

Annual General Meeting of Finnair Plc

Time: 20 March 2018 at 4.00 p.m.

Place: Helsinki Exhibition & Convention Centre, Congress Wing, Messuaukio 1, 00520 Helsinki, Finland

Present: The shareholders set out in the list of votes (Appendix 1) adopted at the meeting were present at the meeting, in person or represented.

Present at the meeting were, in addition, all Board members, the new Board member candidates Mr. Montie Brewer and Mr. Henrik Kjellberg, the company's CEO, the responsible auditor appointed by the company's audit firm, representatives of the company's senior management as well as technical personnel.

1 §

OPENING OF THE MEETING

The Chairman of the Board of Directors Mr. Jouko Karvinen opened the meeting.

2 §

CALLING THE MEETING TO ORDER

Mr. Manne Airaksinen, Attorney-at-Law, was elected Chairman of the General Meeting and he called Mr. Seppo Kymäläinen, Attorney-at-Law, to act as secretary.

The Chairman explained the procedures for considering the items on the agenda of the meeting.

It was recorded that the meeting was conducted in Finnish.

The Chairman noted that certain representatives of nominee registered shareholders had provided the company with voting instructions prior to the meeting and gave a description of the voting instructions that these representatives of nominee registered shareholders had provided.

A summary of the voting instructions of the above-mentioned nominee registered shareholders was attached to the minutes (Appendix 2).

3 §

ELECTION OF PERSONS TO SCRUTINIZE THE MINUTES AND TO SUPERVISE THE COUNTING OF VOTES

Ms. Anita Antskog-Karstinen and Mr. Risto Maunula were elected to scrutinize the minutes.

Ms. Anita Antskog-Karstinen and Mr. Risto Maunula were elected to supervise the counting of votes.

4 §

RECORDING THE LEGALITY OF THE MEETING

It was recorded that the notice to the meeting had been published on the company's website and by a stock exchange release on 16 February 2018.

It was recorded that the General Meeting had been convened in accordance with the articles of association and the Companies Act and that the meeting therefore constituted a quorum.

The notice to the meeting was attached to the minutes ([Appendix 3](#)).

5 §

RECORDING THE ATTENDANCE AT THE MEETING AND ADOPTION OF THE LIST OF VOTES

The list recording the attendance at the beginning of the meeting and the corresponding list of votes, according to which 534 shareholders were present either in person, by statutory representative or by proxy, was presented ([Appendix 1](#)). 91,129,822 shares and votes were represented at the beginning of the meeting.

It was recorded that the list of votes would be adjusted to correspond to the attendance at the beginning of a possible vote.

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 2017

The CEO Mr. Pekka Vauramo gave a presentation on the company's activities in 2017 and the annual accounts and the report by the Board of Directors for the financial year 1 January 2017 – 31 December 2017.

The Chairman of the Compensation and Nomination Committee Jussi Itävuori gave a review on the company's remuneration systems and the realization of the management's performance-based compensation.

It was recorded that the annual accounts had been available on the company's website prior to the meeting for the period required by the Companies Act, and that they were also available at the meeting.

The annual accounts were attached to the minutes ([Appendix 4](#)).

The responsible auditor of the company, Mr. Mikko Nieminen, APA, presented the auditor's report, which was attached to the minutes ([Appendix 5](#)).

7 §

ADOPTION OF THE ANNUAL ACCOUNTS INCLUDING THE CONSOLIDATED ANNUAL ACCOUNTS

The General Meeting approved the annual accounts including the consolidated annual accounts for the financial year 1 January 2017 – 31 December 2017.

15 408 abstaining votes of nominee registered shareholders were recorded under this agenda item.

8 §

RESOLUTION ON THE USE OF THE PROFITS SHOWN ON THE BALANCE SHEET AND THE PAYMENT OF DIVIDEND

It was recorded that the Board of Directors had, in accordance with the proposal attached to the minutes ([Appendix 6](#)), proposed to the General Meeting that a dividend of EUR 0.30 per share be paid based on Finnair Plc's balance sheet adopted for the financial year 2017. The dividend shall be paid to shareholders who are recorded in the shareholders' register held by Euroclear Finland Ltd. on the record date of the dividend payment 22 March 2018. According to the proposal, the dividend shall be paid on 4 April 2018.

The General Meeting decided in accordance with the proposal of the Board of Directors that a dividend be paid based on the balance sheet adopted for the year 2017.

9 §

RESOLUTION ON THE DISCHARGE OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE CEO FROM LIABILITY

The General Meeting decided to discharge the members of the Board of Directors and the CEO from liability for the financial year 1 January 2017 – 31 December 2017.

15 408 abstaining votes of nominee registered shareholders were recorded under this agenda item.

10 §

RESOLUTION ON THE REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS

The Chairman of the Shareholders' Nomination Board, Mr. Pekka Timonen, addressed the meeting and presented the Nomination Board's proposals for items 10, 11 and 12.

It was recorded that the Shareholders' Nomination Board had proposed to the General Meeting that the annual remuneration of the Board members would be decided on in accordance with the proposal attached to the minutes ([Appendix 6](#)).

It was recorded that during the discussion shareholder Risto Maunula proposed that 40 % of the annual remuneration of the Board members be paid in Finnair Plc shares in accordance with the proposal attached to the minutes ([Appendix 7](#)). It was recorded that

the Prime Minister's Office supported the proposal of the Nomination Board and that Mr. Maunula did not demand a vote on the matter.

The General Meeting decided in accordance with the proposal of the Shareholders' Nomination Board that the annual remuneration shall be EUR 61,200 for the Chairman, EUR 32,400 for the Vice Chairman and EUR 30,000 for each member of the Board of Directors. It was decided that the annual remuneration for the Chairmen of the Audit Committee and the Compensation and Nomination Committee shall be EUR 32,400, if they are not also acting as the Chairman or Vice Chairman of the Board of Directors. In addition, a fee of EUR 600 shall be paid for each meeting of the Board of Directors taking place in the country of residence of the Board member. A fee of EUR 2,400 per meeting shall be paid for other meetings of the Board or its Committees and EUR 600 per meeting for meetings held via conference calls. In addition, the Board members shall be reimbursed for reasonable travel expenses in accordance with the company's general expenses policy and the Board members and their spouses will have a limited right 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

It was recorded that according to the articles of association the Board of Directors shall comprise a Chairman and no less than four (4) and no more than seven (7) other members.

It was recorded that the Shareholders' Nomination Board had, in accordance with the proposal attached to the minutes ([Appendix 6](#)), proposed to the General Meeting that the number of members of the Board of Directors would be eight (8).

The General Meeting decided in accordance with the proposal of the Shareholders' Nomination Board that the number of members of the Board of Directors shall be eight (8).

12 §

ELECTION OF THE CHAIRMAN AND OTHER MEMBERS OF THE BOARD OF DIRECTORS

It was recorded that according to the articles of association the term of office of the members of the Board of Directors shall expire at the end of the next Annual General Meeting following their election.

It was recorded that the Shareholders' Nomination Board had proposed to the General Meeting that for a term of office expiring at the end of the next Annual General Meeting, the Board members would be elected in accordance with the proposal attached to the minutes ([Appendix 6](#)).

It was recorded that all the Board member candidates had given their consent to the election.

The General Meeting decided in accordance with the proposal of the Shareholders' Nomination Board that the following individuals are elected members of the Board of Directors for a term of office ending at the end of the next Annual General Meeting:

Mr. Colm Barrington,
Ms. Mengmeng Du,
Ms. Maija-Liisa Friman,
Mr. Jouko Karvinen,
Mr. Jonas Mårtensson,
Ms. Jaana Tuominen,
Mr. Montie Brewer, and
Mr. Henrik Kjellberg.

The General Meeting furthermore decided in accordance with the proposal of the Shareholders' Nomination Board that Mr. Jouko Karvinen is elected Chairman of the Board of Directors.

11 056 abstaining votes of nominee registered shareholders were recorded under this agenda item.

13 §

RESOLUTION ON THE REMUNERATION OF THE AUDITOR

It was recorded that the Board of Directors had, in accordance with the Audit Committee's recommendation, proposed to the General Meeting that the remuneration of the auditor to be elected would be paid in accordance with the proposal attached to the minutes (Appendix 6).

The General Meeting decided in accordance with the proposal of the Board of Directors that the remuneration of the auditor to be elected shall be paid against the auditor's reasonable invoice.

10 648 573 opposing votes of nominee registered shareholders and 271 286 abstaining votes were recorded under this agenda item.

14 §

ELECTION OF THE AUDITOR

It was recorded that according to the articles of association the company has one (1) auditor, which shall be a firm of authorized public accountants. The auditor shall be elected at the Annual General Meeting for a term of office expiring at the end of the next Annual General Meeting following the election.

It was recorded that the proposed auditor had given its consent to the election.

The General Meeting decided in accordance with the proposal of the Board of Directors that PricewaterhouseCoopers Oy, a firm of authorized public accountants, is re-elected auditor of the company for a term of office expiring at the end of the next Annual General Meeting. It was recorded that PricewaterhouseCoopers Oy had notified that Mr. Mikko Nieminen, authorized public accountant, would act as responsible auditor.

15 §

AUTHORIZING THE BOARD OF DIRECTORS TO DECIDE ON THE REPURCHASE AND/OR ON THE ACCEPTANCE AS PLEDGE OF THE COMPANY'S OWN SHARES

It was recorded that the Board of Directors had proposed to the General Meeting that the Board of Directors be authorized to decide on the repurchase and/or the acceptance as pledge of the company's own shares in accordance with the proposal attached to the minutes ([Appendix 6](#)).

The General Meeting decided in accordance with the proposal of the Board of Directors that the Board of Directors be authorized 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 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 authorization.

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 authorization in order to, inter alia, develop the capital structure of the company, to finance or carry out acquisitions, investments or other business transactions, or in order to use the shares as part of the company's incentive and remuneration schemes.

The authorization is effective for a period of 18 months from the resolution of the General Meeting and it cancels the authorization given by the Annual General Meeting on 16 March 2017 to decide on the repurchase and/or acceptance as pledge of own shares.

15 486 abstaining votes of nominee registered shareholders were recorded under this agenda item.

16 §

AUTHORISING THE BOARD OF DIRECTORS TO DECIDE ON THE DISPOSAL OF THE COMPANY'S OWN SHARES

It was recorded that the Board of Directors had proposed to the General Meeting that the Board of Directors be authorized to decide on the disposal of the company's own shares in accordance with the proposal attached to the minutes ([Appendix 6](#)).

The General Meeting decided in accordance with the proposal of the Board of Directors that the Board of Directors be authorized to decide on the disposal of the company's own shares held by the company as follows.

The number of shares to be disposed based on the authorization 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 the company's incentive and remuneration schemes.

The authorization is effective for a period of 18 months from the resolution of the General Meeting and it cancels the authorization given by the Annual General Meeting on 16 March 2017 to decide on the disposal of the company's own shares.

15 486 abstaining votes of nominee registered shareholders were recorded under this agenda item.

17 §

AMENDING THE ARTICLES OF ASSOCIATION

It was recorded that the Board of Directors had proposed to the General Meeting that Sections 2, 3, 8 and 12 of the Articles of Association be amended in accordance with the proposal attached to the minutes ([Appendix 6](#)).

(i) The amended Section 2 in its entirety reads as follows:

2 §

"The company's field of business is to operate an airline by transporting passengers, cargo, and mail and to sell, lease, and repair aircraft and their parts and supplies, to provide hotel, forwarding, travel agency and other business operations relating to travelling and airline operations, as well as finance and insurance brokerage services and all other business operations related to the above. The company may conduct its business through subsidiaries, associated companies and joint ventures."

(ii) The amended Section 3 in its entirety reads as follows:

3 §

"The administrative bodies of the company are the Board of Directors and the Chief Executive Officer. A Deputy Chief Executive Officer may also be appointed for the company. The Board of Directors shall consist of a Chairperson and of a minimum of four (4) and a maximum of nine (9) other members."

(iii) The amended Section 8 in its entirety read as follows:

8 §

"The company has one auditor. The auditor shall be an Auditing Firm referred to in the Auditing Act. The auditor shall be elected at the Annual General Meeting for a term which shall end at the closing of the first Annual General Meeting following the election."

(iv) The amended Section 12 in its entirety reads as follows:

12 §

"General Meetings of the company may be held in either Helsinki, Espoo or Vantaa.

At the Annual General Meeting, the following are

presented:

the financial statements, the consolidated financial statements and the report of the Board of Directors, and the auditor's report;

decided on:

the adoption of the financial statements and the consolidated financial statements,
the use of the profit shown on the balance sheet,
the discharge from liability of the members of the Board of Directors and the Managing Director,
the remuneration of the members of the Board of Directors, and
the number of members of the Board of Directors, and
the remuneration of the auditor;

elected:

the Chairperson and other members of the Board of Directors, and the auditor; and

addressed:

any other matters mentioned in the notice of the Meeting."

The General Meeting decided in accordance with the proposal that the Articles of Association be amended in accordance with the proposal of the Board of Directors.

110 168 opposing votes of nominee registered shareholders were recorded under this agenda item.

18 §

AUTHORIZING THE BOARD OF DIRECTORS TO DECIDE ON DONATIONS FOR PUBLIC BENEFIT PURPOSES

It was recorded that the Board of Directors had proposed to the General Meeting that the Board of Directors be authorized to decide on donations for the public-benefit purposes in accordance with the proposal attached to the minutes ([Appendix 6](#)).

The General Meeting decided in accordance with the proposal of the Board of Directors that the Board of Directors be authorized to decide on donations for the public-benefit purposes as follows.

The Board of Directors is authorized to decide on donations up to an aggregate maximum of EUR 250,000 for charitable or corresponding purposes and to determine the recipients, purposes and other terms and conditions of the donations. The donations can be made in one or multiple installments.

The authorization is effective until the next Annual General Meeting.

19 §

CLOSING OF THE MEETING

It was recorded that all decisions of the General Meeting were unanimous unless otherwise indicated in the minutes.

The Chairman stated that all items on the agenda had been considered and that the minutes of the meeting would be available on the company's website as from 3 April 2018 at the latest.

The Chairman closed the meeting at 5.24 p.m.

Chairman of the General Meeting:

MANNE AIRAKSINEN
Manne Airaksinen

In fidem:

SEPPO KYMÄLÄINEN
Seppo Kymäläinen

Minutes reviewed and approved:

ANITA ANTSKOG-KARSTINEN
Anita Antskog-Karstinen

RISTO MAUNULA

Risto Maunula

Appendices

<u>Appendix 1</u>	List of votes
<u>Appendix 2</u>	Voting instructions of nominee registered shareholders delivered to the Company
<u>Appendix 3</u>	Notice to the General Meeting
<u>Appendix 4</u>	Annual accounts
<u>Appendix 5</u>	Auditor's report
<u>Appendix 6</u>	Proposals to the General Meeting by the Board of Directors and the Shareholders' Nomination Board
<u>Appendix 7</u>	Proposal by Mr. Risto Maunula in agenda item 10