

CORPORATE GOVERNANCE STATEMENT

Finnlines Plc applies the guidelines and provisions of the Finnish Companies Act, the NASDAQ OMX Helsinki Ltd, and its own Articles of Association. Finnlines also applies the Finnish Corporate Governance Code issued in October 2008 for listed companies. The code is publicly available on www.cgfinland.fi.

TASKS AND RESPONSIBILITIES OF GOVERNING BODIES

Management of the Finnlines Group is the responsibility of the Board of Directors elected by the General Meeting as well as the President and CEO. Their duties are for the most part defined by the Finnish Companies Act. Day-to-day operational responsibility lies with the members of the Extended Management Board supported by relevant staff and service functions.

GENERAL MEETING OF SHAREHOLDERS

The ultimate decision making body in the company is the General Meeting of Shareholders.

It resolves issues as defined for General Meeting in the Finnish Companies' Act and the company's Articles of Association. These include approving the financial statements, deciding on the distribution of dividends, discharging the company's Board of Directors and CEO from the liability for the financial year, appointing the company's Board of Directors and auditors and deciding on their remuneration.

A General Meeting of Finnlines Plc is held at least once a year. The Annual General Meeting (AGM) must be held no later than the end of June. An invitation to attend the AGM and the agenda are published in a national newspaper chosen by the Board, as well as on the company's website, no earlier than three months before the Shareholders' Meeting and no later than 21 days before the Shareholders' Meeting. Shareholders have, according to the law, the right to put items falling within the competence of the General Meeting on the agenda of the General Meeting, if the shareholder so notifies the Board of Directors in writing well in advance of the General Meeting so that the item can be added to the notice of the General Meeting.

ANNUAL GENERAL MEETING 2009

Finnlines Plc's Annual General Meeting on 15 April 2009 approved the financial statements and discharged the members of the Board of Directors and the company's President and CEO from the liability for the financial year 2008. All related documents can be found on our website www.finnlines.com.

THE BOARD OF DIRECTORS

Responsibility for the management of the company and proper organisation of its operations lies with the company's Board of Directors, which has at least five (5) and at most eleven (11)

members. The members of the Board are appointed by the Annual General Meeting for one year at a time.

The majority of the directors shall be independent of the company and at least two of the directors representing this majority shall be independent from significant shareholders of the company. Information on the Board composition, Board members and their independence can be found on our website. The President and CEO is not a member of the Board.

The proposal for Board composition shall be included in the notice of the General Meeting.

The names of candidates for membership of the Board of Directors, put forward by the Board of Directors or by shareholders with a minimum holding of 10 per cent of the company's voting rights, are published in the notice of the AGM, provided that the candidates have given their consent to the election. The candidates proposed thereafter shall be disclosed separately.

The Board elects a chairman and deputy chairman from among its members. The Board steers and supervises the company's operations, and decides on policies, goals and strategies of major importance. The principles applied by the Board in its regular work are set out in the Rules of Procedure approved by the Board. The Board handles all issues in the presence of the entire Board. The Board does not have any separate committees. The Board considers all the matters stipulated to be the responsibility of a board of directors by legislation, other provisions and the company's Articles of Association. Due to the limited extent of the company's business, it is considered effective that the entire Board also handles the duties of the audit committee, the nomination committee as well as those of the remuneration committee.

The main duties and working principles drawn up by the Board are:

- the annual and interim financial statements
- the matters to be put before General Meetings of Shareholders
- the appointment and dismissal of the President and CEO, the Deputy CEO, if any, and the members of the Board of Management
- approval of internal supervision and organisation of the company's financial supervision
- other matters related to the duties of the audit committee mentioned in the Finnish Corporate Governance Code
- approval of the Group's strategic plan and long-term goals
- approval of the Group's annual business plan and budget
- decisions concerning investments, acquisitions, or divestments that are significant or that deviate from the Group's strategy
- decisions on raising long-term loans and the granting of security or similar collateral commitments

- risk management principles
- the Group's organisational structure
- approval of the remuneration and pension benefits of the President and CEO, the Deputy CEO and the members of the Board of Management
- monitoring and assessment of the performance of the President and CEO

In addition to matters requiring decisions, Board meetings are given updates on the Group's operations, financial position and risks.

The Board of Directors reviews its operations and working methods annually through an internal self-assessment process. The Board convenes six to eight times a year following a predetermined schedule. In addition to these meetings, the Board convenes as necessary.

THE BOARD OF DIRECTORS 2009

In 2009, the Board consisted of six members: Mr Jon-Aksel Torgersen (Chairman), Mr Diego Pacella (Vice Chairman), Mr Emanuele Grimaldi, Mr Gianluca Grimaldi, Mr Antti Pankakoski and Mr Olav K. Rakkenes. During 2009, Finnlines Plc's Board of Directors held 18 meetings. The average attendance of all directors was 96 per cent.

THE PRESIDENT AND CEO AND DEPUTY CEO

The Board of Directors appoints a President for the Group who is also its chief executive officer. The President and CEO is in charge of the day-to-day management of the company and its administration in accordance with the company's Articles of Association, the Finnish Companies' Act and the instructions of the Board of Directors. He is assisted in this work by the Board of Management.

Mr Christer Antson was the President and CEO till 23 March 2009. During the period from 23 March 2009 to 21 June 2009, Dr. Emanuele Grimaldi acted as the President of the company. Mr. Uwe Bakosch started as President and CEO on 22 June 2009.

The Board of Directors appoints, if necessary, a Deputy CEO. The Company's Deputy CEO is its Chief Financial Officer, Mrs. Seija Turunen, MSc (Econ.).

THE BOARD OF MANAGEMENT AND THE EXTENDED BOARD OF MANAGEMENT

The Company's Board of Management comprises the President and CEO, the CFO and the directors in charge of the largest business and supporting units. The members are appointed by the Board of Directors, which also approves their remuneration and other terms of employment. The company has an Extended Board of Management, which comprises the members of the Board of Management and representatives of the most important

units. The Extended Board of Management convenes normally once a month.

The Extended Board of Management is chaired by the President and CEO. It considers strategic issues related to the Group and its business, as well as investments, service products, the Group's structure and the corporate steering system, and supervises the company's operations.

The heads of the business units are responsible for the sales volumes and profitability of their respective units.

Information on the members of the Board of Management and their areas of responsibility is given on the Company's website.

THE EXTENDED BOARD OF MANAGEMENT 2009

The Extended Board of Management had a meeting once a month in average. The principal issues addressed by the Extended Board of Management were related to market development, company profitability, expenses, business strategy as well as issues relating to development of competitiveness. The further development of markets, volumes and capacity as well as customer relationships in a highly volatile economic environment were also issues of vital concern addressed by the Extended Board of Management. Other important matters considered included the optimisation and productivity and as well as developing internal processes and working practices.

COMPENSATION

MANAGEMENT CONTRACTS, REMUNERATION AND BENEFITS 2009

The annual remuneration for the Board of Directors in 2009 was EUR 50,000 for the Chairman, EUR 40,000 for the Vice Chairman and EUR 30,000 for the other Board members.

The Board or its Chairman appoints and decides on the remuneration of all Directors who report directly to the President and CEO. The Board also decides on any separate performance-based compensation schemes for management.

The remuneration of the President and CEO, CFO and the members of the Extended Board of Management consists of a monthly salary and a yearly bonus. The Board of Directors determines the terms for bonus payment on yearly basis. Bonuses are paid either cash or as payments to the collective pension plan.

In the event the company decides to give notice of termination to the President and CEO, he is in addition to six months' salary for the term of notice, entitled to a compensation equalling 24 months' salary. The corresponding compensation levels for the Deputy CEO are six months and 18 months.

Detailed specification of the salaries and remunerations paid are given in the the Financial Statement of 2009.

THE INTERNAL AUDIT

The Group's internal audit is handled by the company's Internal Audit unit, which reports to the President and CEO. Relevant issues are also brought to the attention of the Board.

The purpose of the Internal Audit is to analyse the company's operations and processes and the effectiveness and quality of its supervision mechanisms. The internal auditor also carries out special tasks assigned by the President and CEO or the Board of Directors. The internal auditor prepares an annual plan under which he independently from operational units audits different parts of the company, but he is also empowered to carry out special audits.

THE RISK MANAGEMENT

Internal control in Finnlines is designed to support the company in achieving its targets. The risks related to the achievement of the targets need to be identified and evaluated in order to be able to manage them. Thus, identification and assessment of risks is a prerequisite for internal control in Finnlines.

Internal control mechanisms and procedures provide management assurance that the risk management actions are carried out as planned.

Conscious and carefully evaluated risks are taken in selecting strategies, e.g. in expanding business operations, in enhancing market position and in creating new business.

Financial, operational and damage/loss risks are avoided or reduced. The continuity of operations is ensured by safeguarding critical functions and essential resources. Crisis management, continuity and disaster recovery plans are prepared.

The costs and resources involved in risk management are in proportion to the obtainable benefits.

The Board of Directors of Finnlines is responsible for defining the Group's overall level of risk tolerance and for ensuring that Finnlines has adequate tools and resources for managing risks. The President and CEO, with the assistance of the Extended Board of Management, is responsible for organising and ensuring risk management in all Finnlines' operations.

Responsibilities for the Group's working capital, investments, financing, finances, human resources, communications, information management and procurement are centralised to the head office of the company. The Group's payment transactions, external and internal accounting are managed centrally by the Financial Shared Service Center, which reports to the CFO. The Group's foreign exchange and interest exposure is reviewed by the Board of Directors in each budgeting period. External long-term loan arrangements are submitted to the Board for approval.

The Corporate Legal Affairs and Insurance unit is responsible for risks associated with the company's non-current assets and any interruptions in operations, as well as for the management and coordination of the Group's insurance policies.

The majority of the Group's non-current assets consist of its fleet. The fleet is always insured to its full value. Accidents and engine damage can result in interruptions to operations, which are covered by loss-of-earnings policies.

The financial position and creditworthiness of the Group's customers are monitored continuously in order to minimise the risk of customer credit losses.

Each business unit has a responsible controller who reports to the head of the relevant business unit and to the CFO. The Directors of Finnlines' business units are responsible for the profit and working capital of their units. They set the operational targets for their units and ensure that resources are used efficiently and that operations are evaluated and improved.

Finnlines' most important strategic, operative and financial risks are described on in the Financial Statements 2009.

INTERNAL CONTROL OVER THE FINANCIAL REPORTING PROCESS

Monitoring is a process that assesses the quality of Finnlines' system of internal control and its performance over time. Monitoring is performed both on an ongoing basis, and through separate evaluations including internal, external and quality audits. The business unit is responsible for ensuring that relevant laws and regulations are complied with in their respective responsibility areas.

The Internal Audit function assists the CEO and the Board of Directors in assessing and assuring the adequacy and effectiveness of internal controls and risk management by performing regular audits in Group's legal entities and support functions according to its annual plan. Finnlines' external auditor and other assurance providers such as quality auditors conduct evaluations of the company's internal controls.

The company's financial performance is reviewed at each Board meeting. The Board reviews all interim and annual financial reports before they are released. The effectiveness of the process for assessing risks and the execution of control activities are monitored continuously at various levels. This involves reviews of results in comparison with budgets and plans. Responsibility for maintaining an effective control environment and operating the system for risk management and internal control of financial reporting is delegated to the CEO. The internal control in the company is based on the Group's structure, whereby the Group's operations are organised into two segments and various business areas and support functions. Group functions issue corporate guidelines that stipulate responsibilities and authority, and constitute the control environment for specific areas, such as finance, accounting, and investments, purchasing and sales.

The company has a compliance program. Standard requirements have been defined for internal control over financial reporting. The management expects all employees to maintain high moral and ethical standards and those expectations are communicated to the employees through internal channels.

The Group Finance & Control unit monitors that the financial reporting processes and controls are being followed. It also monitors the correctness of external and internal financial reporting. The external auditor verifies the correctness of external annual financial reports.

INFORMATION MANAGEMENT

An effective internal control system needs sufficient, timely and reliable information to enable the management to follow up the achievement of the company's objectives. Both financial and non-financial information is needed, relating to both internal and external events and activities.

Information management plays a key role in Finnlines' internal control system. Information systems are critical for effective internal control as many of the control activities are programmed controls.

The controls embedded in Finnlines' business processes have a key role in ensuring effective internal control in Finnlines. Controls in the business processes help ensure the achievement of all the objectives of internal control in Finnlines, especially those related to the efficiency of operations and safeguarding Finnlines' profitability and reputation. Business units and IT management are responsible for ensuring that in their area of responsibility the defined Group level processes and controls are implemented and complied with. Where no Group level processes and controls exist, business units and IT management are responsible for ensuring that efficient business level processes with adequate controls have been described and implemented.

The proper functioning of Finnlines' information systems is guaranteed through extensive and thorough security programmes and emergency systems.

INSIDER MANAGEMENT

Finnlines applies the legal provisions applying to the management of insiders, as well as the guidelines for insiders approved by NASDAQ OMX Helsinki Exchange for public listed companies, and the stipulations and guidelines of the Finnish Financial Supervision Authority.

Finnlines' permanent insiders comprise the statutory insiders, ie. the Board of Directors, the company's President and CEO and the Deputy CEO, the Principal auditor as well as the members of the Extended Management Board. Certain members of the corporate management and other employees, as required by their duties also belong to the company's own non-public insider register.

Project-specific insider lists are drawn up for major projects such as mergers and acquisitions, and include all those who participate in planning and organising the projects. The decision to draw up a project-specific insider list rests with the President and CEO.

The company's insiders are not permitted to trade in the company's share for 14 (however Finnlines recommends 30 days) days prior to the publication of the interim reports or the annual financial statements. The company's insider register is maintained by the corporate legal unit.

Information on the interests and holdings of the company's permanent insiders and related parties is available from the SIRE system of Euroclear Finland Oy. The information can also be obtained directly from the company's website.

THE EXTERNAL AUDIT

The company has one auditor which shall be an auditing firm authorised by the Central Chamber of Commerce. The auditor is elected by the Annual General Meeting to audit the accounts for the ongoing financial year and its duties cease at the close of the subsequent Annual General Meeting. The auditor is responsible for auditing the consolidated and parent company's financial statements and accounting records, and the administration of the parent company. On closing of the annual accounts, the external auditor submits the statutory auditor's report to the company's shareholders, and also regularly reports the findings to the Board of Directors. An auditor, in addition to fulfilling general competency requirements, must also comply with certain legal independence requirements guaranteeing the execution of an independent and reliable audit.

AUDITOR IN 2009

In 2009, the AGM appointed the authorized public audit firm Deloitte & Touche Oy as auditor, which appointed APA Mikael Leskinen as head auditor. In 2009, EUR 360 thousand was paid to the auditors in remuneration for the audit of the consolidated, parent company and subsidiary financial statements. During the same year, EUR 232 thousand was paid for consulting services not related to auditing.

COMMUNICATIONS

The principal information on Finnlines' administration and management is published on the company's website. All stock exchange releases and press releases are published on the company's website as soon as they are made public.