



FINNAIR PLC

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## **NOTICE TO ANNUAL GENERAL MEETING**

Notice is given to the shareholders of Finnair Plc to the Annual General Meeting to be held on Thursday 27 March 2014 at 3 p.m. (EET) at Helsinki Exhibition & Convention Centre, Messuaukio 1, Congress wing entrance. The doors will be opened and reception of persons who have registered for the Meeting will commence at 2 p.m. (EET). Coffee will be served prior to the Meeting.

### **A. MATTERS ON THE AGENDA OF THE GENERAL MEETING**

At the General Meeting, the following matters will be considered:

- 1. Opening of the Meeting**
- 2. Calling the Meeting to order**
- 3. Election of persons to scrutinise the minutes and to supervise the counting of votes**
- 4. Recording the legality of the Meeting**
- 5. Recording the attendance at the Meeting and adoption of the list of votes**
- 6. Presentation of the annual accounts including the consolidated annual accounts, the report of the Board of Directors and the auditor's report for the year 2013.**
  - Review by the Chief Executive Officer
- 7. Adoption of the annual accounts including the consolidated annual accounts**
- 8. Resolution on the use of the profit shown on the balance sheet and the payment of dividend**

The Board of Directors proposes to the Annual General Meeting that no dividend is paid based on the balance sheet to be adopted for the year 2013.

- 9. Resolution on the discharge of the members of the Board of Directors and the CEO from liability**
- 10. Resolution on the remuneration of the members of the Board of Directors**

The Shareholders' Nomination Board proposes to the Annual General Meeting that the annual remunerations of the members of the Board of Directors, that have remained the same since 2008, would remain unchanged and be:

- Chairman 61,200 euros per year;
- Vice Chairman 32,400 euros per year; and
- other members 30,000 euros per year.

The Shareholders' Nomination Board proposes further that a Board member residing in Finland would be paid a fee of 600 euros, and a Board member residing abroad a fee of 2,400 euros, per meeting of the Board or its Committee.

### **11. Resolution on the number of members of the Board of Directors**

The Shareholders' Nomination Board proposes that the number of members of the Board of Directors would be confirmed at seven.

### **12. Election of the Chairman and other members of the Board of Directors**

The Shareholders' Nomination Board proposes that present members of the Board of Directors Ms Maija-Liisa Friman, Mr Klaus W. Heinemann, Mr Jussi Itävuori, Mr Harri Kerminen and Ms Gunvor Kronman be re-elected, and that Ms Jaana Tuominen and Mr Nigel Turner be elected as new members to the Board of Directors. All candidates have given their consent to the position.

Ms Jaana Tuominen (b. 1960, M. Sc. (Eng.)) is the CEO of Paulig Group since 2008. Before that she was the Managing Director of GE Healthcare Finland and General Manager of GE's Global Monitoring Solutions business unit. Ms. Tuominen is a member of the Board of Directors and of the Remuneration and HR Committee of Rautaruukki Corporation, which is a company specialized in steel and steel construction.

Mr Nigel Turner (b. 1958, BA (Hon.)) is the former CEO of British Midland Airways (bmi) and he has over 25 years' experience from the airline industry. Mr Turner is the Deputy Chairman of the Board of Directors and the Chairman of the Audit Committee of aircraft leasing company Jetscape Inc., a member of the Board of Directors and of the Audit and Treasury Committees of NATS plc (National Air Traffic Services) and the Deputy Chairman of the Board of Directors of The Airline Group Ltd, which is one the owners of NATS plc.

The biographical details of the other proposed board members can be found on the internet at [www.finnairgroup.com/group](http://www.finnairgroup.com/group).

The Shareholders' Nomination Board further proposes that Mr Klaus W. Heinemann be re-elected as Chairman of the Board. He has been a member of the Board since 2012 and Chairman of the Board since 2013.

### **13. Resolution on the remuneration of the auditor**

In accordance with the Audit Committee's recommendation, the Board of Directors proposes that the auditors' fees be paid according to the auditors' reasonable invoice.

### **14. Election of the auditor**

In accordance with the Audit Committee's recommendation, the Board of Directors proposes that Authorised Public Accountants PricewaterhouseCoopers Oy, which has announced that APA Mikko Nieminen would be acting as the principal auditor, be elected as the auditor of the company for the term of office ending at the end of the next Annual General Meeting.

## **15. Authorising the Board of Directors to decide on the repurchase and/or on the acceptance as pledge of 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.

The amount of own shares to be repurchased and/or accepted as pledge shall not exceed 5,000,000 shares, which corresponds to approximately 3.9 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 27 March 2013 to decide on the repurchase and/or acceptance as pledge of own shares.

## **16. Authorising the Board of Directors to decide on the disposal of the company's own shares**

The Board of Directors proposes that the Annual General Meeting would authorise the Board of Directors to decide on the disposal of own shares held by the company.

The amount of shares to be disposed based on the authorisation shall not exceed 5,000,000 shares, which corresponds to approximately 3.9 per cent of all the shares in the company. The Board of Directors decides on all the conditions of the disposals, including to whom, at what price and in which manner the company's shares are disposed. The disposals may also be made in deviation from the shareholders' pre-emptive rights for a weighty financial reason, 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 27 March 2013 to decide on the disposal of the company's own shares.

## **17. Closing of the Meeting**

## **B. DOCUMENTS OF THE ANNUAL GENERAL MEETING**

The proposals for the decisions on the matters on the agenda of the General Meeting as well as this notice to the General Meeting are available on the company's website at [www.finnairgroup.com](http://www.finnairgroup.com). The annual accounts, the report of the Board of Directors and the auditor's report of Finnair Plc are available on the above-mentioned website on 6 March 2014 at the latest. The proposals for decisions and other above-mentioned documents are also available at the Meeting. Copies of these documents and of this notice will be sent to shareholders upon request. The minutes of the Meeting will be available on the above-mentioned website as from 10 April 2014 at the latest.

## **C. INSTRUCTIONS FOR THE PARTICIPANTS IN THE GENERAL MEETING**

### **1. Shareholders registered in the shareholders' register**

Each shareholder, who on the record date of the General Meeting, Monday 17 March 2014, is registered in the shareholders' register of the company held by Euroclear Finland Ltd., has the right to participate in the General Meeting. A shareholder, whose shares are registered on his/her personal Finnish book-entry account, is registered in the shareholders' register of the company.

A shareholder, who is registered in the shareholders' register of the company and who wants to participate in the General Meeting, shall register for the Meeting no later than by Monday 24 March 2014 by 10.00 a.m. (EET) by giving a prior notice of participation, which has to be received by the company before the end of the registration period. Such notice can be given:

- a) on the company's website at [www.finnairgroup.com](http://www.finnairgroup.com);
- b) by e-mail to [agm@finnair.com](mailto:agm@finnair.com);
- c) by telephone +358 (0)20 770 6866 Monday through Friday from 9:00 to 16:00 (EET);
- d) by telefax +358 (0)9 694 0205; or
- e) by regular mail to Finnair Plc, Register of Shareholders AAC/502, 01053 FINNAIR.

In connection with the registration, a shareholder shall notify his/her name, personal identification number, address, telephone number and the name of a possible assistant or proxy representative and the personal identification number of a proxy representative. The personal data given to Finnair Plc is used only in connection with the General Meeting and with the processing of related registrations.

The shareholder, his/her authorised representative or proxy representative shall, where necessary, be able to prove his/her identity and/or right of representation.

### **2. Holders of nominee registered shares**

A holder of nominee registered shares has the right to participate in the General Meeting by virtue of such shares, based on which he/she on Monday 17 March 2014 would be entitled to be registered in the shareholders' register of the company held by Euroclear Finland Ltd. The right to participate in the General Meeting requires, in addition, that the shareholder on the basis of such shares has been registered into the temporary shareholders' register held by Euroclear Finland Ltd. at the latest by Monday 24 March 2014 by 10.00 a.m. (EET). As regards nominee registered shares this constitutes due registration for the General Meeting.

A holder of nominee registered shares is advised to request without delay the necessary instructions regarding the registration in the temporary shareholder's register of the company,

the issuing of proxy documents and registration for the General Meeting from his/her custodian bank. The account management organisation of the custodian bank has to register a holder of nominee registered shares, who wants to participate in the General Meeting, into the temporary shareholders' register of the company at the latest by the time stated above.

### **3. Proxy representative and powers of attorney**

A shareholder may participate in the General Meeting and exercise his/her rights at the Meeting by way of proxy representation.

A proxy representative shall produce a dated proxy document or otherwise in a reliable manner demonstrate his/her right to represent the shareholder at the General Meeting. When a shareholder participates in the General Meeting by means of several proxy representatives representing the shareholder with shares at different securities accounts, the shares by which each proxy representative represents the shareholder shall be identified in connection with the registration for the General Meeting.

Possible proxy documents should be delivered in originals to Finnair Plc, Register of Shareholders AAC/502, 01053 FINNAIR on Monday 24 March 2014 at the latest.

### **4. Other information**

Pursuant to chapter 5, section 25 of the Companies Act, a shareholder who is present at the General Meeting has the right to request information with respect to the matters to be considered at the Meeting.

On the date of this notice to the Annual General Meeting, 4 March 2014, the total number of shares and votes in the company is 128,136,115. The company or its subsidiaries hold 279,168 of the company's own shares, which do not have voting rights in the General Meeting.

In Helsinki, 4 March 2014

FINNAIR PLC

The Board of Directors