

HUMAN RESOURCE POLICY

The Goals and Values of Human Resource Management

The goal of AS Latvijas Gāze's human resource management is to ensure the recruitment of employees who will encourage the overall labor effectiveness of the company and the attainment of strategic aims. Latvijas Gāze may pride itself with a stable, well-educated, and successful staff of employees, who display a high level of professionalism, a readiness to work in teams, a sense of responsibility, creative initiative, and loyalty. In order to promote the recruitment of employees in compliance with the basic values of the company's human resource policy, Latvijas Gāze has implemented a competitive wage and additional-pay system, and has created safe and modern working conditions. The company is currently implementing a program of social protection and guarantees.

Employment Contract

In addition to the regulations on employment relations specified by state laws, legal employment relations at the company are also set by the Employment Contract and the Regulations on Work Procedure. The main goal of the Employment Contract is to create conditions for employees that are more beneficial than those set by the Labor Law and other regulatory enactments that regulate employment relations. The Employment Contract specifies matters related to employee work guarantees, wages and salaries, social guarantees, work safety, and health protection, and includes regulations on work procedure.

Salary

Salary is determined in accordance with a contract entered into by the employer and the employee. Salary level is connected to the state labor market and its trends. In accordance with the Employment Contract, employees have the opportunity to

receive additional pay for additional work and, once a year, a bonus for good annual results.

Health and Accident Insurance

Latvijas Gāze provides health and accident insurance for its employees.

Payments to an Open Pension Fund

The company ensures monthly payments to an open pension fund for those employees who have worked at Latvijas Gāze for more than one year.

Awards

The company's highest award is the Latvijas Gāze Honorary Certificate. Employees may also be awarded the Certificate of Gratitude. Employees are presented with a pin and a cash bonus on their tenth, twentieth, thirtieth, and fortieth anniversaries of employment with the company. Employees also receive a cash bonus on milestone birthdays.

Professional Training

If necessary, the company organizes professional training for employees at the Training Center, or in courses and seminars outside of Latvijas Gāze. The Training Center also hosts regular training and certification of employees in the gas supply industry, and organizes target seminars and lectures about gas technologies. The company financially supports the academic education of employees, giving priority to the gas specialties.

Social Activities

Every employee has the chance to participate with other colleagues, outside of working hours, in various organized activities. Traditions include bowling, fishing, hockey, football, and basketball competitions. Each summer, the company organizes the Latvijas Gāze Sports Games, which features a range of entertainment and recreational activities.