Equality and non-discrimination plan 2019 - 2020

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1. Introduction

1.1. Equality plan

Pursuant to the Finnish Act on Equality between Women and Men, if an employer regularly has personnel of at least 30 employees working in employment relationships, the employer shall implement measures that promote gender equality as set out in a gender equality plan to be produced at least once every two years, dealing particularly with pay and other terms of employment.

The Equality Act defines the minimum content requirements for equality plans. An equality plan must include:

1. An assessment of the gender equality situation in the workplace, including details of the employment of women and men in different jobs and a survey of the grade of jobs performed by women and men, the pay for those jobs and the differences in pay;
2. necessary measures planned for introduction or implementation with the purpose of promoting gender equality and achieving equality in pay; and
3. a review of the extent to which measures previously included in the gender equality plan have been implemented and of the results achieved.

As the various companies of the Finnair Group employ at least 30 employees, the various companies under the Finnair Group prepare gender equality plans in cooperation with personnel representatives in the manner stipulated by the Equality Act.

1.2. Non-discrimination plan

Pursuant to the Finnish Non-discrimination Act, employers must assess and promote equality in their activities. The duty to promote equality applies to all of the grounds for discrimination mentioned in the Act. The prohibited grounds for discrimination mentioned in the Non-discrimination Act are age, origin, nationality, language, religion, belief, opinion, political activity, trade union activity, family relationships, state of health, disability, sexual orientation or other personal characteristics.

Pursuant to the Non-discrimination Act, an employer who regularly employs at least 30 persons must have a plan detailing the necessary measures for the promotion of equality.

As the various companies of the Finnair Group employ at least 30 employees, the various companies under the Finnair Group prepare non-discrimination plans in cooperation with personnel representatives in the manner stipulated by the Non-discrimination Act.

1.3. Equality and non-discrimination plan at Finnair Group

Drafting an equality plan and non-discrimination plan together is natural because they both address the prevention of discrimination and the development of an equal and non-
discriminatory work community. With this single document, Finnair Plc, Finnair Cargo Oy, Finnair Flight Academy Oy, Finnair Technical Services Oy, Finnair Kitchen Oy, Finnair Travel Retail Oy and Aurinkomatkat Oy have implemented a combined equality and non-discrimination plan for Finnair Group. This plan covers all employees in employment relationships with the aforementioned companies.

To prepare the equality and non-discrimination plan, Finnair Group has established a Working Group for Equality and Non-discrimination (hereinafter referred to as ‘the Working Group’), which met several times in 2018. The Working Group began its operations as the Working Group for Equality in 2013. The Working Group for Equality was expanded to establish the Working Group for Equality and Non-discrimination in 2016.

At least the following Finnair Group employees participated in the activities of the Working Group during 2018:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timo Ahonen</td>
<td>Occupational health and safety delegate</td>
<td>Finnair Technical Services Oy</td>
</tr>
<tr>
<td>Markus Berg</td>
<td>Occupational health and safety delegate</td>
<td>Finnair Technical Services Oy</td>
</tr>
<tr>
<td>Tomas Biström</td>
<td>Head of Compensation and Performance</td>
<td>Finnair Plc</td>
</tr>
<tr>
<td>Tomi Erissalo</td>
<td>Occupational health and safety delegate</td>
<td>Finnair Kitchen Oy</td>
</tr>
<tr>
<td>Tomi Hursti</td>
<td>Occupational health and safety delegate</td>
<td>Finnair Kitchen Oy</td>
</tr>
<tr>
<td>Kati Ihamäki</td>
<td>Director, Corporate Sustainability</td>
<td>Finnair Plc</td>
</tr>
<tr>
<td>Soile Joona</td>
<td>Occupational health and safety delegate</td>
<td>Finnair Plc</td>
</tr>
<tr>
<td>Virpi Karttinen</td>
<td>Negotiating employee representative</td>
<td>Finnair Plc</td>
</tr>
<tr>
<td>Hannele Katajavuori</td>
<td>Occupational health and safety delegate</td>
<td>Finnair Cargo Oy</td>
</tr>
<tr>
<td>Jukka Korhonen</td>
<td>Chief shop steward</td>
<td>Finnair Technical Services Oy</td>
</tr>
<tr>
<td>Timo Kuismin</td>
<td>Occupational health and safety delegate</td>
<td>Finnair Flight Academy Oy</td>
</tr>
<tr>
<td>Kari Lappalainen</td>
<td>Chief shop steward</td>
<td>Finnair Plc</td>
</tr>
<tr>
<td>Sirpa Lahtinen</td>
<td>Chief shop steward</td>
<td>Finnair Plc</td>
</tr>
<tr>
<td>Sirpa Liippola</td>
<td>Occupational health and safety delegate</td>
<td>Finnair Plc</td>
</tr>
<tr>
<td>Krista Lindqvist</td>
<td>Employment relations specialist</td>
<td>Finnair Plc</td>
</tr>
<tr>
<td>Keijo Lyhykäinen</td>
<td>Occupational health and safety delegate</td>
<td>Finnair Plc</td>
</tr>
<tr>
<td>Eeva-Riitta Niskanen</td>
<td>Manager, Wellbeing</td>
<td>Finnair Plc</td>
</tr>
<tr>
<td>Minttu Sinisalo</td>
<td>Head of Strategic Workforce Planning</td>
<td>Finnair Plc</td>
</tr>
<tr>
<td>Outi Sivonen</td>
<td>Head of People Development</td>
<td>Finnair Plc</td>
</tr>
<tr>
<td>Saija Stenbacka</td>
<td>VP Wellbeing</td>
<td>Finnair Plc</td>
</tr>
<tr>
<td>Antti Tuori</td>
<td>Deputy occupational health and safety delegate</td>
<td>Finnair Plc</td>
</tr>
<tr>
<td>Satu Varjo</td>
<td>Occupational health and safety delegate</td>
<td>Aurinkomatkat Oy</td>
</tr>
</tbody>
</table>

In addition to the aforementioned employees, experts representing Finnair Group’s various areas of HR management have participated in producing content for the different sections of the equality and non-discrimination plan.

The primary reference documents used in the preparation of this equality and non-discrimination plan were the non-discrimination planning guide for private sector entities

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1 The website of the Ombudsman for Equality https://www.tasa-arvo.fi/tasa-arvosuunnitelman-laatiminen accessed on 1 December 2018
published by the Finnish corporate responsibility network FIBS and Finnair’s Annual Report 2017. In addition, Finnair Group has engaged in, and continues to engage in, cooperation with the Finnish Non-discrimination Ombudsman. Non-discrimination and equality must be examined broadly and from the perspectives of various HR processes. To this end, the Working Group has discussed equality and non-discrimination specifically from the perspectives of 1) recruitment, 2) remuneration and employee benefits, 3) employee competence development, 4) wellbeing at work, harassment and inappropriate treatment, and 5) work performance and performance evaluation.

2. The previous equality plan

Pursuant to the Equality Act, an equality plan must include a review of the extent to which measures previously included in the plan have been implemented and of the results achieved. The previous equality plan highlighted the following measures, the implementation and results of which are described below each item.

1. Equality survey to assess the personnel’s perception of equality in the work community

Finnair Group conducts an annual WeTogether@Finnair employee survey that covers all personnel and includes the following key subject areas:

- Commitment
- Supervisory work and leadership
- Teamwork
- Wellbeing
- Customer experience
- Finnair’s future
- Shift work
- Remuneration

One of the questions in the employee survey assesses employee perceptions of whether Finnair Group treats employees equally. The average score for the question in the survey conducted in 2017 was 3.35 out of 5. The survey also includes a question on whether employees are treated without discrimination. The average score for that question was 3.98 out of 5.

The employee survey has also resulted in the creation of a working group focused on the harmonisation of various practices in Finnair Group. The working group has harmonised practices related to travel, time management and internal commemoration.

2. Arranging recruitment interview training and providing instructions and guidelines to recruitment personnel.

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2 https://yhdenvertaisuus.fi/documents/5232670/5376058/Yritysten+yhdenvertaisuussuunnittelu+opas/631c4506-eadf-4af7-95c1-0fe-cea12e01a/Yritysten+yhdenvertaisuussuunnittelu+opas.pdf

The recruitment guidelines have been specified further and updated. The new system involves the provision of more training and guidance to supervisors. To ensure that equality and non-discrimination are achieved to the greatest possible extent in recruitment, the recruiting supervisors receive support from several members of HR management throughout the recruitment process.

3. Women and men will continue to receive the same pay for the same and equal work in the future.

There are no differences in pay based on discriminatory grounds. Starting from 2018, the annual Merit pay adjustment rounds are conducted via the Workday system, which makes the monitoring of pay increases more efficient and transparent. In recruitment, increasing attention has also been given to equal pay.

4. Learning methods and materials will be developed as part of Finnair Group’s competence development activities as a whole.

After the previous equality and non-discrimination plan, the Group has begun to experiment with more participatory methods that allow the learners to assess which methods best support their learning. This can help provide equal and non-discriminatory support for learning by participants with varying levels of initial skills and knowledge.

5. More effective implementation of operating models related to the prevention of harassment and bullying.

In spring 2018, the Group launched an internal conciliator program aimed at improving interaction and problem-solving skills as well as improve the workplace atmosphere and understanding between different parties.

6. The Group aims to have My Journey assessments annually.

From the beginning of 2018, the documentation of My Journey performance assessments has been done using the Workday system. Documentation makes it easier to monitor the assessments and evaluate their implementation.

3. Statistics

To support the preparation of the equality and non-discrimination plan, the Working Group has reviewed various statistics including Finnair Group’s employee age distribution, average years of service, the employment of women and men in different jobs and a pay survey to identify differences in pay between female and male employees. The are also separate statistics on family leave. These statistics are presented below under their respective subheadings.
3.1. Age distribution

On 30 November 2018, the average age of Finnair Group’s employees was 42.1 years. Finnair Group’s age structure at the end of November 2018 is illustrated in the following table:

### Age distribution 30.11.2018

<table>
<thead>
<tr>
<th>0</th>
<th>100</th>
<th>200</th>
<th>300</th>
<th>400</th>
<th>500</th>
<th>600</th>
<th>700</th>
<th>800</th>
<th>900</th>
<th>1000</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>10</td>
<td>20</td>
<td>30</td>
<td>40</td>
<td>50</td>
<td>60</td>
<td>70</td>
<td>80</td>
<td>90</td>
<td>100</td>
</tr>
<tr>
<td>&lt;25</td>
<td>403</td>
<td>61</td>
<td>225</td>
<td>662</td>
<td>457</td>
<td>35-39</td>
<td>932</td>
<td>671</td>
<td>760</td>
<td>35-39</td>
</tr>
<tr>
<td>25-29</td>
<td>403</td>
<td>61</td>
<td>225</td>
<td>662</td>
<td>457</td>
<td>35-39</td>
<td>932</td>
<td>671</td>
<td>760</td>
<td>35-39</td>
</tr>
<tr>
<td>30-34</td>
<td>403</td>
<td>61</td>
<td>225</td>
<td>662</td>
<td>457</td>
<td>35-39</td>
<td>932</td>
<td>671</td>
<td>760</td>
<td>35-39</td>
</tr>
<tr>
<td>40-44</td>
<td>403</td>
<td>61</td>
<td>225</td>
<td>662</td>
<td>457</td>
<td>35-39</td>
<td>932</td>
<td>671</td>
<td>760</td>
<td>35-39</td>
</tr>
<tr>
<td>45-49</td>
<td>403</td>
<td>61</td>
<td>225</td>
<td>662</td>
<td>457</td>
<td>35-39</td>
<td>932</td>
<td>671</td>
<td>760</td>
<td>35-39</td>
</tr>
<tr>
<td>50-54</td>
<td>403</td>
<td>61</td>
<td>225</td>
<td>662</td>
<td>457</td>
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<td>671</td>
<td>760</td>
<td>35-39</td>
</tr>
<tr>
<td>55-59</td>
<td>403</td>
<td>61</td>
<td>225</td>
<td>662</td>
<td>457</td>
<td>35-39</td>
<td>932</td>
<td>671</td>
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<td>60-64</td>
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<td>457</td>
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<td>932</td>
<td>671</td>
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<td>35-39</td>
</tr>
<tr>
<td>65-69</td>
<td>403</td>
<td>61</td>
<td>225</td>
<td>662</td>
<td>457</td>
<td>35-39</td>
<td>932</td>
<td>671</td>
<td>760</td>
<td>35-39</td>
</tr>
</tbody>
</table>

3.2. Average years of service

On 30 November 2018, the average years of service of Finnair Group’s employees was high at 14 years. This indicates that Finnair Group employees stay with the company for a fairly long time. The employee category with the highest average years of service is technical staff at more than 23 years. The category with the lowest figure comprises the tour guides and agents of Aurinkomatkat Oy, but even their average years of service exceeds 8 years.

The average years of service in Finnair Group on 30 November 2018 are shown in more detail in the table below:

### Service years 30.11.2018

<table>
<thead>
<tr>
<th>0</th>
<th>5</th>
<th>10</th>
<th>15</th>
<th>20</th>
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<td>5</td>
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</tr>
<tr>
<td>10</td>
<td>9.5</td>
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<td>9.5</td>
<td>9.5</td>
</tr>
<tr>
<td>15</td>
<td>8.4</td>
<td>8.4</td>
<td>8.4</td>
<td>8.4</td>
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<td>6.9</td>
<td>6.9</td>
<td>6.9</td>
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<td>6.9</td>
</tr>
<tr>
<td>25</td>
<td>8.5</td>
<td>8.5</td>
<td>8.5</td>
<td>8.5</td>
<td>8.5</td>
</tr>
</tbody>
</table>
3.3. **Employment of women and men in different jobs**

Many jobs in Finnair Group have become shaped as jobs that are dominated by women or men. In the IAU 01 and SLL 04 contract categories, for example, the majority of the employees are men. In the IAU 02 and SLSY 06 contract categories, however, most of the employees are women.

The employment of women and men in different contract categories and jobs is shown in the following column charts displaying information from the end of November 2018:

**Gender distribution 30.11.2018**

![Gender distribution chart]

3.4. **Pay survey**

An equality plan must include a pay survey on the differences in pay between women and men. The results of the pay survey are shown in the sector-specific tables below, displaying information from November 2018. The tables also indicate the number of female and male employees in each sector. To make the pay statistics as comparable as possible, pay outside Finland has been excluded from the statistics. Also for the sake of comparability, the pay statistics exclude fixed-term employees, external employees and employees on hourly wages. Employees who work in groups of fewer than three people are also excluded.
### PRO

**PRO 03 Compensation by Pay Group**

<table>
<thead>
<tr>
<th>C</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>13</td>
<td>23</td>
<td>85</td>
<td>17</td>
<td>6</td>
</tr>
</tbody>
</table>

Female | Male
---|---

**PRO 05 Compensation by Pay Group**

<table>
<thead>
<tr>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>H</th>
<th>J</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>14</td>
<td>33</td>
<td>13</td>
<td>30</td>
<td>6</td>
</tr>
</tbody>
</table>

Female | Male
---|---

### Crew

**SLL 04**

<table>
<thead>
<tr>
<th>SLL 04</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
</tr>
<tr>
<td>28</td>
</tr>
</tbody>
</table>

**SLSY 06**

<table>
<thead>
<tr>
<th>SLSY 06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
</tr>
<tr>
<td>1605</td>
</tr>
</tbody>
</table>

### FINTO, executives and Suntours upper

<table>
<thead>
<tr>
<th>JG2</th>
<th>JG3</th>
<th>JG4</th>
<th>JG5</th>
<th>JG6</th>
<th>JG7</th>
</tr>
</thead>
<tbody>
<tr>
<td>19</td>
<td>19</td>
<td>31</td>
<td>48</td>
<td>69</td>
<td>92</td>
</tr>
<tr>
<td>188</td>
<td>276</td>
<td>136</td>
<td>100</td>
<td>14</td>
<td>21</td>
</tr>
</tbody>
</table>

Female | Male
---|---

+9% | -8% | +6% | +2% | +1% | +7%
3.5. **Family leave**

Finnair Group aims to support a healthy work-life balance in many ways. The Group encourages its employees to take advantage of family leave opportunities equally. Statistics on family leave are shown below. The data reflects the time period from 1 January 2017 to 31 December 2018. The data indicates that family leave is also taken by men in Finnair Group.

**Family leave 1.1.17-31.12.18 (known 11.10.18)**

<table>
<thead>
<tr>
<th>Type of Leave</th>
<th>Female (Avg)</th>
<th>Male (Avg)</th>
<th>Avg Length</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maternity/paternity leave</td>
<td>45</td>
<td>50</td>
<td>92</td>
</tr>
<tr>
<td>Parental leave</td>
<td>37</td>
<td>6</td>
<td>187</td>
</tr>
<tr>
<td>Child-care leave</td>
<td>66</td>
<td>6</td>
<td>362</td>
</tr>
</tbody>
</table>

Leaves due to family-related reasons may also be needed for purposes other than childcare, depending on the individual’s life circumstances. The Working Group has noted that, for employees in operational positions, potential family leave should be more effectively anticipated in drawing up training plans and work rosters. The employer grants family leave in accordance with the applicable laws and regulations. As the information above shows, men take family leave to a lesser extent than women at Finnair Group. The Working Group has discussed ways to achieve a better balance in this regard.
4. Recruitment

4.1. General

At Finnair Group, recruitment is based on the applicant’s skills and aptitude for the job. For example, an applicant’s gender, age, ethnic origin, beliefs or other basis for discrimination are not deciding factors in recruitment.

In Finnair Group, a recruitment professional prepares and approves job adverts in collaboration with an expert representing the department that is doing the recruiting. This ensures that job adverts are non-discriminatory and consistent in quality. Finnair Group actively considers how to ensure that its job adverts reach as broad a target audience as possible.

Finnair Group uses a diverse range of recruitment channels as well as targeted recruitment; for example, through educational institutes. Job adverts are primarily posted using electronic channels and, increasingly, social media.

The parties that conduct the tests used in Finnair Group’s recruitment activities are aware of the limitations of various tests. Recruitment interviews are attended by a professional familiar with what questions are legally permitted.

Finnair Group communicates the progress of the recruitment process to all applicants throughout its various stages. The selection criteria are communicated in correspondence with applicants. Finnair Group provides personal feedback to applicants based on separate requests.

According to the Working Group, one factor that increases the sense of inequality is that new employees in cabin service operations are recruited at the lower pay table in accordance with the collective labour agreement, and the higher pay table only applies once they have accumulated experience and training. The recruitment process, recruitment criteria and grounds for candidate selection must be as transparent as possible.

4.2. Plan

To ensure the optimal realisation of equality and non-discrimination in Finnair Group, the Working Group has proposed the following goals related to Finnair Group’s recruitment:

- Recruitment ads must be gender neutral and age neutral.
- In recruitment, attention must be paid to the equality and non-discriminatory nature of pay for positions for which the salary is not determined by the collective labour agreement.
- The goal of recruitment is to carry out an objective evaluation with the help of recruitment professionals.
• Recruitment takes into consideration the realisation of diversity in different sectors of activity subject to different collective labour agreements.

5. Remuneration and other personnel benefits

5.1. General

Finnair Group's remuneration policies are compliant with local legislation, regulations and practices. The salary and other incentive structures applicable to the CEO, the members of the Executive Board, white-collar employees, engineers and personnel based abroad comprises a fixed salary, a variable pay component and employee benefits.

The salary, incentive structures and variable pay components of personnel groups other than those mentioned above are, for the most part, defined in their respective Finnish collective agreements applied by Finnair. Outside Finland, the Finnair organisation follows the pay practices and collective agreements of each country.

Employment benefits for all personnel currently include a mobile phone benefit and a staff ticket benefit (excluding Aurinkomatkat Oy employees) as well as a Sickness Fund for employees based in Finland. Certain personnel groups also have a car benefit.

The reasons for differences in pay include, for example, women and men pursuing different kinds of jobs as well as women working fewer hours due to taking family leave.

There are substantial differences in pay levels between new employees and more experienced employees at Finnair Group. This is primarily based on systems included in various collective labour agreements, under which the earnings of employees increase automatically as they accumulate more experience. In positions for which the pay is not determined by a collective labour agreement, differences may arise from there being a range of different positions within a pay grade. An examination of differences in pay between men and women for the same kinds of positions reveals that there are practically no differences in pay.

The Working Group has noted that more focus should be put on the balanced distribution of work shifts that accumulate additional pay. One issue that has been highlighted as a source of increased inequality is that, pursuant to the tax authorities' guidelines, employees employed by a subsidiary are not subject to the same tax-free employment benefits as Finnair Plc employees. The Working Group has also pointed out that the staff ticket system and Sickness Fund should be harmonised throughout the Group. Different employee groups have different systems and additional pay components based on collective labour agreements and pay systems. The staff ticket benefits are not governed by collective labour agreements and the practices vary from one employee category to the next, which is perceived to be unfair and inequal.
5.2. Plan

To ensure the optimal realisation of equality and non-discrimination at Finnair Group, the Working Group has proposed the following goals related to Finnair Group’s remuneration and other employee benefits:

• Developing harmonised employee benefits.

• Introducing a results-based incentive for everyone.

• Developing a more equal sales commission system.

6. Personnel competence development

6.1. General

At Finnair Group, personnel competencies are developed at the individual, team, unit and organisation levels. Development measures may be targeted at:

1. all personnel,
2. business development needs in a certain unit,
3. the development of professional competence,
4. fulfilling statutory requirements and/or
5. supporting personal development and working life skills

HR processes support the identification of competence development needs, the planning of measures and their practical implementation. My Journey dialogue plays a key role with regard to individual career development. The discussions include an assessment of the individual’s career plans, wishes and potential for their realisation. The employee’s own activity and degree of engagement are a significant aspect of the dialogue. The discussions present an important opportunity to think about one’s learning and career goals. Finnair Group aims to increasingly take career development into consideration starting from the recruitment stage.

Diverse learning methods and job development are used to pursue an excellent employee experience. The employee experience, well-being and commitment are also monitored by means of a regular employee survey.

Equality and non-discrimination will be increasingly emphasised in Finnair Group in the area of competence development. Development needs are systematically surveyed and implementation plans are drawn up in collaboration with the business function in question. Focus has already been placed on improving management, customer service and digital competencies, while other needs will be identified through surveys and assessments.

The Working Group’s employee members have pointed out that Finnair Group no longer offers all of its training, guidelines and notifications in Finnish, even though most of the
employees speak Finnish as their native language. Learning materials and information should be easily discoverable and accessible to everyone. Also related to recruitment and competence development is the issue highlighted by the Working Group’s employee members regarding the lack of mentors. It would support the orientation of new employees to have a designated mentor. The degree to which managerial work depends on the manager’s or supervisor’s personality was also seen as a factor that increases inequality. The training of supervisors and the harmonisation and consistency of managerial work should be given more attention.

6.2. Plan

To ensure the optimal realisation of equality and non-discrimination in Finnair Group, the Working Group has proposed the following goals related to Finnair Group’s competence development:

• Give everyone an equal opportunity to maintain and develop their skills. Take different starting skill levels better into account within training groups.

• Take the challenges created by technology and development better into consideration.

• The My Journey dialogue has improved, but the system should be harmonised further with regard to the monitoring and implementation of competence development.

• Try to arrange more job shadowing opportunities and job rotation.

7. Wellbeing at work, harassment and inappropriate treatment

7.1. General

Equality and non-discrimination are foundational values for Finnair Group. Finnair Group offers equal opportunities to all employees with regard to recruitment, work performance, career progression and development. Finnair Group implements the equal pay principle based on the Equality Act and gives both men and women equal opportunities for balancing work and family life.

In 2011, Finnair became the first Finnish enterprise to sign the United Nations Women’s Empowerment Principles, which give guidance on the empowerment of women in the workplace, marketplace and community. Finnair also reports on the aforementioned issues annually in accordance with the GRI guidelines and the UN Global Compact.

Finnair Group has zero tolerance for any type of harassment and inappropriate behaviour, and immediate action is taken against any such conduct when observed. Our goal is to establish attitudes that support this zero tolerance policy throughout the company’s personnel – including Finnair employees as well as partners – to create a healthy and supportive work community where everyone takes action against undesirable behaviour. In spring
2018, the Group launched an internal conciliator program aimed at improving interaction and problem-solving skills as well as improve the workplace atmosphere and understanding between different parties. The program includes members representing employees as well as the employer. The conciliators were selected from a wide range of operating areas. The program’s approach was designed in cooperation with the participating conciliators.

Every employee has the right and the obligation to report infringements, and Finnair Group is determined to take action in all reported cases. It is the duty of every Finnair Group employee to act so that no one is accorded unequal status.

Finnair Group applies operating methods and procedures agreed with personnel to eliminate harassment and inappropriate treatment. The methods are based on the Finnish Occupational Safety and Health Act as well as the Finnish Ministry of Social Affairs and Health’s recommended general model for workplace-specific practices.

In summer 2018, we organised the first Finnair Summer Camp for our employees’ children who are in first or second grade in school. Employees were given the opportunity to bring their child to the Finnair Summer Camp at our head office for one week, where they were looked after by professionals. This made it easier to schedule summer holidays without having to worry about how young children will fare at home.

Finnair Group supports a healthy work–life balance in many different ways. For example, the Group uses a variety of contract types related to working hours, part-time work models, a sixth week of annual leave for employees who have been with the company for a long time, as well as “work ability day” events. In addition, as part of the Future Work project, we have piloted new working models that make it easier for employees living through the busy parenting years, for example, to maintain a healthy work–life balance. Finnair Group’s remote work principles have been published on the Company Hub as part of the project.

Practices related to sickness absences vary depending on the employee’s working hours model and collective labour agreement scope. This practice is not perceived as fair or equal.

7.2. Plan

To ensure the optimal realisation of equality and non-discrimination in Finnair Group, the Working Group has proposed the following goals related to Finnair Group’s well-being at work, harassment and inappropriate treatment:

• Monitoring and implementation must be developed further to prevent harassment and inappropriate behaviour from happening.

• Supervisors should take an even more active role in reconciling conflicts.

• Maintaining a healthy work–life balance and coping with work will be supported even better.
8. Work performance and assessment

8.1. General

Work performance and assessment are an ongoing process in Finnair Group, implemented through the My Journey process (previously the Performance Dialogue process). The aims of the My Journey process are as follows:

2. Set goals, evaluate performance and give feedback. In the My Journey process, the employee and the supervisor set concrete targets for the employee, assess performance and give feedback to each other.
3. Identify learning needs and set learning objectives.
4. Develop the supervisor–subordinate relationship. Regular discussions facilitate conversations on wellbeing at work, job satisfaction and expectations on both sides.
5. Create a link between work performance and remuneration. The annual Merit process takes into account the individual’s overall performance, which is evaluated as part of the My Journey process. Target setting and assessment related to short-term incentives are also part of the My Journey process.

All Finnair employees are covered by the process and participate in annual/semiannual My Journey discussions. Starting from 2018, the goal is to hold personal discussions with everyone, where previously some discussions were held in groups in certain employee categories with large numbers of employees. For white-collar employees and management, the My Journey process is linked to a semiannually paid short-term incentive (STI), the size of which is based on the achievement of targets.

All of the goals of the My Journey process and the performance assessment it includes are based on Finnair’s strategy, values and processes. The process provides a strong steering mechanism towards bilateral feedback and creates the opportunity to discuss the factors affecting performance assessment, such as the way in which targets are set.

The process instructions and the documentation used as the basis of the discussions are available for all of the Group’s employees to see on the Company Hub. Instructions are also issued semiannually regarding the My Journey process. Its basis and assessment scale are described in the process instructions. Targets are set at such levels that they can be achieved with normal good performance. Targets may be either quantitative or qualitative and they are described in a clear and concrete manner on a form.

Shared company-specific and unit-specific targets are communicated separately for each six-month period. Team-specific and individual targets are set jointly by supervisors and employees. For employees subject to alternative arrangements, such as shorter workweeks, the effect of such arrangements is taken into account in setting targets. This supports different work arrangements and supports employees’ performance under such arrangements.

The Working Group’s employee members have pointed out that an employee’s professional experience and personality should not have a negative effect on career advancement or performance evaluation.
8.2. Plan

To ensure the optimal realisation of equality and non-discrimination in Finnair Group, the Working Group has proposed the following goals related to Finnair Group's performance assessment:

- My Journey discussions equally for everyone.
- Consistent documentation of My Journey discussions.
- Training for managers and supervisors to ensure that target-setting and performance assessment are consistent.

9. Observations related to fairness

This section addresses observations by the Working Group’s employee members that are related to fairness but not directly related to the HR processes covered by the previous sections of the plan:

- Harmonised rules should be established for existing and future working and operating environments.
- All employees should have personal storage space.
- There should be more charging stations for electric vehicles and they should be available in all employee parking lots. The number of parking spaces should also be increased.
- Employees need to be offered the opportunity to purchase high-quality food, even during evening and night shifts and on weekends.
- Last names should be hidden for all employees who work in a customer interface role.
- The employer should take a positive and supportive attitude towards remote work in all contract categories.

10. Code of Conduct and Supplier Code of Conduct

Finnair Group complies with applicable local, national and international legislation. Ethical operating guidelines are applied in addition to applicable laws, regulations and Finnair’s internal guidelines.

Finnair’s Code of Conduct comprehensively documents the ethical operating methods that all Finnair employees and Board members must comply with regardless of their location, organisational position, business unit or job role.

The sustainability of the supply chain is of major importance for the airline, as we are using partners and service providers to an increasing degree. Conforming with the UN’s Universal Declaration of Human Rights and all applicable laws and statutes is a minimum
requirement. Finnair Group requires that its suppliers comply with similar ethical standards as the Group does in its own operations. Finnair’s Supplier Code of Conduct, which was updated in 2017, provides clear principles to ensure the ethical operation of the supply chain.

Both the internal and external Code of Conduct emphasises the importance of equality and non-discrimination in all operations. Training related to the Finnair Code of Conduct has also specifically addressed the prevention of harassment and inappropriate behaviour.

11. Monitoring

Equality and non-discrimination are foundational values for Finnair. To this end, Finnair signed the Diversity Charter of the Finnish Business & Society association (FIBS) in spring 2018. As a signatory to the Diversity Charter, we are committed to providing equal opportunities, recognising and utilising individual skills and needs, managing employees and customer relationships fairly as well as communicating our goals and achievements.

In spring 2018, Finnair also drafted and published a sustainable development commitment (Commitment 2050). It represents Finnair’s implementation of the UN’s global sustainable development action plan as part of the Finnish national action plan. Finnair is committed to promoting equality and non-discrimination in its operations and customer processes.

As part of the monitoring of the actions taken, Finnair Group’s equality and non-discrimination plan was also included in Tanja Huutoniemi’s master’s thesis on the dimensions of non-discriminatory communication in organisations’ non-discrimination plans. Huutoniemi’s thesis was written in the University of Helsinki’s Faculty of Social Sciences in February 2018. A total of 38 organisations and their non-discrimination plans participated in the study.

The impacts of the measures described in this plan will be monitored and evaluated at regular intervals. This monitoring will take place by the same Working Group that drafted this plan. The employer will convene the Working Group for the first time during the first half of 2019.

Vantaa, 20 December 2018

______________________________  ________________________
Kati Ihamäki                    Krista Lindqvist

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Markus Berg                    Timo Ahonen
Occupational health and safety delegate
Technical Services Oy, employees
Occupational health and safety delegate
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