

VOLUME INCENTIVE SCHEME

- Copenhagen Airports A/S (CPH) offers volume discount to airlines<sup>1</sup> on the criteria below.

The purpose of the volume incentive is to support stable growth in passenger numbers and to support a more efficient use of infrastructure and increase operational efficiency.

- The basis for calculating the volume incentive is an airline’s total number of non-incentivized local departing passengers from CPH in a calendar year for which the airline has paid full charges (NILDP).
- If an airline has more than 400,000 NILDP in a calendar year, then the airline will receive a percentage discount on the following passenger related charges paid by the airline for each NILDP exceeding 400,000:
  - Passenger charge for local departing passengers (Terminal 2-3 or Go facility)
  - Security charge for local departing passengers<sup>2</sup> and
  - Handling charge

The percentage discount on the above specified passenger related charges paid by the airline per NILDP increases as the number of NILDP exceeds the thresholds as shown in the table below.

The volume incentive is incremental, i.e., the percentage discount for each interval only applies to the number of NILDP in the respective interval.

Number of NILDP in a calendar year	Percentage discount on specified passenger related charges
0-400,000	0.0%
400,001 - 700,000	5.0%
700,001 – 1,000,000	10.0%
1,000,001 – 1,300,000	15.0%
1,300,001 – 1,600,000	20.0%
1,600,001 – 1,900,000	22.5%
1,900,001 –	25%

- Examples:
 

Airline X has 1,204,050 local departing passengers of which 150,000 are already receiving some form of discount (e.g., Route incentive discount) and hence not eligible for the volume discount. The 150,000 passengers are subtracted from the 1,204,050-passenger number to arrive at the number of passengers eligible for the volume incentive discount, i.e., the non-incentivized local departing passengers (NILDP)

Number of passengers for volume discount:  $1,204,050 - 150,000 = 1,054,050$ . These passengers will receive the following incremental discount:

<sup>1</sup> The discount is calculated per airline company, i.e. each individual legal entity, and not per airline group.

<sup>2</sup> The “Express Security Charge” is not included

<b>Illustrative example of airline with 1.054.050 Non-incentivised PAX (100% T2-3, 0% GO)</b>		
<i>Non-incentivised PAX</i>		
T2-3	1,054,050	
GO	0	
<b>Total NILDP</b>	<b>1,054,050</b>	
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T2-3: Passenger-, handling-, security charge	209	<i>DKK</i>
GO: Passenger-, handling-, security charge	188	<i>DKK</i>
<b>Discount percentage</b>	<b>PAX eligible for discount</b>	<b>Discount (DKK)</b>
0.0%	400,000	0
5.0%	300,000	3,135,000
10.0%	300,000	6,270,000
15.0%	54,050	1,694,468
20.0%	0	0
22.5%	0	0
25.0%	0	0
<b>Total</b>	<b>1,054,050</b>	<b>11,099,468</b>

If an airline has NILDP from both the GO pier and Terminals 2-3 in a calendar year, then each category of NILDP is distributed proportionately in the respective applicable intervals below. For the payout this is translated into an average applicable passenger charge in the respective intervals in question.

Pax charge	<i>DKK</i>	Split between GO & T1-3				
		0%	25%	50%	75%	100%
GO	209	0%	25%	50%	75%	100%
T2-3	188	100%	75%	50%	25%	0%
<b>Average charge all NILDP (DKK)</b>		<b>188</b>	<b>193</b>	<b>199</b>	<b>204</b>	<b>209</b>

<b>Illustrative example of airline with 1.054.050 Non-incentivised PAX (50% T2-3, 50% GO)</b>		
<i>Non-incentivised PAX</i>		
T2-3	527,025	
GO	527,025	
<b>Total NILDP</b>	<b>1,054,050</b>	
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T2-3: Passenger-, handling-, security charge	209	DKK
GO: Passenger-, handling-, security charge	188	DKK
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<b>Passenger charge, simple average</b>		
Average charge, split T2-3 & GO	199	DKK
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<b>Discount percentage</b>	<b>PAX eligible for discount</b>	<b>Discount (DKK)</b>
0.0%	400,000	0
5.0%	300,000	2,977,500
10.0%	300,000	5,955,000
15.0%	54,050	1,609,339
20.0%	0	0
22.5%	0	0
25.0%	0	0
<b>Total</b>	<b>1,054,050</b>	<b>10,541,839</b>

- Any volume discount must be paid by CPH to the airline concerned via credit note no later than the end of February in the calendar year after the discount has been earned. Amounts less than DKK 5,000 will for administrative reasons, not be paid out and will not be carried forward to the next 12-months period.
- The volume discount is applicable as of 1 January 2024 and expires no later than 31 December 2027. This means that it is not possible to obtain a volume discount for NILDP departing after 31 December 2027. CPH reserves the right to amend or cancel this incentive prior to the expected expiration date.