

CARGO INCENTIVE SCHEME

Copenhagen Airports A/S (CPH) offers Cargo Incentive Discount to airlines initiating service on cargo routes from CPH to destinations which are not serviced from CPH.

A route is eligible for the Cargo Incentive Discount if the following criteria are met:

- 1) The destination (first leg) from CPH (determined by IATA City Code) is not serviced from CPH at the time of initiation of service on the route, and the route has not been serviced within the last 12 months prior to initiation of the route. Only flights meeting the criteria in 2), 3) and 4) below are taken into consideration when determining, whether a destination is serviced or not.
- 2) The service comprises only scheduled cargo flights (IATA flight types "A and F").
- 3) The service on the cargo route must have scheduled minimum 1 weekly departure from CPH, and minimum 12 scheduled departures from CPH must be completed during the relevant 6 months period (see below regarding the 6-months periods).
- 4) The destination is also considered as serviced from CPH (and therefore not eligible for Cargo Incentive Discount) if the destination has been serviced with a wide body aircraft for scheduled passenger flights (IATA flight type "J") with minimum 3 weekly departures from CPH in average during the last 12 months and this service is still operational at the time of initiation of the service.

Cargo Incentive Discounts are:

- granted for a 12-months period from initiation of the service on the route ("Discount Period");
- provided only for the take-off charge in the Charges Regulations applying to Copenhagen Airport;
- provided only for the take-off charge on the specific route; and
- provided at the following levels based on the airline's average load factor out of CPH on all eligible flights on the specific route during a 6-months period ("Discount Levels"):

Average load factor	Discount on take-off charge
>55%	0 %
45-55%	25 %
<45%	50 %

Load factor for a flight is calculated as tonnage per flight divided with maximum cargo capacity. Based on all eligible flights on the specific route during the relevant 6-months period an average load factor is calculated. The tonnage data reported by the airline will be used for the calculation<sup>1</sup>. Maximum tonnage capacity is determined by CPH based on aircraft specifications provided by the airline.

The calculation of average tonnage and potential discount is done twice during the Discount Period covering the two 6-months periods (the "First 6-months period" covering months 1-6 and the "Second 6-months period" covering months 7-12) with the first period starting at the time of initiation of service on the route. The average tonnage for a 6-months period is calculated as an average for all the airline's eligible cargo flights on the route during the period.

<sup>1</sup> The reporting by the airline reporting must be done according to CPH's terms of use for airlines in force at any time. Currently the reporting must be done to FLIRT (CPH's reporting system) via LDM telex (Load message) or CPM telex (Cargo / Pallet message). If the airline does not comply or does not report in due time, CPH reserves the right to disregard such reporting and/or to cancel the agreement.

During a 6-months period (the First 6-months period or the Second 6-months period) each departure from CPH on the route must carry cargo that has been loaded at CPH to receive any discount for the relevant 6-months period.

If other airlines initiate service on a route to which an airline already receives a Cargo Incentive Discount or has entered into an agreement on Cargo Incentive Discount, such other airlines are also entitled to a discount during the term of – and on the same terms and conditions as – the initial discount agreement.

*Procedure:* An airline wishing to obtain Cargo Incentive Discount must enter into an agreement with CPH prior to initiation of service on the route.

- 1) The airline must contact CPH and forward the following information to CPH:
  - Name and address of the airline.
  - Contact information for the relevant contact person with the airline.
  - IATA Airport Code for the destination airport.
  - The desired date for initiation of service on the route.
  - All the aircraft types to be used in servicing the route, its MTOW and the airline's estimate of maximum tonnage capacity. If other aircraft types are subsequently used, then the cargo flight will not be included in calculating the load factor.
  - Weekly number of departures.
  - Desired CPH arrival and departure time – to be finally confirmed upon slot granted from ACD – Airport Coordination Denmark
- 2) If the route is eligible for granting Cargo Incentive Discount, CPH will as soon as possible – and no later than 10 business days after receiving all relevant information – forward an offer for Cargo Incentive Discount regarding the relevant route to the airline.
- 3) The airline obtains the Cargo Incentive Discount on the terms and conditions stated in the offer and these guidelines if the airline accepts the offer from CPH prior to initiation of service on the route.
- 4) If the criteria are met in one or both 6-months periods during the Discount Period, then CPH will pay out the Cargo Incentive Discounts to the airline via credit note at the latest at the end of the month following the relevant 6-months period.

This Cargo Incentive Scheme is applicable as of 1 January 2024 and expires no later than 31 December 2027. CPH reserves the right to amend or cancel this incentive prior to the expected expiration date.