

Proposal to nominate candidates for the Supervisory Board to be presented to the General Meeting

Dear Mr. Kalm

AS Tallinna Sadam Nomination Committee (hereinafter: the "Nomination Committee") decided on its 23.03.2022 meeting as a result of the discussion, to make a proposal to the management board of AS Tallinna Sadam for submitting to the general meeting to appoint **Riho Unt, Veiko Sepp, Maarika Honkonen, Kaur Kajak, Ain Tatter, Marek Helm and Risto Mäeots** as members of the supervisory board with the term of 3 years. In the opinion of the Nomination Committee, Riho Unt is a suitable candidate for the position of the chairman of the supervisory board.

In making the proposal, the Nomination Committee proceeded from the strategy of AS Tallinna Sadam (hereinafter: "Tallinna Sadam") and risks affecting the company's development, taking into account, among other things, the main objectives of the state's participation in Tallinna Sadam (strategically important infrastructure company) and the need to ensure sustainable protection of minority shareholders' interests. At the start of the selection process, the Nomination Committee agreed on the principles of the selection of the candidates, also considering it necessary to cover the following competencies while selecting the candidates and building the team:

- management, corporate governance, strategic prospective and leadership;
- legal and regulatory issues;
- finance and risk management;
- tourism and passenger transport;
- freight transport and logistics;
- digitalization and smart solutions;
- real estate and business development;
- ESG and climate change;
- technology and engineering.

In the selection process, the self-assessment of the existing supervisory board was carried out with the help of the nomination committee of the state owned companies; the Nomination Committee met with the chairman of the management board (Valdo Kalm) and four members of the supervisory board – Aare Tark (chairman), Riho Unt, Veiko Sepp and Maarika Honkonen to identify current situation and the strategic development perspective of the company.

According to general principle of the selection of the candidates "*members of the supervisory board shall not be elected for more than two consecutive terms, whereas continuity and sustainable functioning of the supervisory board must be ensured.*" Therefore, the Nomination Committee proposes not to re-appoint Aare Tark, Üllar Jaaksoo, Urmas Kaarlep, Ahti Kuningas and Raigo Uukkivi.

As Raigo Uukkivi was appointed as chairman of the management board of Estonian Tax and Customs Board since 01.12.2021 and to avoid conflict of interest, the Nomination Committee proposes to recall him from the supervisory board before the end of his term of office, i.e. immediately as of the date of

the general meeting and appoint the representative of the ministry of finance with the start of the term of office 26.04.2022.

In order to reduce administrative load, but at the same time maintaining the functionality and continuity of the supervisory board, the Nomination Committee proposes the size of the supervisory board to be seven members. From the proposed four new member candidates, two were selected by the ministry of finance (Kaur Kajak) and ministry of economic affairs and communication (Ain Tatter) as their representatives. With the rest of the candidates to be proposed, at least two 1:1 interviews were held with the members of the Nomination Committee.

Within the limits of its competence, the Nomination Committee has checked the absence of conflicts of interest of the candidates and other circumstances referred to in law, which could prevent the appointment of the proposed candidates. Such circumstances were not revealed.

As current remuneration of the supervisory board is in line with the overall market practice in Estonia, the Nomination Committee proposes to continue with the current remuneration rates. Also keeping in mind, that according to the Remuneration Principles for the Supervisory Board and Management Board proposed to the 2022 general meeting the remuneration for the work in the committees of the supervisory board will be raised up to 25% of the remuneration of the supervisory board member fee.

The following is a brief description of each candidate and the key competencies considered in the selection process:

Riho Unt – competencies in general management, corporate governance, strategic prospective, leadership, finance and risk management. Currently working with fund management and financial advisory. Previously worked as a head of Baltic division of SEB and chairman of the management board of SEB Estonia, has 20 years of experience in the banking sector and long-term international experience in management. Member of the supervisory board of Tallinna Sadam since July 2020.

Veiko Sepp – competencies in corporate governance, leadership, strategic prospective, freight and logistics, IT and digital solutions. Member of the management board of AS Levira, previously held senior positions in the field of telecommunications, has long-term international experience in the fields of freight transport, logistics and digitization, including Asia (2011-2017). Member of the supervisory board of Tallinna Sadam since July 2020.

Maarika Honkonen - competencies in tourism and passenger transport, general management and leadership. Partner at Baltic Hospitality Forum and New Seven OÜ. Founding member and executive mentor of the Estonian Chamber of Mentors. She has been a member of the management board of ERGO Insurance SE and has been a member of the supervisory board of the Association of Insurance Companies and Ergo Funds AS. Member of the Council at Estonian Quality Agency for Vocational Education. Member of the supervisory board of Tallinna Sadam since April 2018.

Kaur Kajak – competencies in management, corporate governance, strategic prospective and leadership; legal and regulatory issues. Undersecretary of State for Administrative Policy and supervisory board member of AS Eesti Raudtee. Previously he was Director of the Consumer Protection and Technical Regulatory Authority and has long term experience working in several positions in the authority and Rescue Board.

Ain Tatter – competencies in freight transport and logistics; management, corporate governance, strategic prospective and leadership; legal and regulatory issues. Director of Road and Railways Department in the ministry of economic affairs and communications and supervisory board member

of AS Eesti Loots. He has 20 years of experience in strategic management of state-owned infrastructure companies, he has been a member of the supervisory board of AS Saarte Liinid, AS Eesti Teed and AS Eesti Raudtee.

Marek Helm – competencies in management, corporate governance, strategic prospective and leadership; finance and risk management; digitalization and smart solutions; technology and engineering. General Manager for the Middle East and Africa of Nortel AS. He has long-term top level experience in digital engineering and leadership from leading positions as CEO of Estonian Tax and Customs Board, Deputy Secretary General on Public Governance Policy of the Ministry of Finance, leader of the Foundation of the Joint Internal Security Office of Ministry of the Interior, head of Internal Security of the Ministry of the Interior.

Risto Mäeots – competences in technology and engineering; freight transport and logistics; management, corporate governance, strategic prospective and leadership. CEO of Magnetic MRO AS and founder and chairman of the supervisory board of Estonian Aviation Cluster. He started in Magnetic MRO as a mechanic and has 15 years of experience in aviation and engineering.

All proposed candidates have signed their written consent to be nominated as members of the supervisory board of Tallinna Sadam.

On behalf of the Nomination Committee and in view of the above, I propose to the management board to add an item “Election of the members of the Supervisory Board” to the agenda of the 2022 Annual General Meeting as follows:

1. To recall Raigo Uukkivi from the supervisory board of AS Tallinna Sadam with the end of his term of office on 25.04.2022.
2. To appoint Kaur Kajak as member of the supervisory board of AS Tallinna Sadam for the term of office from 26.04.2022 to 30.06.2025.
3. To appoint Riho Unt, Veiko Sepp, Maarika Honkonen, Ain Tatter, Marek Helm and Risto Mäeots as members of the supervisory board of AS Tallinna Sadam for the term of office from 01.07.2022 to 30.06.2025.
4. To appoint Riho Unt as chairman of the supervisory board starting from 01.07.2022.
5. The terms of office of the members of the supervisory board Aare Tark, Urmas Kaarlep, Üllar Jaaksoo and Ahti Kuningas will not be extended and will expire on 30.06.2022.

Sincerely

Ando Leppiman
Chairman of the Nomination Committee of AS Tallinna Sadam

(signed digitally)

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