned to be updated in 2024.



# Support for the Local Community

## 413-1

Aware of the dimensions of its responsibility, the impact of the company and the quality of life of the inhabitants of the neighbourhood, Riga Airport has defined the well-being of the local community as one of its CSR priorities. By realising the range of its influence and considering the planned development projects, the Airport currently recognises the Mārupe Municipality, where the Airport infrastructure is located and whose inhabitants are most affected by the Airport and airline operations, to be the local community. However, in the future, as the operation of the Airport expands and new development projects are implemented, such as the establishment of Airport city "RIX Airport City", the impact of the Airport may expand and more significantly affect the residents of Jūrmala and Riga.

The framework of cooperation between the airport and the local community is defined in the memorandum of cooperation entered on 5 September 2022 with the Mārupe municipality, which continues the principles and priorities of cooperation that the Airport has implemented since 2018 in Mārupe and Babīte Municipalities before the administrative territorial reform. The



memorandum envisages the cooperation between the Airport and the local government in projects to support children and young people of the municipality, persons with disabilities and seniors, including the volunteer work of the Airport employees. Also, the memorandum envisages supporting events organised by the Mārupe Municipality in the cultural, sports, educational, tourism and social fields. Areas of support and priorities have

been selected by evaluating the wishes and needs of inhabitants in cooperation with the specialists of the Municipality.

In accordance with the Memorandum Implementation Plan 2023, Riga Airport supported the organisation of the International Senior Citizens' Day event at the Babīte Cultural Education Centre and provided free excursions for pupils of



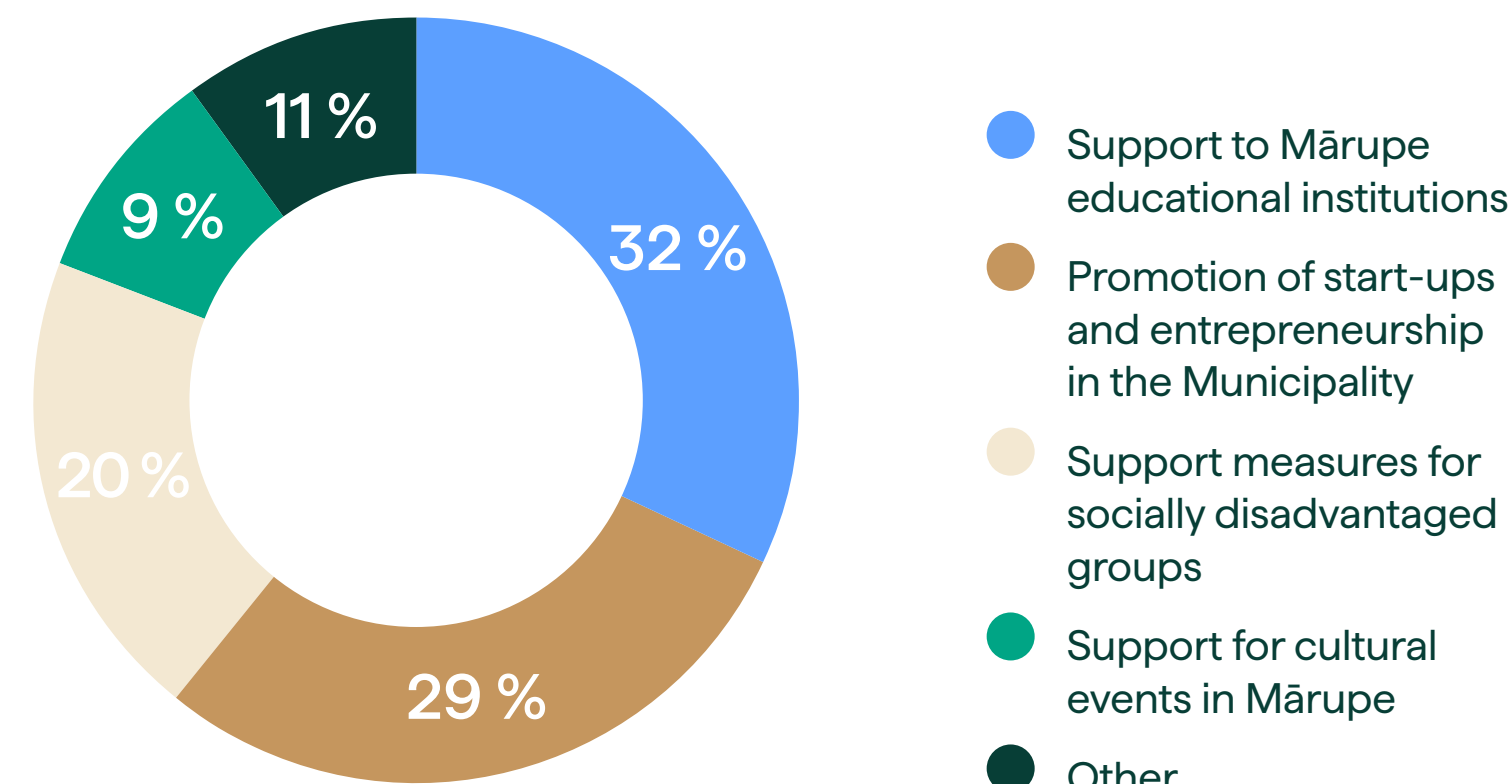
educational institutions in the Mārupe Municipality. Also, the Airport provided souvenirs and other prizes for sports and leisure events for children and youth in Mārupe Municipality.

To evaluate the contribution of the measures implemented by the Airport to support the local community, in July 2022 the Airport, in cooperation with the public opinion research center SKDS, conducted a survey of the inhabitants of Mārupe. When describing the positive aspects and the benefits that Riga Airport brings to the Mārupe Municipality, almost half of the respondents (48 %) mention that the Airport is close, and you can get there quickly and easily. Almost half of respondents

(31 %) mention that the Airport pays taxes to the state and local government, provides financial benefits to the local government, and develops entrepreneurship.

Most surveyed inhabitants of Mārupe (77 %) believe that Riga Airport should support and cooperate with the local community – that is, with the inhabitants of Mārupe Municipality. Riga Airport conducts such a survey every two years, however, as the Noise Action Plan will be developed in 2024 to assess its effectiveness, the local community survey will take place one year later – in 2025.

Support measures for Mārupe Municipality and its residents  
Survey of Mārupe residents (SKDS; 2022)



Local community representatives receive information on social and environmental issues through the Riga Airport website, for example on environmental and noise issues, as well as through direct communication, participation in joint educational activities for schoolchildren, or meetings on issues of importance to residents, for more information see "Community Support", "Noise" and "Environmental Noise Management Working Group". In 2024, local community representatives will be involved in the development of the new Noise Action Plan through consultation.

The 2024 Sustainability Strategy includes an action to explore the possibility of introducing a Social Entrepreneurship Fund to provide funding to local organisations to implement projects that will improve the quality of life of the local community, promote education and innovate.

Riga Airport is also active in the Business Consultative Council of the Mārupe City Council and the association "Mārupes uzņēmēji", read more in the section "Membership in Organisations".

Inhabitants of the local community can submit feedback about Riga Airport (including a complaint) in accordance with exactly the same procedure as anyone else. The mechanism for the submission of a feedback is described in the section "Customer Feedback" section.

## Cooperation with students

In 2023, Riga Airport engaged in and supported two projects to seek innovative solutions while supporting students in their studies and to promote synergies between science and business:

- The international "Hydrogen X Future Hackathon" took place at the Institute of Solid-State Physics of the University of Latvia, with the main aim to highlight hydrogen and other renewable energy sources together with Latvian companies and organisations as alternative energy sources with high future potential to existing ones, thus promoting a carbon-neutral course in Latvia, Europe and the world. The winner of the hackathon was the team "H2ONICS" with the idea of developing powerful ultraviolet radiation sources to produce hydrogen more efficiently and cost-effectively. Riga Airport set its own challenge for the hackathon – "Small H2 Valley" and one of the teams working on this challenge won the Airport's sympathy award. In total, 10 teams competed for the main prize.
- "Erasmus Mundus" Master's study program "Service Design Strategies and Innovations" and Riga Airport started an innovative cooperation project, the aim of which is to expand the boundaries of cooperation between business and the academic sector. The course applied design thinking

principles and service design methods to motivate service challenges and innovation at Riga Airport. In addition to the project's direct task, the objective of the collaboration was to promote a general understanding of service design in Latvia, highlighting the power of the discipline in creating better service experiences and innovative solutions, as well as to bridge the gap between theory and practice, giving students the opportunity to apply their knowledge and skills in a real service environment.

Riga Airport continuously cooperates with educational institutions and students to support career choices by offering and providing internships and opportunities to develop final projects, read more in section "Career Events and Internship Opportunities".



## Donation of Found Property to Charity

Since 2018, Riga Airport has been handing over to charity items found in the Riga Airport's passenger terminal that have not been claimed by the owner within a month. In 2023, a contract has been signed with the "OTRĀ ELPA" charity foundation, which operates the charity shops Otrā Elpa (Second Chance), to hand over unattended items.

The foundation may use its assets only for purposes that are of significant benefit to society or a part of it, in particular if they are aimed at charity, protection of human rights and individual rights, development of civil society, promotion of education, science, culture and health and prevention of diseases, promotion of sport, including high performance sport, environmental protection, disaster and emergency relief, improvement of social well-being of society, in particular of the poor and socially disadvantaged groups – without profit-making purpose.

A part of the belongings is placed in the organization's stores for sale, and the obtained funds are donated to social charity projects, while another part of the belongings is donated by foundation to cooperation organizations, which they distribute to socially disadvantaged groups of people as needed.

Other charities can also apply to receive items found at the Airport. In accordance with the terms and conditions of Riga Airport, the organization must have the status of public benefit.

## Donation and Giving

The principles of donation and charity are a part of the CSR and public investment policy of Riga Airport. Charity can take the form of gratuitous assistance in various public activities in accordance with the current laws and regulations of the Republic of Latvia, for which a donation (gift) contract shall be entered into.

In accordance with the current regulatory enactments of the Republic of Latvia and the available financial resources, all received applications that correspond to the support areas defined by the company are evaluated by the Sustainability Commission every six months. Riga Airport personally

informs the recipients of the supported projects. Allocation of donations (gifts) or projects are:

- component of corporate social responsibility and public investment policy;
- charity can take the form of gratuitous assistance in various public activities in accordance with the current laws and regulations of the Republic of Latvia, for which a donation (gift) contract shall be entered into.

An overview of donations and gifts made by Riga Airport is available on the company's website. In 2023, Riga Airport donated a second-hand arc-shaped metal detector to the Embassy of Ukraine in the Republic of Latvia.

## Donation Stands

In the registration sector of the passenger terminal of Riga Airport, as well as in the B and C sectors, which are located in the passenger area behind the security control, there are donation stands created and maintained by Riga Airport. The right to place a donation box in it can be claimed by any charity whose activities correspond to the areas of corporate social responsibility support of Airport Riga. The rotation of organizations at the stands takes place twice a year.

In 2023, 15 organizations had the right to place a donation box at the Riga Airport donation stands. Information on the funds donated in 2023 has not been compiled at the time of the preparation of the Non-Financial Statement, but an overview of the use of the funds raised at the donation booths is available on the [website](#) of Riga Airport.



To improve donation opportunities and reduce the bureaucratic burden, in 2023 Riga Airport started negotiations with the charity organisation "Ziedot.lv" to replace the current donation stands in the airport terminal with digital donation stands. The project will be continued in 2024.



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**INDEPENDENT LIMITED ASSURANCE REPORT**

**To the Board of VAS Starptautiskā lidosta "Rīga"**

This limited assurance report has been prepared based on contract with VAS "Starptautiskā lidosta "Rīga"" (hereafter - Riga International Airport) dated 5 March 2024, and it is addressed to the Board of Riga International Airport in relation to the accompanying sustainability report of Riga International Airport for the year 2023 (hereafter – Sustainability report) prepared in accordance with the global standards for sustainability reporting issued by non-profit organisation Global Reporting Initiative (GRI) (hereafter - GRI Standards).

**Objective**

This report, including our conclusion expressed herein, has been addressed exclusively to the Board of Riga International Airport to assist the Board in complying with the responsibility to report on the sustainability measures and activities undertaken by Riga International Airport.

**Responsibilities of the management of Riga International Airport**

The management of Riga International Airport is responsible for preparation and presentation of the Sustainability Report in accordance with the GRI Standards, including information and assumptions included therein, as well as for determining the Riga International Airport objectives in respect of sustainable development performance and reporting, including identification of stakeholders and material topics, and for establishing and maintaining appropriate performance management and internal control systems which ensure that information included in the Sustainability Report is not materially misstated as a result of fraud or error.

The management is responsible for prevention and identification of fraud as well as for compliance with the requirements of laws and regulations applicable to the operations of Riga International Airport.

**Our responsibilities**

Our responsibility is to carry out a limited assurance engagement and based on the review procedures to express a limited assurance conclusion on whether anything has come to our attention that causes us to believe that the Riga International Airport Sustainability Report for the year 2023 has not been prepared, in all material respects, according to the GRI Standards. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (Revised). That Standard requires that we comply with applicable ethical requirements, including independence requirements, and that we plan and perform the engagement to obtain limited assurance about whether the Sustainability Report is free from material misstatement.

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants.

**Summary of procedures**

A limited assurance engagement on the Sustainability report consists of making inquiries, primarily of persons responsible for preparation of information presented in the Sustainability

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report, and applying analytical and other evidence gathering procedures, as appropriate. The scope of our engagement was limited and included the following procedures:

- a) Inquiries of Riga International Airport representatives to gain an understanding of Riga International Airport processes for determining the material issues for Riga International Airport key stakeholder groups.
- b) Interviews with Riga International Airport representatives concerning sustainability strategy and policies for material issues, and the implementation of these across the business.
- c) Interviews with Riga International Airport representatives to assess whether the qualitative and quantitative information presented in the Sustainability Report is complete, reasonable, accurate and sufficient, as well as review of documents selected on a sample basis to obtain confirmation of the representations made by the members of management.
- d) Reconciliation of the qualitative and quantitative information of year 2023 presented in the Sustainability Report against the audited financial statements of Riga International Airport for the year 2023, data from the management and accounting systems and publicly available information to assess whether the qualitative and quantitative information presented in the Sustainability Report is complete, reasonable, accurate and sufficient.
- e) Review of GRI Standards indicators disclosed in the Sustainability Report for completeness against the GRI Standards.
- f) Reading the information presented in the Sustainability Report to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of Riga International Airport.

We have not performed any procedures and do not provide our conclusion with regard to prior period data and future period plans and objectives as disclosed in the Sustainability Report, as well as information in relation to the European Union Taxonomy requirement fulfilment.

The extent of evidence gathering procedures performed in a limited assurance engagement is less than that for a reasonable assurance engagement, and therefore a lower level of assurance is provided.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

**Conclusion**

Based on the procedures performed, nothing has come to our attention that causes us to believe that the Sustainability Report of VAS "Starptautiskā lidosta "Rīga"" has not been prepared, in all material respects, in accordance with the GRI Standards.

KPMG Baltics SIA  
 Licence No. 55

Armine Movsisjana  
 Chairman of the Board  
 Certified Auditor  
 Certificate No. 178  
 Riga, Latvia

*This report is an English translation of the original Latvian. In the event of discrepancies between the two reports, the Latvian version prevails.*

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# Table of GRI indicators

<b>Notice of use</b>	SJSC International Airport Riga, 01.01.2023-31.12.2023
<b>Used GRI 1</b>	GRI 1: Foundation 2021
<b>Applicable GRI Sector Standards</b>	n/a

GRI standard/other source	Indicator	Location	Exceptions			Gri sector standard reference number
			Exception Indicator	Reason	Explanation	
<b>General standards information</b>						
GRI 2: General information 2021	2-1 Organizational information	Page 3				
	2-2 Entities included in the organization's sustainability report	Page 3				
	2-3 Reporting period, frequency and contact information	Page 3				
	2-4 Corrections to information provided in previous reports	Page 3				
	2-5 Selection of Independent auditor	Page 3				
	2-6 Operations, value chain and other business relationships	Pages 13 and 17				
	2-7 Employees	Page 134	(b) (iii)	Information not available/incomplete	Riga Airport does not collect such data	
	2-8 Non-employed workers	Page 136	(a) (i)	Information not available/incomplete	Information cannot be aggregated	
	2-9 Management structure and composition	Pages 42, 44 and 50				
	2-10 Nomination and Selection of the Highest Governing Body	Page 48				
	2-11 Chairperson of the Highest Governing Body	Pages 42 and 64				

2-12 The role of the Highest Governing Body in monitoring the impact of governance	Page 53				
2-13 Delegation of Responsibility for Impact Management	Page 54				
2-14 The role of top management in sustainability reporting	Page 54				
2-15 Conflict of interest	Page 64				
2-16 Communication on critical issues	Page 66				
2-17 Collective knowledge of the Highest Governing Body	Page 59				
2-18 Evaluation of the activity of the Highest Governing Body	Page 55				
2-19 Remuneration Policy	Page 48				
2-20 Remuneration Determination Process	Pages 48, 136				
2-21 Annual Total Remuneration Ratio	Page 48	(a), (b)	Privacy Limitations	According to the commercial secrets list, information on salary scales should not be made public	
2-22 Report of the highest level decision-maker on the sustainable development strategy	Page 6				
2-23 Policies	Pages 56, 67				
2-24 Implementation of policies in the organization	Pages 56, 67				
2-25 The Process of Rectifying Negative Impacts	Page 79				
2-26 Mechanisms for seeking advice and raising concerns	Pages 64, 66				
2-27 Compliance with Laws and Regulations	Page 67				
2-28 Participation in organizations	Page 80				
2-29 Approach to stakeholder engagement	Page 25				
2-30 Collective Agreement	Page 139				

### Material topics

GRI 3: Materiality Theme 2021	3-1 The process of determining the most important aspects of sustainability and responsibility	Page 27			
	3-2 Key aspects of sustainability and responsibility	Page 27			

### Economic performance

GRI 3: Materiality Theme 2021	3-3 Materiality Aspect Management	Page 176			
GRI 201: Economic performance 2016	201-1 Direct economic value created and distributed	Page 180	(a) (ii)	Information not available/incomplete	Complete information is not available to reflect this indicator
	201-2 Financial risks and opportunities related to climate change	Page 106			
	201-3 Contributions to pension funds	Page 181			
	201-4 State financial support	Page 182			

### Indirect economic impact

GRI 3: Materiality Theme 2021	3-3 Materiality Aspect Management	Pages 34, 176			
GRI 203: Economic performance 2016	203-1 Investments in infrastructure and services	Page 34			
	203-2 Significant indirect economic impact	Page 176			

### Procurement practices

GRI 3: Materiality Theme 2021	3-3 Materiality Aspect Management	Page 67			
GRI 204: Procurement practices 2016	204-1 Proportion of local suppliers	Page 67			

**Anti-corruption**

GRI 3: Materiality Theme 2021	3-3 Materiality Aspect Management	Page 64
GRI 205: Anti-corruption 2016	205-2 Communication and training on anti-corruption policies and procedures	Page 64
	205-3 Confirmed cases of corruption and subsequent action	Page 64

**Energy**

GRI 3: Materiality Theme 2021	3-3 Materiality Aspect Management	Page 105
GRI 302: Energy 2016	302-1 Energy consumption in the organization	Page 114
	302-3 Energy intensity	Page 116
	302-4 Reducing energy consumption	Page 116

**Water and sewage**

GRI 3: Materiality Theme 2021	3-3 Materiality Aspect Management	Page 118
GRI 303: Water and sewage 2018	303-1 Acquisition of water	Page 118
	303-2 Wastewater management	Page 121
	303-5 Water consumption	Page 119

**Biological diversity**

GRI 3: Materiality Theme 2021	3-3 Materiality Aspect Management	Page 127
GRI 304: Biological diversity 2016	304-2 Significant impact of activities, products and services on biological diversity	Page 127
	304-3 Restored or protected habitats	Page 127

**Emissions**

GRI 3: Materiality Theme 2021	3-3 Materiality Aspect Management	Page 106			
GRI 305: Emissions 2016	305-1 Direct greenhouse gas emissions	Page 108			
	305-2 Emissions from the amount of energy transferred to lessees	Page 108	(c)	Information not available/incomplete	The calculation tool no longer provides the option to calculate these emissions
	305-3 Other indirect (Scope 3) greenhouse gas emissions	Page 108	(b)	Information not available/incomplete	The calculation tool no longer provides the option to calculate these emissions
	305-4 Greenhouse gas emission intensity	Page 108			
	305-5 Reduction of direct greenhouse gas emissions	Page 108	(b)	Information not available/incomplete	The calculation tool no longer provides the option to calculate these emissions

**Waste**

GRI 3: Materiality Theme 2021	3-3 Materiality Aspect Management	Page 123			
GRI 306: Waste 2020	306-1 Transfer of sewage for treatment	Page 124			
	306-2 Waste according to its type and utilization method	Page 124			
	306-3 Waste generated	Page 124			

**Environmental assessment of suppliers**

GRI 3: Materiality Theme 2021	3-3 Materiality Aspect Management	Page 67			
GRI 308: Environmental assessment of suppliers 2016	308-2 Adverse environmental impacts in the supply chain and measures taken	Page 67			

**Employment**

GRI 3: Materiality Theme 2021	3-3 Materiality Aspect Management	Page 132
GRI 401: Employment 2016	401-1 Hiring New Employees and Employee Turnover	Page 169
	401-2 Benefits provided to full-time employees not provided to fixed-term or part-time employees	Page 171

**Employee-Management Relations**

GRI 3: Materiality Theme 2021	3-3 Materiality Aspect Management	Page 162
GRI 402: Employee-Management Relations 2016	402-1 Minimum notice periods for changes in the company operations	Page 168

**Occupational health and safety**

GRI 3: Materiality Theme 2021	3-3 Materiality Aspect Management	Page 140			
GRI 403: Occupational health and safety 2018	403-1 Occupational safety and health management system	Page 142			
	403-2 Identification of hazardous factors, risk assessment and accident investigation	Page 143			
	403-4 Employee participation, consultation and communication on occupational safety and health issues	Page 144			
	403-5 Training of employees in the field of occupational safety and health	Page 150			
	403-6 Employee health promotion	Page 153			
	403-8 Employees covered by an occupational health and Safety Management System	Page 142			
	403-9 Accidents at the Workplace	Page 147	(b) (v)	Information not available/incomplete	It is not possible to obtain the following data
	403-10 Occupational diseases	Page 144			

### Training and education

GRI 3: Materiality Theme 2021	3-3 Materiality Aspect Management	Page 157			
GRI 404: Training and education 2016	404-1 Average number of training hours per year per employee	Page 157	(a) (i), (ii)	Information not available/incomplete	Technical solutions are being sought to provide the following data
	404-2 Employee skill development and growth support programs	Page 158			
	404-3 Proportion of employees who regularly receive growth and career development evaluation	Page 168			
GRI 3: Materiality Theme 2021	3-3 Materiality Aspect Management	Page 132			
GRI 405: Diversity and equal opportunities in 2016	405-1 Diversity of governing bodies and employees	Page 134			
	405-2 Basic salary and remuneration ratio of women and men	Page 139			

### Non-discrimination

GRI 3: Materiality Theme 2021	3-3 Materiality Aspect Management	Page 139			
GRI 406: Non-discrimination 2016	406-1 Number of cases of discrimination and corrective actions	Page 139			

### Local communities

GRI 3: Materiality Theme 2021	3-3 Materiality Aspect Management	Page 187			
GRI 413: Local communities 2016	413-1 Activities involving the local community, impact assessments and development programs	Page 190			

**Customer health and safety**

GRI 3: Materiality Theme 2021	3-3 Materiality Aspect Management	Page 93
GRI 416: Customer Health and Safety 2016	416-2 Cases of non-conformities regarding health and safety effects of products and services	Page 97

**Customer Privacy**

GRI 3: Materiality Theme 2021	3-3 Materiality Aspect Management	Page 99
GRI 418: Customer Privacy 2016	418-1 Material complaints regarding violations of customer privacy and loss of customer data	Page 100

**Additions to the airport operators sector G4 and Riga Airport indicators**

Disclosure	Name	Location
AO1 (except 2.4., 2.5.)	Number of passengers served	Page 17
AO2 (except 2.1., 2.2.)	Number of flights served	Page 17
AO3	Cargo served	Page 17
AO6	Use of anti-icing liquid for aircraft and airfield surfaces	Page 123
AO7	Changes of people living in areas affected by noise	Page 182
AO9	Birdstrikes	Page 97
LA6	Accidents at the workplace by their type and occupational diseases by their type	Pages 147 and 150
RIX1	Punctuality	Page 84
RIX2	Access for people with reduced mobility	Page 101
RIX3	Environmental noise	Page 182
RIX4	Passenger and customer experience and satisfaction	Page 85
RIX5	Support for society	Page 187

**EU Taxonomy tables. Proportion of capital expenditure from products or services related to economic activities corresponding to the taxonomy, in 2023**

Economic activities (1)	Taxonomy code(s) (2)	Absolute turnover (3)	Turnover ratio (4)	Criteria for a significant investment						DNASH criteria (do no significant harm)						Minimum protective measures (17)	Proportion of turnover corresponding to taxonomy 2023 (18)	Category (facilitating action) (20)	Category (transitional action) (21)
				Climate change mitigation (5)	Adaptation to climate change (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biological diversity and ecosystems (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biological diversity and ecosystems (16)				
		million EUR	%	%	%	%	%	%	%	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	%	V	P
<b>A. ACTIVITIES BELONGING TO THE TAXONOMY</b>		EUR	%																
<b>A.1. Activities belonging to the taxonomy</b>		<b>6,128,181</b>	<b>27.8 %</b>																
Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking areas attached to buildings	7.4.	263,188	1.2 %	100							Yes	N/A	N/A	N/A	N/A	Yes	1.2 %		
Electricity production using solar photovoltaic technology	4.1.	744,686	3.4 %	100							Yes	N/A	Yes	N/A	Yes	Yes	3.4 %		
Installation, maintenance and repair of energy efficiency equipment	7.3.	59,932	0.3 %		100					Yes		N/A	N/A	Yes	N/A	Yes	0.3 %		
Installation, maintenance and repair of instruments and appliances for measuring, regulating and controlling the energy performance of buildings	7.5.			100							Yes	N/A	N/A	N/A	N/A	Yes			
Data processing, hosting and related activities	8.1.	50,358	0.2 %		100					Yes		Yes	Yes	N/A	N/A	Yes	0.2 %		
Computer programming, consulting and related activities	8.2.	2,095	0.0 %	100							Yes	N/A	Yes	N/A	N/A	Yes	0.0 %		
Electricity transmission and distribution	4.9.	735,993	3.3 %	100							Yes	N/A	Yes	Yes	Yes	Yes	3.3 %		
<b>Turnover of activities corresponding to the taxonomy (A.1.)</b>		<b>1,856,252</b>	<b>8.4 %</b>														<b>8.4 %</b>		
<b>A.2. Activities belonging to the taxonomy but not eligible</b>																			
Urban and suburban passenger transport and road passenger transport	6.3.	871,311	3.9 %																
Transportation by motorcycles, passenger cars and commercial vehicles	6.5.	190,793	0.9 %																
Renovation of existing buildings	7.2.	3,209,824	14.5 %																
<b>Turnover of activities belonging to the taxonomy but not eligible (A.2.)</b>		<b>4,271,928</b>	<b>19.4 %</b>																
<b>TOTAL (A.1 + A.2)</b>		<b>6,128,181</b>	<b>27.8 %</b>																
<b>B. ACTIVITIES NOT BELONGING TO TAXONOMY</b>		<b>15,942,876</b>	<b>72.2 %</b>																
Activities not belonging to taxonomy		15,942,876																	
<b>TOTAL (A+B)</b>		<b>22,071,056</b>	<b>100 %</b>																

**Proportion of capital turnover from products or services related to economic activities corresponding to the taxonomy, in 2023**

Economic activities (1)	Taxonomy code(s) (2)	Absolute turnover (3)	Turnover ratio (4)	Criteria for a significant investment						DNASH criteria (do no significant harm)						Minimum protective measures (17)	Proportion of turnover corresponding to taxonomy 2023 (18)	Category (facilitating action) (20)	Category (transitional action) (21)
				Climate change mitigation (5)	Adaptation to climate change (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biological diversity and ecosystems (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biological diversity and ecosystems (16)				
		million EUR	%	%	%	%	%	%	%	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	%	V	P
<b>A. ACTIVITIES BELONGING TO THE TAXONOMY</b>																			
<b>A.1. Activities belonging to the taxonomy</b>																			
Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking areas attached to buildings	7.4.			100							Yes	N/A	N/A	N/A	N/A	Yes			
Electricity production using solar photovoltaic technology	4.1.			100							Yes	N/A	Yes	N/A	Yes	Yes			
Installation, maintenance and repair of energy efficiency equipment	7.3.				100					Yes		N/A	N/A	Yes	N/A	Yes			
Installation, maintenance and repair of instruments and appliances for measuring, regulating and controlling the energy performance of buildings	7.5.			100							Yes	N/A	N/A	N/A	N/A	Yes			
Data processing, hosting and related activities	8.1.				100					Yes		Yes	Yes	N/A	N/A	Yes			
Computer programming, consulting and related activities	8.2.			100							Yes	N/A	Yes	N/A	N/A	Yes			
<b>Turnover of activities corresponding to the taxonomy (A.1.)</b>		<b>0.00</b>	<b>0.00</b>														<b>0,00</b>		
<b>A.2. Activities belonging to the taxonomy but not eligible</b>																			
Electricity transmission and distribution	4.9.																		
Urban and suburban passenger transport and road passenger transport	6.3.																		
Transportation by motorcycles, passenger cars and commercial vehicles	6.5.																		
Renovation of existing buildings	7.2.																		
<b>Turnover of activities belonging to the taxonomy but not eligible (A.2.)</b>		<b>0.00</b>	<b>0 %</b>																
<b>TOTAL (A.1 + A.2)</b>		<b>0.00</b>	<b>0 %</b>																
<b>B. ACTIVITIES NOT BELONGING TO TAXONOMY</b>																			
Activities not belonging to taxonomy		72,501,383	100 %																
<b>TOTAL (A+B)</b>		<b>72,501,383</b>	<b>100 %</b>																

## Proportion of operating costs from products or services related to economic activities corresponding to the taxonomy, in 2023

Economic activities (1)	Taxonomy code(s) (2)	Absolute turnover (3)	Turnover ratio (4)	Criteria for a significant investment						DNASH criteria (do no significant harm)						Minimum protective measures (17)	Proportion of turnover corresponding to taxonomy 2023 (18)	Category (facilitating action) (20)	Category (transitional action) (21)
				Climate change mitigation (5)	Adaptation to climate change (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biological diversity and ecosystems (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biological diversity and ecosystems (16)				
		million EUR	%	%	%	%	%	%	%	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	%	V	P
<b>A. ACTIVITIES BELONGING TO THE TAXONOMY</b>																			
		EUR	%																
<b>A.1. Activities belonging to the taxonomy</b>																			
		<b>764,559</b>	<b>1.0 %</b>																
Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking areas attached to buildings	7.4.			100							Yes	N/A	N/A	N/A	N/A	Yes			
Electricity production using solar photovoltaic technology	4.1.			100							Yes	N/A	Yes	N/A	Yes	Yes			
Installation, maintenance and repair of energy efficiency equipment	7.3.	99,998	0.1 %	100							Yes	N/A	N/A	Yes	N/A	Yes	0.1 %		
Installation, maintenance and repair of instruments and appliances for measuring, regulating and controlling the energy performance of buildings	7.5.	585,757	0.8 %	100							Yes	N/A	N/A	N/A	N/A	Yes	0.8 %		
Data processing, hosting and related activities	8.1.	7,000	0.01 %		100					Yes		Yes	Yes	N/A	N/A	Yes	0.01 %		
Computer programming, consulting and related activities	8.2.	6,264	0.01 %	100							Yes	N/A	Yes	N/A	N/A	Yes	0.01 %		
<b>Turnover of activities corresponding to the taxonomy (A.1.)</b>		<b>699,018</b>	<b>0.9 %</b>														<b>0.9 %</b>		
<b>A.2. Activities belonging to the taxonomy but not eligible</b>																			
Electricity transmission and distribution	4.9.																		
Urban and suburban passenger transport and road passenger transport	6.3.	13,914	0.02 %																
Transportation by motorcycles, passenger cars and commercial vehicles	6.5.	11,508	0.02 %																
Renovation of existing buildings	7.2.	40,119	0.1 %																
<b>Turnover of activities belonging to the taxonomy but not eligible (A.2.)</b>		<b>65,541</b>	<b>0.1 %</b>																
<b>TOTAL (A.1 + A.2)</b>		<b>764,559</b>	<b>1.0 %</b>																
<b>B. ACTIVITIES NOT BELONGING TO TAXONOMY</b>																			
Activities not belonging to taxonomy		75,287,370	99 %																
<b>TOTAL (A+B)</b>		<b>76,051,929</b>	<b>100 %</b>																

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