

## **THE BOARD OF DIRECTORS' PROPOSALS TO THE ANNUAL GENERAL MEETING TO BE HELD ON 17 MARCH 2021**

### **1**

#### **PROPOSAL ON THE USE OF THE LOSS SHOWN ON THE BALANCE SHEET AND THE PAYMENT OF DIVIDEND**

The Board of Directors proposes to the Annual General Meeting that the loss from the financial period, 566,008,349.96 euros, be recorded in the company's retained earnings/losses and that no dividend be distributed.

### **2**

#### **PROPOSAL ON THE REMUNERATION OF THE AUDITOR**

In accordance with the Audit Committee's recommendation, the Board of Directors proposes to the Annual General Meeting 2021 that the auditor's fee be paid according to the auditor's invoice accepted by the company.

### **3**

#### **PROPOSAL ON THE RE-ELECTION OF THE AUDITOR**

The Audit Committee recommends that that KPMG Oy Ab is re-elected as the statutory auditor of Finnair for a term ending at the closing of the Annual General Meeting 2022. The Audit Committee confirms that it has prepared its recommendation in accordance with the EU Audit Regulation (No. 537/2014). The Audit Committee confirms that its recommendation is free from influence by a third party and that no clause of the kind referred to in paragraph 6 of Article 16 of the EU Audit Regulation, which would restrict the Annual General Meeting's choice regarding the election of the auditor, has been imposed upon the Audit Committee.

In accordance with the recommendation of Board of Directors' Audit Committee, the Board of Directors proposes to the Annual General Meeting 2021 that KPMG Oy Ab is re-elected as the statutory auditor of Finnair for a term ending at the closing of the Annual General Meeting 2022. KPMG Oy Ab has advised that Kirsi Jantunen would act as the lead auditor if KPMG Oy Ab was re-elected as the statutory auditor of Finnair.

### **4**

#### **PROPOSAL ON THE AUTHORISATION TO THE BOARD OF DIRECTORS TO DECIDE ON THE REPURCHASE AND/OR ON THE ACCEPTANCE AS PLEDGE OF FINNAIR'S OWN SHARES**

The Board of Directors proposes that the Annual General Meeting would authorise the Board of Directors to decide on the repurchase and/or on the acceptance as pledge of the company's own shares as follows.

The number of own shares to be repurchased and/or accepted as pledge shall not exceed 50,000,000 shares, which corresponds to approximately 3.6 per cent of all the shares in the company. Only the unrestricted equity of the company can be used to repurchase own shares on the basis of the authorisation.

Own shares can be repurchased at a price formed in public trading on the date of the repurchase or otherwise at a price formed on the market.

The Board of Directors decides how own shares will be repurchased and/or accepted as pledge. Own shares can be repurchased using, inter alia, derivatives. Own shares can be repurchased otherwise than in

proportion to the shareholdings of the shareholders (directed repurchase).

Own shares may be repurchased and/or accepted as pledge in order to, inter alia, develop the capital structure of Finnair, to finance or carry out acquisitions, investments or other business transactions, or in order to use the shares as part of Finnair's incentive and remuneration schemes.

The authorisation would be effective for a period of 18 months from the resolution of the General Meeting and it would cancel the authorisation given by the General Meeting on 29 May 2020 to decide on the repurchase and/or acceptance as pledge of own shares.

## 5

### **PROPOSAL ON THE AUTHORISATION TO THE BOARD OF DIRECTORS TO DECIDE ON THE ISSUANCE OF SHARES**

The Board of Directors proposes that the Annual General Meeting would authorise the Board of Directors to decide on the issuance of shares as follows.

The number of shares to be issued based on the authorisation shall not exceed 50,000,000 shares, which corresponds to approximately 3.6 per cent of all the shares in the company.

The Board of Directors decides on all the conditions of the issuance of shares, including to whom, at what price and in which manner the shares are issued. The authorisation concerns both the issuance of new shares as well as the transfer of treasury shares. The issuance may also be carried out in deviation from the shareholders' pre-emptive rights (directed issue), such as using the shares to develop the company's capital structure, to finance or carry out acquisitions, investments or other business transactions, or in order to use the shares as part of Finnair's incentive and remuneration schemes.

The authorisation would be effective for a period of 18 months from the resolution of the General Meeting and it would cancel the authorisation given by the General Meeting on 29 May 2020 to decide on the disposal of the company's own shares.

## 6

### **PROPOSAL ON THE AUTHORISATION TO THE BOARD OF DIRECTORS TO DECIDE ON DONATIONS FOR PUBLIC-BENEFIT PURPOSES**

The Board of Directors proposes that the Board of Directors be authorised to decide on donations up to an aggregate maximum of EUR 250,000 for charitable or corresponding purposes and that the Board be authorized to determine the recipients, purposes and other terms and conditions of the donations. The donations can be made in one or multiple instalments. The authorisation would be effective until the next Annual General Meeting.

## 7

### **PROPOSAL ON CHANGING THE REMUNERATION POLICY FOR THE GOVERNING BODIES**

The Board of Directors proposes that remuneration policy for Finnair's governing bodies, as approved by the Annual General Meeting 29 May 2020, would be amended. The purpose of the proposed changes is to align the remuneration policy with the market practice as regards the Board of Directors' mandate to temporarily deviate from the remuneration policy. In addition, the remuneration policy would be amended by specifying that the Board of Directors can decide the kind of variable remuneration elements that are used from time to time.

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