

Corporate Governance and Remuneration Statement

Finavia in brief

Finavia is an airport company that operates and develops 20 airports in Finland. We build smooth flight connections in cooperation with airlines, regions and travel operators. We do our part to ensure Finland's connectivity. Our work brings the world closer.

We do our best to ensure smooth travel and high-quality services. Our expertise lies in managing large-scale operations: demanding construction projects, passenger flows, complex logistics and

data. This is enabled by our specialists in various fields. Our customer promise is "For smooth travelling".

Responsibility is the cornerstone of our operations and safety is the first priority in everything we do. We bear our responsibility for the environment around our airports, as well as people and the economy. At the same time, we want to contribute to responsibility throughout our value chain and promote sustainable air travel.

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Our customer promise is "For smooth travelling".

Reports 2022



Annual and Responsibility Report

The Annual and Responsibility Report describes Finavia's business and responsibility goals and achievements, and also includes the CEO's review.

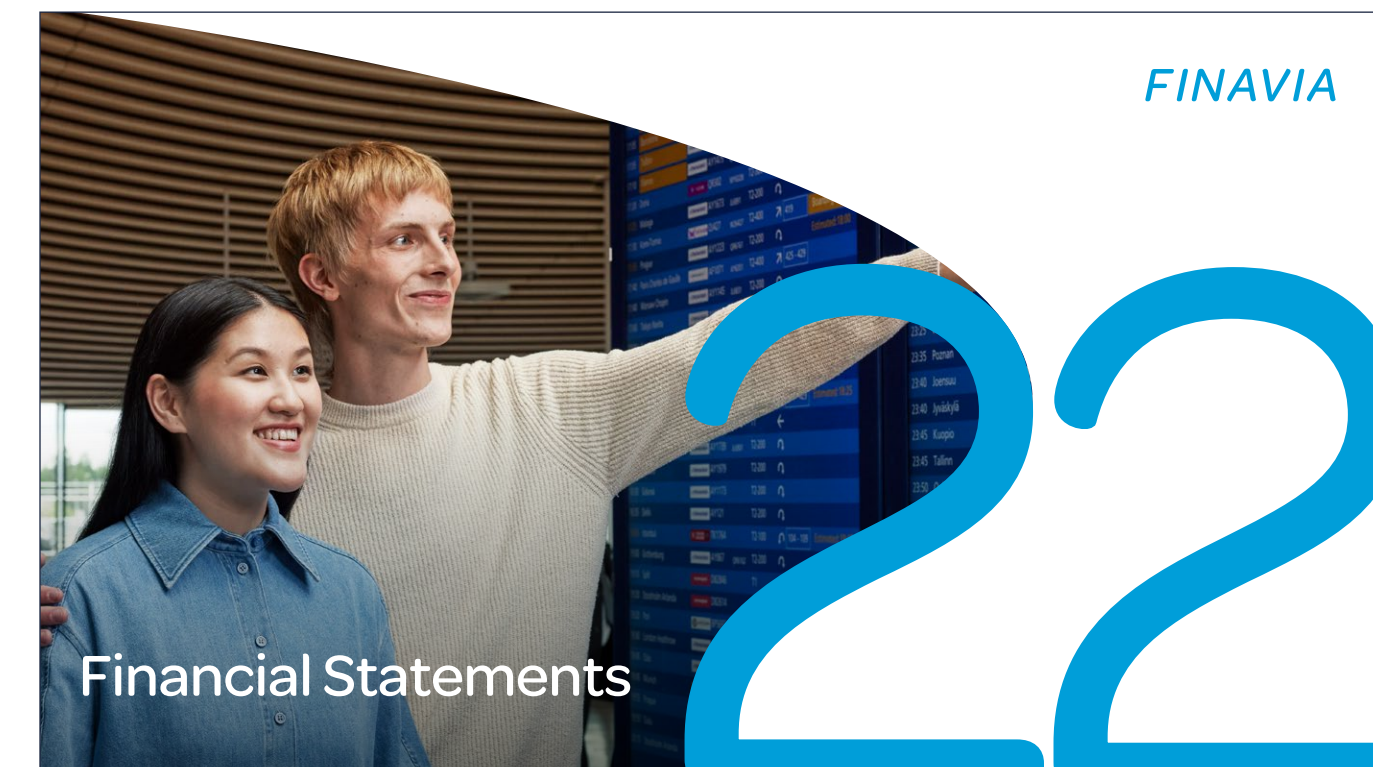
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Corporate Governance and Remuneration Report

The Corporate Governance and Remuneration Report consists of the Corporate Governance Statement and the Remuneration Statement.

[> Read more](#)



Financial Statements

The Financial Statements include the Board of Directors' Report and key information on Finavia's finances for the past year.

[> Read more](#)

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Corporate Governance Statement

Finavia Corporation

Finavia Corporation is a fully state-owned public company. The ownership steering of Finavia is the responsibility of the Ownership Steering Department in the Prime Minister’s Office. Parliament has not granted the Government any authorisations to assign the shares of Finavia Corporation.

According to the Government Resolution on Ownership Policy of 8 April 2020, the State seeks to maximise overall social and financial benefits in managing its corporate assets. According to the Government Resolution, aside from financial considerations, companies must take into account the social, regional and environmental impacts of their activities. The State expects state-owned companies to lead the way in the transition to a carbon-neutral circular economy, digitalisation and responsibility.

Decision making and governance in Finavia is in accordance with the Finnish Limited Liability Companies Act, Finavia’s Articles of Association, the applicable governance guidelines prepared by the Ownership Steering Department of the Prime Minister’s Office, and Finavia’s own governance guidelines. The Code of Governance of Finavia Group was last confirmed at the meeting

of Finavia’s Board of Directors in April 2022.

The company’s registered office is in Vantaa, Finland.

Observing the Finnish Corporate Governance Code

Finavia complies, as applicable, with the Finnish Corporate Governance Code approved by the Finnish Securities Market Association in 2019. The most significant deviations from the Finnish Corporate Governance Code arise from the fact that Finavia only has one shareholder, the State of Finland. In addition, the Finnish Government has also specified some of the matters laid out in the recommendations, such as the grounds for electing Board members, in the Government resolution on its ownership policy. For this reason, observing all provisions of the Finnish Corporate Governance Code would not be appropriate or even possible.

The exceptions to the Finnish Corporate Governance Code are the recommendations concerning the contents and publication of notices of General Meetings and their subparagraphs (1 and 2), the recommendation concerning attendance in the GM

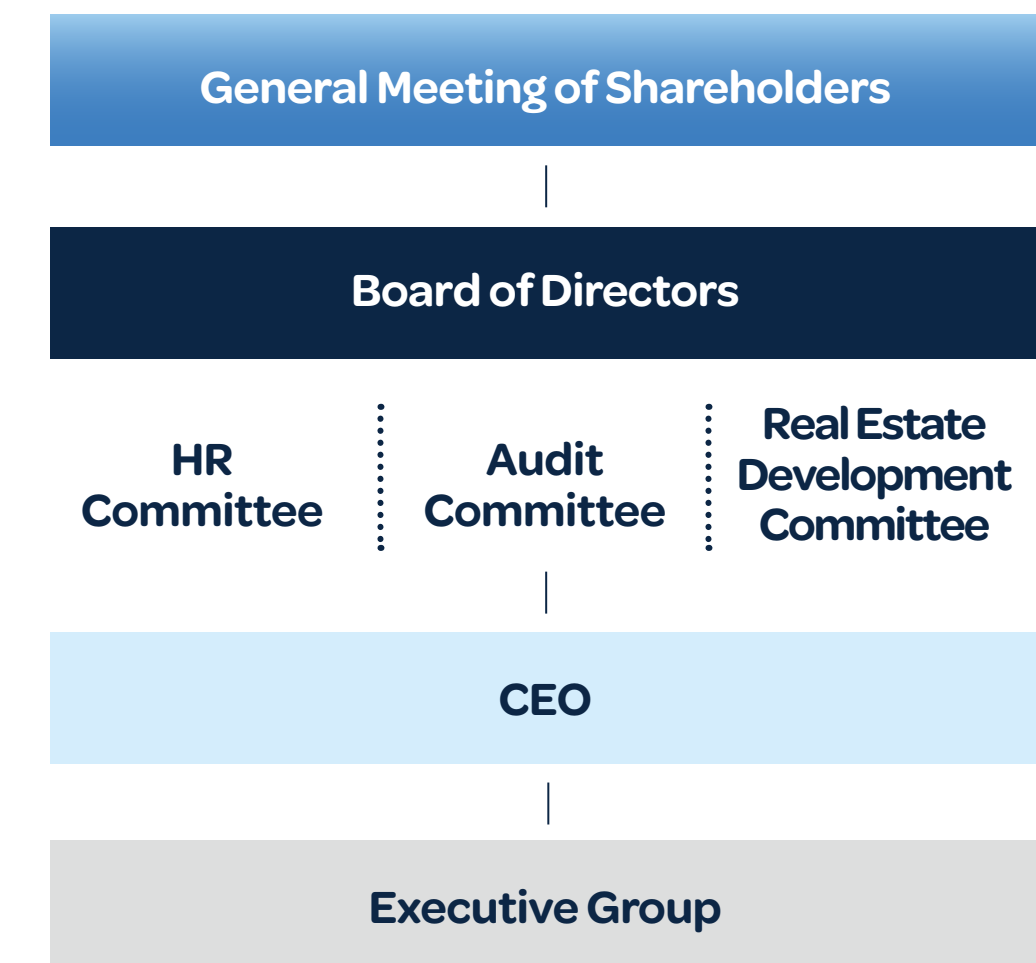
(3), the recommendation concerning the retrospective publication of GM documents (4), the recommendation concerning the publication of the method of preparing the proposal for the composition of the Board of Directors (7), the recommendation concerning the definition of principles regarding the diversity of the Board of Directors (9), and the recommendation concerning the Shareholders’ Nomination Committee (19). Furthermore, the recommendation concerning share incentives (23) is not relevant due to the State ownership. Finavia also does not fully comply with the Corporate Governance Code with regard to the remuneration report.

The Governance Code can be viewed on the Securities Market Association’s website at www.cgfinland.fi/en.

Corporate structure

In 2022, the company had two business areas: Helsinki Airport and the Airport Network. Other companies in the Finavia Group were Airpro Oy, a company providing support services for air traffic, and its subsidiaries RTG Ground Handling Oy and Airpro Academy Oy.

Administrative organisation



Administrative and operative bodies

The parent company of Finavia Group is Finavia, the administrative and executive bodies of which are its General Meeting of Shareholders, Board of Directors, the Board’s Audit Committee, the Board’s HR Committee, the Board’s

Working Committee for Real Estate Development, the CEO, and the Executive Group.

General Meeting

The Ordinary General Meeting (GM) is Finavia's supreme decision-making body. The Ordinary General Meeting is held annually on a day determined by the Board of Directors, within six months of the end of the financial period. The Ordinary General Meeting decides on issues within its powers under the Limited Liability Companies Act and the Company's Articles of Association.

The Board of Directors convenes an Extraordinary GM when necessary or when required under the Limited Liability Companies Act.

The auditor must attend the Ordinary GM.

Under the Articles of Association, the notice of a General Meeting must be delivered to the shareholders no earlier than two months and no later than one week prior to the meeting. The Ordinary GM for 2022 was held on 18 March 2022.

Board of Directors

The Board of Directors is responsible for the company's governance and the appropriate organisation of its operations as well as for ensuring that the company's accounting and financial management are appropriately supervised. The Board of Directors deals with matters that are far-reaching and important for the operations of the company and its subsidiaries.

Under the Articles of Association, the Board has at least three and at most seven members. The General Meeting also elects the Chairman of the Board and, if necessary, a Deputy Chairman. The CEO cannot be elected as a member or the Chairman of the Board.

The Board members must have the qualifications required for the task and they must be able to allocate sufficient time for attending to their duties as Board members.

The majority of Board members must be independent of the company. At least two of the members must also be independent of the company's shareholder. The Board assesses the independence of the members in relation to the company and its shareholder every year. Both genders must be represented on the Board.

The Board of Directors convenes on the date determined by the Board, on average once a month. The Board meeting has a quorum when more than half of its members are present. The decisions of the Board require a simple majority. In the event of a tie, the Chairman casts the deciding vote.

The CEO is entitled to attend Board meetings and be heard at them, unless otherwise decided by the Board in a certain case. The Board meetings may also be attended by other persons whose presence is necessary, taking into account the matter to be discussed. The General Counsel of Finavia acts as the secretary of the Board.

Preparation of the issues to be discussed by the Board is primarily the CEO's responsibility. The CEO is also responsible for ensuring that the Board receives sufficient information to assess the operation and financial position of the company and its subsidiaries as well as any other issues to be discussed. The matters to be discussed by the Board are presented by the CEO. In individual cases, the CEO may delegate this task to a member of the Executive Group, the CEO of a subsidiary, or another person familiar with the matter.

In its decision-making, the Board of Directors adheres to the current legislation of Finland as well as regulations and orders issued pursuant to it and the Articles of Association. The Board of Directors has adopted a working order for itself, containing a more detailed account of the duties and procedures of the Board. The Board of Directors carries out annual assessments of its own work and efficiency.

When required, the Board of Directors decides on establishing new committees for the purpose of preparing the matters for which the Board is responsible and elects their members annually after the Ordinary General Meeting.

During the period 1 January–18 March 2022, the Board of Directors of Finavia had the following members: Harri Sailas (as Chair), Stefan Wentjärvi (as Deputy Chair), Kati Levoranta, Tuija Pesonen, Esko Pyykkönen, Erkka Valkila and (as the representative of the personnel) Johanna Kara.



Finavia's Ordinary General Meeting was held on 18 March 2022 in Helsinki, and it elected Kati Levoranta as Chair of the Board, Stefan Wentjärvi as Deputy Chair of the Board, and Esko Pyykkönen, Erkka Valkila, Kaisa Vuorio, Pekka Vähähyyppä and personnel representative Johanna Kara as members of the Board.

All members of the Board were independent of Finavia with the exception of Johanna Kara, who served on the Board of Directors as a personnel representative. The members of the Board of Directors were independent of Finavia's sole shareholder, the State of Finland, with the exception of Esko Pyykkönen, who during his Board membership worked as a civil servant.

The Board convened 12 times in 2022. The attendance rate of Board members at Board meetings was 100% during the period 1 January–18 March 2022 (3 meetings) and 98.4% during the period 18 March–31 December 2022 (9 meetings). Harri Sailas, Kati Levoranta, Tuija Pesonen, Esko Pyykkönen, Erkka Valkila, Kaisa Vuorio, Pekka Vähähyyppä and Johanna Kara attended all Board meetings. Stefan Wentjärvi attended 11 meetings out of 12.

Members of the Board of Directors on 31 December 2022



Kati Levoranta

Chair of the Finavia Board of Directors from 18 March 2022, member of the Board since 2021
B. 1970, LL.M., MBA

Main work history

P2X Solutions Oy, Partner, COO 2021–
Rovio Entertainment Oyj, Chief Executive Officer 2016–2020, Head of Sales, EMEA 2015, Chief Legal Officer 2012–2015
Nokia Siemens Networks Oy, various managerial positions 2007–2012
Nokia Oyj, Legal Counsel 2005–2007
Jaakko Pöyry Group Oyj, Senior Legal Counsel 2004–2005
Valio Oy, General Counsel 2001–2003, Legal Counsel 1998–2000

Positions of trust

Juuri Partners Oy, Board member 2021–
OP Group, Board member 2020–
Central Chamber of Commerce, member of the Election Committee 2021–
Central Chamber of Commerce, Board member 2017–2020



Stefan Wentjärvi

Deputy Chair of the Finavia Board of Directors from 30 March 2017, member of the Board since 3 March 2016
B. 1967, M.Sc. (Pol.)

Main work history

Esperi Care Oy, CEO 2019–
Pihlajalinna Plc, Head of Sales, Member of the Management Team 2018–2019
Doctagon Oy, Managing Director 2014–2018
Blue1, Managing Director 2005–2012
Several posts in the air traffic sector

Positions of trust

Livia Finland Oy, Chairman of the Board 2015–



Esko Pyykkönen

Member of the Finavia Board of Directors from 19 March 2018
B. 1962, M.Sc. (Econ.)

Main work history

Prime Minister's Office, Ownership Steering Department, Honorary Title of Financial Councillor 2019–, Special Advisor 2016–
Ministry of Education and Culture, Special Advisor 2013–2016
Prime Soil Oy, CEO 2010–2013
Destia Oy, Senior Vice President 2007–2010
Ministry of Transport and Communications, Special Advisor 1999–2007
Ministry of the Environment, Senior Inspector 1991–1999

Positions of trust

Baltic Connector Oy, Chairman of the Board of Directors 2019
Suomen Viljava Ltd, Board member 2017–
Gasonia Oy, Board member 2017–2018



Erkkä Valkila

Member of the Finavia Board of Directors from 3 March 2016
B. 1953, B.Sc. (Tech.)

Main work history

SATO Corporation, CEO 2003–2015
Polar Kiinteistöt Corporation, CEO 1997–2003
Polar-Yhtymä Corporation, Head of Real Estate 1991–1997
Ferenda Corporation, CEO 1988–1991

Positions of trust

Suure Oy, Chairman of the Board 2022–
FCG, Finnish Consulting Group, Board member 2018–
Pohjola Rakennus Oy, Board member 2016–
Suomen asuntokehitys Oy, Board member 2016–
Duuri Oy, Chairman of the Board 2010–
YLVA Oy, Board member 2008–

Members of the Board of Directors on 31 December 2022



Kaisa Vuorio

Member of the Finavia Board of Directors from 18 March 2022
B. 1967, M.Sc. (Tech.)

Main work history

Propdea Oy, CEO 2011–
Citycon Oyj, Country Manager, Finland's business areas 2006–2010, Business Group Manager, Commercial Centres 2003–2006, other managerial positions 2000–2003
Catella Kiinteistökonkultointi Oy (now Catella Property Oy and Catella Asset Management Oy) 1994–2000

Positions of trust

Agore Kiinteistöt Oy, Chair of the Board of Directors 2017–
Finlandia Hall, Chair of the Board of Directors 2021–
Live foundation (formerly Invalidisäätiö sr), Board member 2014–2021, Chair of the Board of Directors 2015–2018
Helsinki University Properties Ltd, Board member 2014–2015
University Properties of Finland Ltd (SYK), Board member 2009–2014



Pekka Vähähyppä

Member of the Finavia Board of Directors from 18 March 2022
B. 1960, M.Sc. (Econ.), EMBA

Main work history

Stockmann Oyj Abp, CFO 2019–2022
Finnair plc, CFO 2015–2019
Stockmann plc, CFO 2000–2015
Nestlé Nordic and Sweden, Director, Finance & Control 1997–1999, Nestlé Finland, CFO 1994–1996
Oko-Venture Capital, Director 1991–1994

Positions of trust

Vincit plc, Board member 2019–
Lyy-Invest Oy, Board member 2002–



Johanna Kara

Member of the Board of Directors, personnel representative since 1 April 2020
B. 1965, B.Sc. (Tech.)
Employed by Finavia since 2008

Main work history

Finavia Corporation, Training Specialist 2022–,
Environmental Specialist 2008–2021
Finnish Swimming Federation 2000–2007
Helsinki Metropolitan Area Reuse Centre and Helsinki Metropolitan Area Council 2002–2005

Positions of trust

Finavia Corporation, Chief Shop Steward 2018–, Shop Steward 2015–2018, Health and Safety Representative 2017–, member of the Board of Directors of the personnel fund 2018–, member of the Board of Directors of the Finavia technical employees' labour union (Finavian tekniset FT) 2014–

Committees of the Board of Directors

The Board has established an Audit Committee and a HR Committee for the preparation of its duties, as well as a working committee for real estate development. The committees do not have any independent powers of decision; instead, the Board makes the decisions on the basis of the proposals presented by the committees. The committees report to the Board of Directors.

Audit committee

The role of the Audit Committee is to assist the Board in ensuring that the company's accounting and financial management are appropriately organised, and that the company has an appropriate system of internal control that covers its entire operations. The committee supports the organisation and monitoring of the company's internal audit activities and ensures that the company's operations and internal control are organised in the manner required by law, regulations and good corporate governance.

The Audit Committee prepares, guides and assists the Board in assessing issues relating to risk management, internal monitoring systems, financial reporting processes and audits, and internal auditing.

The Audit Committee convenes at the invitation of its chairperson at least four times a year. At least three members are elected to the committee. The Board elects the chairperson and members of the committee from among its members for a term of one year at a time. All committee members must be independent of the company, and at least two members must be independent of the shareholder. The Secretary of the Board acts as the secretary of the committee.

The Audit Committee has a working order approved by the Board.

During the period 1 January–18 March 2022, the Audit Committee comprised Stefan Wentjärvi as Chair and Kati Levoranta and Tuija Pesonen as members. Between 11 April and 31 December 2022, the committee comprised Stefan Wentjärvi as Chair and Kaisa Vuorio and Pekka Vähähyyppä as members. The Audit Committee convened five times in 2022. The attendance rate of its members was 100%.

HR Committee

The HR Committee assists the Board in the management of HR tasks coming under its responsibility. The tasks of the committee include the preparation of the matters pertaining to the terms and conditions of employment and the remuneration of senior management and

the compensation and incentive schemes of senior management and personnel. The committee also prepares the appointments of employees reporting to the CEO.

The HR Committee meets at the invitation of its chairperson at least twice a year. It is chaired by the Chairman of the Board, and it has at least two annually appointed Board members as its members. The majority of the committee members must be independent of the company. The Secretary of the Board acts as the secretary of the committee. The HR Committee has a working order approved by the Board.

During the period 1 January–18 March 2022, the HR Committee comprised Harri Sailas as the Chair, and Esko Pyykkönen and Erkka Valkila as members. Between 11 April and 31 December 2022, the committee comprised Kati Levoranta as Chair and Esko Pyykkönen and Erkka Valkila as members. The HR Committee convened seven times between 1 January and 31 December 2022. During this period, the attendance rate of its members was 100%.

Working Committee for Real Estate Development

The Working Committee for Real Estate Development assists the Board in the preparation of decisions concerning real estate develop-

ment projects. The working committee is convened as required at the CEO's invitation.

The secretary to the Board of Directors acts as the secretary of the Working Committee for Real Estate Development. The working committee has a working order approved by the Board.

During the period 1 January–18 March 2022, the Working Committee for Real Estate Development comprised Harri Sailas as the Chair, and Erkka Valkila and Esko Pyykkönen as members. Between 11 April and 31 December 2022, the working committee comprised Kati Levoranta as Chair and Erkka Valkila and Kaisa Vuorio as members. The working committee convened once between 1 January and 31 December 2022. During this period, the attendance rate of its members was 100%.

Chief Executive Officer

The CEO's main duties include the planning, management and monitoring of the company's business activities, as well as the preparation of matters for the Board and the implementation of the Board's decisions.

The CEO has the general competence to attend to and control the company's day-to-day administration in compliance with the instructions and orders issued by the Board of Directors. In addition, the CEO is responsible for ensuring that the company's accounting is

in accordance with the law and that financial administration has been organised in a reliable manner. The CEO chairs the Executive Group.

The CEO is appointed and dismissed by the Board of Directors. The terms and conditions for the position of the CEO are defined in a written contract approved by the Board. The remuneration of the CEO is discussed under Salaries and benefits of the CEO and other members of the management in the Salary and Compensation Report.

The Board may appoint a Deputy CEO as required. The Deputy CEO attends to the CEO's duties when the CEO is temporarily unavailable.

Kimmo Mäki has served as the CEO since 1 January 2018, and Jani Jolkkonen has served as the Deputy CEO since 31 March 2020.

Executive Group

The Executive Group is chaired by the CEO. The Executive Group meets at the CEO's invitation in keeping with a schedule agreed to in advance.

The task of the Executive Group is to support the CEO in preparing strategic issues for the company and the Group, coordinating the company's operations, preparing and implementing operative matters that are significant in nature, and ensuring internal cooperation and the flow of information.

The Executive Group prepares the issues to be considered and decided by the Board. The Executive Group has a working order approved by the CEO. The General Counsel serves as the secretary to the Executive Group.

The remuneration of the Executive Group is discussed in the Salary and Compensation Report under Salaries and benefits of the CEO and other members of the management.

At the end of 2022, the Executive Group had eight members. The Executive Group consists of Finavia's CEO and members who are proposed by the CEO and confirmed by the Board. The Executive Group met 24 times during the year.

Members of the Executive Group on 31 December 2022



Kimmo Mäki

President and CEO
B. 1974, M.Sc. (Tech.), EMBA
Employed by Finavia since 2018

Main work history

Port of Helsinki Ltd, CEO 2011–2017
Steveco Oy, Senior Vice President 2006–2011
Stockmann Plc, Director, Logistics 2003–2006

Positions of trust

Finnpilot Pilotage Oy, Chairman of the Board 2022–,
Airpro Academy Oy, Chairman of the Board 2020,
Airpro Oy and RTG Ground Handling Oy, Chairman of
the Board 2018–, Avia Real Estate Oy, Board member
2018–, Air Navigation Services Finland, Chairman of the
Board 2017, Finrail Oy, Chairman of the Board 2015–
2018



Henri Hansson

Senior Vice President, Airport Infrastructure,
Sustainability, Safety, Security & Compliance
B. 1972, Construction Engineer, M.Sc. (Tech.)
Employed by Finavia since 2000

Main work history

Finavia Corporation, Technical Director 2012–2019,
Director of Airport Operations 2011–2012, Director of
Airport Services 2009–2011, Head of Airport Technical
Services 2006–2009, Project Manager 2004–2006,
Project Engineer 2000–2004
Pohjolan Voima Oy, Project Engineer 1997–2000

Positions of trust

Avia Real Estate Corporation, Board member 2017–,
Kiinteistöosakeyhtiö Lentäjätie 1, Board member 2015–,
ACI Europe's Regional Airports Forum Working Group,
Chairman 2009–2019,
Construction and procurement committee of
the Finnish Association of Building Owners and
Construction: Board member 2018–, member of the
Advisory Board 2013–2018



Jani Jolkkonen

Senior Vice President, Airport Network
Deputy CEO
B. 1973, EMBA, M.Sc. (Tech.)
Employed by Finavia since 2018

Main work history

Posti Group, SVP, ICT and Digitalization 2016–2018, SVP
Head of business division Postal Services 2015–2016,
Itella, SVP, Head of business division Itella Logistics
2013–2014, Itella Posti, VP, Delivery and Marketing
Services 2012–2013, VP, Delivery Services 2011–2012,
VP, Operations 2008–2011, Itella Corp, Director, Mail
2004–2008.

Positions of trust

Airpro Oy and RTG Ground Handling Oy,
Board member 2018–



Niclas Köhler

Chief Financial Officer
B. 1966, M.Sc. (Econ. and Bus. Adm.)
Employed by Finavia since 2017

Main work history

Pihlajalinna Plc, Chief Financial Officer 2016–2017
Talentum Ltd, Chief Financial Officer 2011–2016
OneMed Group Oy (CapMan), Chief Financial Officer
2007–2011
Kauppalehti Group, Chief Financial Officer 2004–
2007
DW Beton GmbH, Sales and Marketing Manager
2001–2004
Consolis Group Ltd., Head of Administration
Development 1998–2001
Myllykoski Ltd, Group Controller 1996–1998, Business
Controller 1992–1996

Positions of trust

Governia Oy, Board member 2019–, Avia Real Estate
Oy, Board member 2018–, Airpro Oy and RTG Ground
Handling Oy, Board member 2017–

Members of the Executive Group on 31 December 2022



Ulla Lettijeff

Director, Helsinki Airport
B. 1967, M.Sc. (Tech.)
Employed by Finavia since 2020

Main work history

Fiskars Group, President 2018–2019, Fiskars Group, Senior Vice President 2017–2018, Fiskars Group, Vice President 2014–2016
Lettijeff Consulting Oy, Co-founder and CEO 2011–2014 Nokia Siemens Network, Head of Espoo Factory 2007–2008, Nokia Networks, Director 2003–2007, Nokia Networks, Plant Manager 2002

Positions of trust

Tokmanni Group Plc, Board member 2020–

In addition, during the period 1 January–21 October 2022, the Executive Group included Katja Siberg in the role of Senior Vice President, Marketing, Corporate Communications and Customer Experience, CMO.



Janne Simula

Senior Vice President, Legal Counsel
B. 1973, LL.M., Trained on the bench
Employed by Finavia since 2010

Main work history

Finavia Corporation, Legal Counsel and Senior Legal Counsel 2010–2019
AIG Europe S.A. Finnish Branch, Liabilities Underwriter 2008–2010
Tapiola Mutual Insurance Company, Risk Manager 2005–2007
Hannes Snellman Attorneys Ltd, Associate Lawyer 2002–2005

Positions of trust

Airpro Academy Oy, Board member 2021–, FinnHEMS Oy, Board member 2020–, Airpro Oy, Board member 2013–2020 and 2021–, RTG Ground Handling Oy, Board member 2013–2020 and 2021–



Kaarina Soikkanen

Senior Vice President, HR
B. 1960, LL.M.
Employed by Finavia since 1990

Main work history

Finavia Corporation, Personnel Director 2008–, Deputy Director 2007–2008, Civil Aviation Administration Finavia, Senior Legal Adviser 1999–2007, National Board of Aviation, counsel 1988–1999
National Board of Health, Legal Counsel 1986

Positions of trust

Finferries, Member of the Board 2019–, Haaga Campus, Bachelor of Tourism and Hospitality Management, Member of the Advisory Board 2017–2019, EK's skilled workforce committee, Chair 2017–, Palta's Labour Market committee, Member 2014–, Helsinki Region Chamber of Commerce, Member of the education and labour committee 2015–, RTG Ground Handling Ltd, Board member 2010–, Airpro Oy, Board member 2007–



Petri Vuori

Senior Vice President, Sales and Route Development
B. 1968, M.Sc. (Econ.)
Employed by Finavia since 2017

Main work history

Finnair Plc, Vice President, Network Planning 2015–2017, Vice President, Sales 2014–2015, Area Vice President, APAC 2010–2013
Draka NK Cables Oy, Sales Director 2003–2010, Key Account Manager 2002–2003, Business Controller 1998–2002
Huhtamäki Oyj, Reporting Analyst 1996–1998

Positions of trust

Finland-China Business Association, Board member 2015–2016, Amadeus Finland Oy, Board member 2014–, Wuhan NK Cables Co. Ltd., Board member 2006–2010, NK Cables Sverige AB, Board member 2003–2010, NK Cables de Mexico S.A., Board member 2003–2008

Internal control, risk management and internal audit

Internal control

Internal control at Finavia means the measures and procedures intended to ensure that Finavia's targets and objectives are achieved, its resources are used appropriately and efficiently, operational risks are appropriately managed, and financial and other information is reliable and correct.

As part of the internal control, the company's organisation and structure, duties and responsibilities related to key areas, as well as the procedures observed for producing services are defined in Finavia's set of operational manuals compliant with aviation regulations. In addition to the operational manuals, Finavia has defined the operational policies and procedures for different areas of operation.

The company's Board of Directors has approved all major operational policies and the ethical principles that all persons working at Finavia and those who participate in the company's administration are expected to observe. The company has also defined a code of conduct that all Finavia's suppliers are expected to observe. Any activities that are in violation of the ethical principles or principles of good governance are dealt with without undue delay. The Group has whistleblowing channels in place.

Control and supervision of the financial reporting process

The consolidated financial statements and business review prepared by Finavia are based on the Finnish Accounting Standards (FAS), most of which are contained in the Finnish Accounting Act and Decree. The instructions and opinions issued by the Accounting Board constitute an important part of the accounting practices.

Financial reporting that is in accordance with external accounting requirements and internal financial reporting are the responsibility of the Group's financial administration, which operates under the Chief Financial Officer.

Consistency and reliability of the reporting are assessed as part of the internal control by means of different types of control and matching. The Group's Financial Department determines the control procedures for the financial reporting process. These include instructions and guidelines, process descriptions, and matchings and analyses, which help to ensure the correctness of the data used in the reporting and the reporting itself.

The senior management assesses the financial reports before they are reviewed by the Audit Committee and the Board of Directors. The financial statements for the year and the business reviews are reviewed by the Audit Committee and the Board of Directors before they are published.

Risk management

Risk management at Finavia is proactive, systematic and comprehensive, and it covers all operations and risk areas of the Group on a continuous basis. Finavia only takes business risks relating to the implementation of the strategy that can be managed at an acceptable level or the effects of which, were they to materialise, are reasonable. Risk-taking must not cause a material danger to the success of the Group or the continuity of its operations in the short or long run.

Ensuring the safety of aviation is the most important objective for Finavia in its risk management. The safety management system is an essential part of Finavia's risk management. The system is used to manage functions critical to aviation safety, and to ensure that a good and reliable level of safety is achieved.

Management of safety-related risks is based on proactive safety and follow-up. Safety reviews are carried out before structural and operational changes concerning aviation safety are introduced. Their purpose is to assess and manage the overall safety of the changes. The risks arising from the implementation and introduction of the changes are evaluated by monitoring the observations of deviations. An open and reliable reporting culture is an integral part of the follow-up procedure.

Finavia's risk management model requires business-related risks and the manner in which they are managed to be identified and



assessed regularly. The planned risk management measures constitute the basis for the company's operative continuity management. The Group's Finance Unit coordinates the implementation of the risk management model and compiles a summary of the major risks related to the Group's business for presentation to the Board of Directors annually or more frequently if necessary. In addition, the aviation safety and security functions units develop the Group's safety management system and increase risk awareness within Finavia through training, guidance and communications.

The Board of Directors approves the risk management policy and any amendments to it.

Internal audit

In accordance with the audit plan approved by the Board of Directors each year, the Internal Audit unit assesses the adequacy of the company's internal control and risk management procedures and gives recommendations for developing procedures, processes and controls.

Administratively, the Internal Audit function works under the CEO, while operationally it works under the Board of Directors and the Audit Committee appointed by the Board. Internal audits are carried out by an external partner. Finavia's Board of Directors has approved the internal audit guidelines observed by the Group.

The Internal Audit Unit submits regular reports to the Audit Committee appointed by

Finavia's Board of Directors on the way in which the targets laid out in the audit plan have been achieved, important open risks, control issues, issues concerning the organisation's management and administration systems, and other information requested by senior management and the Board. The audit findings and the recommendations concerning them are reviewed with the persons in charge of the audited entities at the conclusion of the audit. The Internal Audit Unit monitors the implementation of the measures in accordance with the agreed timetables.

Finavia's Internal Audit Unit is committed to observing international professional standards and ethical principles on internal auditing.

Audit

Under Finavia's Articles of Association, the Ordinary GM elects the company's auditor, which must be an auditor or an audit firm with APA certification as laid down in the Auditing Act. The proposal for the auditor is prepared by the Board of Directors. The Ordinary GM decides on the auditor's fees.

The Group's financial reports are based on the financial reports of the Group companies. An auditing company with APA certification elected by the parent company's Ordinary GM operates in the Group. Each Group company has an auditor selected by its GM. The parent company's auditor prepares, jointly with the company's management, an annual audit plan for Group companies. The auditor submits to

the shareholders an auditor's report on the Group companies' financial statements and the consolidated financial statements.

The auditor reports to the CEO and the Board of Directors at least annually. The auditor participates in the work of the Board's Audit Committee. The auditor meets the Board, with all its members present, at least once a year.

The Ordinary GM of 2022 elected the auditing firm KPMG Oy Ab as the company's auditor, with **Ari Eskelinen** (APA) as the auditor in charge.

In 2022, the fees paid for the audit totalled EUR 75,000. The auditor was paid EUR 273,438 for services not related to the audit.

The auditor's report for the financial period 1 January–31 December 2022 covers the accounts, consolidated financial statements, the Board of Directors' report, the audit of the administration, and the financial statements of the parent company, Finavia Corporation. The auditor's report was presented after the financial statements.

Related party transactions

Finavia monitors and assesses any related party transactions and ensures that any conflicts of interests are properly considered in its decision-making. The related parties of Finavia and its Group Companies are specified and a register of the related parties is maintained. Finavia and each of its Group Companies has its own related party register.

Any transactions between Finavia and its

related parties must in all situations be necessary for Finavia and in the best interest of Finavia, and they must be based on sound commercial grounds. The related party guidelines approved by the Board of Directors define related party transactions, and describe the principles concerning the identification, assessment and consideration of related party transactions and reporting on them.

Material related party transactions and related party transactions that deviate from the ordinary course of business or are not implemented under arm's-length principles are identified before deciding on them. The preparations regarding related party transactions are always thorough and carefully documented, and the provisions regarding judicial disqualification and the guidelines in force in the Group are observed when preparing and deciding on the transaction.

The Board of Finavia or its Group company decides on related party transactions that deviate from ordinary business operations or market conditions. They are recorded in the register of related party transactions, which is kept in connection with the register of related parties. Material related party transactions that deviate from the ordinary course of business or are not implemented under arm's-length principles are reported annually as part of the financial statements. The Board of Directors of Finavia will analyse the transactions recorded in the register for each financial period before the Board of Director's Report is completed.



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Remuneration Report

Finavia observes the management remuneration principles approved by the Board and the recommendations of State ownership steering, including the opinion on remuneration of the management of state-owned companies contained in the Government Resolution on State Ownership Policy adopted on 8 April 2020.

Finavia's Ordinary GM decides on the remuneration of the company's Board of Directors. The HR Committee assesses the amounts of salary and compensation payable to the CEO and Deputy CEO, as well as that of Executive Group members and other managers reporting to the CEO, including the incentive systems. The HR Committee makes proposals regarding these amounts of compensation to the Board of Directors.

The total remuneration of the Board of Directors amounted to EUR 151,704. No incentive rewards were paid to the Group's CEO, the senior management of Finavia Corporation or the CEO of the subsidiary Airpro in 2022 because the incentive scheme currently in effect has been confirmed for the period 2021–2023, and rewards under the scheme in question may become payable in April–June 2023 at the earliest. The salaries paid to Finavia's CEO and Executive Group totalled EUR 1,670,431 and

the salaries paid to the CEO and interim CEO of Finavia's subsidiaries totalled EUR 239,279.

No incentive rewards were paid to Finavia's other management, key employees and personnel in 2022 because the incentive scheme currently in effect is for the years 2021–2022, and rewards under the scheme in question may become payable in April–June 2023 at the earliest.

In the Airpro sub-group, no incentive rewards were paid to the personnel in 2022.

Remuneration of the Board of Directors

The Ordinary GM decides on the fees payable to the Board of Directors. The fees payable to the Board of Directors of Finavia remained unchanged in 2022.

The fees payable to the members of Finavia's Board of Directors in compliance with the resolution of the Ordinary GM of 2022 were as follows:

- Chairperson EUR 1,700 per month
- Deputy Chairperson EUR 1,200 per month
- Member EUR 1,000 per month
- A meeting fee of EUR 500 for each Board and committee meeting

The Chairperson of the Board of Directors has a company mobile phone. The Board members did not receive any other fees or benefits.

Remuneration of the Board of Directors in 2022

The total amounts paid to the members of the Board of Directors for Board and committee meetings were as follows*:

Board member	Attendance rate, %	Fees paid for Board membership in 2022, EUR	Meeting fees in 2022, EUR	Total in 2022, EUR	Total in 2021, EUR
Harri Sailas**	100	5,100	2,500	7,600	28,700
Johanna Kara	100	12,000	5,500	17,500	17,500
Kati Levoranta	100	18,300	8,500	26,800	16,000
Tuija Pesonen**	100	3,000	2,000	5,000	20,000
Esko Pyykkönen	100	12,000	8,500	20,500	20,500
Erkka Valkila	100	12,000	8,500	20,500	21,000
Kaisa Vuorio***	100	9,452	6,500	15,952	
Pekka Vähähyyppä***	100	9,452	6,000	15,452	
Stefan Wentjärvi	94.1	14,400	8,000	22,400	22,200

*The fees are shown on a payment basis

**Board member until 18 March 2022

***Board member from 18 March 2022

Remuneration of the CEO and other management

Finavia's senior management, other management, key employees and personnel were only covered by a long-term incentive scheme that began in 2021 and concluded at the end of 2022, except the senior management, whose incentive scheme ends in March 2023. The incentive schemes support the company's rapid recovery and safeguard the company's financial position. At the same time, the incentive schemes create a positive outlook for the management, key employees and personnel, and increase their commitment to Finavia in an exceptional and difficult situation.

Finavia's Board of Directors confirmed a long-term incentive scheme for Finavia's senior management and Airpro's CEO for the period 1 January 2021–31 March 2023. The remuneration of Finavia's senior management became subject to restrictions imposed by the EU Commission due to capitalisation received from the Finnish state. Under the restrictions, the senior management cannot be paid performance-based remuneration and the salaries of the management cannot be increased. For senior management, the long-term incentive scheme must not only meet the earning criteria set by Finavia but also the requirements and restrictions imposed by the Commission. The duration of the restrictions depends on the company's financial performance.

The remuneration of Finavia Corporation's CEO, Executive Group members, the CIO and the CEO of Airpro Oy is based on a fixed monthly salary and only a long-term incentive scheme (LTI for the period 1 January 2021–31 March 2023). The company's senior management does not have any other compensation systems and/or supplementary pension plans.

New long-term incentive schemes were approved for the other management, key employees and personnel for the years 2021–2022.

The incentive schemes currently in effect are based on the guidelines issued by the Ownership Steering Department. According to the policy, the remuneration paid under the incentive scheme during a tax year may not exceed 80 per cent of the individual's fixed annual pay.

When approving the incentive scheme for Finavia's senior management, the Board of Directors reduced the maximum reward levels of the incentive scheme and decided that the reward accrued for the period 1 January 2021–31 March 2023 can, at the annual level, lead to a maximum reward of 60 per cent of the fixed annual pay of each individual within the scope of the scheme. The maximum reward levels of the incentive schemes for the other management, key employees and personnel were also reduced.

The criteria for the earning periods under the incentive scheme, the targets and the weights assigned to them are determined by the Board of Directors in accordance with the Group's annual target setting process.

Summary of Finavia's incentive schemes and earning criteria in 2022

Target group	Maximum bonus 2022	Earning criteria 2022	Payment criterion and time of payment
Finavia Corporation's Executive Group and CIO and the CEO and interim CEO of Airpro	60%	2022: H1 Group EBITDA H2 Group EBITDA Customer satisfaction CO ₂ emissions	The bonuses will be earned based on the achievement of targets for the period 1 January 2021–31 March 2023. The bonuses will be paid in 2023 and 2024 at the earliest, if the payment criterion set for the full earning period 1 January 2021–31 March 2023 and the conditions set by the EU are met.
Other management and key employees	Depending on the position, a maximum of 20%, 16% or 12%	2022: H1 Group EBITDA H2 Group EBITDA Customer satisfaction CO ₂ emissions	The bonuses will be earned based on the achievement of targets for the period 2021–2022. The bonuses will be paid during the period 1 April–30 June 2023 at the earliest, if the payment criterion confirmed by the Board of Directors is met.
Personnel not within the scope of the performance-based bonus scheme	2021: A maximum of 5% of the total wages of the employees within the scope of the personnel fund	2022: H1 Finavia Corporation's EBITDA H2 Finavia Corporation's EBITDA Customer satisfaction CO ₂ emissions	The bonus will be earned based on the achievement of targets for the period 2021–2022. The bonuses will be paid to the personnel fund during the period 1 April–30 June 2023 at the earliest, if the payment criterion confirmed by the Board of Directors is met.

When setting the targets for 2022, the Board of Directors prioritised Finavia's ability to cope financially with the COVID-19 crisis, customer satisfaction and environmental responsibility. A financial performance indicator was confirmed for the senior management, other management and key employees for 2022. The financial performance indicator was the Group's EBITDA. In addition, the criteria included a customer satisfaction indicator and a sustainability indicator, namely CO₂ emissions. The incentive scheme for the personnel had otherwise the same performance indicators, but Finavia Corporation's EBITDA was used instead of the Group's EBITDA. The incentive schemes also include a condition whereby the performance-related pay is not paid in full if the safety criterion and the criteria for the financial indicator are not met.

Details of the CEO's contract of employment

In addition to the salary, the CEO has a company car and telephone. The retirement age and pension of the CEO are determined on the basis of the Employees Pensions Act.

The CEO's period of notice is six months. When the employment is terminated by the employer, the CEO receives a six months' pay for the period of notice. The CEO does not receive any separate compensations in addition to the salary for the period of notice.

Remuneration of Finavia's management in 2022

Fees and salaries paid to Finavia's CEO and Executive Group members in 2022

	Salaries and fringe benefits in 2022, EUR	Performance bonus based on the 2021 earning period, as set out in the STI scheme, paid in 2022, EUR	Performance bonus based on the 2019–2021 earning period, as set out in the LTI scheme, paid in 2022, EUR	Total paid in 2022, EUR	Total paid in 2021, EUR
President and CEO	359,097	No STI scheme in effect	The LTI scheme for the above-mentioned period was cancelled	359,097	344,734
Other members of the Executive Group	1,311,334	No STI scheme in effect	The LTI scheme for the above-mentioned period was cancelled	1,311,334	1,277,715

Fees and salaries paid to the CEOs of subsidiaries in 2022

	Salaries and fringe benefits in 2022, EUR	Performance bonus based on the 2021 earning period, as set out in the STI scheme, paid in 2022, EUR	Performance bonus based on the 2019–2021 earning period, as set out in the LTI scheme, paid in 2022, EUR	Total paid in 2022, EUR	Total paid in 2021, EUR
Airpro & RTG, CEO and interim CEO	239,279	No STI scheme in effect	The LTI scheme for the above-mentioned period was cancelled	239,279	218,443

Bonuses payable to other members of staff

Finavia Corporation has a personnel fund. All employees, apart from the senior management and those who are within the scope of the performance-based remuneration scheme, are members.

The annually confirmed profit bonus scheme was suspended for the duration of the

COVID-19 pandemic. The Board of Directors approved a longer-term incentive scheme for personnel for the years 2021–2022. If the targets set for the incentive bonus for personnel are achieved during the period 2021–2022, a maximum amount corresponding to five per cent of the annual salary of the personnel covered by the personnel fund can be paid into the personnel fund. The rewards under the

confirmed incentive scheme may become payable in April–June 2023 at the earliest. The company does not have any other remuneration schemes for the personnel.

The companies of the subsidiary Airpro Group did not have incentive schemes for the personnel in use.

FINAVIA

FOR SMOOTH TRAVELLING

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