

*FINAVIA*

# 2019

Annual review



## *Finavia in brief*

Finavia is an airport company which operates and develops 21 airports in different parts of Finland. We serve Finnish and international passengers and airlines. Our key mission is to ensure smooth travel from Finland to different parts of the world and back. By developing airports and smooth connections, we create jobs and support Finland's international competitiveness.

We bear our responsibility for the impact of our activities on people, the environment and society at large. Safety, security, sustainable development and connectivity are at the core of our responsibility. At Finavia, responsibility consists of details, and every single detail counts.





# Contents

KEY FIGURES.....	4
CEO'S REVIEW .....	7
OPERATING ENVIRONMENT.....	9
STRATEGY .....	12
BUSINESS AREAS.....	15
Helsinki Airport.....	16
Airport Network .....	18
Airpro .....	19
STATISTICS .....	20

## Finavia's Annual report 2019

Finavia's Annual report 2019 consists of an Annual review, Responsibility report, Corporate governance and remuneration statement and Financial statements, which are published as separate PDF documents on our website.

[www.finavia.fi](http://www.finavia.fi)



ANNUAL REVIEW



RESPONSIBILITY  
REPORT



CORPORATE GOVERNANCE  
AND REMUNERATION  
STATEMENT



FINANCIAL  
STATEMENTS

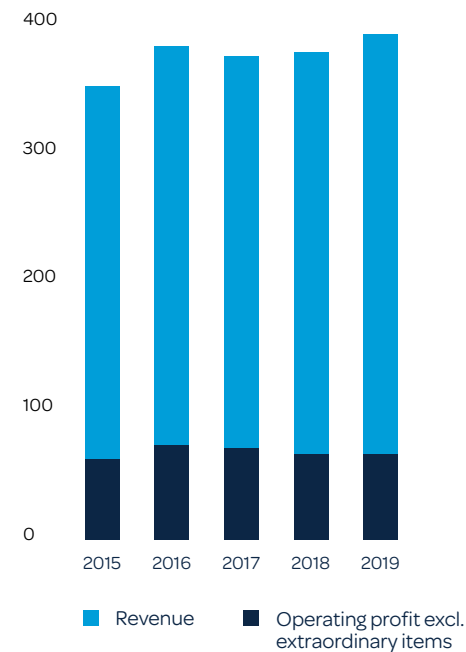


## Key figures

Finavia's profitability and result remained at a good level in 2019. Passenger volumes continued to increase, although at a slower pace than in the previous years. In 2019, Finavia invested in its development programmes more than ever before.

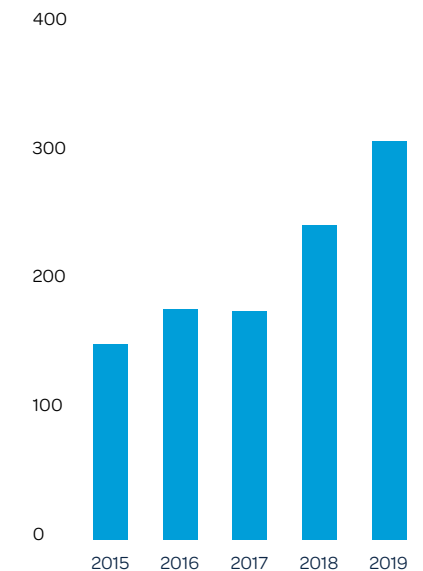
### REVENUE AND OPERATING PROFIT

EUR million



### INVESTMENTS 2015–2019

EUR million

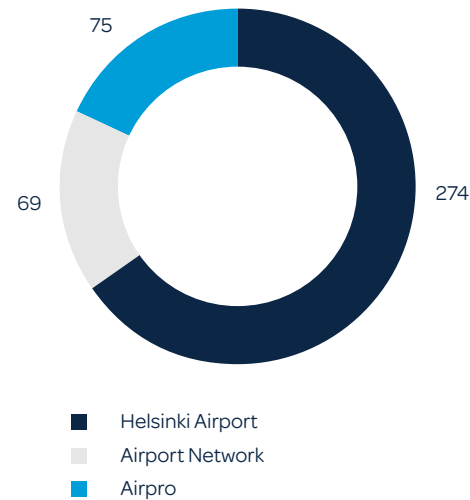


## THE GROUP'S KEY FIGURES

	2019	2018	Change, %
Total number of passengers, million		25.0	4.2
Revenues, EUR million		377.3	3.2
Operating margin (EUR million)		143.1	-5.9
Operating margin, %		37.9	
Operating margin excl. extraordinary items <sup>1</sup> , EUR million		136.9	3.1
Operating margin excl. extraordinary items <sup>1</sup> , %		36.3	
Operating profit, EUR million		66.8	-34.1
Operating profit, %		17.7	
Operating profit excl. extraordinary items <sup>1</sup> , EUR million		61.4	-17.5
Operating profit excl. extraordinary items <sup>1</sup> , %		16.3	
Profit for the period, EUR million		45.3	-24.3
Return on equity, %		7.0	
Return on investment <sup>2</sup> , %		6.7	
Equity ratio, %		58.7	
Cash flow-based investments, EUR million		239.5	27.8
Net debt		300.3	63.1
Balance sheet total, EUR million		1,133.3	20.0
Average number of employees (person-years)		2,186	2.5
Salaries and fees, EUR million		96.9	2.5

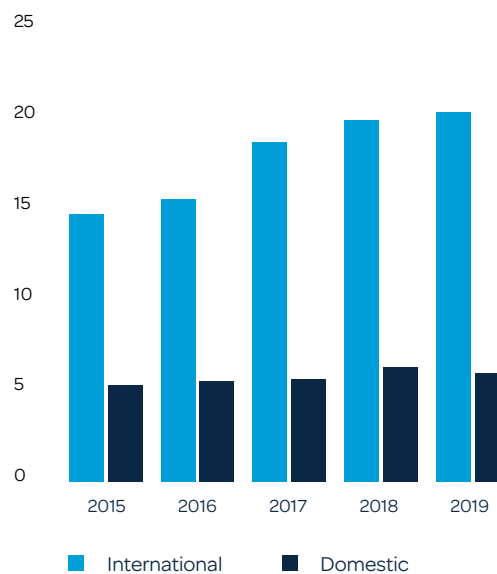
## REVENUE BY BUSINESS AREA

EUR million



## PASSENGER VOLUMES AT AIRPORTS 2015-2019

Million

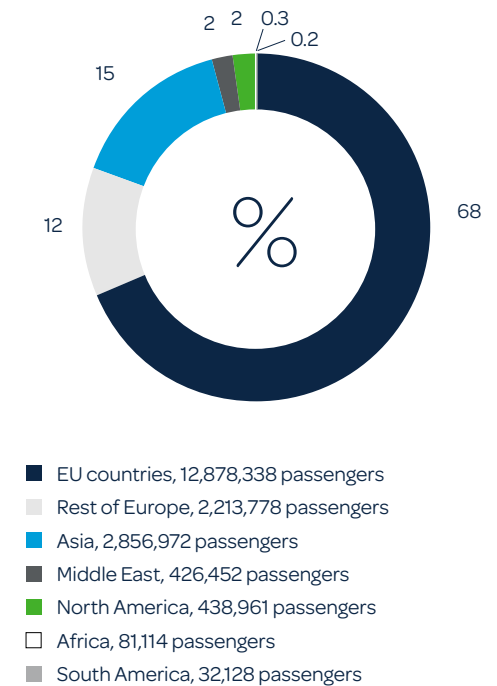


**169** direct connections to international destinations from Finavia airports

**24** direct connections to Asia

Share of international transit passengers of Helsinki Airport's total passenger volume **38.6%**

## PASSENGERS BY CONTINENTS AT HELSINKI AIRPORT



<sup>1</sup>Extraordinary items comprise write-downs from the Helsinki Airport development programme, the effects of new and reversed additional environmental provisions, as well as profit and performance bonuses.

<sup>2</sup> The calculation of return on investment in 2019 includes interest rate and other financing costs, while earlier financing gains and expenses were included. The return on investment (%) of 2018 has been updated to correspond with the calculation method of 2019.

**Targets in Finavia's strategy include establishing the best flight connections in the Nordics, providing an exceptionally high-quality customer experience and securing profitable and responsible growth.**

Development programmes for the Helsinki Airport and airports in Lapland 2013–2022:

EUR **1.2** billion total investments

**6,600** person-years

**5,500** new permanent jobs

At the end of 2019, Finavia Corporation employed

**1,277** people

and Finavia Group

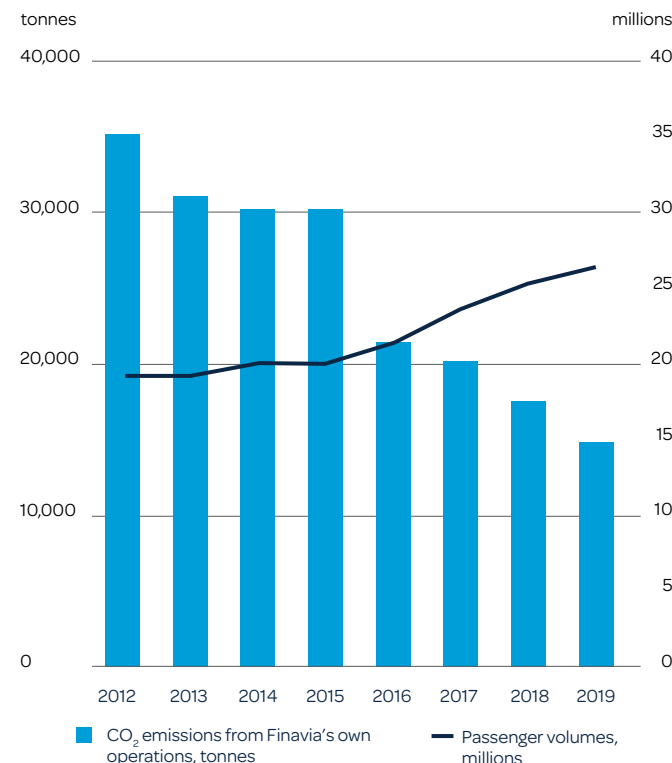
**2,775** people.

Our wellbeing index remained at a good level at

**69.1**

**At Finavia, a woman's euro is 97 cents**, which is 13 cents higher than the average in Finland.

#### CARBON DIOXIDE EMISSIONS FROM FINAVIA'S OPERATIONS AND PASSENGER VOLUMES



Finavia invests in protecting the waterbodies near its airports. We invested a total of **EUR 77 million** in designated de-icing areas in 2010–2019.



# *Year of investments and moderate growth*

At Finavia, 2019 was characterised by the continued growth of passenger volumes, the progress of extension work at Helsinki Airport and the completion of the development programme for airports in Lapland. In addition, we enhanced our climate programme, with the result that all our airports are now carbon neutral.

In 2019, the number of passengers using our airports hit a new record of 26 million. The increase came mainly from international transit traffic and winter tourism to Lapland. However, the increasing passenger volumes were not directly evidenced by an increase in the number of flights. Air traffic is constantly becoming more efficient, with larger planes and higher occupancy rates.

Our revenues increased in line with the growing passenger volumes by 3.2 per cent to EUR 389.2 million. Our profitability remained good, and the operating margin was EUR 134.6 million. Operating profit for 2019 decreased from the previous year to EUR 44.0 million due to increased depreciation resulting from considerable investments.



## Record year for investments

In 2019, Finavia invested in its development programmes more than ever before – a total of EUR 226 million. The development programme of Helsinki Airport advanced as planned, and the extensions and service improvements for airports in Lapland were completed. 2019 was a significant year for Helsinki Airport, because new services and facilities, aimed at developing transit travel, were commissioned in the non-Schengen area. The purpose of both the Helsinki Airport development programme and the development programme of Lapland's airports is to prepare for future growth.

In spite of the massive construction operations, our customer satisfaction remained at an excellent level. We invested resources in good planning and communications well in advance. We were also constantly collecting feedback from people working at the airports. As the work progressed, we were able to make quick changes and improvements when required, for example, regarding access routes. We thus succeeded in minimising the detrimental effects of construction work.

The ACI (Airports Council International) awarded Helsinki Airport for the best passenger experience in Europe in its size category. The thanks for this are due to all Finavia's employees and partners at the airports.

## The strategy proceeded according to objectives

We continued the implementation of our strategy, which was launched in 2018. Its goals included the best flight connections in the Nordic area, a unique customer experience, and profitable and responsible growth. There were changes in our operating environment in 2019, as economic growth slowed, and the debate on climate change intensified. We have paid more attention to developing our responsibility and cost-effectiveness.

As a result of our climate goals and long-term work, our entire airport network is now carbon neutral. The electrical power consumed by our airports is now completely produced with renewable wind and solar energy, and our field vehicles are powered with diesel fuel made of waste materials and leftovers.

Among other things, we improved our cost-effectiveness by reorganising functions, concentrating our procurement, and utilising digitalisation and automation. In our strategy work, we also

focused on good management, the personnel's capacity to work and the development of personnel satisfaction.

## New openings to China

An indication of the good competitiveness of Finavia's airports was that we succeeded in opening several new connections for many of our airports. The position of Helsinki Airport in Asian traffic was enhanced by Finnair's new routes and additional scheduled flights, as well as routes to Helsinki opened by three Chinese airlines. In spite of the intense competition, Helsinki Airport succeeded in increasing its share of the transit traffic between Asia and Europe.

We made further investments in developing the customer experience of Asian travellers to gain a better understanding of their culture and needs regarding language and services. For example, we continued our cooperation with Beijing Airport and are operating an employee exchange programme.

The routes opened by the Chinese airlines will benefit the whole of Finland. For air travellers, they provide more choice regarding destinations and timetables, for example. These new companies are marketing the routes in China, increasing Finland's attractiveness as a tourist destination. The new routes will also open opportunities for Finnish airlines to obtain new flight rights to China. Finavia is also marketing Finland to Asian customers as an interesting destination.

## The climate debate and air traffic

The debate on climate change continued especially actively following the report of the International Climate Panel published in the autumn of 2018. The debate also highlighted the environmental impacts of aviation. Finavia aims to constantly reduce the absolute value of its emissions and compensate for the remaining emissions. From the point of view of connecting flights, Finland's geographical location supports environmental efficiency. When flying via Finland, the distance is comparatively shorter, and airspace is uncongested, reducing both the emissions and the time spent in the air. Furthermore, the planes operating to and from Helsinki Airport are new and environmentally efficient.

Transit travel plays an important role in global air traffic. This must also be taken into account in legislation that may guide the

sector towards lower emissions. The negative impacts of a possible national air traffic tax on environment and climate change, as well as on Finland's competitiveness, have been understood in Finland. Global challenges require international solutions covering the entire sector.

The responsible operations of companies are highlighted in fighting climate change. Airports and airlines are looking for more environmentally friendly ways to operate. During 2019, with our partners, we investigated the potential for reducing the emissions of air traffic in general, by promoting the use of biofuels and electrically powered aviation, for example.

## The operating environment challenges us to develop

Changes in the operating environment challenge us to operate more cost-effectively. It is expected that the global growth of passenger and cargo traffic will slow down compared to recent years. In Finland, air traffic is growing at the same pace as the global market. For us, the growth in air traffic comes mainly from international connection flight passengers and the development of domestic tourism. The effects of the coronavirus, which will affect Chinese travel in particular, cannot be assessed yet, in early 2020.

Construction work on Helsinki Airport will continue in 2020 and we are preparing to serve 30 million passengers in the coming years. The airport expansion, which will be completed in 2024, will ensure smooth flight connections and an exceptionally good customer experience for both international and domestic travellers.

**Kimmo Mäki**, CEO





## *The developments in the world economy reflected to the growth of air traffic*

The slower global economic growth and airlines' uncertain outlook affected Finavia's operating environment in 2019. The growth in air traffic was refracted and was slower than previous years.

The challenges in the world economy, trade disputes and political uncertainty pushed international trade into a decreasing trajectory for the first time in a long while. The situation was also reflected in air travel and air cargo. During the year, airlines around the world were closed down. The bankruptcy of travel agent Thomas Cook in Great Britain also affected the number of Christmas charter flights to the airports in Lapland.

Global development also affected Finland, and growth in air traffic slowed down. However, new long-distance flight routes were opened from Helsinki to Los Angeles in the USA, Jinan, Chengdu and Shanghai in China, and Sapporo in Japan. New routes to European destinations were also opened from Helsinki, Rovaniemi and Turku Airports.

### Asian travel is growing

The growth of the middle class in Asia was one of the main factors affecting Finavia's operating environment. The trend is expected to continue. When increasing numbers of people – especially Chinese – have the opportunity to travel, it supports both the development of air traffic and, at the same time, the position of Helsinki Airport as a popular transit airport in air traffic between Asia and Europe.

Finavia wants to further strengthen the position of Helsinki Airport in transit travel between Asia and Europe. One of the most important developments in 2019 was the initiation of cooperation with three Chinese airlines. At best, 50 direct flights flew between Helsinki and China every week.

The new routes opened between China and Helsinki Airport indicate that Chinese operators see Finland as an interesting market and partner. Previously, traffic between China and Europe was mainly handled by European airlines.

### The debate about climate change intensified

The growth of air travel is causing concern about our common environment. Climate change and carbon dioxide emissions dominated the public debate. The emissions created by aviation make up approximately 2–3 per cent of global carbon dioxide emissions. Airports and airlines want to be part of the solution to curb climate change. The air traffic sector is jointly looking for more environmentally friendly ways to operate.

As a result of long-term efforts, all Finavia's 21 airports already achieved carbon neutrality in 2019. The work to reduce emissions continues with customers and partners in the ecosystem. Our next goal will be to achieve zero net emissions.

At the 2016 General Assembly of the International Civil Aviation Organization (ICAO), the member states, including Finland, decided on the implementation of CORSIA (Carbon Offsetting and Reduction Scheme for International Aviation). The carbon-neutral growth of international air traffic is sought with the help of CORSIA from 2020, i.e. as air traffic grows, emissions should remain at the 2020 level.

The environmental efficiency of travel can be affected by developing solutions, where air transport is combined with road and rail transport. The Finnish Government has set out to produce a 12-year National Transport System Plan that allows the analysis of travel chains in terms of accessibility, responsibility and Finland's competitiveness.

### Global competition for passengers

There are many European airports competing for transit flights between Asia and Europe. Besides its excellent geographical location, the competitive advantages of Helsinki Airport include good connecting services between Europe and Asia, as well as a solid experience of efficient and reliable traveling.

Many Central European airports suffer from congested airspace, especially in the summer. This causes flight delays and increases the carbon dioxide emissions of air traffic. Helsinki Airport has the competitive advantage of congestion-free airspace, which makes it possible to utilise green landings with minimal emissions and noise. Thanks to extensive investments, Finavia's airports will have sufficient runway and terminal capacity long into the next decade.

Growing middle class in Asia, global competition for passengers and actions to mitigate climate change were the megatrends most strongly reflected in Finavia's operations.

MEGATREND	IMPACT ON AIRPORT OPERATIONS	FINAVIA'S RESPONSE
Global competition for passengers	Competition between airports will intensify as air traffic grows.	<ul style="list-style-type: none"> <li>• Excellent customer experience and processes</li> <li>• Extensive and diverse route network</li> <li>• Smooth, efficient and punctual operations</li> </ul>
Growing middle class in Asia and growth of emerging economies in other parts of the world	As living standards are rising, more and more people want to travel to other countries and also have the means to do it.	<ul style="list-style-type: none"> <li>• Services for Asian travelers and smooth transit flight processes</li> <li>• Supporting domestic tourism by developing airports in Lapland</li> </ul>
Climate change	The aviation industry is strongly committed to reducing carbon dioxide emissions.	<ul style="list-style-type: none"> <li>• First carbon neutral airports in Europe</li> <li>• Using the so-called green landings with low-emissions</li> <li>• Development of services and processes in a responsible and environmentally efficient manner</li> <li>• Involved in the promotion and upcoming reduction of carbon dioxide emissions from aviation in the CORSIA system</li> </ul>
Ageing population	Higher life expectancy means a higher number of people that remain active despite their advanced age. More leisure time means opportunities for travel.	<ul style="list-style-type: none"> <li>• Accessible and smooth services</li> <li>• Investing in guidance</li> <li>• Personal customer advice</li> </ul>
Urbanisation	Population is concentrating in large cities. In some parts of Finland, the demand for domestic air services will decrease further.	<ul style="list-style-type: none"> <li>• Developing travel chains together with different traffic operators</li> </ul>





## Our strategy supports Finland's competitiveness

In 2019, we continued our work to strengthen the best flight connections in Northern Europe and the connectivity of Finland. The implementation of the strategy proceeded as planned.

At the core of implementing the strategy lies the customer experience of exceptionally high quality, sustainable growth and responsible operations. Launched in 2018, the strategy responds to the megatrends identified in the operating environment and guides the development of Finavia's operations.

We worked in compliance with the strategy through five spearhead programmes. They promoted the growth of the domestic market, the development of airline cooperation and commercial services, ensuring sufficient capacity, and excellent customer experience as a competitive edge. Other strategic focal points included ensuring a high level of job satisfaction, efficiency of operations, responsibility and digital development.

### Spearhead programmes help us move forward

Finavia worked actively to promote the growth of the domestic market. In 2019, Helsinki Airport was marketed to travellers from Tallinn and St Petersburg. We wanted to tell them about the extensive selection of routes and services available at Helsinki Airport. At the same time, we built the brand of Helsinki Airport as a reliable high-quality airport.



## FINAVIA'S STRATEGIC GOALS

Goal		Results
The best flight connections in Northern Europe and growth achieved through responsible means	<ul style="list-style-type: none"> <li>Finavia serves Finnish and international consumers and businesses by developing connections in cooperation with airlines and other operators in order to combine various modes of transport.</li> <li>During the strategy period, Finavia aimed to improve connections to ensure Helsinki Airport strengthens its position as a transit hub. In addition to providing a more diverse range of routes, the aim was to attract new airlines to Helsinki Airport, especially from Asia and North America.</li> </ul>	<ul style="list-style-type: none"> <li>New international and domestic flight connections</li> <li>The development programs increase the capacity in Lapland and Helsinki</li> </ul>
A unique customer experience is the key to our competitive edge	<ul style="list-style-type: none"> <li>Finavia aims to provide an exceptional customer experience to ensure its airports stand out among other international airports.</li> <li>During the strategy period, the development work will focus more closely on the chosen areas while ensuring that the excellent customer experience is maintained at a good level even during the development programme.</li> </ul>	<ul style="list-style-type: none"> <li>The customer experience was maintained at a good level in spite of the work sites implementing the extension project</li> <li>New facilities and services made available by the airport extension</li> </ul>
Responsible growth and profitability make further development possible	<ul style="list-style-type: none"> <li>Responsible and profitable growth constitute the basis of Finavia's operations. Finavia is actively working to reduce the environmental impacts of its operations and ensure a competitive return on investments. These factors will ensure that Finavia will continue to have the prerequisites to carry out its mission.</li> </ul>	<ul style="list-style-type: none"> <li>All airports achieved carbon neutrality in 2019</li> <li>Number of passengers increased by 4.2% in 2019</li> </ul>

In addition, Finland, Lapland and Helsinki were marketed as travel destinations, especially in China. As a result of our marketing and development work, new routes to China were opened in 2019, when Chinese airlines started operations from Helsinki Airport. In addition to Helsinki, new international connections were also opened from Rovaniemi and Turku Airports.

The development programmes in Helsinki Airport and elsewhere in the airport network ensured the future sufficiency of our airports' capacity and supported the development of air traffic through improved service level. 2019 was a record year for commissioning new premises. These commissioning operations will continue for the next two years, as the Helsinki Airport development programme advances.

The airport extensions will also allow commercial operations to be further developed. In 2019, we opened a considerable number of interesting new shops and restaurants at Helsinki Airport. In addition to conventional commercial premises, we also introduced new service concepts that diversified the offering. Airport services play an important role in building a customer experience of exception-



## Developing customer experience is at the core of Finavia's strategy.

ally high quality. The needs and wishes of growing customer groups, such as Chinese travellers, have also been taken into account in designing new services.

As the competition between international airports intensifies, our customer promise “for smooth travelling” lies at the core of Finavia's competitive edge. In addition to punctual air traffic and good services, the customer's experience of the airport is an essential element of smooth travelling. To provide a customer experience of exceptional quality, we developed the atmosphere, facilities and customer encounters at our airports in 2019. We recruited more personnel to assist passengers during the most intensive construction phase. We also initiated induction training of new service personnel, involving both Finavia employees and customer service employees from other companies.

### Focal areas supported implementation of the strategy

Competent personnel ensure the smooth operation of our airports. Personnel play a major role in the operational reliability of airports and developing the customer experience. This is why it is of paramount importance that all Finavia employees are doing well and find motivation in their work. Every year, we organise training

sessions both to develop leadership and update competencies. Daily work makes Finavia an attractive employer for which people want to work. Our strategic HR work is covered in more detail in our Responsibility report.

Responsible operations are a prerequisite for growth. Reducing the environmental impact of our operations and mitigating climate change are essential part of our responsibility. Our aim is to decrease the carbon dioxide emissions caused by our operations to zero at all our airports. We are also promoting the zero-emission drive of the entire air traffic sector by providing operators with renewable fuels and electrical charging points, and participating in the work to develop electrically powered aviation.

The digital development of processes is also an essential element of more efficient operations. New solutions have already allowed functions at our airports to be automated and have facilitated smoother travelling. In Helsinki Airport, a modern security checkpoint was opened for the non-Schengen extension and aircraft parking was optimized by utilizing machine vision in 2019. Customer interface digital services, such as parking reservation and communication channels, were further improved during 2019.





## Business areas

The Finavia Group provides air traffic services to airlines and passengers. The Group has two business areas, Helsinki Airport and Airport Network. Finavia's services for air traffic are complemented by its subsidiary Airpro Oy and its subsidiary RTG Ground Handling Oy.

Helsinki Airport plays a central role in Finavia's strategy and its development is important for the success and connectivity of Finland as a whole. The regional airport network provides air traffic services at 20 airports and thus supports development across Finland.

The year 2019 was brisk at Finavia's airports, although the growth in air traffic was more moderate than in previous years. The number of passengers rose to 26 million, which was 4.2 per cent higher than on the previous year. Transit passengers are one of the focus groups of Finavia, and the number of them increased 16.7 per cent. For more details, see the air traffic statistic on page 20.





49,178 square meters of additional space was completed at Helsinki Airport during the year.

### Helsinki Airport

The number of passengers at Helsinki Airport increased by 4.9 per cent and totaled 21.9 million. The market position in the air traffic between Asia and Europe strengthened in relation to other Nordic hub airports. The positive development of Helsinki Airport was influenced by new route openings, increased amount of flights and the entry of new Chinese airlines into the Finnish market.

The number of transfer passengers on international flights increased by 16.7 per cent. Most of the international transit passengers at Helsinki Airport are travelling on routes to and from Japan, Germany, China and Sweden. Transit passengers made up 38.6 per cent of all passengers using Helsinki Airport.

Helsinki Airport's operational functions were developed from both a process and customer service point of view. The potential of automation and digital technologies was utilized in the development.

### Promoting the development programme was in the focus of Helsinki Airport

Initiated in 2014, Helsinki Airport's development programme is the biggest expansion project in the airport's history. It will make Helsinki

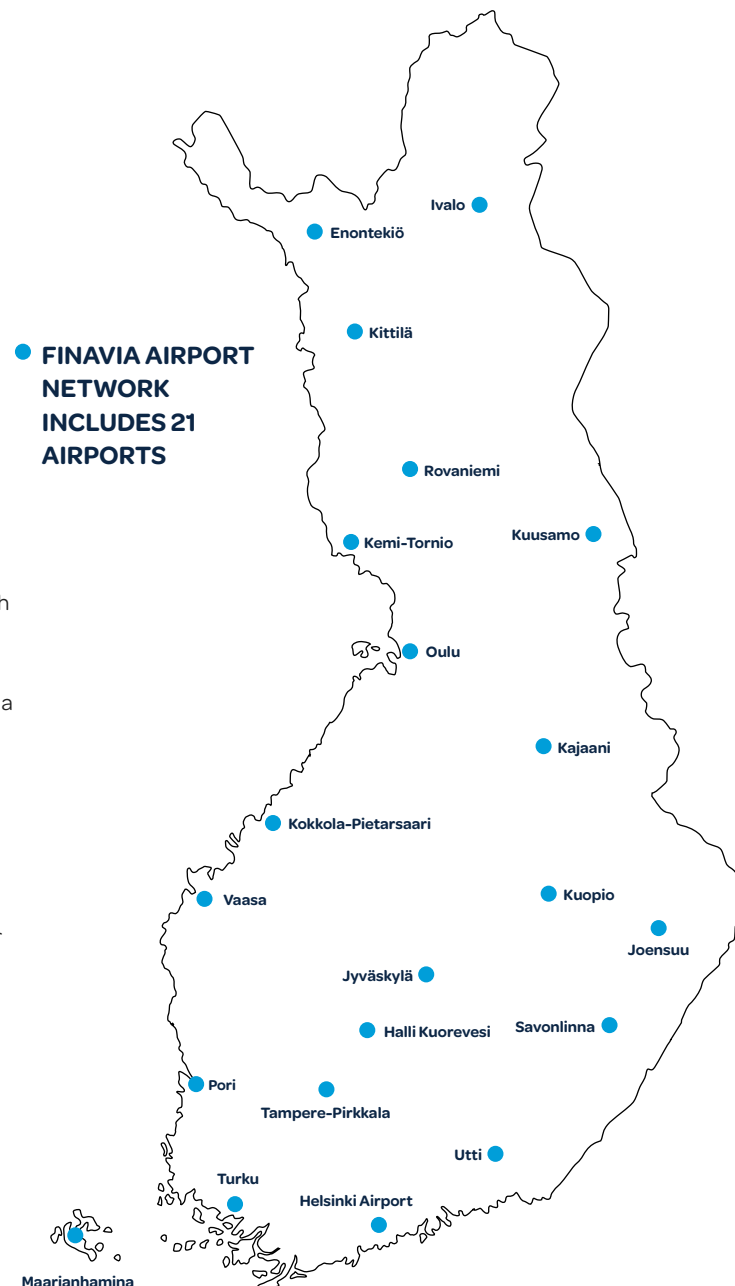
Airport ready to serve 30 million customers and offer them a smooth and exceptionally good customer experience. The purpose of the Helsinki Airport development programme is to enhance its position as the leading long-haul traffic airport in the Nordic countries and as a popular transit hub between east and west.

During 2019, the development programme advanced on schedule, and a significant part of the expansion work aimed at increasing transit traffic capacity was completed. All in all, 49,178 square metres of new terminal facilities were commissioned.

Completed early in the year, the new customer space Aukio offers new shops and restaurants, and Asian passengers in particular have been taken into account in their offering. The focal area of Aukio is the event stage that provides an immersive experience of Finnish nature. As part of Aukio's services, a security control point for transit passengers, one of the most modern in the world, was also introduced. It has improved the customer experience and increased the efficiency and smoothness of security checks.

Services for transit passengers reached a new level with the completion of the West Pier. New facilities were introduced in two phases: the first was opened in the spring and the second in late autumn. A total of 10 new gates for haulage departures were

### FINAVIA AIRPORT NETWORK INCLUDES 21 AIRPORTS







## Customer satisfaction with Helsinki Airport remains at excellent level in spite of the refurbishment work.

opened. The spacious and bright West Pier has been designed with the nature theme in mind: wood and Finnish forests are at the heart of the West Pier's atmosphere.

With the opening of the West Pier, an extension of the luggage center was introduced, which increased the luggage handling capacity by 50 per cent.

A new border control extension was opened in the summer, with three times the floor area of the previous one. The passport control machines were commissioned at the same time and together with the new spacious facilities, the border control at Helsinki Airport is the most advanced one in Northern Europe.

An extension of Terminal 1 was also completed in the spring with seven new gates, which will speed up the travel and reduce the need for bus transportations from the gate area to the aircraft.

Ensuring the safety, security and functionality of airports is an important part of construction projects and commissioning of new facilities. We therefore thoroughly tested the functionality of technologies and processes before new functionalities or premises are commissioned. The deployment process also included training of staff.

### The expansion of Terminal 2 was started

In early 2019, construction work began on the new main entrance to Terminal 2 and the departure and arrival halls. The expansion will also complete a multi-modal travel center co-financed by the EU. The preparations for construction work required considerable

reorganisation of parking, as well as taxi traffic and other public transport when, among other things, one car park was demolished.

A new direct connection to the Ring Rail station will be excavated for the terminal, allowing passengers an easy transfer between rail and air traffic. The new car park will be commissioned in 2020, followed by the new terminal section in 2024. Furthermore, the current departure and arrival halls will undergo a complete deformation and will be integrated into the gate area.

### Customer satisfaction developed positively despite the construction sites

Customer satisfaction with Helsinki Airport has developed positively in spite of the extensive development project and the resulting refurbishment work. Helsinki Airport's customer satisfaction is measured by the ASQ (Airport Service Quality) survey. In 2019, the ASQ score was 4.16/5, which is an excellent result.

As an indication of our success to fulfil our customers' expectations, the Airports Council International (ACI) awarded Helsinki Airport for the best passenger experience in Europe in its size category.

Finavia has put customer experience development at the heart of its strategy. Read more about Customer Experience Improvement in our Responsibility report on page 20.

### HELSINKI AIRPORT'S CUSTOMER SATISFACTION IN THE INTERNATIONAL ASQ SURVEY WAS

# 4.16

(on a scale of 1–5)

### NETWORK AIRPORTS' AVERAGE CUSTOMER SATISFACTION RATE WAS

# 4.28

(on a scale of 1–5)



## We invested a total of EUR 55 million in Lapland airports.

### Airport network

The number of passengers at regional airports increased to 4.2 million (+0.6%). The number of passengers at Lapland airports increased by 1.5 per cent to 1.5 million.

Due to the bankruptcy of British tour operator Thomas Cook, the number of Christmas charters was lower than usual. However, scheduled flights supported the growth of Lapland airports. New connections opened from network airports, including Turku Airport, strengthened regional connectivity during the year. Good cooperation between Finavia and regions where its airports are located accelerated the opening of new connections.

In 2018-2019, we invested EUR 55 million to improve the customer experience and service level at Rovaniemi, Ivalo and Kittilä airports. In addition to the airports in Lapland, we also invested in the renovation of the Pori and Kuusamo runways, Oulu parking areas, water conservation at Tampere-Pirkkala and the equipment at various airports during the year.

Finavia aims to improve operational processes and utilize the latest technologies. We conducted various pilot experiments at network airports to increase automation and robotics. These included, for example, a pilot for unmanned maintenance vehicles at Ivalo and Jyväskylä airports for lawn mowing and snow plowing. We also used mathematical modelling and automation to optimize plane parking in Kittilä.

Customer satisfaction at airport network improved. Customer satisfaction is measured by a survey conducted four times a year. In 2019, the passenger-weighted rating was 4.28/5, which is an excellent result.

Finavia has put customer experience development at the heart of its strategy. Read more about Customer Experience Improvement in our Responsibility report on page 20.

### Development programme for Lapland's airports 2018-2019

The development programme for Lapland's airports was completed on schedule at the end of 2019. The investment provides the prerequisites for the continued growth of Lapland's tourism, and promotes the connectivity and competitiveness of Finland.

Almost half the total 55 million euros budget of Lapland's development programme was allocated to Rovaniemi Airport, where the floor area of the terminal was increased by 75 per cent. The airport was provided with a significant number of new passport control, check-in and security check lines, as well as new departure gates and an expanded baggage handling system. The new extension was commissioned in November, just before the Christmas season.

The construction work at Kittilä Airport was given its finishing touches, and the second taxiway was completed in late 2019. The runway can be used more efficiently when the planes can turn off it and utilise the taxiway. A parking planning system was also commissioned in Kittilä. It will allow quicker turnarounds for planes and improve the punctuality of air traffic.

More space was built at Ivalo Airport for terminal functions. A new baggage hall, with a waiting room and one thousand square metres of new shop premises, was completed in 2019. The additional space increased the floor area of the terminal by 25 per cent. The number of aircraft ramps in the traffic area was increased to eight.



### Automatisation increases the efficiency of operations

In early 2019, an optimisation tool was commissioned in Kittilä to develop the planning of parking and turnaround of planes, utilising automation and mathematical modelling. During the winter season, Kittilä is one of our most congested airports, frequented by many planes within a short period of time. Optimisation allows planning the parking and turnaround of planes more efficiently in terms of passenger flows and service utilisation. The tool also allows more rapid reactions to changes and reduces manual work. In addition to Kittilä, the optimisation tool was also commissioned at Ivalo and Rovaniemi Airports in late 2019.



## Airpro invested significantly in electric ground handling equipment.

### Airpro

Airpro, a subsidiary of Finavia Group, provides ground handling and passenger services for air traffic, screening and airport services, logistics services and cabin services for several air carriers. In addition to Helsinki Airport, Airpro operated in 15 network airports throughout Finland in 2019. Airpro employed some 1,498 air traffic service professionals, half of them at Helsinki Airport and half at network airports. During 2019, Airpro continued its significant investments in electrically powered ground handling equipment, enabling fully electric and low-emission turnaround of planes.



# Statistics

## PASSENGERS AND COMMERCIAL AIR TRANSPORT LANDINGS

Airport	Passengers	Change, %	Landings	Change, %
	Total		Total	
Helsinki	21,861,082	4.09	95,097	1.1
Oulu	1,057,355	-3.6	4,596	12.4
Rovaniemi	661,124	2.6	2,660	4.9
Turku	452,927	22.6	4,379	8.8
Kittilä	363,161	2.4	1,679	0.4
Vaasa	303,911	-3.8	2,892	0.0
Kuopio	243,529	-0.9	2,113	2.6
Ivalo	239,753	-1.1	1,164	0.3
Tampere	222,390	2.5	2,494	-5.5
Joensuu	126,613	4.2	1,491	7.1
Kuusamo	113,993	0.4	767	5.0
Kajaani	87,307	-1.7	1,143	4.4
Jyväskylä	66,572	-7.6	1,083	0.2
Kemi-Tornio	63,579	-4.8	945	-9.1
Kokkola-Pietarsaari	56,113	-18.2	1,092	-36.1
Mariehamn	51,597	-5.6	1,365	-1.8
Enontekiö	27,979	7.4	88	-3.4
Pori	14,415	-18.2	358	-47.2
Savonlinna	10,495	-2.4	462	-0.2
Halli Kuorevesi	0	-100	0	0.0
Utti	0	-100	1	0.0
<b>Total</b>	<b>26,023,895</b>	<b>4.2</b>	<b>125,869</b>	<b>0.2</b>

Halli and Utti serve military and general aviation.

## CARGO VOLUME

Tonnes		
Domestic		
Cargo	Post	Total
2,334	127	<b>2,461</b>
International		
Cargo	Post	Total
223,986	8,015	<b>232,001</b>

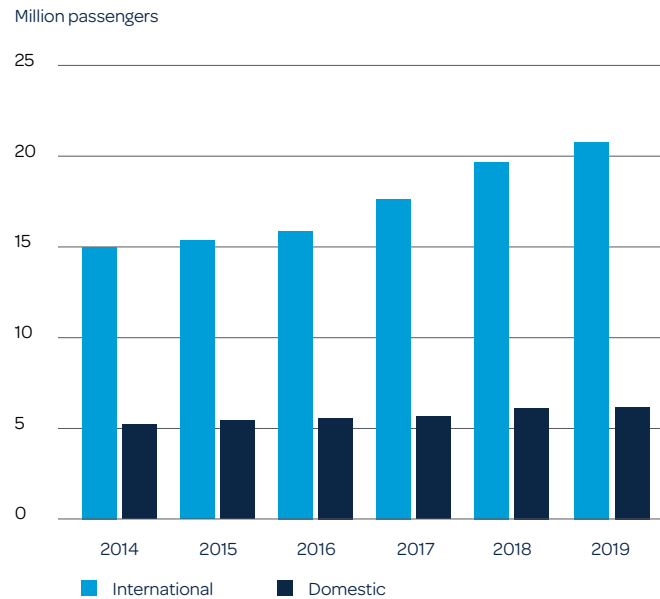
The total carriage of cargo and post was

**234,462 tonnes,**

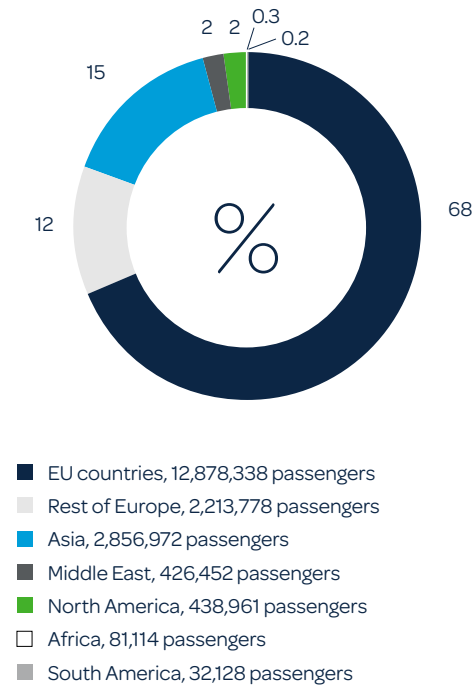
which is 13.1% more than on the previous year.



## PASSENGER VOLUMES AT FINAVIA'S AIRPORTS 2014-2019



## PASSENGERS BY CONTINENTS AT HELSINKI AIRPORT



## AIRPORT OPERATIONS HAVE GROWN AT A SLOWER RATE THAN THE NUMBER OF PASSENGERS

