

## Annual General Meeting of Finnair Plc

**Time:** 16 March 2017 at 3.00 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. Colm Barrington, Ms. Mengmeng Du and Mr. Jonas Mårtensson, 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. Klaus W. Heinemann 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

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

Anita Antskog-Karstinen and 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 15 February 2017.

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 293 shareholders were present either in person, by statutory representative or by proxy, was presented ([Appendix 1](#)). 89,057,024 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 2015**

The CEO Mr. Pekka Vauramo gave a presentation on the company's activities in 2016 and the annual accounts and the report by the Board of Directors for the financial year 1 January 2016 – 31 December 2016.

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 2016 – 31 December 2016.

13,556 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 0.10 per share be paid based on Finnair Plc's balance sheet adopted for the financial year 2016. 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 20 March 2017. According to the proposal, the dividend shall be paid on 4 April 2017.

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 2016.

9 §

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

It was recorded that shareholder Heikki Saraste proposed that no discharge from liability would be granted, as he considered there to be defects in the consumer flight cancellation compensation policy, and demanded a vote in the matter.

It was noted that the Prime Minister's Office was in favor of granting the discharge from liability and, thus, the majority of the general meeting was in favor of granting the discharge from liability. Shareholders, who opposed the granting of the discharge from liability in accordance with Saraste's proposal or abstained from voting, were reserved an opportunity to submit their ballots to a ballot box at the meeting hall's door in order to record the result of the vote. It was noted that others than those who submitted their ballots are deemed to have voted in favor of granting of the discharge from liability.

It was recorded that at the beginning of the vote 88,972,139 shares and votes were represented in the meeting. 263 shareholders were represented. The list of votes at the beginning of the vote was attached to the minutes ([Appendix 7](#)).

88,880,280 shares and votes took part in the vote, representing approximately 69.36 percent of all the shares and votes in the company. It was recorded that 88,860,949 shares and votes were in favor of granting of the discharge from liability, i.e. 99.98 percent of the votes given. 2,126 shares and votes opposed the granting of the discharge from liability and

17,205 shares and votes abstained from voting. 91,859 shares and votes were represented in the meeting, which did not take part in the vote.

The General Meeting decided to discharge the members of the Board of Directors and the CEO from liability for the financial year 1 January 2016 – 31 December 2016.

**10 §**

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

Chairman of the Shareholders' Nomination Board, Eero Heliövaara, addressed the meeting and presented 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](#)).

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 seven (7).

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 seven (7).

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:

Ms. Maija-Liisa Friman,  
Mr. Jussi Itävuori,  
Mr. Jouko Karvinen,  
Ms. Jaana Tuominen  
Mr. Colm Barrington,  
Ms. Mengmeng Du, and  
Mr. Jonas Mårtensson.

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.

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 to 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 to the auditor to be elected shall be paid against the auditor's reasonable invoice.

3,200,457 opposing votes of nominee registered shareholders 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 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 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 17 March 2016 to decide on the repurchase and/or acceptance as pledge of own shares.

**16 §**

**AUTHORIZING 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 amount 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 17 March 2016 to decide on the disposal of the company's own shares.

**17 §**

**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 30 March 2017 at the latest.

The Chairman closed the meeting at 4.42 p.m.

Chairman of the General Meeting:

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Manne Airaksinen

In fidem:

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Seppo Kymäläinen

Minutes reviewed and approved:

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Anita Antskog-Karstinen

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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>	List of votes at the beginning of the vote in item 9