

## **RULES OF PROCEDURE OF SUPERVISORY BOARD OF AKTSIASELTS TALLINNA SADAM**

### **1 General provisions**

The Rules of Procedure (hereinafter the Rules of Procedure) of the Supervisory Board of Aktsiaselts */public limited company/* Tallinna Sadam (hereinafter the Public Limited Company) provide the internal organisation of work of the Supervisory Board (hereinafter the Supervisory Board) of the Public Limited Company, including the calling of meetings, adoption and formalisation of resolutions, provision of information, declaration of business interests and other issues related to the work of the Supervisory Board in accordance with the legislation in force and the articles of association of the Public Limited Company.

### **2 Duties of the Supervisory Board**

- 2.1 The Supervisory Board plans the activities of the Public Limited Company, including approves:
  - 2.1.1 the budget for revenues, expenses and investments of the financial year of the Public Limited Company;
  - 2.1.2 the long-term strategy and development trends of the Public Limited Company;
  - 2.1.3 the work schedule of the Internal Audit Department;
  - 2.1.4 the payment of grants and making of donations.
- 2.2 The Supervisory Board organises the management of the Public Limited Company, including:
  - 2.2.1 if necessary gives orders to the Management Board for managing the Public Limited Company;
  - 2.2.2 adopts resolutions, at the request of a shareholder (whose shares represent at least 1/10 of the share capital), member of the Supervisory Board, auditor, or the Management Board of the Public Limited Company, on other material issues related to the economic activities of the Public Limited Company;
  - 2.2.3 decides on the conclusion and terms and conditions of transactions between a member of the Management Board and the Public Limited Company as well as the conduct of legal disputes with members of the Management Board and appointment of a representative of the Public Limited Company for the conclusion of such transactions and conduct of a legal dispute;
- 2.3 The Supervisory Board exercises supervision over the activities of the Management Board, including:
  - 2.3.1 reviews, at a meeting of the Supervisory Board, an overview of the economic activities and economic situation of the Public Limited Company presented by the Management Board;
  - 2.3.2 approves the principles of remuneration of members of the Management Board, observing the requirements set out in legislation.

### **3 Calling a meeting of the Supervisory Board**

- 3.1 The Supervisory Board adopts resolutions at its meetings. In the cases and pursuant to the procedure prescribed by legislation and the articles of association, the Supervisory Board may also adopt resolutions without calling a meeting. A resolution of the Supervisory Board may be adopted without calling a meeting either by way of written vote, observing the procedure and requirements set out in legislation, or as a written resolution, without giving any advance

- notice and without a record of voting, if all members of the Supervisory Board agree to and sign the written resolution.
- 3.2 Meetings of the Supervisory Board are held when necessary, but not less often than once every 3 months.
  - 3.3 A meeting of the Supervisory Board may also be called at the request of a shareholder (whose shares represent at least 1/10 of the share capital), auditor, member of the Supervisory Board, or the Management Board no later than within 14 days of receiving such a request.
  - 3.4 A meeting of the Supervisory Board is called by the chairperson of the Supervisory Board or a member of the Supervisory Board substituting for the latter.
  - 3.5 Meetings of the Supervisory Board are held in the office building of the Public Limited Company at the address Sadama 25, Tallinn, unless otherwise decided by the chairperson of the Supervisory Board or a member of the Supervisory Board substituting for the latter.
  - 3.6 A meeting of the Supervisory Board is called by a notice that sets out the time, place and agenda of the meeting. The notice calling a meeting is signed by the chairperson of the Supervisory Board or a member of the Supervisory Board substituting for the latter. A notice calling a meeting of the Supervisory Board is sent to members of the Supervisory Board no later than 3 working days before the meeting is held.
  - 3.7 The agenda of a meeting of the Supervisory Board is prepared by the chairperson of the Supervisory Board or by a member of the Supervisory Board substituting for the latter. A shareholder (whose shares represent at least 1/10 of the share capital), member of the Supervisory Board, or the Management Board has the right to request that any issue be included on the agenda of the next meeting of the Supervisory Board.
  - 3.8 If a shareholder (whose shares represent at least 1/10 of the share capital), auditor, member of the Supervisory Board, or the Management Board requests that a meeting of the Supervisory Board be called, the chairperson of the Supervisory Board or a member of the Supervisory Board substituting for the latter includes on the agenda the issues raised by the person or body that requested that the meeting be called.
  - 3.9 If possible, written materials (hereinafter the Materials) signed by the person who prepared them are prepared for the adoption of resolutions on issues included on the agenda of a meeting of the Supervisory Board, including a brief summary of the respective item on the agenda and a draft resolution and, if the Materials are prepared by Management Board, also the position of the Management Board signed by all members of the Management Board. The Materials are sent to members of the Supervisory Board no later than 3 working days before the meeting is held.
  - 3.10 The Materials that do not require the adoption of a resolution of the Supervisory Board must bear the name and signature of the person who prepared them and, if the Materials are prepared by the Management Board, also the signature of at least one member of the Management Board. If the Materials are prepared by the Internal Audit Department, they are signed by the person who prepared them and the head of the Department.
  - 3.11 The Management Board ensures that a notice calling a meeting of the Supervisory Board and the Materials are prepared and sent to members of the Supervisory Board on the basis of the information obtained from the chairperson of the Supervisory Board or a member of the Supervisory Board substituting for the latter unless otherwise decided by the chairperson of the Supervisory Board or a member of the Supervisory Board substituting for the latter.
  - 3.12 If a notice calling a meeting of the Supervisory Board and/or the Materials is/are not prepared by the Management Board, the chairperson of the Supervisory Board or a member of the Supervisory Board substituting for the latter also sends the notice calling a meeting and/or the Materials to the Management Board.

- 3.13 If a member of the Supervisory Board cannot attend a meeting of the Supervisory Board, they must notify the chairperson of the Supervisory Board or a member of the Supervisory Board substituting for the latter thereof immediately after the impossibility of attending a meeting becomes evident.

#### **4 Meeting of the Supervisory Board**

- 4.1 The working language of a meeting of the Supervisory Board is Estonian.
- 4.2 A meeting of the Supervisory Board is also attended, in addition to members of the Supervisory Board, by members of the Management Board and the recording secretary unless otherwise decided by the Supervisory Board. Other persons attend a meeting of the Supervisory Board only at the invitation of the chairperson of the Supervisory Board or a member of the Supervisory Board substituting for the latter and with the consent of members of the Supervisory Board.
- 4.3 A meeting of the Supervisory Board is chaired by the chairperson of the Supervisory Board or, during the absence of the latter, a member of the Supervisory Board substituting for the chairperson of the Supervisory Board (hereinafter the Chairperson of the Meeting). When starting a meeting, the Chairperson of the Meeting checks whether the meeting of the Supervisory Board has a quorum.
- 4.4 An issue not given notice of upon calling the Supervisory Board may only be included on the agenda of the Supervisory Board if all members of the Supervisory Board attend the meeting and at least 3/4 of the members of the Supervisory Board are in favour of the resolution on including the issue on the agenda.
- 4.5 The members of the Supervisory Board absent from a meeting may participate in voting, communicating their vote in a format that can be reproduced in writing.
- 4.6 A member of the Supervisory Board must avoid any possibility that may give rise to a situation of a conflict of interests between the member and the Public Limited Company and remove themselves from the discussion and adoption of a resolution on an item on the agenda involving a conflict of interests.
- 4.7 The review of the issues included on the agenda of a meeting of the Supervisory Board starts with a report on the respective item on the agenda. If the report does not reveal the position of the Management Board, the chairperson of the Management Board will present it after the report. If an issue has been discussed by any working body formed by the Supervisory Board, the chairperson of the respective working body or, during the absence of the latter, any member of the working body will present the position of the working body.
- 4.8 Then, the Chairperson of the Meeting gives the floor to members of the Supervisory Board for asking questions and to the reporter for providing responses.
- 4.9 Every member of the Supervisory Board, chairperson of the Management Board and, if necessary, also a member of the Management Board who was present during the discussion of an item on the agenda has the right to at least one comment before the issue is put to a vote. The Supervisory Board may, by its resolution and on a particular occasion, limit the time prescribed for making a report, asking and responding to questions and/or making comments and give up asking and responding to questions and/or making comments altogether. The Supervisory Board may also decide on whether to review an issue included on the agenda by way of discussion.
- 4.10 After a report on an item on the agenda has been made and responses to questions have been provided, the Chairperson of the Meeting will put a respective draft resolution to a vote.
- 4.11 Voting is public unless otherwise decided by the Supervisory Board. A member of the Supervisory Board has no right to abstain from voting or remain undecided.

- 4.12 A resolution of the Supervisory Board has been adopted if more than one-half of the members of the Supervisory Board who participated in voting voted in favour of the resolution. Upon an equal division of votes, the chairperson of the Supervisory Board has the deciding vote.
- 4.13 Before the end of a meeting of the Supervisory Board, the initial time of holding the next meeting of the Supervisory Board is determined.
- 4.14 A meeting of the Supervisory Board is closed by the Chairperson of the Meeting.

## **5 Taking minutes of a meeting of the Supervisory Board**

- 5.1 Minutes are taken of a meeting of the Supervisory Board. The recording secretary is the person appointed by the Supervisory Board. A meeting of the Supervisory Board is recorded in full unless otherwise decided by the Supervisory Board.
- 5.2 The minutes set out:
  - 5.2.1 the place and date of holding the meeting of the Supervisory Board and the start and end time of the meeting;
  - 5.2.2 the name of the chairperson and recording secretary of the meeting, the names of the members of the Supervisory Board and Management Board who attended the meeting of the Supervisory Board and the names of the persons who were invited to attend the meeting;
  - 5.2.3 the agenda of the meeting of the Supervisory Board;
  - 5.2.4 the course of the discussion on each item on the agenda of the meeting of the Supervisory Board, including the names of the reporters, persons who asked and responded to questions, the material circumstances serving as a basis for the adoption of a resolution of the Supervisory Board as well as other circumstances that are material in respect of the issue under discussion;
  - 5.2.5 resolutions of the Supervisory Board, voting results, names of the members of the Supervisory Board who voted against the resolution;
  - 5.2.6 the circumstances and reasons if a member of the Supervisory Board does not participate in voting;
  - 5.2.7 if necessary, the dissenting opinion of a member of the Supervisory Board together with their signature;
  - 5.2.8 at the request of a member of the Supervisory Board or the chairperson of the Management Board, other circumstances of importance upon discussing the issue.
- 5.3 The recording secretary prepares draft minutes of the meeting of the Supervisory Board within 2 working days of the meeting and sends them immediately to the Management Board.
- 5.4 The members of the Management Board send the recording secretary their comments on the draft minutes within 2 working days, if any.
- 5.5 After the expiry of this term, the draft minutes are sent to the chairperson of the Supervisory Board, who sends the recording secretary their comments within 3 working days, if any.
- 5.6 After the expiry of this term, the draft minutes are sent to all members of the Supervisory Board, who send the recording secretary their comments within 2 working days, if any.
- 5.7 After the expiry of this term, the draft minutes are finalised and sent to members of the Supervisory Board for signing.
- 5.8 Recordings and minutes of meetings of the Supervisory Board along with annexes thereto and other materials related to the work of the Supervisory Board are available for members of the Supervisory Board through a person appointed by the Management Board or technical solutions.
- 5.9 The storing of the minutes and recordings of meetings of the Supervisory Board is organised by the Management Board.

- 5.10 The recordings of meetings of the Supervisory Board are stored for three years and minutes along with annexes thereto are stored permanently.

## **6 Working bodies of the Supervisory Board**

- 6.1 The permanent advisory body of the Supervisory Board is the audit committee whose duties and organisation of work have been determined by legislation and the rules of procedure of the audit committee approved by the Supervisory Board.
- 6.2 For the purposes of more effective organisation of its work, the Supervisory Board may form committees of various areas of activity. The composition and organisation of work of a committee are determined by the Supervisory Board.
- 6.3 A committee works in the form of meetings. Meetings are called by the chairperson of a committee. Meetings of committees are held when necessary. Minutes are taken of meetings of a committee. The provision of clerical support to and taking minutes of meetings of a committee is organised by the Management Board.

## **7 Provision of clerical support to, representation and provision of information to the Supervisory Board**

- 7.1 The provision of clerical support to the Supervisory Board is organised by the Management Board.
- 7.2 Business trips of a member of the Supervisory Board or their attendance at training events as a representative of the Public Limited Company are approved by the chairperson of the Supervisory Board in advance. Business trips of the chairperson of the Supervisory Board or their attendance at training events are approved by the chairperson of the audit committee.
- 7.3 The activities of the Supervisory Board are managed and the Supervisory Board is represented in relationships with third persons by the chairperson of the Supervisory Board or, during the absence or inability of the latter to perform their duties, a member of the Supervisory Board substituting for the chairperson of the Supervisory Board and elected by the Supervisory Board. The chairperson of the Supervisory Board notifies the member of the Supervisory Board substituting for the latter and the Management Board of the chairperson's absence or inability to perform their duties.
- 7.4 Information about the resolutions of the Supervisory Board as well as other non-public information concerning the work of the Supervisory Board may be disclosed to third persons by the chairperson of the Supervisory Board or a person authorised by the latter. The person who disclosed the information is responsible for the scope and purposefulness of the disclosure of the information.
- 7.5 Information the disclosure of which damages or may damage the interests of the Public Limited Company may not be disclosed to any third persons. Provision of the general meeting of shareholders with information and provision of employees of the Public Limited Company with information necessary for the execution of resolutions of the Supervisory Board is not deemed to constitute disclosure of information to third persons.

## **8 Declaration of business interests**

- 8.1 Every year members of the Supervisory Board are required to submit the declaration of their business interests to the Public Limited Company in which they declare the legal persons in which:

- 8.1.1 the member of the Supervisory Board has at least a 10% holding either directly or through the companies related to the member (including the right to acquire a holding or the right to the profit of the company);
  - 8.1.2 the member of the Supervisory Board is a member of a management or supervisory body;
  - 8.1.3 a close relative by blood or marriage of the member of the Supervisory Board has at least a 10% holding or is a member of a management or supervisory body of the legal person.
- 8.2 A member of the Supervisory Board is required to immediately inform the Public Limited Company of any changes in the declared data.