

estonia at a glance

An aerial night photograph of Tallinn, Estonia. The city is densely packed with buildings, many of which are brightly lit from within, creating a warm glow against the dark sky. In the foreground, a large, modern building complex is visible, featuring a curved facade and multiple levels. To the right, a prominent building displays illuminated signs for 'Swedbank', 'VAPIANO', and 'Nordic Hambaklinnik'. The city extends to the waterfront, where a harbor is visible with several ships and a bridge in the distance. The overall scene captures the vibrant urban life and architectural diversity of the capital city.

Updated: July 2023

estonia – the most advanced digital society in the world

- + an active member and contributor to NATO, the European Union and the Eurozone
- + a strong economy with an unprecedented level of transparency in governance
- + Estonia's education system is one of the best in Europe
- + Estonian GDP contribution to national defence is approaching 2.5%
- + the NATO Cooperative Cyber Defence Centre of Excellence and the eu-LISA headquartered in Tallinn

estonian investment agency

- + information services and investment preparation
- + investment proposals and visits (including virtual visits)
- + consulting and project management
- + facilitating contacts, negotiation with authorities
- + mediating recruitment services and identifying suitable properties
- + post-investment and aftercare services

estonian investment agency

Top Investment Agency
2018 – 2020
by Site Selection Magazine

2020 – 2023 Invest Estonia
in top of Emerging Europe's
annual investment
promotion report

Automation at Invest Estonia
listed among UNESCO's
global top 100 AI projects
in 2022

our global network

We have a real global reach with representatives in following countries:

- + Finland
- + Sweden
- + Norway
- + Germany
- + Benelux
- + the UK
- + the US (Silicon Valley and East Coast)
- + the United Arab Emirates
- + Japan
- + India
- + Singapore

our network in estonia

We have highly qualified representatives
at your service in:

- + Tallinn
- + and in 4 main regions of Estonia



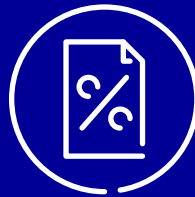
business environment



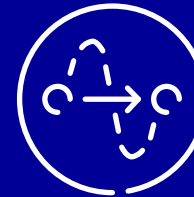
key benefits of estonia



'the most advanced digital
society in the world'
by Wired



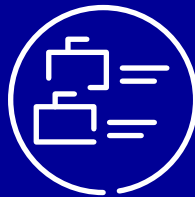
0% corporate income
tax on retained and
reinvested profits



low red tape,
transparent and stable
legislation



attractive environment for
research and development



one of the world's most open
and competitive business
environments



highly competitive
infrastructure, salary and
operating costs

information society indicators



entire country is covered
with a broadband connection



99% of public services
are online



99% of Estonians have
an ID-card



1st country to use blockchain
on a national level



5 days and 2% of GDP per year
is saved with digital signatures



0% income tax on retained
and reinvested profits

digital business environment



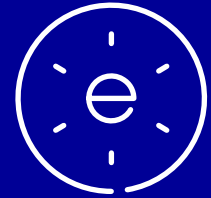
98% of companies
established online



99% of banking
transactions are
done online



98% of people declared
their income online



92% of population use
the internet on a
regular basis

international rankings

#1

International Tax
Competitiveness Index
Tax Foundation 2022

#1

Digital Health
Index
Bertelsmann Foundation 2021

#2

Internet
Freedom
Freedom House 2022

#7

EU Digital Economy and
Society Index
European Commission 2021

#7

Index of Economic
Freedom
The Heritage Foundation 2022

#18

Ease of Doing
Business
World Bank 2020

ease of doing business

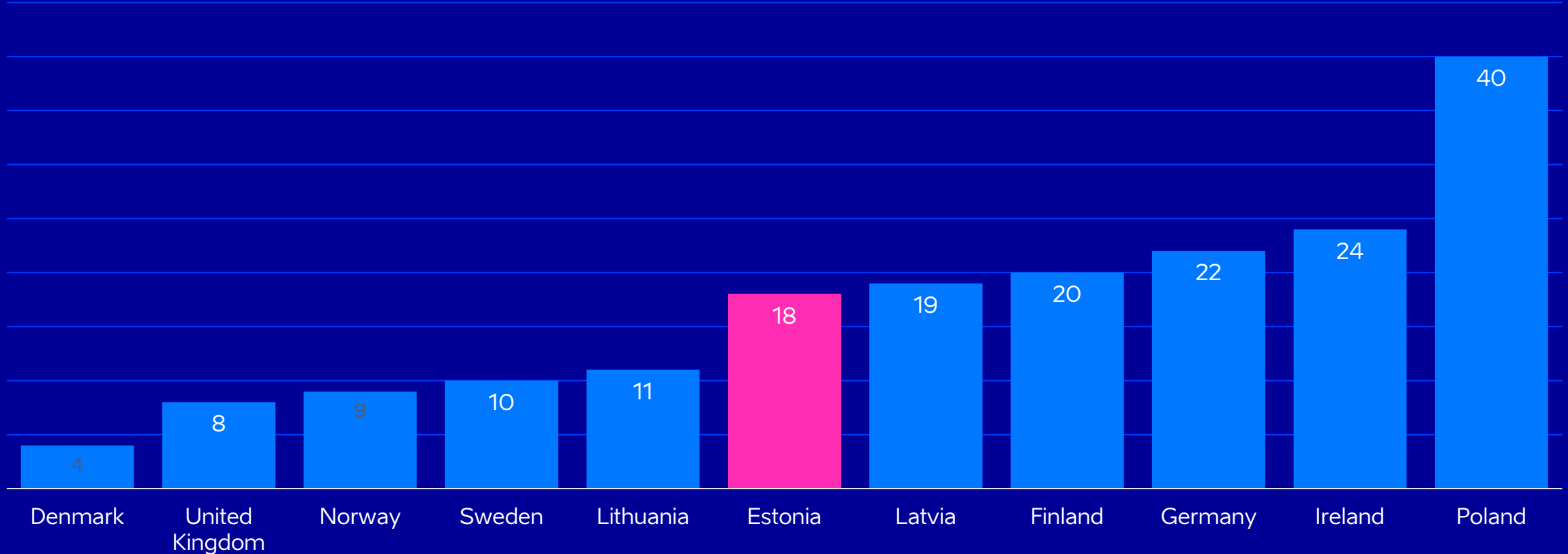
The simplest and fastest business environment

enter e-estonia

- + 15 minutes to start a company
- + hassle-free e-taxation
- + full automatization in tax reporting
- + e-Residency — Estonian e-services to every world citizen

ease of doing business ranking

Source: World Bank —
Doing Business, 2020



credit ratings

AA-

Standard & Poor's

A+

Fitch IBCA

A1

Moody's

political and economical stability

low red
tape and
corruption

the lowest
government
debt in Europe

a balanced
and future
oriented
state budget

e-tax

- + the first public online service since 1999
- + taxes filed in 3 minutes with digital ID
- + pre-filled forms with automated data
- + applies to all types of taxes
- + 98% of income taxes are declared electronically



simple and favourable tax system

0%

Corporate
income tax
on retained
and
reinvested
profits

TO 20%
FROM 14%

Corporate
income tax
on distributed
profits

20%

Personal
income
tax

20%

The standard
rate of VAT

The reduced
rate is 9% and
0% in some
cases

33%

Social tax

Plus 2.4%
unemployment
insurance tax

TO 0.1%
FROM 2.5%

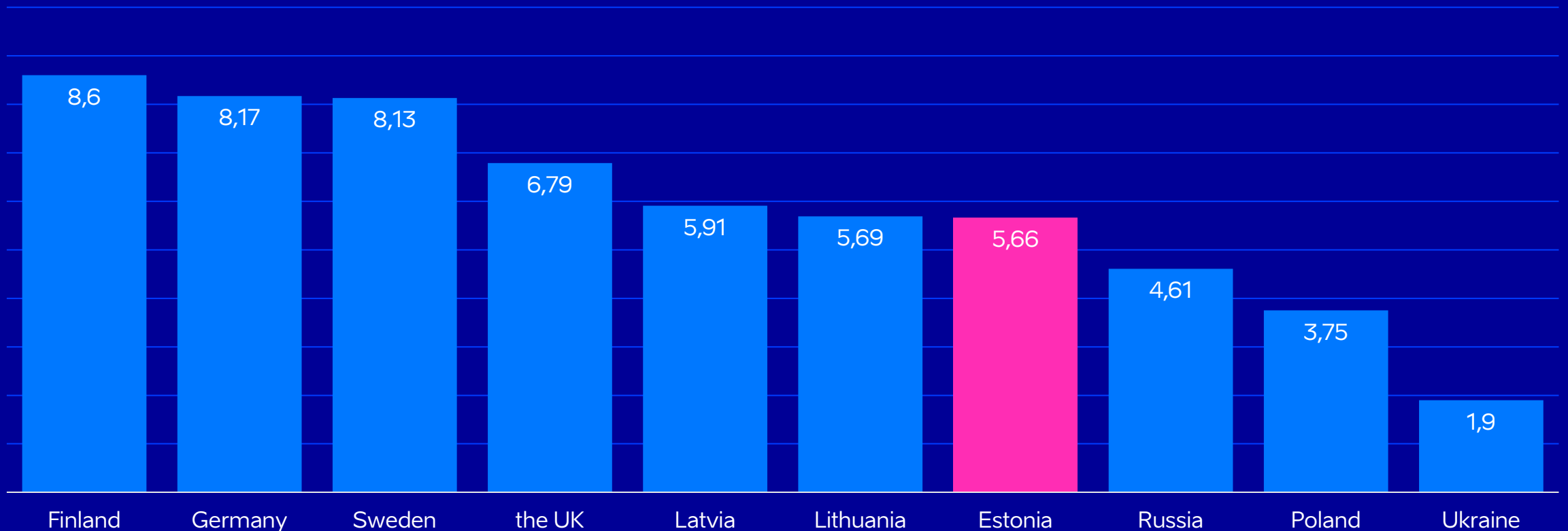
The land
tax rate of the
taxable value
of the land

corporate income tax on retained and reinvested profit



risk of political instability*

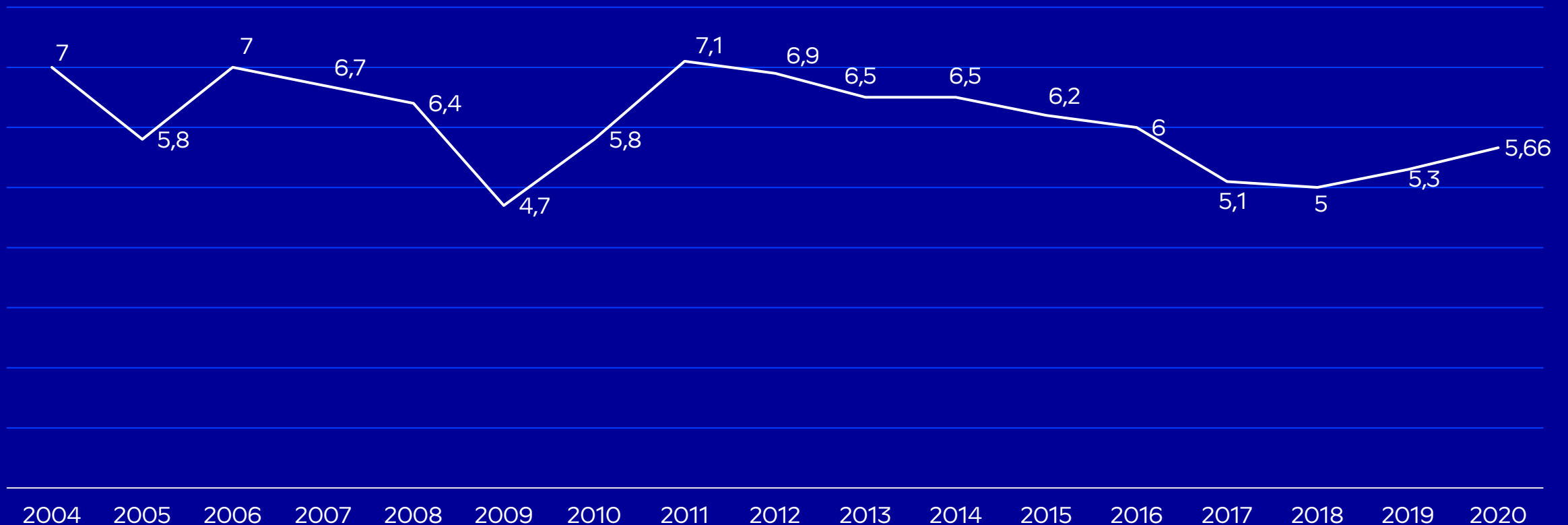
Source: based on IMD World Competitiveness Report 2020



*10=the lowest risk; 0=the highest risk

risk of political instability in estonia

Source: based on IMD World
Competitiveness Report 2020



global players in estonia

- + Estonia leads Europe in startups, unicorns and investments per capita
- + blue-chip global investors' increased interest — including The Blackstone Group, Tiger Global Management, Sequoia Capital, Index Ventures, EQT Partners, Apax Partners and others



estonian startup ecosystem

- + 1500+ startups
- + 10 unicorns - #1 per capita in Europe
- + raised over € 4B in funding since 2010
- + Estonian Startup & Scale-Up Visa
- + supportive ecosystem



e-residency

e-resident.gov.ee

- + 1st in the world
- + 175+ countries
- + 104,000+ e-Residents to date
- + 26,000+ e-Resident companies



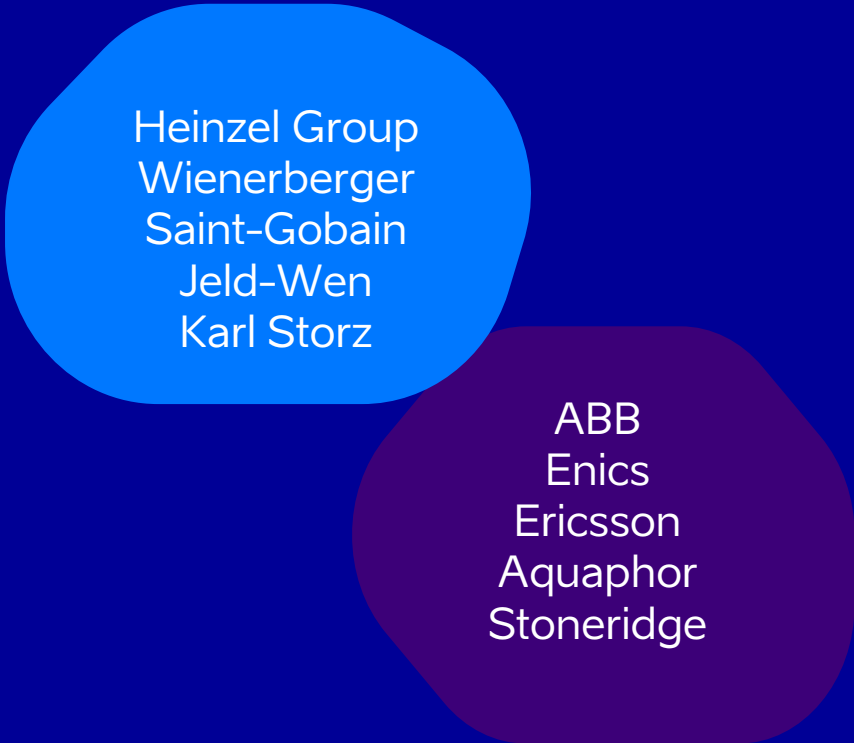
estonia as a testbed

- + self-driving vehicles
- + door-to-door delivery robots
- + smart street lighting
- + smart bicycle parking



why nearshore to estonia?

- + long traditions in manufacturing
- + strong logistical infrastructure
- + business-friendly environment
- + competitive and simple tax system
- + reliable, hard-working, and highly skilled workforce
- + tech mindset and ecosystem
- + various grants — 3M EUR for industrial investments



Heinzel Group
Wienerberger
Saint-Gobain
Jeld-Wen
Karl Storz

ABB
Enics
Ericsson
Aquaphor
Stoneridge

world class
human capital



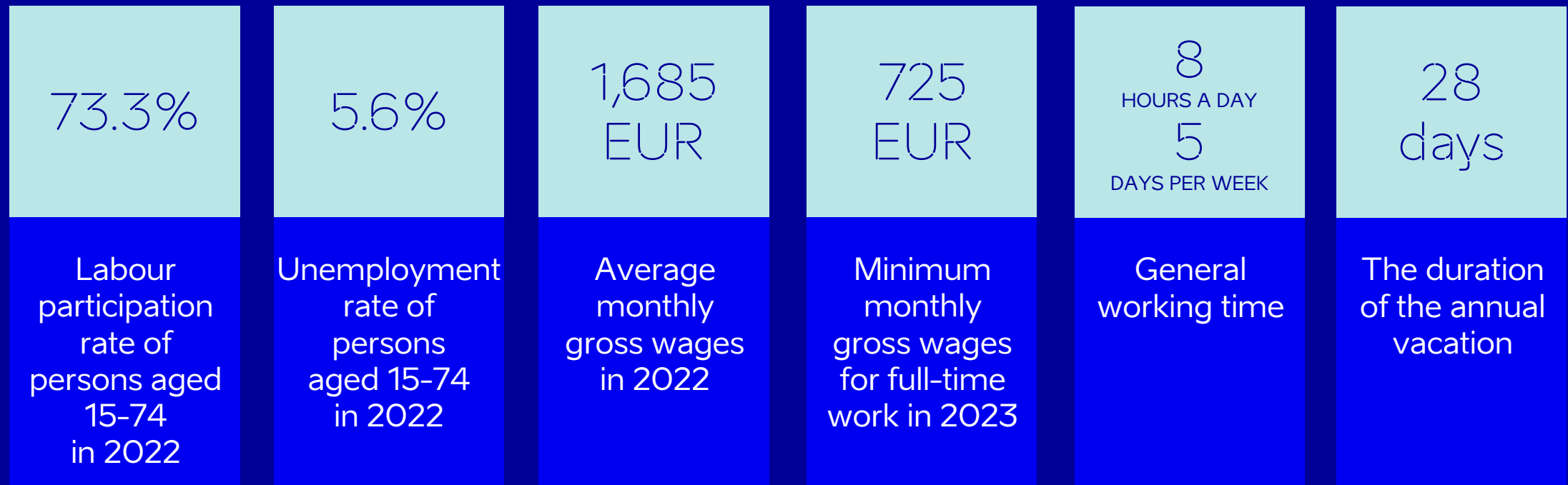
smart and hard- working people



- + highly-skilled workforce
- + 86% adults speak at least one foreign language
- + 92% of population use the internet on a regular basis

human capital overview

Source: Statistics Estonia, 2022



new nordic business culture



- + pioneers with innovative approach
- + open-minded with touch of a can-do spirit
- + less words - more actions mentality
- + pragmatic and precise

A high-angle, over-the-shoulder shot of two students sitting at a white desk, working on laptops. The student on the right is a young man with dark hair, wearing a dark blue hoodie, looking at a laptop screen. The student on the left is a young woman with brown hair, wearing a grey sweater, also looking at a laptop. The desk is white and has several items on it: a black laptop, a silver smartphone, a black tablet, and some yellow crumpled paper. The laptop screen shows a website with a soccer ball and a field. The text 'one of the world's best-educated countries' is overlaid in white, sans-serif font on the left side of the image.

one of the world's best-educated countries

- + 1st in OECD PISA tests in Europe
- + ICT education from an early stage
- + digital by default
- + lifelong learning strategy with ICT

education system

Source: Statistics Estonia, 2022

18

HIGHER EDUCATION
INSTITUTIONS

ca 44 000 students

35

VOCATIONAL
EDUCATION
INSTITUTIONS

ca 25 500 students

505

GENERAL EDUCATION
SCHOOLS

ca 163 000 pupils

sustainable development

An aerial photograph of a vast, dense forest with a mix of green and yellow trees, suggesting autumn. In the far distance, a line of wind turbines is visible against a hazy sky.

- + 10th globally in Sustainable Development Report 2021
- + plan to reach carbon neutrality by 2050
- + Estonia's air as some of the cleanest air in the world
- + Tallinn crowned the European Green Capital 2023
- + Green Tiger to create a basis for a green economy

economic
activity

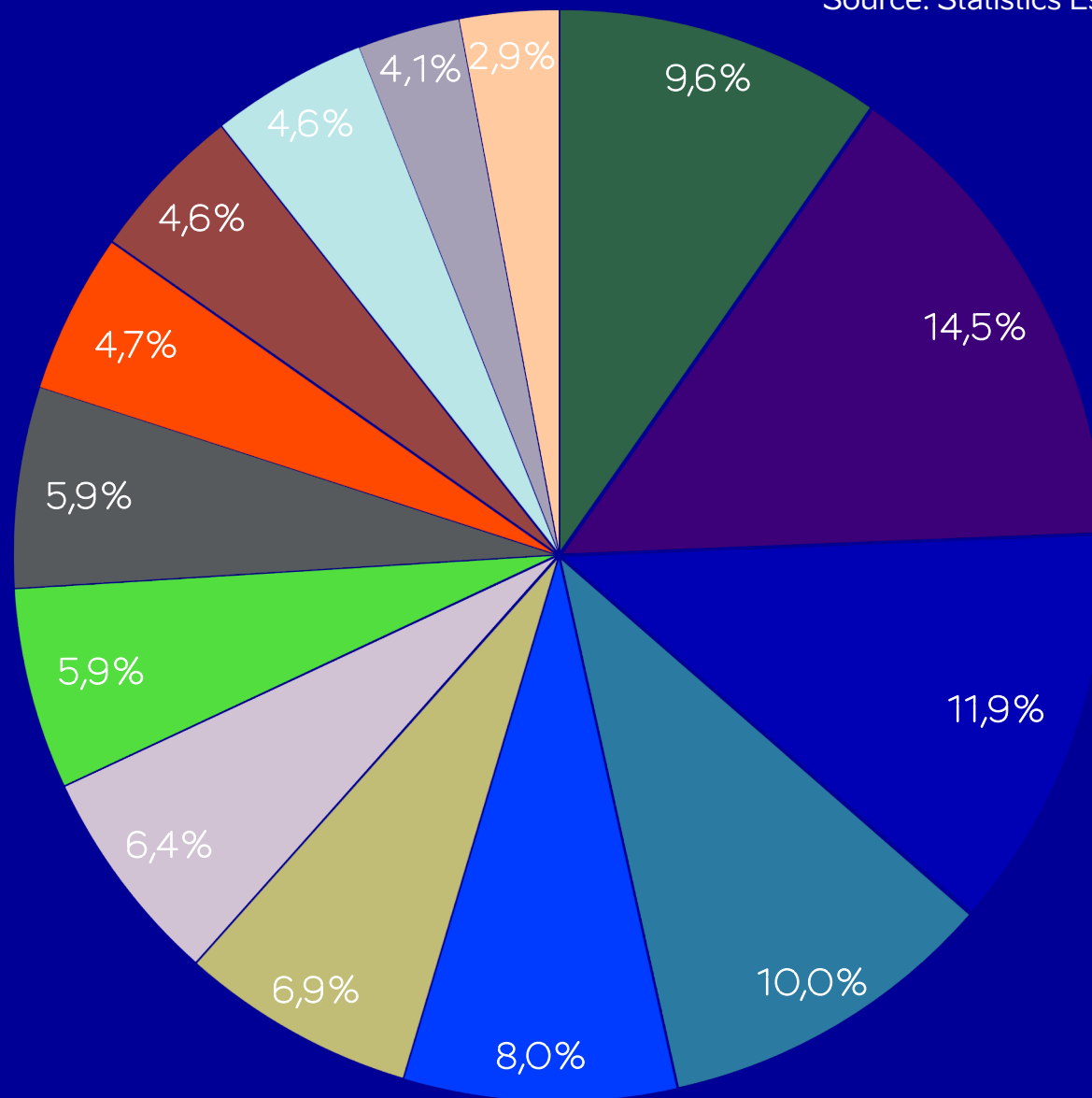


estonian GDP

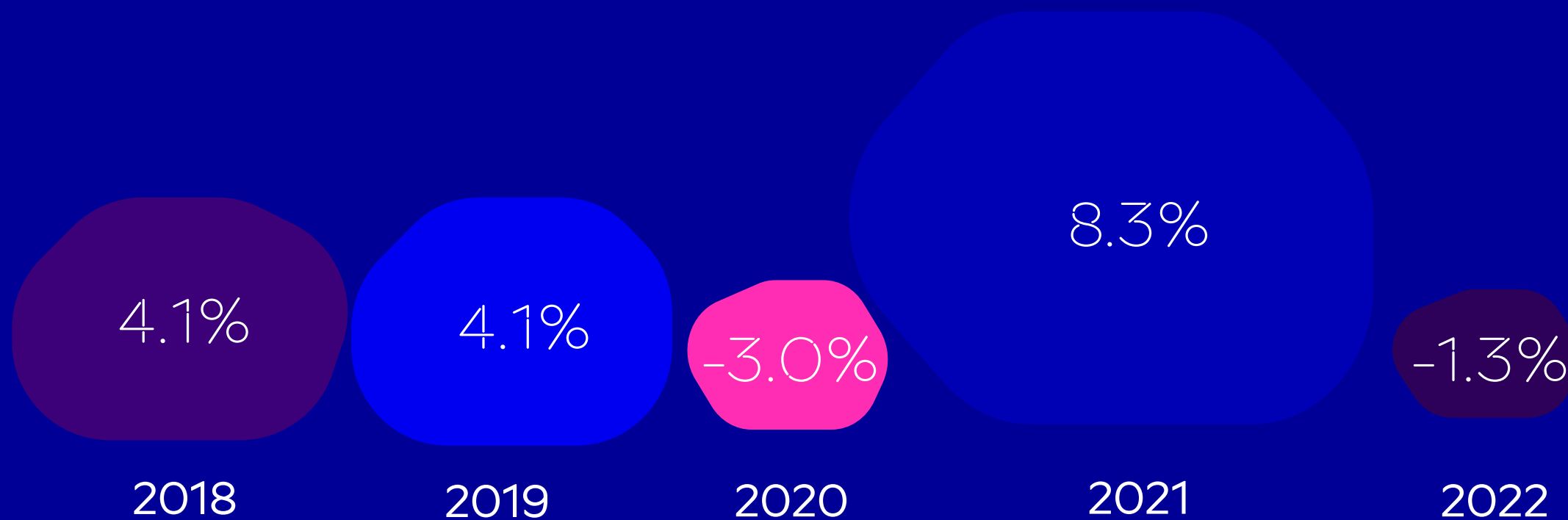
by economic activity 2022 (%)

- Other sectors
- Manufacturing
- Wholesale and retail trade
- Real estate activities
- Information and communication
- Construction
- Transportation and storage
- Public administration and defence
- Professional, scientific and technical activities
- Human health and social work activities
- Financial and insurance activities
- Education
- Electricity, gas, steam and air conditioning supply
- Agriculture, forestry and fishing

Source: Statistics Estonia



GDP growth rate

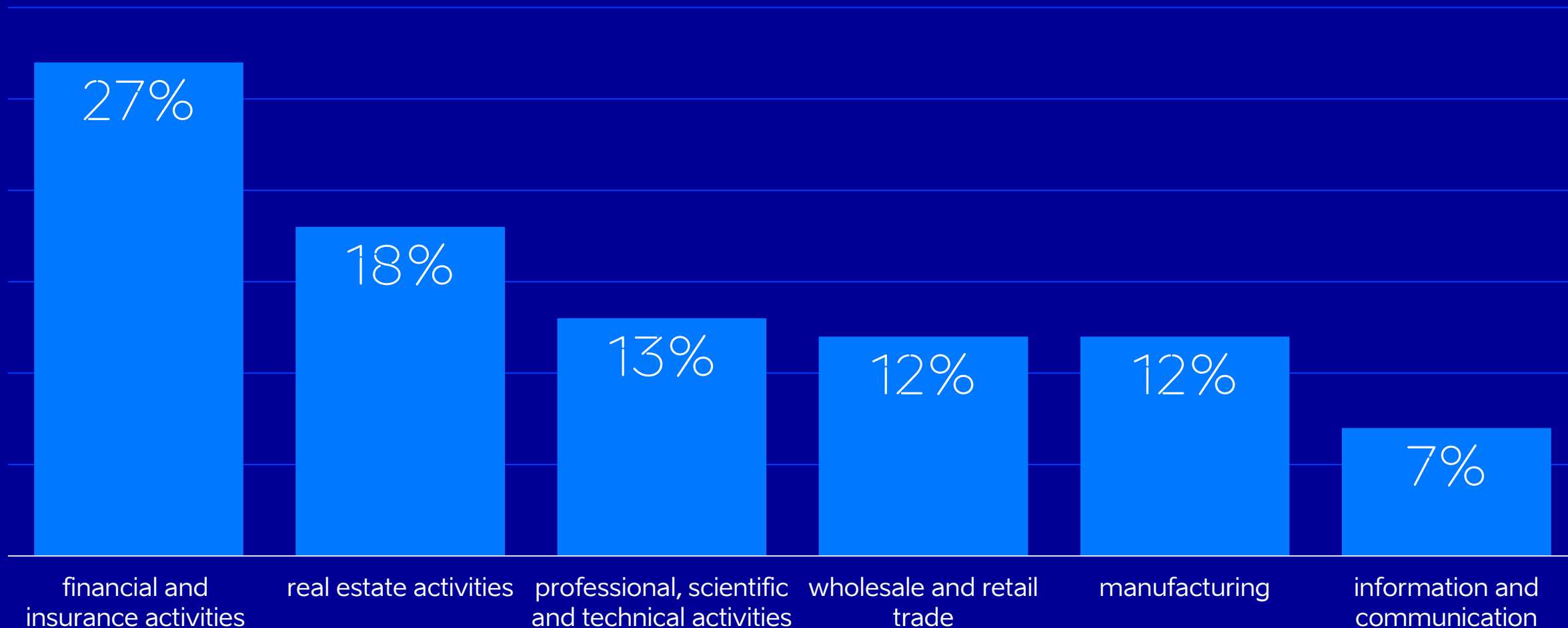


foreign direct investments



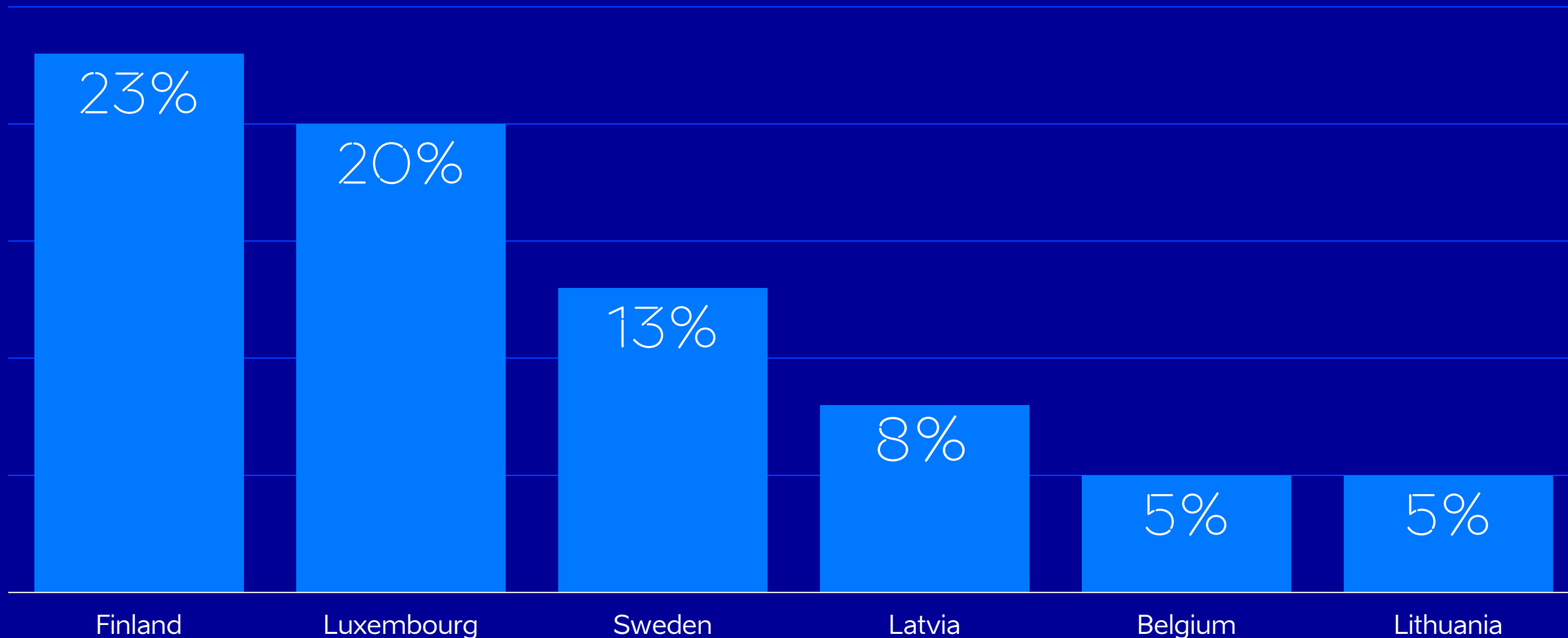
FDI by field of activity

Source: Bank of Estonia, 2022



FDI stock by country

Source: Bank of Estonia, 2022

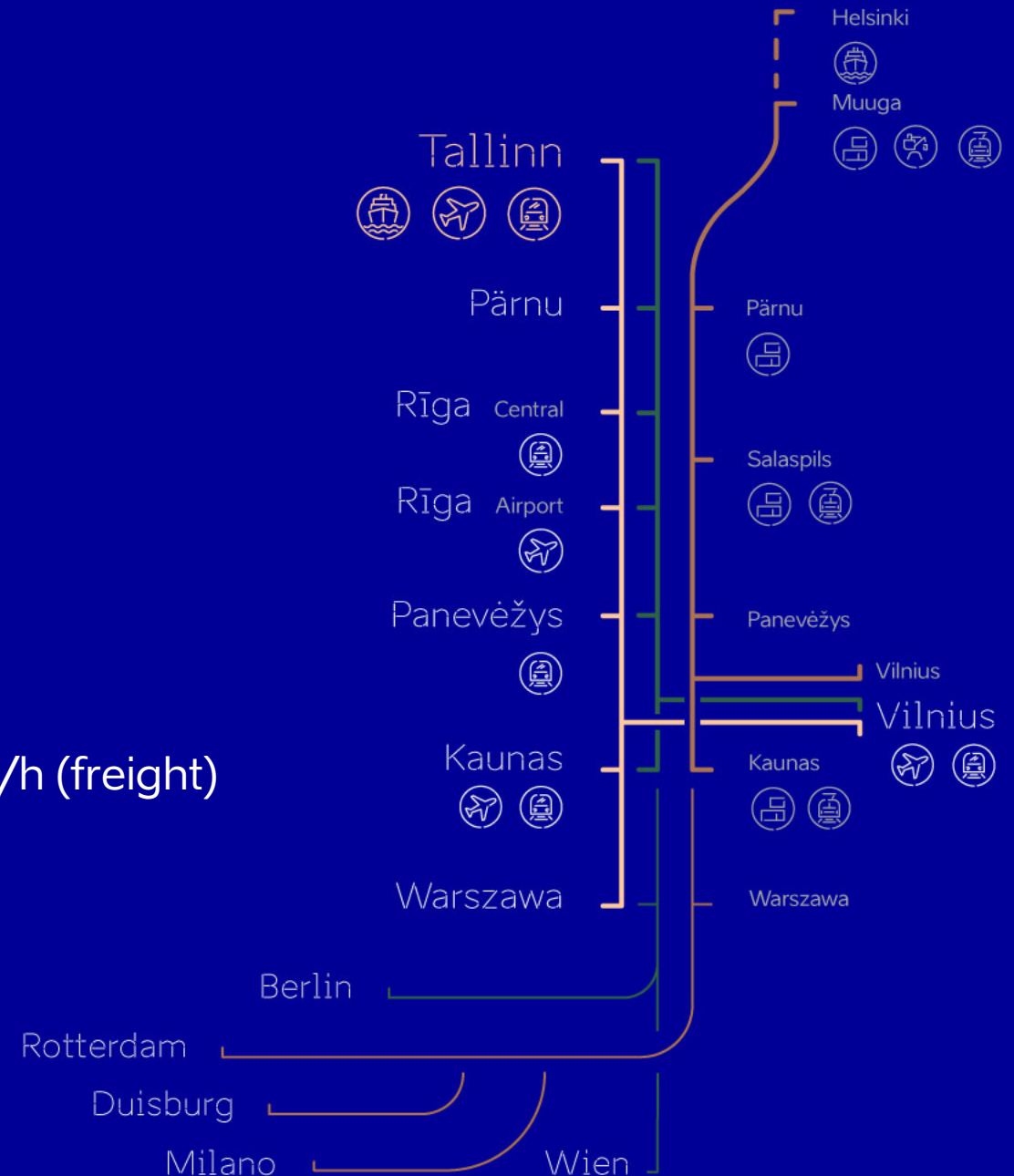


Rail Baltica

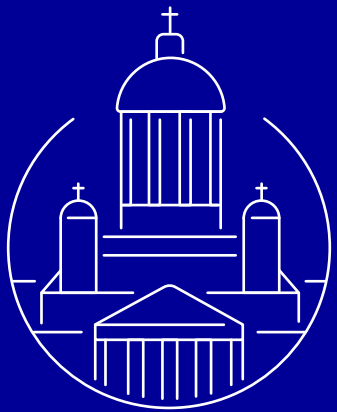
A rail transport infrastructure project that will integrate the Baltics into the European rail network.

- + Length: 870 km (in Estonia 213 km)
- + New 1,435 mm double-track railway line
- + Top speed up to 249 km/h (passenger), 120 km/h (freight)
- + Planned completion: 2026
- + More than €5 bn investment in the region

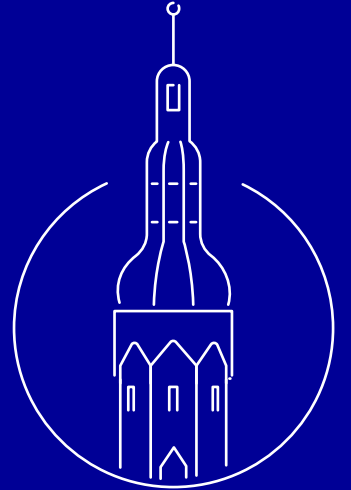
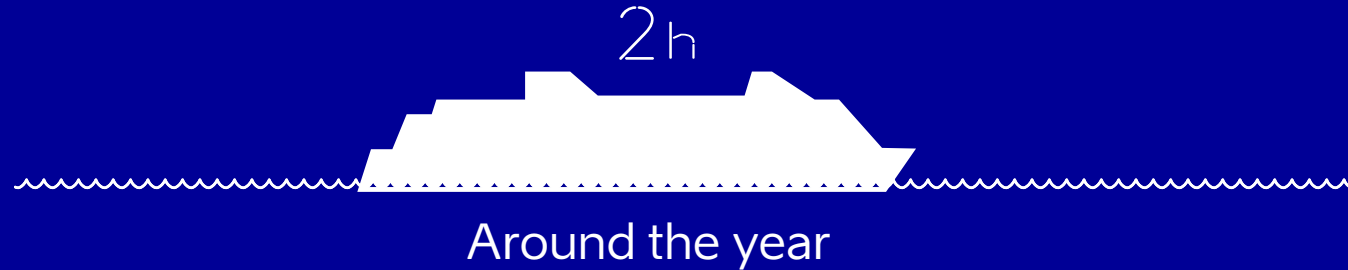
- High Speed
- Night Train
- Freight



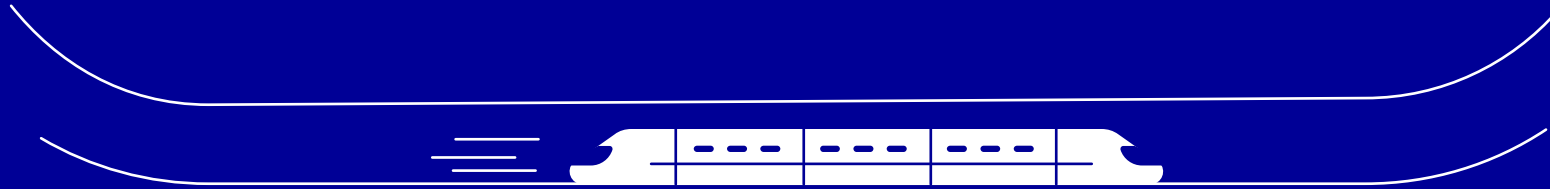
Helsinki-Tallinn Connection



Helsinki
City Center



Tallinn
Ülemiste



30 min
in the year 2040?

Helsinki-Tallinn Tunnel

A proposed undersea train tunnel connecting Finnish and Estonian capitals.

THE ESTIMATED
CONSTRUCTION COST

16 bill. €

- + Submarine length: 50 km
(the longest of its kind in the world)
- + Diameter: 14 m
- + 215 m below sea level at its deepest
- + Estimated beginning of construction: 2025

thank you!