

Management Information Circular FAQ:

DECLARATION OF OWNERSHIP AND CONTROL

When shareholders cast their vote, they will also need to make a declaration of their Canadian Status; whether they are Canadian, a non-Canadian authorized to provide air service, or a non-Canadian who is NOT authorized to provide air service.

Shareholders will also need to choose 'yes' or 'no' to question regarding 'Declaration of the level of Ownership or control' to indicate if they own or control more than 10% of the issued and outstanding.

RESOLUTION 1 - ELECTION OF DIRECTORS

Highlights of the Board:

- The Board established and achieved a target that women represent at least 30% of the directors of Air Canada by 2020. The Corporation is a member of the 30% Club and a signatory to the Catalyst Accord 2022, whose objective is to increase the average percentage of women on boards and in executive positions in corporate Canada to 30% or greater by 2022.
- Directors were chosen to ensure a desirable mix of competencies, including global business, operational experience, finance and accounting, risk management, legal and regulatory experience, HR compensation and labour, safety health and environment, public policy, digital transformation, as well as airline and related industry experience.
- In addition, the Corporation is a signatory to the BlackNorth Initiative CEO Pledge which recognizes the need to create opportunities for Black people in Canada and as part of the Pledge, Air Canada committed to have at a minimum, 3.5% of board and executive roles being held by Black leaders by 2025.

RESOLUTION 2 – APPOINTMENT OF AUDITORS

At the Meeting, shareholders will be asked to ratify the re-appointment of PricewaterhouseCoopers LLP as the company's external auditor to hold office until the next annual meeting.

RESOLUTION 3 – SAY ON PAY

Air Canada's executive compensation program plays a significant role in successfully attracting, motivating and retaining an exceptional management team. Air Canada's compensation program aims to:

- Align the interests of executives with those of the shareholders.
- Reward executives for results based on Corporation performance in the short term and the long term.
- Design and maintain an executive compensation program that achieves the right mix of pay components, including performance-based “at-risk” pay (see Elements of the Executive Compensation Program on page 74);
- Provide compensation at the 50th percentile of their comparator group for the talent the Company wants to attract and retain at Air Canada, with the opportunity for executives to reach up to the 75th percentile in specific circumstances and based on consistent performance that far exceeds goals and targets.

Other reasons to support:

- Air Canada’s 2021 Say on Pay vote was approved by 71.31% of the votes cast
- The majority of total compensation for Air Canada’s Named Executive Officers is “at risk”; 86% for the CEO, and an average of 75% for the other NEOs
- Compensation of each of Air Canada’s named executive officers was capped at \$1 million for the fiscal year ended December 31, 2021, in accordance with the Executive Compensation Restriction.
- Accordingly, no annual incentive bonus was paid to any NEO for 2021, and LTIP awards were granted below target levels or reduced.