

FINNAIR

INSIDER RULES

1. PURPOSE AND SCOPE OF APPLICATION

The Board of Directors of Finnair Plc (hereinafter "Finnair" or "the company") has approved these insider rules. All companies of the Finnair Group adhere to these rules, and they are binding all employees and executive and non-executive directors of the Group.

The purpose of these rules is to harmonise and enhance the efficiency of inside information management at the Finnair Group. The rules clarify and supplement the working practices of the company and its insiders, serving as a tool for inside information management.

The EU Market Abuse Regulation (hereinafter "MAR"), apply also to bidding for emission allowances and other auction products based thereon or derivatives related to these in an auction which has been granted the license of a regulated market. Accordingly, these rules are applied to, to the extent applicable, bidding for emission allowances and other auction products based thereon and also to bidding on derivatives.

These rules apply also to commodity related spot-agreements and commodity derivatives relating thereto, for the part that their publication of thereto related information is required by law.

The purpose of these rules is not to provide a complete set of guidance concerning insider regulation. Insider regulation changed considerably upon MAR entering into force on 3 July 2016. As EU-regulation, MAR is nationally directly applicable regulation. Especially MAR and the supplementing 2- and 3-tier EU regulation (among others regulatory technical standards and guidelines) include detailed provisions on insider matters. Therefore, in the final analysis, each insider himself or herself is responsible for the correct interpretation of, and compliance with, the insider rules and regulations.

2. DEFINITION OF "FINANCIAL INSTRUMENT"

In these rules, financial instrument (hereinafter "financial instrument" or "security") refers to

- 1) Transferable securities, which means those classes of securities which are negotiable on the capital market, with the exception of instruments of payment, such as:
 - a) shares in companies and other securities equivalent to shares in companies, partnerships or other entities, and depositary receipts in respect of shares
 - b) bonds or other forms of securitised debt, including depositary receipts in respect of such securities
 - c) any other securities giving the right to acquire or sell any such transferable securities or giving rise to a cash settlement determined by reference to transferable securities, currencies, interest rates or yields, commodities or other indices or measures
- 2) Money-market instruments;
- 3) Units in collective investment undertakings;
- 4) Options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields, emission allowances or other derivatives instruments, financial indices or financial measures which may be settled physically or in cash;

- 5) Options, futures, swaps, forwards and any other derivative contracts relating to commodities that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event;
- 6) Options, futures, swaps, and any other derivative contract relating to commodities that can be physically settled provided that they are traded on a regulated market, a MTF, or an OTF, except for wholesale energy products traded on an OTF that must be physically settled;
- 7) Options, futures, swaps, forwards and any other derivative contracts relating to commodities, that can be physically settled not otherwise mentioned in point 6 above and not being for commercial purposes, which have the characteristics of other derivative financial instruments;
- 8) Derivative instruments for the transfer of credit risk;
- 9) Financial contracts for differences;
- 10) Options, futures, swaps, forward rate agreements and any other derivative contracts relating to climatic variables, freight rates or inflation rates or other official economic statistics that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event, as well as any other derivative contracts relating to assets, rights, obligations, indices and measures not otherwise mentioned in this Section, which have the characteristics of other derivative financial instruments, having regard to whether, inter alia, they are traded on a regulated market, OTF, or an MTF;
- 11) Emission allowances consisting of any units recognised for compliance with the requirements of Directive 2003/87/EC (Emissions Trading Scheme).

3. PROHIBITION OF INSIDER DEALING AND OF ABUSE AND UNLAWFUL DISCLOSURE OF INSIDE INFORMATION

3.1 Definition of "inside information"

MAR provides a definition of inside information. Inside information is information of a *precise nature*, which has not been made public, relating, directly or indirectly, to one or more issuers or to one or more financial instruments, and which, if it were made public, *would be likely to have a significant effect on the prices* of those financial instruments.^{1 2}

Information shall be deemed to be of a *precise nature* if it indicates a set of circumstances which exists or which may reasonably be expected to come into existence, or an event which has occurred or which may reasonably be expected to occur, where it is specific enough to enable a conclusion to be drawn as to the possible effect of that set of circumstances or event on the prices of the financial instruments or the related derivative financial instrument

¹ In relation to commodity derivatives, inside information shall comprise of information of a precise nature, which has not been made public, relating, directly or indirectly to one or more such derivatives or relating directly to the related spot commodity contract, and which, if it were made public, would be likely to have a significant effect on the prices of such derivatives or related spot commodity contracts, and where this is information which is reasonably expected to be disclosed or is required to be disclosed in accordance with legal or regulatory provisions at the Union or national level, market rules, contract, practice or custom, on the relevant commodity derivatives markets or spot markets.

² In relation to emission allowances or auctioned products based thereon, inside information shall comprise of information of a precise nature, which has not been made public, relating, directly or indirectly, to one or more such instruments, and which, if it were made public, would be likely to have a significant effect on the prices of such instruments or on the prices of related derivative financial instruments.

or the related spot commodity contracts or the auctioned products based on the emission allowances.

Information which, if it were made public, *would be likely to have a significant effect on the prices* of financial instruments or derivative financial instruments or related spot commodity contracts, or auctioned products based on emission allowances shall mean information a reasonable investor would be likely to use as part of the basis of his or her investment decisions.

Inside information usually includes unpublished information on

- significant changes in the financial position of a company;
- significant business agreements, partnership agreements or investments under preparation;
- a merger or division of a company or other significant corporate arrangement;
- a share issue, a purchase or redemption offer, or other change related to the shares of a company, such as the lowering of the nominal value of the shares or the combining or division of share series.

Information affecting the value of a financial instrument is deemed published when a corporate news release related to the information has been submitted to Nasdaq Helsinki and major media outlets. Information that has otherwise been available to the market in the press or the electronic media is deemed comparable to published information.

MAR includes prohibitions of insider dealing and of unlawful disclosure of inside information, and the abuse of inside information and disclosure of inside information are punishable offences in accordance with Chapter 51 of the Criminal Code.

3.2 Definition of "insider"

An insider is anyone who possesses inside information, irrespective of the origin of the inside information. A person may become an insider also unwillingly by accident.

3.3 Prohibitions prescribed in MAR

Pursuant to MAR, a person (natural person or legal person) shall not:

- (a) engage or attempt to engage in insider dealing;
- (b) recommend that another person engage in insider dealing or induce another person to engage in insider dealing; or
- (c) unlawfully disclose inside information.

For the purposes of MAR, unlawful disclosure of inside information (point c above) arises where a person possesses inside information and discloses that information to any other person, except where the disclosure is made in the normal exercise of an employment, a profession or duties. Thus, disclosure of inside information in situations where the disclosure is made in the normal exercise of an employment, a profession or duties, may be permissible, if the person receiving the information owes a duty of confidentiality, regardless of whether such duty is based on law, regulations, articles of association, or contract. In such cases, there must also be a reason for the disclosure that is acceptable from the standpoint of the company, and the recipient must be aware of the confidentiality of the information.

Please note: inside information must not be disclosed even to the spouse of an insider or anyone else in the insider's immediate circle.

3.4 Prohibitions prescribed in the Criminal Code

3.4.1 Abuse of inside information

According to Finnish Criminal Code, Chapter 51, Section 1, a person shall be sentenced for abuse of inside information to a fine or to imprisonment for a maximum of two years if they intentionally or through gross negligence takes advantage of inside information relating to a financial instrument

- 1) by conveying or acquiring a financial instrument on his or her own behalf or on behalf of someone else or by cancelling or amending an order for financial instruments; or
- 2) by providing direct or indirect advice to someone else acquiring or conveying a financial instrument or on cancelling or amending an order for financial instruments.

Also a person who in the manner referred to in item 1, intentionally or through gross negligence, takes advantage of an advice, referred to in item, shall be sentenced for abuse of inside information.

3.4.2 Aggravated abuse of inside information

According to Criminal Code, Chapter 51, Section 2, if in the abuse of inside information:

- 1) particularly great profit or considerable personal benefit is sought,
- 2) the offender commits the offence by abusing his or her particularly responsible position as an employee or representative of a securities registry, settlement organization, securities broker, securities exchange the issuer of the security, or a corporation belonging to the same group, or on commission by one of the above, or
- 3) the offence is committed in a particularly methodical manner, and the abuse of inside information is aggravated also when assessed as a whole, the offender shall be sentenced for aggravated abuse of inside information to imprisonment for at least four months and at most four years.

3.4.3 Disclosure of inside information

According to Criminal Code, Chapter 51, Section 2a, a person who, unlawfully disseminates, conveys, or discloses to other person inside information, or a direct or indirect advice regarding acquisition or conveyance of a financial instrument or cancellation or amendment of an assignment concerning a financial instrument, shall be sentenced for disclosure of inside information to a fine or to imprisonment for at most two years.

4. NOTIFICATION AND PUBLICATION OF TRANSACTIONS OF FINNAIR'S MANAGERS AND THEIR CLOSELY ASSOCIATED PERSONS

4.1 Persons subject to notification requirement

4.1.1 Persons discharging managerial responsibilities

Persons discharging managerial responsibilities (hereinafter also “managers”) have been determined in Article 3 Point 25 of MAR. Pursuant to the said provision, persons discharging managerial responsibilities are:

- a) the members of the board of directors, the members of the supervisory board of the issuer, the CEO, and the members of the possible supervising body
- b) other senior executives, who have a regular access to inside information relating directly or indirectly to that entity and who have power to take managerial decisions affecting the future developments and business prospects of that entity.

The company determines the persons, who it deems to be managers.

With the abovementioned criteria, the following persons have been deemed to be managers in Finnair:

- Chairman and Deputy Chairman of the Board of Directors
- Members of the Board of Directors
- Chief Executive Officer
- Deputy Chief Executive Officer
- Other members of Finnair’s Executive Board

MANAGERS AND THEIR CLOSELY ASSOCIATED PERSONS ARE SUBJECT TO NOTIFICATION REQUIREMENT OF THEIR TRANSACTIONS PURSUANT TO SECTION 4.3. MANAGERS ARE ALSO SUBJECT TO SO-CALLED CLOSED WINDOW PURSUANT TO SECTION 5.1 AND RECOMMENDATION ON AVOIDANCE OF SHORT-TERM TRADING PURSUANT TO SECTION 5.2, AS WELL AS PROHIBITIONS ON INSIDER TRADING AND ABUSE AND DISCLOSURE OF INSIDE INFORMATION SIMILARLY AS ANY OTHER PERSON WHO POSSESS INSIDE INFORMATION.

As regards insider projects, a manager shall always be separately registered in a project-specific insider list.

The company will notify, in writing, all individuals who are deemed to be managers as well as of the responsibilities relating thereto.

4.1.2 Persons closely associated with managers

Closely associated persons have been determined in point 26 of Article 3 of MAR. In short, such persons closely associated with a manager are:

- a) a marital spouse or a partner of a registered partnership or a co-habitation partner
- b) a dependent child
- c) a relative who has shared the same household for at least one year on the date of the transaction concerned
- d) a legal person, trust or partnership,
 - i. the managerial responsibilities of which are discharged by a manager or by his/her closely associated person referred to in point (a), (b) or (c), provided that such person factually takes part in or influences, the decision-making in said legal person, trust or partnership on transactions with company’s financial instruments, or
 - ii. which is directly or indirectly controlled by a manager or by his/her closely associated person referred to in point (a), (b) or (c), or

- iii. which is set up for the benefit of a manager or by his/her closely associated person referred to in point (a), (b) or (c), or
- iv. the economic interests of which are substantially equivalent to those of a manager or by his/her closely associated person referred to in point (a), (b) or (c).

Thus, closely associated “person” can mean either a natural person or a legal person, depending on the case.

Managers must notify, in writing, their closely associated persons of the obligations set in Article 19 of MAR and store a copy of this notification. A sample form of such notification can be obtained from the group’s insider management (finnair.insider@finnair.com).

4.2 A list of managers and their closely associated persons

The company prepares and maintains a list of all managers and their closely associated persons, as set forth in MAR. Such list is not open to public, nor does it contain ownership information. Managers shall notify the company their closely associated natural and legal persons in writing and keep the information current at all times.³ Notifications shall be made to the company’s insider management (finnair.insider@finnair.com).

4.3. Obligation to notify and publish transactions made with company’s financial instruments

4.3.1 General remarks on transactions subject to notification requirement

Managers and their closely associated persons shall each disclose, by themselves, to the company and the Financial Supervisory Authority all the transactions conducted on their own account by such managers or their closely associated persons relating to shares or other equity financial instruments or to debt financial instruments of the company or to derivatives or other financial instruments linked thereto.

These notifications shall be made without delay and at latest within three business days after the transaction in question was conducted (T+3).

The information to be notified has been defined in the Commission Implementing Regulation⁴ which includes, inter alia, the following:

- details of the person (name, and in case of a manager his/her position in the company, and in case of a closely associated person it shall be mentioned that the notification is made based on closely associated relationship as well as information on which manager’s the person is closely associated with)
- details of the issuer (name, LEI-code (Legal Entity Identifier))
- details of the transaction (instrument, nature of the transaction, point of time)

³ This list is not an insider list. A listed company may maintain the list in excel format, for instance. The list shall contain sufficient identification information, such as the person’s name, position in the listed company and date of birth. Of closely associated persons, the list shall include their names or company names, date of birth or business ID and a corresponding identification, and state to which manager they are closely associated and the grounds for the association.

⁴ Commission Implementing Regulation (EU) 2016/523 on the format and template for notification of the transactions of the managers.

- transaction-specific information (itemized all transactions, volumes of the transactions and prices)
- also aggregated information (the highest and lowest price of an executed transaction, the weighted average price)
- place of transaction.

The obligation to notify exists, regardless whether the trade or other change (for example, exchange, gift, division of property or inheritance) has been executed in the securities market exchange (such as Nasdaq Helsinki) or outside of it, and regardless whether the trade or other change would be based on an asset management mandate, where the asset manager would use their own discretion, and regardless of whether the trade or change would concern nominee registered shareholdings or other financial instruments which are owned by a foreign person subject to the notification requirement.

4.3.2 Notification requirement in practice – managers

Managers' notification procedure has been arranged in Finnair so that the company notifies the transactions to the Finnish Financial Supervisory Authority on behalf of the managers. Thus, it remains the duty of the managers to notify the company about the transactions.

Further, Finnair has in place a mandatory advance notification procedure for transactions (see section 6), which concerns also, to the extent applicable, so-called core persons.

4.3.3 Notification requirement in practice – closely associated persons

Transactions will be notified to the Financial Supervisory Authority (FIN-FSA) via electronic services. You can log in to the electronic services at <https://asiointi.finanssivalvonta.fi/>. The closely associated persons have an independent obligation of their own to inform their transactions to Finnair and the Finnish Financial Supervisory Authority. Closely associated persons can also authorize other party, e.g. a broker, to make the notification to Finnair and the Financial Supervisory Authority on their behalf.

4.3.4 Transactions to be notified

Notifiable transactions have been defined in Points 1 and 7 of Article 19 of the MAR and in the supplementing Commission Regulation⁵. Transactions to be notified are transactions relating to company's equity or debt financial instruments or to the derivatives linked thereto. In practice, the variety of notifiable transactions is wide, and include among others:

- acquisition, disposal of, short sale, subscription or exchange;
- pledging or borrowing/lending of financial instruments;
- transactions executed by a third party under an individual portfolio or asset management mandate;
- acceptance or exercise of a stock option, including stock options granted to managerial persons or employees as part of their remuneration package, and the disposal of shares stemming from the exercise of a stock option, as well as shares

⁵ Commission Delegated Regulation (EU) 2016/522 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council as regards an exemption for certain third countries public bodies and central banks, the indicators of market manipulation, the disclosure thresholds, the competent authority for notifications of delays, the permission for trading during closed periods and types of notifiable transactions of the managers, Article 10.

delivered to the key persons of the company on the basis of an incentive program of the company;

- entering into or exercise of equity swaps;
- transactions in or related to derivatives, including cash-settled transactions;
- acquisition, disposal of or exercise of rights, including put and call options, and warrants;
- subscription to an equity increase or debt instrument issuance;
- conditional transactions upon the occurrence of specific conditions and the actual execution of such transactions;
- automatic or non-automatic conversion of a financial instrument into another financial instrument, including the exchange of convertible bonds to shares;
- gifts and donations made or received, and inheritance received;
- transactions executed in index-related products, baskets and derivatives, if the company's financial instrument weighs more than 20 %;
- transactions that are conducted in connection with an investment insurance.

Accordingly, the notification requirement shall also cover option rights granted to executives and/or staff members, transfer of option rights, subscriptions made on the basis of option rights, and expiry of option rights. Where applicable, the foregoing shall also apply to warrants.

Furthermore, the notification requirement shall apply to standardised derivative contracts and comparable derivative contracts, as well as other derivatives contracts where the underlying asset consists of the share of the company or a security giving right to such share.

The notification must be filed irrespective of whether the change in holdings has been for consideration or gratuitous.

Also, the transactions of closely associated persons have to be notified, given that other prerequisites for the notification obligation have been met (such as exceeding the threshold of EUR 20,000 in a calendar year in accordance with section 4.3.6).

A manager or their closely associated person is responsible, by themselves, for the compliance with their duty to notify even if the management of the securities of such person has been assigned to another person, such as portfolio manager.

4.3.5 Time for notification

MAR requires that managers and their closely associated persons shall notify transactions made in company's financial instruments to the company and the Financial Supervisory Authority within 3 business days from the transaction (T+3). Thus, for example a trade of financial instrument made on Friday must be notified at latest on the next week's Wednesday.

As stated in section 4.3.2, Finnair notifies transactions conducted by the managers (but not their closely associated persons) to the Finnish Financial Supervisory Authority within 3 business days from the transaction (T+3). However, this does not affect their obligation to notify the transaction to Finnair.

As the company shall publish the transactions of the managers and their closely associated persons on a stock exchange release within two business days from the receipt of the notification (see section 4.3.7), the managers and the closely associated persons should preferably notify the company already on the same day as the transaction was made, however, absolutely within 3 business days from the transaction.

4.3.6 The threshold is EUR 20,000 in a calendar year

The obligation to notify arises once the total value of EUR 20,000 has been reached within a calendar year. The threshold is calculated by adding, without netting, all the transactions conducted during the same calendar year.

Example: If a manager or a closely associated person buys Finnair shares for EUR 11,000 in January, the obligation to notify is not triggered. However, if the same person sells shares of Finnair for EUR 11,000 later during the same calendar year, the threshold for notification is triggered, as the total value of the transactions conducted within the same calendar year exceeds EUR 20,000. The obligation to notify applies to the full amount of the abovementioned sale of shares. Correspondingly, each transaction conducted after this and within the same calendar year – despite their monetary value – shall be notified to the company and the Financial Supervisory Authority.

4.3.7 Publication of the transactions by the company

The company shall publish the notifications of the managers or their closely associated persons on a method corresponding to stock exchange release and store the releases in the Central Storage Facility. There is a special release class for publishing managers transactions ("Managers' transactions").

Publication shall be made without delay and at latest within two business days from the receipt of the notification of the transaction. The published information on transactions is available on the company's website and in the Central Storage Facility for at least 5 years.

The company shall publish the stock exchange releases both in Finnish and in English, regardless of the original language of the notification. A person subject to the notification requirement shall make the notification to the company and to the Financial Supervisory Authority in Finnish or in English. The electric notification forms for the Financial Supervisory Authority are available in Finnish and English on the website of the Financial Supervisory Authority.

4.3.8 Defective and erroneous notifications on transactions

If the notification made by a manager's or their closely associated person has defects or errors, it shall be corrected with, as a main rule, a new notification (and if needed, by a new stock exchange release if the company has already published a stock exchange release which has defective or erroneous information in it).

The company is not responsible for the correctness of the information given by a manager or their closely associated person.

5. TRADING RESTRICTIONS CONCERNING MANAGERS AND CORE PERSONS

Managers and core persons pursuant to section 5.1.1 are subject to closed window in accordance with section 5.1. Further, when such persons possess inside information, they are subject to prohibitions on insider trading and abuse and disclosure of inside information similarly as any other person who possess inside information. In addition, recommendation on avoidance of short-term trading pursuant to section 5.2 is applicable to managers. Where needed, the company may set also other restrictions on trading.

5.1 Closed window

5.1.1 A core person – expanding the trade restrictions during the closed window to cover also other persons than managers.⁶

Certain persons have access to better information or more information about the company than what the general public has. Therefore, the company has extended the closed window to apply, not only managers, but also certain other persons in the informative core of the company, or that have access to such core information based on their duties, such as persons preparing interim reports and financial statement bulletins and also persons responsible for finance, reporting or communication of the company, as well as those who have access to such information based on their duties (hereinafter “core person(s)”).

The company determines the core persons and notifies them in writing thereof, as well as notifies them that the closed window, which is addressed in section 5.1.2 below, also applies to them. The core persons are typically employees preparing interim reports or year-end reports, but the company can for reasoned grounds define other employees of the group or persons acting for or on behalf of the company to be core persons.

BESIDES THE CLOSED WINDOW, PROHIBITIONS ON INSIDER TRADING AND ABUSE AND DISCLOSURE OF INSIDE INFORMATION APPLY TO CORE PERSONS SIMILARLY AS ANY OTHER PERSON WHO POSSESS INSIDE INFORMATION.

5.1.2 The time frame of the closed window

A manager or a core person shall not trade or conduct other transactions, on its own account or the account of a third party, directly or indirectly, on company’s financial instruments for a period of 30 calendar days before the publication of Finnair’s interim report or a year-end report nor on the day of the publication of such interim report or year-end report (so called closed window) regardless of whether the person possess inside information during that time.

5.1.3 The persons to whom the closed window applies

The closed window concerns the managers and core persons. However, the closed window does not concern closely associated persons of the managers or of the core persons.

⁶ MAR does not encompass a categorization into public insiders, permanent insiders and project-specific insiders such as the former regulation. Instead, the sole mandatory insider list required under MAR is the list of project or event specific insiders. The former public insider register has been replaced with the obligation to notify and publish transactions of managers and their closely related persons.

Concerning natural persons, who are closely associated with the managers or core persons, it should, however, be noted that a manager or core person is not allowed to disclose inside information or any other confidential information concerning the company to their closely associated persons. Furthermore, it must be noted that a manager or core person shall not conduct any transactions on its own account or *for the account of a third party*, directly or *indirectly* during a closed window. Thus, it is prohibited for managers or core persons to conduct transactions for the account of, for example, a person under their guardianship, or of a legal person under the control of a person under guardianship.

A manager or core person is responsible for abiding by the trading restrictions even though the management of their securities has been assigned to another person, such as a portfolio manager.

In practice, it is also recommendable that managers and core persons inform their closely associated persons (typically spouses or family members living in the same household) about the trading restrictions that the company has in place for the closed window, and if needed, about the other obligations concerning a manager. However, a manager or a core person shall not disclose inside information to their closely associated persons.

5.1.4 Exceptions to the trade restrictions during a closed window

The company can allow a manager or a core person to trade, on their own account or for the account of a third party, during the closed window:

- a) on a case-by-case basis, due to exceptional circumstances, such as a manager or a core person having severe financial difficulties (depending on the situation, for example legally enforceable monetary undertaking or claim or a tax debt), which require the immediate sale of shares; or
- b) due to the special characteristics of the trading in question, such as transactions which are conducted as a part of owning or saving scheme of employees or as a part of acquiring shares or options which are a prerequisite for a managerial position or which relate to this, or transactions where the beneficial interest in the relevant security does not change.

An additional requirement is that the manager or other core person can prove that the transaction in question cannot be conducted during some other point of time than during the closed window.

Applying the abovementioned exceptions requires that the company gives approval for the transaction. Furthermore, it must be noted that the exceptions addressed in this section cannot be applied if a manager or a core person has inside information.

In point a) above, the transaction could be only a sale of shares but not an acquisition or any other type of transaction. In exceptional situations like described in point a) above, a

manager or a core person shall present a written and reasoned request for the company to allow immediate sale of shares during a closed window.⁷

It must be noted that for the part that the transaction referred to in point b) above concerns acquisitions, the exceptions to trading restrictions only apply to the acquisitions in question, but not to later trading with the shares or other financial instruments.

5.2 Recommendation on avoidance of short-term trading applicable to managers

Managers should avoid trading short in company's shares or other financial instruments, including derivatives of the company's financial instruments.

Trading short means that the time between acquiring and disposing of, and correspondingly disposing of and acquiring, financial instruments of the same class is less than one month.

The time the financial instruments have been owned is calculated from the purchase, subscription or exchange until the sale, exchange or other disposal has occurred. The time limit is calculated so that the purchase, exchange or other disposal is allowed on the date that corresponds to the same number of order as the purchase or subscription date.

5.3 Maintaining the trust for the securities market

In addition to abiding by the closed window and avoiding trading short, the managers and core persons shall all schedule their trading on the company's financial instruments so that the trading does not weaken the general trust for the securities market. In practice, it is recommendable that managers and core persons only make long-term investments in the company's financial instruments. Furthermore, it is also recommendable to schedule the trading on financial instruments to a point of time when the market has as complete knowledge of the factors affecting the value of the financial instrument as possible (for example after publishing the financial information, however, not yet on the day of publication but thereafter so that the market has had time enough to digest the published information).

6. ADVANCE NOTIFICATION OBLIGATION APPLICABLE TO MANAGERS AND CORE PERSONS, AS WELL AS POSSIBILITY TO REQUEST A PRIOR EVALUATION OF A TRANSACTION

6.1. Obligation to notify a transaction in advance

A manager or a core person shall notify the company in advance of a contemplated transaction with the company's financial instrument before conducting such a transaction, in accordance with the following process:

⁷ When the company considers granting a permission to immediately sell shares during a closed window in a manner described in a) above, the company shall on case-by-case basis evaluate the written request of the manager or a core person. The company has a right to approve the immediate sale of shares only when the circumstances concerning the transaction can be deemed to be exceptional. Circumstances can be deemed to be exceptional where they are urgent, unpredictable and compelling and where the reason for them is independent from the manager or the core person, and where such person has no control over these.

1. A manager or a core person shall first notify the company's insider management by e-mail (finnair.insider@finnair.com) if they contemplate to conduct a trade or other transaction with the company's financial instrument.
2. The person will receive a reply that their e-mail has been received (standard e-mail receipt acknowledgement).
3. The company's insider management endeavors to send within the 48 hours following the receipt of advance notification an e-mail alarm to the person in question and a request to contact the company's legal department, if the insider management is aware of an obstacle to conduct the transaction, such as closed window or an insider project. Even though the person would not receive an alarm from the insider management within the said time period, this does not mean that conducting the transaction would be necessarily permissible. Responsibility for the permissibility of the transaction shall always be on the person him/herself (see section 6.3).
4. A manager or a core person is not allowed to conduct the transaction if they receive an alarm from the company.
5. If the alarm is removed after the person has contacted the company's legal department, the person may, if they wish so, proceed with the transaction. However, the person him/herself has the sole liability for any breach of laws or regulations (see section 6.3).
6. If the transaction is executed, managers shall notify the required information to the company as soon as possible and in any case no later than within three working days.
7. The company notifies the manager's transaction to the Finnish Supervisory Authority and issues a related stock exchange release.

TO BE NOTED: Stages 6 and 7 above apply only to conducting of managers' transactions as described above in section 4, *i.e.* stages 6 and 7 do not apply to core persons' transactions.

6.2 Possibility to request a prior evaluation of a transaction

A manager or a core person may also request a prior evaluation of whether a transaction they contemplate is in compliance with these rules and applicable laws and regulations. The prior evaluation is given by Finnair's legal department based on the information given by the manager or the core person, and on other information that is available at the time of evaluation.

6.3 Responsibility for the permissibility of the transaction

Despite the advance notification or the prior evaluation process, the manager or the core person shall him/herself be responsible for complying with the laws and regulations, and the responsibility for this shall not be transferred to the issuer of the prior evaluation in any manner.

7. PROJECT OR EVENT SPECIFIC INSIDER LIST

7.1 General

Inside information relating to the company is typically a project (e.g. an M&A process or financing arrangement), but also other events or decisions by an authority may constitute inside information (see the definition of inside information in section 3.1).

MAR requires that the company shall publish inside information as soon as possible. However, the company can delay the disclosure of inside information if (i) the immediate disclosure would most likely prejudice the legitimate interests of the company, (ii) the delayed disclosure would not be likely to mislead the public, and (iii) the company is able to ensure the confidentiality of the information. Disclosure Committee or the Board of Directors of Finnair shall make the decision on delaying the disclosure of the inside information. There is separate regulation on disclosure of inside information, delay of disclosure of inside information and related processes, as well as on establishment of insider projects.

7.2 What is an insider project

A project is a confidential and specific arrangement or a set of targeted or otherwise anticipated events which in the opinion of Finnair involves inside information, and the disclosure of which has been delayed by the decision of the company.

Typically, a project is an arrangement that, due to its nature or size, differs from the usual business operations of the company or its published strategy. The company evaluates case-by-case whether an entity or arrangement under preparation should be regarded as a project.

Based on the information available at a given time, the company must objectively evaluate whether it is reasonable to expect that the project will be realised and if the arrangement is so specific that conclusions can be made about its effect on the price of a financial instrument. This information may be internal (such as the decision-making process in the company necessary for the realisation of the arrangement under preparation as well as the significance of the arrangement for the company) or external (such as the established corporate practices of the company's line of business). Previous corporate practices must be consistently taken into consideration in the evaluation. If the significance of the information serving as the basis of the evaluation changes later, the company shall reassess the status of the arrangement.

To qualify as an inside project, the arrangement must be so significant for the company that, if it was carried out, it would be likely to have a significant effect on the price of a financial instrument of Finnair.

The following criteria, among others, can be used when evaluating whether an arrangement should be regarded as a project:

The arrangement is such that, when realised, it must be published.

Considered on a case-by-case basis, a project may be a significant corporate or business-sector arrangement, a significant reorientation of business operations or a significant

restructuring plan or performance improvement programme. On a case-by-case basis, a project may be related to a share issue, or a purchase or redemption offer under preparation by the company. Further, a significant cooperation agreement or a major acquisition in accordance with the rules of Nasdaq Helsinki may be deemed a project. A significant measure that is based on the company's own research and development activities may also constitute a project.

The disclosure obligation does not as such mean that the decision or matter that is subject to the obligation should be deemed a project. For example, a dividend distribution proposal, an audit report, development prospects or changes in financial performance and in the balance sheet or financial standing, which are published, are not generally regarded as projects.

Interim reports, financial statements, and other issues subject to regular disclosure requirements are not regarded as projects.

If the company makes public that it is preparing a specific arrangement, such arrangement is generally no longer deemed a project unless only part of the arrangement is published in a manner so that issues relating to further preparations or not yet disclosed are deemed inside information.

The preparation of an arrangement has progressed to a stage where a decision has been made by the management of the company to continue preparation until realisation.

This refers to a decision in which preparations are brought from a stage of assessing various alternatives to preparation aimed at realising a specified option. Such decisions are usually made by the company's Board of Directors or under the explicit authorisation of the Board by the operational management of the company. Typically, the number of people participating in the preparation increases significantly as a result of the decision.

If the situation involves an arrangement the realisation of which requires the cooperation of another party, it is generally appropriate to deem such a situation a project only after the party has begun preparations aimed at realising the arrangement.

Such projects may include corporate acquisitions and significant offers or orders, for example. Preliminary positive responses or participation in preliminary negotiations are not usually regarded as preparations aimed at realisation.

The realisation of an arrangement is probable.

The more unlikely the realisation of the arrangement is, the less necessary it is to deem it a project. When considering the likelihood of the realisation of the arrangement, factors beyond the control of the company are also taken into account.

In addition to the above criteria, the company makes an overall assessment of the arrangement when determining whether it should be deemed a project. Based on such assessment, the company may deem the arrangement a project even if some of the above criteria are not met.

7.3 Management of project or event related inside information

A decision to establish a project or event specific insider list can be made by the company's Disclosure Committee, i.e. encompassing the members of the Executive Board, or by the Board of Directors in accordance with the policy of the Disclosure Committee.

When the company determines an arrangement to be a project, or when it decides to delay the disclosure of other inside information, an insider list is prepared. Insider lists are managed by a designated person.

An insider list includes at least the following information:

- The date and time of establishment and the person responsible for managing the list
- The date and time of the most recent update of the insider list
- The project or other event (a code name, for example) to which the list pertains
- The personal information and contact details of all persons who have access to inside information (with regard to persons from outside Finnair, the company or official body represented by them is also included)
- Person's duties and the grounds for entering the person in the list
- The date and time when the insider has received information about the project or other event and been entered in the insider list
- The date and time when the insider no longer has had access to inside information.
- The termination of the project or other insider event as a result of publication or expiration as well as the date of termination
- Any other relevant project or event information.

The company and the persons acting for or on behalf of the company shall, without delay, keep the insider list up to date and mention the reason for updating the list in the following situations:

- an amendment happens in the reasons why a person is included in the insider list;
- if a new person gets access to inside information and for this reason they must be added to the list; and
- a person has no longer access to inside information.

During the project, the insider register must be updated whenever the grounds for including a person in the register change, a new person receives access to inside information and is entered in the list or a person entered in the list no longer receives inside information, for example. In connection with the update of the insider list, a date and time of the update shall be mentioned. However, such updates to the register do not revoke prohibitions on the abuse and disclosure of inside information received earlier in the project.

Insider lists are stored for a period of at least five years following the drawing up or updating the insider list of the respective project or other event. The lists must be kept in such a way that the content of the data and entries recorded in the lists can always be proved afterwards and that only those persons having right to maintain the lists can record entries therein.

All persons receiving information related to the project or other insider event are entered in the insider list. Finnair's General Counsel, Chief Financial Officer, Chief Executive Officer or Board of Directors notify the person managing the insider list of such persons. MAR requires that persons acting for or on behalf of the company shall take all the necessary actions to ensure that persons entered in the insider list accept in writing the obligations relating

thereto and are aware of the consequences of the insider regulation (please see section 10). It is sufficient that an insider accepts the obligations once, and the obligations and consequences are only referred to thereafter. Persons entered in an insider list are notified in writing or otherwise verifiably about their entry in the list and the obligations arising from this. Persons entered in an insider list must keep all information related to the project or event confidential.

An external person acting for or on behalf of the company can be assigned the task of preparing and maintaining an insider list. The company remains nevertheless responsible for maintaining the insider list on the persons acting for or on behalf of the company. The company shall always have access to the insider list which is maintained by persons acting for or on behalf of the company.

External advisors such as attorneys and consultants can be authorized and are obliged to prepare and maintain an insider list of persons who work for the external advisors. In this situation, the external advisor is obliged to give an updated copy of the insider list maintained by it when amendments or additions are made to the insider list. The copy shall be non-amendable, and it must show the time of the last amendment.

Insider lists are temporary. As a rule, a project ends upon its publication or if it is abandoned. The decision to end a project can be made by Finnair's Disclosure Committee or Board of Directors, who must notify the person managing the insider list of the decision. In addition, those entered in a project or event specific insider list are informed about the termination of the project or other insider event by the person responsible for managing the insider list.

7.4 Trading restrictions and other legal effects relating to projects or other insider events

PERSONS ENTERED IN AN INSIDER LIST MUST NOT TRADE WITH FINNAIR'S FINANCIAL INSTRUMENTS (SEE THE DEFINITION OF A FINANCIAL INSTRUMENT IN SECTION 2) IN ANY WAY UNTIL THE PROJECT OR OTHER INSIDER EVENT EXPIRES OR IS PUBLISHED. THEY WILL BE NOTIFIED WHEN THE PROHIBITION ON TRADING ENDS.

IN ADDITION, PERSONS ENTERED IN AN INSIDER LIST ARE SUBJECT TO THE GENERAL PROHIBITIONS ON THE INSIDER DEALING AND ABUSE AND DISCLOSURE OF INSIDE INFORMATION. THE PROHIBITIONS ARE VALID UNTIL THE PROJECT OR OTHER INSIDER EVENT IS PUBLISHED OR OTHERWISE CEASES TO BE INSIDE INFORMATION.

INSIDER LISTS ARE NOT PUBLIC. HOWEVER, THE FINANCIAL SUPERVISORY AUTHORITY IS ENTITLED TO RECEIVE INFORMATION ON THE CONTENT OF THE INSIDER LISTS.

The instructions related to the trading practices of insiders, or the timing of their transactions may also apply to trading in financial instruments of another company as well as to general confidentiality. For example, project participants may also be required to sign a separate non-disclosure agreement.

If a project is directed at another listed company (such as a significant corporate acquisition where the target or other party is a listed company), the company generally has grounds for prohibiting insiders from trading in the financial instruments of the other company or thereto related financial instruments.

The restriction on trading based on an entry in an insider list enters into force from the moment the insider has been notified of the restriction. Irrespective of the time of beginning of a restriction on trading, insiders are responsible for ensuring that they comply with the appropriate laws, regulations, and rules.

8. MANAGEMENT OF INSIDER ISSUES

8.1 Communication

These rules are available on Finnair's website. All employees and executive and non-executive directors of the Finnair Group are personally responsible for ensuring that they comply with insider legislation and these rules, and if necessary, that they have been entered as insiders in an insider list. The supervisor of core persons is obligated to notify the person managing the insider lists of the beginning and end of their position as core person.

8.2 Insider management duties

Insider management at Finnair includes the following tasks:

- Internal communication on insider issues
- Training related to insider issues within the company
- Drawing up, maintenance and delivery of the insider list to the Financial Supervisory Authority at request
- Obtaining approvals of persons included in the insider list
- Distributing Internally information on matters pertaining to the trading restrictions and notification requirements regarding managers and their closely associated persons
- Training on the trading restrictions and notification requirements
- Maintaining a list of managers and their closely associated persons with the notification obligation according to Article 19 of MAR
- Maintaining a list of core persons
- Making notifications according to Article 19(5) of MAR to managers
- When necessary, instructing managers on making notifications according to Article 19(5) of MAR to managers' closely associated persons
- Publishing transactions conducted by managers and their closely associated persons according to article 19(3) of MAR
- Monitoring compliance with trading restrictions and notification requirements
- Monitoring of changes in regulations on insider issues, trading restrictions and notification requirement

The SVP & General Counsel of Finnair acts as a person in charge of insider issues.

The person responsible for managing Finnair's project and event specific insider lists is Compliance Officer in the Risk & Compliance function. The Compliance Officer is also responsible for the management of the trading restrictions and the obligation to notify and disclose transactions. The Compliance Officer has an appointed substitute for the abovementioned duties.

9. SUPERVISION

It is the duty of the managers to keep information relating to them and their closely associated persons up-to-date. In addition, the company requests the managers to review and update the information annually. The person managing Finnair's insider lists is responsible for ensuring that the review is performed.

At least once a year, the company reviews the managers' and core persons' transactions based on the register information. The person managing Finnair's insider lists is responsible for ensuring that the review is performed. If necessary, the company inspects in more detail on a case-by-case basis the trading of securities of its managers and core persons if such a person trades in large volumes of financial instruments or trades frequently.

The Financial Supervisory Authority monitors that the obligations in these rules are observed.

10. SANCTIONS

If anyone in a service or employment relationship with the Finnair Group violates the rules provided in these rules, the person in charge of Finnair's insider issues has the right to issue the individual with a written reprimand. In addition, depending on the nature of the violation, the employer may issue a warning or notice of termination or cancel the service or employment contract immediately.

The Financial Supervisory Authority may issue a public warning or pecuniary sanctions for a person violating insider regulations. When the pecuniary sanction concerns insider dealing, unlawful disclosure of inside information or prohibition of market manipulation pursuant to MAR, the pecuniary sanction for a legal person can be either 15 % of the total annual group turnover, of the year preceding the act or omission, of the legal person, or EUR 15,000,000, whichever sum higher. For natural persons, the maximum pecuniary sanction can be EUR 5,000,000. When the pecuniary sanction concerns insider lists or infringements of the rules or regulations concerning transactions conducted by managers or persons closely associated with them, the pecuniary sanction can be at maximum EUR 1,000,000 for legal persons and at maximum EUR 500,000 for natural persons. Despite the abovementioned maximum amounts for pecuniary sanctions, the pecuniary sanction can be up to three times the amount of the profits gained, or losses avoided because of the infringement, where those can be determined.

The abuse of inside information against the Criminal Code as described in section 3.4.1–3.4.2 may be subject to a fine or up to two years imprisonment (up to four years in cases of aggravated offences). An attempt to commit a crime is also punishable. The disclosure of inside information against the Criminal Code as described in section 3.4.3 may be subject to a fine or up to two years imprisonment.

11. PROVISIONS ON WHICH THESE RULES ARE BASED

These rules are based on the following Finnish statutes, standards and guidelines:

- EU's Market Abuse Regulation (MAR) and the related 2- and 3-tier EU-regulations supplementing MAR
- Securities Markets Act
- Act on the Financial Supervisory Authority

- Criminal Code
- Financial Supervisory Authority's regulations and guidelines
- Insider guidelines of Nasdaq Helsinki

12. REVIEW AND APPROVAL

These Rules are effective until further notice. The Rules shall be annually reviewed by the Executive Board and by the Audit Committee and approved by the Board of Directors.