

## AIR CANADA

### Majority Voting Policy

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The Board of Directors (the “Board”) believes that each director should have the confidence and support of the shareholders of Air Canada. To this end, the Board has unanimously adopted this majority voting policy and future nominees for election to the Board will be required to confirm that they will abide by this policy.

Forms of proxy for the election of directors will permit a shareholder to vote “for”, or to “withhold” from voting, separately for each director nominee. The Board will ensure that the number of shares voted in favour or withheld from voting for each director nominee is recorded and promptly made public in a news release after the meeting of shareholders.

If a director nominee receives a greater number of votes "withheld" than votes "for", with respect to his or her election by shareholders, he or she must immediately tender his or her resignation to the Board following the meeting of shareholders.

The Board will refer the resignation to the Governance and Corporate Matters Committee (the “Committee”) for consideration. The Committee will consider the director’s offer to resign and make a recommendation to the Board whether to accept it or not.

The Board shall accept the resignation unless there are exceptional circumstances, and the resignation will be effective when accepted by the Board. The Board shall make its final determination within ninety (90) days after the date of the shareholder meeting and promptly announce that decision (including, if applicable, the exceptional circumstances for rejecting the resignation) in a news release.

A director who tenders his or her resignation pursuant to this policy will not participate in any meeting of the Committee or the Board at which the resignation is considered.

This policy does not apply to the election of directors at contested meetings. A “contested meeting” is a meeting at which the number of directors nominated for election is greater than the number of seats available on the Board.

Subject to any corporate law restrictions, in the case where the Board accepts the resignation of a director, the Board may (i) leave the resultant vacancy unfilled until the next annual meeting of shareholders; (ii) fill the vacancy by appointing a new director whom the Board considers to merit the confidence of the shareholders; or (iii) call a special meeting of shareholders at which there will be presented a new candidate to fill the vacant position.

March 30, 2015