

## **Notice to Annual General Meeting**

Notice is given to the shareholders of Finnair Plc to the Annual General Meeting to be held on Thursday 16 March 2017 at 3 p.m. (EET) at Messukeskus Helsinki, Messuaukio 1, Conference Centre 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 2016.**

- 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 General Meeting that a dividend of EUR 0.10 per share be paid based on the balance sheet adopted for the financial period ended on 31 December 2016. The dividend shall be paid to a shareholder who on the dividend record date 20 March 2017 is registered as a shareholder in the Company's shareholders' register held by Euroclear Finland Ltd. The Board of Directors proposes that the dividend be paid on 4 April 2017.

#### **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 General Meeting that the annual remuneration of the members of the Board of Directors would remain unchanged and be as follows:

- Chairperson EUR 61,200 per year;
- Vice Chairperson EUR 32,400 per year;

- Chairpersons of the Audit Committee and Compensation and Nomination Committee EUR 32,400 per year, where these individuals are neither the Chairperson nor the Vice Chairperson of the Board of Directors; and
- Other members EUR 30,000 per year.

The Nomination Board further proposes to the General Meeting that each member's fee for a meeting of the Board of Directors or its Committee would be EUR 600 when the meeting takes place in the board member's country of residence. The proposed fee for other meetings would be EUR 2,400 per meeting and for telephone meetings EUR 600 per meeting. In addition, the Board members would be entitled to reimbursement of reasonable travel and representation expenses in accordance with the company's general expenses policy.

The Nomination Board also proposes that Board members and their spouses would be entitled to discounted travel on the company's flights in accordance with the company's discount ticket policy regarding the Board of Directors.

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

The Shareholders' Nomination Board proposes to the General Meeting that the number of members of the Board of Directors would be confirmed as seven (7).

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

The Shareholders' Nomination Board proposes to the General Meeting that of the present members of the Board of Directors, Maija-Liisa Friman, Jussi Itävuori, Jouko Karvinen and Jaana Tuominen be re-elected as members of the Board of Directors, and that Colm Barrington, Mengmeng Du and Jonas Mårtensson be elected as new members to the Board of Directors. The Nomination Board further proposes that Mr. Jouko Karvinen be elected as Chairman of the Board.

All candidates have given their consent to the position, and all are independent of the company and its significant owners. The current members leaving the Board of Directors, Klaus Heinemann, Gunvor Kronman and Nigel Turner, have informed the nomination board that they will not be available in the election of the Board of Directors in the next Annual General Meeting.

All candidates have been presented on the Company's website at <https://investors.finnair.com/en/governance/general-meetings/agm-2017>

### **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 PricewaterhouseCoopers Oy, a firm of authorised public accountants, which has announced that APA Mikko Nieminen would be acting as the principal auditor, be re-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 as follows.

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 17 March 2016 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 authorize the Board of Directors to decide on the disposal of own shares held by the company as follows.

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 17 March 2016 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 <https://investors.finnair.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 23 February 2017 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 30 March 2017 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 6 March 2017, 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 13 March 2017 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 <https://investors.finnair.com/en/governance/general-meetings/agm-2017>
- 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 6 March 2017 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 13 March 2017 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 organization 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 13 March 2017 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, 15 February 2017, the total number of shares and votes in the company is 128,136,115. The company or its subsidiaries hold 788,964 of the company's own shares, which do not have voting rights in the General Meeting.

In Helsinki, 15 February 2017

FINNAIR PLC  
BOARD OF DIRECTORS