

Decisions of the Annual General Meeting of Finnair Plc

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Finnair Plc

Stock exchange release

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The Annual General Meeting (AGM) of Finnair Plc was held today in Helsinki, Finland. The meeting approved the company's annual accounts and consolidated annual accounts for the fiscal year 2018 and discharged the members of the Board of Directors and CEOs of the company from liability.

Use of the profits shown on the balance sheet and payment of dividend

In line with the proposal of the Board of Directors, the AGM decided that a dividend of €0.274 per share is paid based on the balance sheet adopted for the year ended 31 December 2018. The dividend will be paid to shareholders recorded on 22 March 2019 on the shareholders' list of the company maintained by Euroclear Finland Ltd. The dividend payment date is 2 April 2019.

Compensation of the Board of Directors

The AGM approved the remuneration proposal of Finnair's largest shareholder, the State of Finland. The following annual remuneration shall be paid to the members of the Board of Directors:

- Chairperson 61,200 euros;
- Vice Chairperson 32,400 euros;
- Chairpersons of the Audit Committee and Compensation and Nomination Committee 32,400 euros, where these individuals are neither the Chairperson nor the Vice Chairperson of the Board; and
- other members 30,000 euros.

The AGM decided that each member's fee for a meeting of the Board of Directors or its Committee would be 600 euros when the meeting takes place in the member's country of residence and 2,400 euros for other meetings. For telephone meetings, the fee would be 600 euros.

The Board members are entitled to reimbursement of reasonable travel and representation expenses in accordance with the company's general expenses policy. In addition, the Board members and their spouses are entitled to discounted travel on the company's flights in accordance with the company's discount ticket policy regarding the Board of Directors.

Composition of the Board of Directors

The AGM approved the proposal of the Shareholders' Nomination Committee that the Board of Directors be composed of eight (8) members. Colm Barrington, Montie Brewer, Mengmeng Du, Jouko Karvinen, Henrik Kjellberg and Jaana Tuominen of the current members of the Board of Directors were re-elected to the Board of Directors, and Tiina Alahuhta-Kasko and Jukka Erlund were elected as new members to the Board of Directors. The term of office of the Board of Directors expires at the end of the next AGM in 2020. Mr. Jouko Karvinen was elected Chairman of the Board.

Election of the auditors and their remuneration

The AGM decided that PricewaterhouseCoopers Oy continues as the Company's auditor. PricewaterhouseCoopers Ltd has notified that Authorised Public Accountant Markku Katajisto will act

as the principal auditor. The remuneration for the auditor is paid according to the auditor's reasonable invoice.

Authorising the Board of Directors to decide on the repurchase and/or on the acceptance as pledge of the Company's own shares

The AGM authorised the Board of Directors to decide on the repurchase of the Company's own shares 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 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 is effective for a period of 18 months from the resolution of the General Meeting and it cancels the authorisation given by the General Meeting on 20 March 2018 to decide on the repurchase and/or acceptance as pledge of own shares.

Authorising the Board of Directors to decide on the disposal of the company's own shares

The AGM authorised the Board of Directors to decide on the disposal of own shares held by the company.

The number 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 authorization is effective for a period of 18 months from the resolution of the General Meeting and it cancels the authorisation given by the General Meeting on 20 March 2018 to decide on the disposal of the company's own shares.

Authorising the Board of Directors to decide on donations for public-benefit purposes

The AGM authorized the Board of Directors to decide on donations up to an aggregate maximum of EUR 250,000 for charitable or corresponding purposes and that the Board be authorized 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.

Forfeiture of the shares entered in a joint book-entry account and of the rights attached to such shares

The AGM decided, in accordance with Chapter 3, Section 14 a, subsection 3 of the Finnish Companies Act, on the forfeiture of the rights to all the shares entered in the Joint Account as well as the rights attached to such shares, where the shares have not been requested to be registered in the book-entry system in accordance with Chapter 6, Section 3 of the Act on the Book-Entry System and Settlement Activities prior to the decision by the Annual General Meeting.

In addition to the shares, the rights attached to such shares, such as undrawn dividend, were forfeited. After the forfeiture, the provisions applicable to treasury shares held by the company will apply to the forfeited shares.

Minutes of the Meeting

The minutes of the AGM will be available on the Company's website <https://investors.finnair.com/en/governance/general-meetings/agm-2019> as of 3 April 2019.

Further information:

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*Finnair is a network airline specialising in passenger and cargo traffic between Asia and Europe. Helsinki's geographical location gives Finnair a competitive advantage, since the fastest connections between many European destinations and Asian megacities fly over Finland. Finnair's vision is to offer its passengers a unique Nordic experience, and its mission is to offer the smoothest, fastest connections in the northern hemisphere via Helsinki and the best network to the world from its home markets. Finnair is the only Nordic network carrier with a 4-star Skytrax ranking and a member of the **oneworld** alliance. In 2018, Finnair's revenues amounted to EUR 2,835 million and it carried 13.3 million passengers. Finnair Plc's shares are quoted on Nasdaq Helsinki.*