

## **FINNAIR PLC'S BOARD OF DIRECTORS' PROPOSALS TO THE ANNUAL GENERAL MEETING TO BE HELD ON 18 MARCH 2024**

### **1**

#### **PROPOSAL ON THE USE OF THE PROFIT SHOWN ON THE BALANCE SHEET AND THE DISTRIBUTION OF DIVIDEND**

The Board of Directors proposes to the Annual General Meeting that the profit for the financial year EUR 231,458,763.52 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 that the auditor to be elected be paid fees according to the auditor's reasonable invoice.

### **3**

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

The Audit Committee recommends that KPMG Oy Ab is re-elected as the statutory auditor of Finnair for a term ending at the end of the Annual General Meeting 2025. KPMG Oy Ab has informed that Kirsi Jantunen, APA, would act as the principal auditor. 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 Audit Committee's recommendation, the Board of Directors proposes to the Annual General Meeting that KPMG Oy Ab, a firm of authorised public accountants, be re-elected as the auditor of the company for the term of office ending at the end of the next Annual General Meeting. KPMG Oy Ab has informed that Kirsi Jantunen, APA, would act as the principal auditor.

### **4**

#### **PROPOSAL ON REMUNERATION OF THE SUSTAINABILITY REPORTING ASSURANCE PROVIDER**

In accordance with the Audit Committee's recommendation, the Board of Directors proposes to the Annual General Meeting that the sustainability reporting assurance provider to be elected be paid fees according to the sustainability reporting assurance provider's reasonable invoice.

### **5**

#### **PROPOSAL ON THE ELECTION OF THE SUSTAINABILITY REPORTING ASSURANCE PROVIDER**

The Audit Committee recommends that KPMG Oy Ab is elected as the sustainability reporting assurance provider of the company for a term ending at the end of the Annual General Meeting 2025. KPMG Oy Ab has informed that Kirsi Jantunen, Authorised Sustainability Auditor, would act as the key sustainability partner.

In accordance with the Audit Committee's recommendation, the Board of Directors proposes to the Annual General Meeting that KPMG Oy Ab be elected as the sustainability reporting assurance provider of the company for the term of office ending at the end of the next Annual General Meeting. KPMG Oy Ab has notified that Kirsi Jantunen, Authorised Sustainability Auditor, would act as the key sustainability partner.

The election of KPMG Oy Ab as the sustainability reporting assurance provider of the company is conditional on KPMG Oy Ab being elected as the company's auditor.

## **6**

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

The Board of Directors proposes to the Annual General Meeting that the Board of Directors be authorised 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 730,000,000 shares, which corresponds to approximately 3.6 per cent of all the shares in the company. If the Annual General Meeting decides on the reverse split in accordance with agenda item 21 of this notice, the number of own shares to be repurchased and/or accepted as pledge under the authorisation shall not, however, exceed 7,300,000 shares, which corresponds to approximately 3.6 per cent of all the shares in the company after the reverse split. 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 based on the authorisation in order to, inter alia, develop the capital structure of the company, to finance or carry out potential acquisitions, investments or other business transactions, or in order to use the shares as part of the company's incentive and remuneration schemes.

The authorisation is effective for a period of 18 months from the resolution of the Annual General Meeting and cancels the authorisation given by the Annual General Meeting on 23 March 2023 to decide on the repurchase and/or acceptance as pledge of own shares.

## **7**

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

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

The number of shares to be issued based on the authorisation shall not exceed 120,000,000 shares, which corresponds to approximately 0.6 per cent of all the shares in the company. If the Annual General Meeting decides on the reverse split in accordance with agenda item 21 of this notice, the number of shares to be issued under the authorisation shall not, however, exceed 1,200,000 shares, which corresponds to approximately 0.6 per cent of all the shares in the company after the reverse split.

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), e.g. for using the shares to develop the company's capital structure, to finance or carry out potential acquisitions, investments or other business transactions, or in order to use the shares as part of the company's incentive and remuneration schemes.

The authorisation is effective for a period of 18 months from the resolution of the Annual General Meeting and cancels the authorisation given by the Extraordinary General Meeting on 27 October 2023 to decide on the issuance of shares.

## **8**

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

The Board of Directors proposes to the Annual General Meeting that the Board of Directors be authorised to decide on donations up to an aggregate maximum of EUR 250,000 for public-benefit or corresponding purposes and that the Board of Directors be authorised 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 is effective until the next Annual General Meeting, and it does not limit the possibility under § 2 of the company's Articles of Association to additionally engage in, or support, activities that are aimed at ensuring the acceptability, and thereby the long-term profitability, of the company's business by increasing the positive effects and reducing the negative effects of its business on the environment and society.

## **9**

### **PROPOSAL ON A REVERSE SPLIT AND A RELATED DIRECTED SHARE ISSUE AND REDEMPTION OF SHARES**

The Board of Directors proposes to the Annual General Meeting that the Annual General Meeting decides on a reverse split i.e. the reduction of the number of shares in the company. The arrangement is proposed to be implemented by issuing treasury shares without consideration and redeeming shares in the company without consideration so that after carrying out the arrangements under this proposal, every current 100 shares of the company would correspond to one (1) share of the company. The current total number of shares in the company is 20,481,139,267.

The aim of the reverse split is to facilitate trading conditions of the shares by increasing the value of a single share as well as to improve the price formation of the shares. The redemption of shares required in connection with the reverse split would not be possible to be carried out at a sufficiently high redemption ratio without a simultaneous share issue without consideration. The Board of Directors considers that the reverse split is in the best interest of the company and all its shareholders and that there thus is an especially weighty financial reason for the reverse split and

the related share issue and share redemption considering the interest of the company and all its shareholders. The arrangement shall not affect the equity of the company.

In order to avoid the creation of fractional shares, the Board of Directors proposes that the company issues treasury shares without consideration as part of the reverse split by way of directed share issue in such manner that the number of shares in each book-entry account holding Finnair's shares is made divisible by 100 on the Reverse Split Date defined below. The maximum theoretical number of treasury shares to be issued is the amount resulting from multiplying the total amount of such book-entry accounts on the Reverse Split Date by 99. Based on an assessment made at the time of this notice to the Annual General Meeting, it is estimated that approximately 5,000,000 treasury shares would need to be issued in the directed share issue. However, in order to ensure the feasibility of the reverse split arrangement, the maximum number of treasury shares to be issued by the company is proposed to be 15,000,000 shares. The Board of Directors is authorised to resolve on all other matters related to the issuance of shares without consideration.

Concurrently with the above issuance of the company's shares the company will on the Reverse Split Date redeem without consideration from each shareholder's book-entry account a number of shares determined by multiplying the number of shares in each book-entry account by a factor of 99/100 (the "**Redemption Ratio**"). For each 100 existing shares of the company 99 shares will thus be redeemed. Based on the situation on the date of the notice to the Annual General Meeting, the number of shares to be redeemed would be approximately 20.28 billion shares. The Board of Directors of the company has the right to resolve on all other matters with respect to the redemption of shares. The shares redeemed in connection with the reverse split will be cancelled immediately in connection with the redemption, and they do not increase the number of treasury shares held by the company. In connection with the reverse split, treasury shares will also be cancelled in such manner that the number of treasury shares and the total number of shares in the company becomes divisible by 100 and the number of treasury shares will be reduced in connection with the reverse split in proportion to the Redemption Ratio.

According to the proposal, the reverse split will be executed in the book-entry system after the close of trading on 20 March 2024 (the "**Reverse Split Date**"). The cancellation of shares and the new total number of shares in the company is intended to be registered with the Finnish Trade Register on or about by 21 March 2024. Trading with the new total number of shares in the company is estimated to commence on Nasdaq Helsinki under a new ISIN code on or about 21 March 2024.

The proposals under this agenda item 21 form a whole which requires the approval of both the directed share issue and the redemption of shares related thereto by a single resolution. The implementation of the proposed reverse split is conditional upon that the number of company shares held in each book-entry account can be made divisible by 100 on the Reverse Split Date within the maximum number of treasury shares resolved to be issued in connection with the arrangement described above.

The arrangement, if carried out, will not require the shareholders to take any action. If necessary, the trading with the company's shares on Nasdaq Helsinki will be temporarily suspended in order to perform necessary technical measures in connection with the reverse split.

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