



TRAFFIC DEVELOPMENT POLICY

Update starting from IATA SUMMER 2024

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FOREWORD

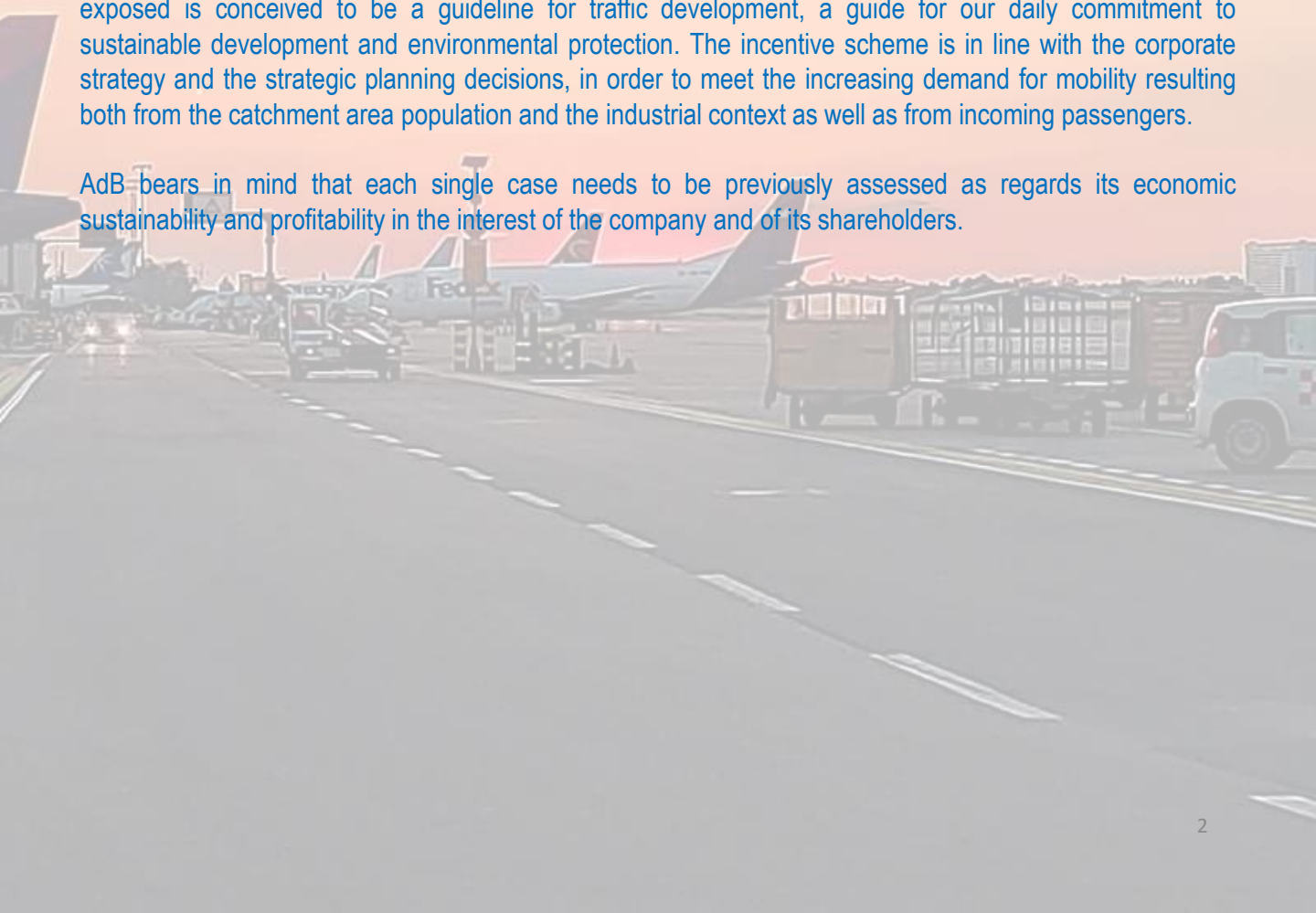
Aeroporto G. Marconi di Bologna S.p.A. (also named AdB) is the company that manages Bologna Airport, ranking seventh in Italy for number of passengers. Defined a “strategic airport” in Italy’s National Airport Plan and located in the heart of Emilia Romagna’s “Food Valley”, automotive and packaging districts, Bologna Airport enjoys a catchment area of approximately 11 million residents and around 47,000 companies with a strong focus on export and commercial expansion policies.

Inspired by values such as customer-centricity, the value of individuals, environmental sustainability and forward thinking, the company AdB aims at making Bologna Airport stand among the most modern and efficient airports in Italy, capable of offering its passengers a comfortable, well-connected facility that improves their travelling experience while also creating value for Italy’s economy.

The commercial aviation market is experiencing new and important changes and challenges today: ever - changing traffic demand, strong competition not only in the airport industry but also among different means of transport (high - speed rail, intermodality, bus), new technologies, new and different players, focus on environmental issues, changing customers and society, varied tourism policies, etc..

AdB, in order to continue to play a primary role and to face this constantly evolving market, has to update its aviation business strategy and, when needed, its traffic development policy. The incentive system hereafter exposed is conceived to be a guideline for traffic development, a guide for our daily commitment to sustainable development and environmental protection. The incentive scheme is in line with the corporate strategy and the strategic planning decisions, in order to meet the increasing demand for mobility resulting both from the catchment area population and the industrial context as well as from incoming passengers.

AdB bears in mind that each single case needs to be previously assessed as regards its economic sustainability and profitability in the interest of the company and of its shareholders.



GENERAL PRINCIPLES



The company's core business is developing, designing, building, adapting, managing, maintaining and operating installations and infrastructure for airport operations, together with associated and related activities. Bologna Airport has taken an ambitious view of this institutional role, seeking to modernize its infrastructure, constantly improve quality of service, develop its route network and traffic volumes, minimize the environmental impact and the use of natural resources, enhance the area's tourism potential to attract travelers and stimulate the growth of the airport business and the local economy.



The Policy takes into consideration:

- the EU legislation on the aid to the start – up of routes (Communication of Commission 2014 / C 99 / 03 4th April 2014, Guidelines on State aid to airports and airlines), moreover considering that Bologna Airport currently invests its own financial resources and has no specific public contributions to develop air traffic;
- the National legislation taking into account the disposals nr. 14 and 15 of Art. 13 Law Decree nr. 145/2013, as converted by the Law nr. 9/2014 as lastly emended by Art.1.7 Law Decree nr. 104/2023 as converted by the Law



The Policy aims at promoting the growth of business aviation, and extra – aviation business as a consequence, searching and meeting the economic requirement as a private investor.



The Policy is a guideline that grants a fair, equal and transparent approach to the market. AdB receives a development plan from airlines and after a comprehensive assessment, will send the airlines an ad – hoc proposal. The incentives schemes are inspired to transparency, fairness, and equity criteria, based on non-discriminatory principles.



Sustainable development and environmental protection is a key element of our **development policy**. Safeguarding the environment and energy resources is an integral part of our sustainable development policy: continuing to pursue the challenge of reconciliation the goals of meeting transport demand, protecting the environment and energy resources. Bologna Airport has always been committed to ensuring that our development plans meet the demands of social and environmental protection policies regarding the surrounding area. Regarding the noise issue Bologna Airport promotes initiatives aimed at reducing annoyance for the surrounding community, in cooperation with local authorities (Regulatory Acts ENAC n. 11/2016 e 5/2017, 5/2023), Italian CCA and air navigation provider. Our environmental management system, compliant with UNI ISO14001 standards, includes continuous monitoring of the environmental impacts resulting from airport operations (including air, water and noise pollution) and support for new infrastructural development plans in order to minimize such impacts (Energy Management System ISO50001, Airport Carbon Accreditation, Sustainable Energy Action Plan promoted by the Municipality of Bologna, Airport Carbon Decarbonisation Action Plan signed pursuant to LR 20/2000, European Greenlight Programme, promoted by the European Commission). Moreover, at the 29th ACI EUROPE Annual Congress (the trade association for the European airport industry) Aeroporto G. Marconi di Bologna signed a landmark commitment to become NET ZERO for their carbon emissions by 2030.



AdB has the right to amend/update this Policy at any time and its own discretion, according to the market development, traffic trend changes, evolution and performance, infrastructural and operational reasons, as well as legislation changes.



The Policy replaces any previous incentive program starting from IATA Summer 2024 . Previously signed agreements remain valid until their expiring terms.

OBJECTIVES

- ✓ Increasing the intercontinental / long haul connectivity, both through direct flights and intercontinental hubs.
- ✓ Improving the network namely new routes and increasing frequencies and capacity on existing routes, reducing traffic seasonality by promoting flights operating during IATA Winter seasons.
- ✓ Promoting environmental sustainability activities, reducing aircraft environmental impacts, proactively supporting initiatives in cooperation with local stakeholders and authorities.
- ✓ Making the best possible use of the airport infrastructures, making the best possible use of them, increasing the efficiency of its infrastructure resources.

ACCESS TO THE INCENTIVE PROGRAM

- The potential beneficiary of the incentive program is an **air carrier** (with a regular certification issued by Aviation Authorities, not included in any black list, i.e. **EU Safety list**) or, in very limited cases, a **tour operator**.
- Regular payments of invoices, including those issued by AdB group companies, are essential condition for the airlines to be eligible for incentives.

Any subject interested in the present incentive program can contact our Aviation Business Department
(Mr. Antonello Bonolis; e-mail: aviationbusiness@bologna-airport.it).

NOT ELIGIBLE FOR THE INCENTIVE PROGRAM

- The incentive program is not conceived for groups/alliances of airlines, but only with reference to single carriers (ICAO code).
- A carrier which has incurred into relevant irregularities in the operation of scheduled and planned flights, or into contractual breaches regarding the payment of the official airport charges and fees, besides any charge and fee which – under the Law or regulation – are due to Bologna Airport or which has committed contractual violations or, in any case, a carrier which has caused damage to Bologna Airport, may not be admitted to the incentive program.
- The incentive program cannot concern the domestic air routes for which public service obligations are laid (PSO routes), pursuant to Article 4 of Council Regulation (EEC) No 2408/92 of 23 July 1992 on access for Community air carriers to intra-Community air routes.

GENERAL TERMS OF APPLICATION

- ✓ The incentive program will be applied on the basis of a written contract signed by both parties.
- ✓ The incentive program considers “turnaround” one movement on arrival plus one movement on departure.
- ✓ The incentive program is applied to scheduled flights; the slot requests have to be made with “J” code.
- ✓ Incentives per each departing child passenger will be 50% of the departing adult passenger incentive.
- ✓ A carrier trying to apply the incentive program in a way contrary to the good faith or trying to misuse the incentive program or to make an illegal use of it, will not be accorded the incentive program.
- ✓ The incentive program will not be applied if the new route or the frequencies increase is the result of a restructuring of the airline's schedule of the airport and /or of an operative exchange between partners through codeshare or alliances with other airlines.
- ✓ The incentive program will not be applied for departing flights scheduled from 11:00 P.M. to 6:00 A.M.



SCHEMES AND PARAMETERS

The typical structure of our incentive programs and agreements is based on a pre-fixed amount of Euro per departing passenger or incremental departing passenger and responding to the standards required in that case.

The incentive amount is calculated, communicated and granted to carriers:

- ❖ “*ex post*”, i.e. at the end of each IATA season referred to as in the contract
- ❖ after it has been verified that all the requirements and contractual targets and obligations have been fulfilled by the carrier

DIFFERENT INCENTIVE PROGRAMS AND PARAMETERS (NOT TO BE COMBINED)

➤ LONG – HAUL ROUTES

➤ SHORT- AND MEDIUM-HAUL ROUTES:

A

NEW ROUTES OR NEW ENTRANTS ON EXISTING ROUTES

B

EXISTING ROUTES OPERATED
BY THE SAME OPERATING CARRIER

➤ MULTIPLE ROUTE DEVELOPING PLANS

➤ ADDITIONAL BONUSES

1.
LONG – HAUL ROUTES

LONG-HAUL ROUTES incentive program aims to grant an incentive opportunity in order to develop destinations/connections operated by scheduled or charter flights reaching destinations in no less than approximately 4 hours (see Annex 1 map).

For its peculiar commercial and operative features, a comprehensive assessment has to be done in order to verify the compliance with the principles reported below

- ✓ the incentive program is intended to be sustainable;
- ✓ the Airport should reach the break-even point by the end of the incentive program.

DURATION: Up to 6 IATA seasons

MINIMUM OF TURNAROUNDS (SUM VS SUM & WIN VS WIN)		FIRST 2 IATA SEASONS	THIRD AND FOURTH SEASON	FIFTH AND SIXTH SEASON
NEW ROUTES	COMPARED TO THE INITIAL SEASON	8		
INCREASED CAPACITY ON EXISTING SCHEDULED ROUTES	COMPARED TO THE CORRESPONDING SEASON OF THE PREVIOUS YEAR	NEW ENTRANT: 15 Summer / 8 Winter	NEW ENTRANT: + 20% seats offered	
		OPERATING: + 20% seats offered	OPERATING:: + 20% seats offered	

2. SHORT- AND - MEDIUM-HAUL ROUTES

This incentive program aims to grant an incentive opportunity in order to develop destinations/connections operated by scheduled flights operating SHORT- AND - MEDIUM-HAUL ROUTES. (see Annex 1 map).

A NEW ROUTES OR NEW ENTRANTS ON EXISTING ROUTES

Incentive schemes and conditions are granted for **NEW ROUTES** and for **EXISTING ROUTES OPERATED BY A NEW ENTRANT**.

NEW ROUTES – routes not included in the list reported in the Annex 2

- **EXISTING ROUTES OPERATED BY A NEW ENTRANT** - Existing scheduled routes (see Annex 2) operated by a new entrant, namely an airline not operating the route during the previous 2 IATA seasons .

Different incentive schemes and conditions are granted for **SEASONAL ROUTES** and for **ANNUAL ROUTES**. By **SEASONAL ROUTES** we mean routes usually served only during well - defined period of time, mostly for tourism reasons; destination airport must have an high concentration of operations in one single season. Under the definition of seasonal routes we also include the thin routes during the first periods of operation

DURATION:

SEASONAL ROUTES

Up to 2 IATA seasons

ANNUAL ROUTES

Up to 2 YEARS

MINIMUM OF TURNAROUNDS FOR EACH IATA SEASON

SEASONAL ROUTES

10

ANNUAL ROUTES

8

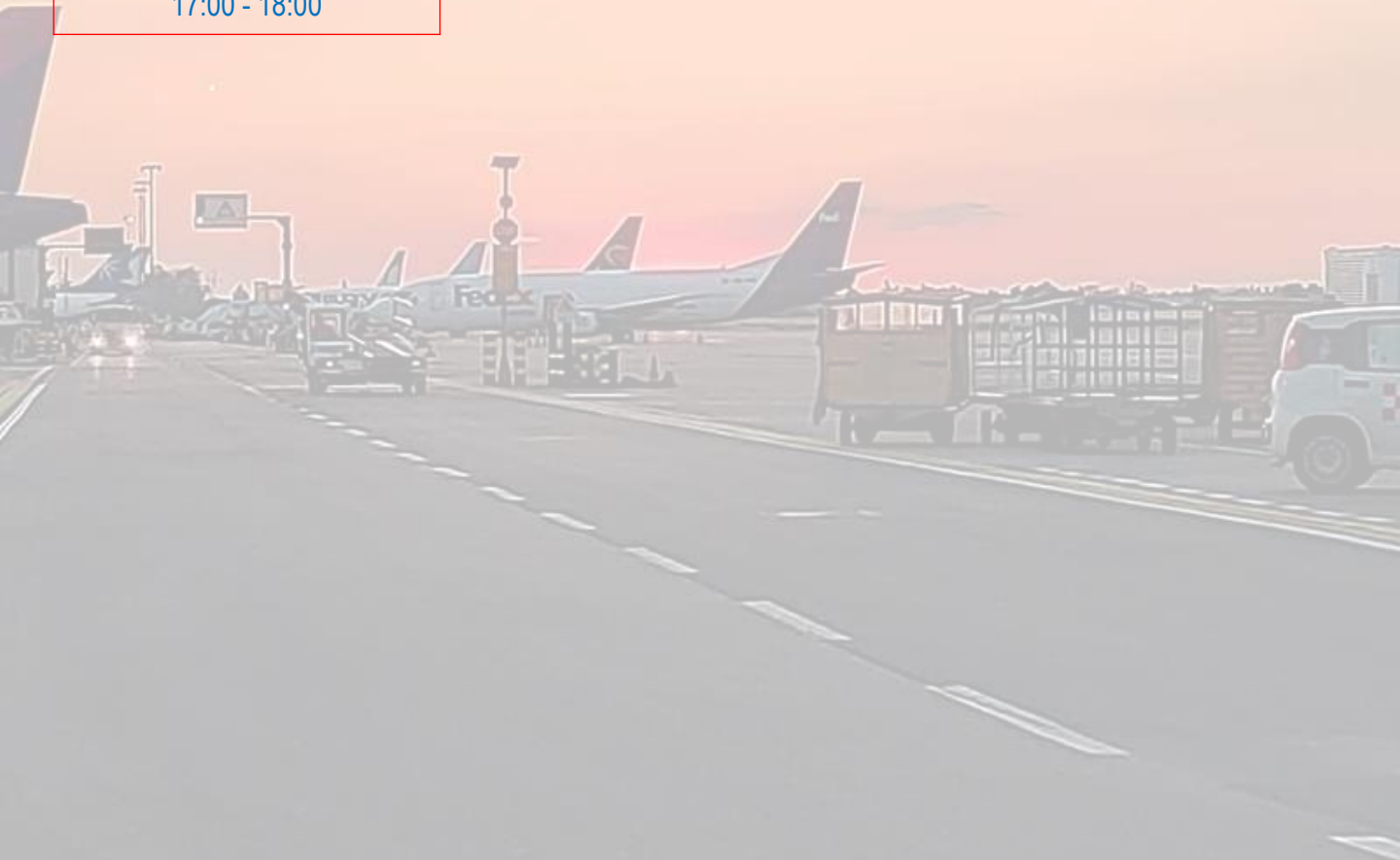
Flights must be operated and confirmed for the entire duration of the agreement and for the following IATA season. In case of non-confirmed route, both the previous IATA season's incentive and the current one will not be granted (2).

The higher capacity may not be reconfirmed only in case of:

- ☐ new routes
- ☐ seasonal routes
- ☐ high - density routes (already operated by the same Carrier with a minimum of 14 weekly flights),
- ☐ domestic routes

With the primary purpose to make the best possible use of airport infrastructures, increasing the efficiency of its infrastructure resources, an ad hoc incentive scheme may be accorded, on the basis of operational reasons, with the aim to relieve congestion in certain peak times. It is for these reasons that flights **scheduled (*) during the peak-hours are not included in this incentive program** and their corresponding departing passengers excluded accordingly.

PEAK - HOURS
UTC
4:00 - 5:00
13:00 - 15:00
17:00 - 18:00



B
**EXISTING ROUTES OPERATED
BY THE SAME OPERATING CARRIER**

For its peculiar strategic and operative features, a different incentive scheme may be conceived for **INCREASED CAPACITY ON EXISTING SCHEDULED ROUTES BY THE SAME OPERATING CARRIER**, considering their impact and value they add to the airport activity. The list is reported in the Annex 2.

With the primary purpose to make the best possible use of airport infrastructures, increasing the efficiency of its infrastructure resources, an ad hoc incentive scheme may be accorded, on the basis of operational reasons, with the aim to relieve congestion in certain peak times. It is for these reasons that flights **scheduled (*) during the peak-hours are not included in this incentive program** and their corresponding departing passengers excluded accordingly.

DURATION:	Up to 2 IATA seasons
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INCENTIVE (applied to the incremental departing passengers, excluding the peak-hour flights, compared to the corresponding season of the previous year)

MINIMUM OF SEATS OFFERED FOR EACH IATA SEASON	
OPERATING: + 20% seats offered (including the peak-hour flights)	COMPARED TO THE CORRESPONDING SEASON OF THE PREVIOUS YEAR

PEAK - HOURS
UTC
4:00 - 5:00
13:00 - 15:00
17:00 - 18:00

(*) the reference are the Historics Baseline Data of the Calendar of Coordination activities: 31 Aug. and 31 Jan.

3.

MULTIPLE ROUTE DEVELOPING PLANS

For its peculiar commercial and operative features, a different AD HOC incentive scheme is conceived for passengers' high volumes on multiple route network, considering their primary strategic importance. This plan may be granted to multiyear traffic development plans offering a wide range of routes.

It is intended to be sustainable during the period covered by the agreement.

DURATION:	UP TO 6 YEARS
BENEFICIARIES:	MINIMUM OF 10 ROUTES



BONUSES

Under special circumstances, AdB may grant to the airlines which are eligible for an incentive scheme (as per the present Policy) an additional bonus following the same terms as the incentive scheme⁽³⁾

TYPE OF INCENTIVE:	Additional incentive only applicable in combination with one of the other application cases. Separates bonuses not to be combined.
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ENVIRONMENTAL SUSTAINABILITY	<p>AdB commits itself to promote environmental sustainability activities, reducing aircraft environmental impacts, proactively supporting initiatives in cooperation with local stakeholders and authorities".</p> <p>BENEFICIARIES: airlines which already benefit from an incentive scheme and adopting concrete and effective solutions to preserve the environment and to promote environmental sustainability (for example flying with the youngest, most efficient fleet and the most modern engines possible). An additional incentive per departing passenger may be granted in case of aircrafts featuring Chapter 14 environmental performances, as results from IRESA calculation.</p>
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WINTER OFF-PEAK BONUS	Applicable only in IATA Winter seasons.
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MULTI ROUTES BONUS	<p>BENEFICIARIES: airlines which start operating at least 2 routes (one of which defined as "new destinations") with a minimum of 60 turnarounds on the whole in IATA Summer seasons and 20 in IATA Winter seasons.</p>
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(3) To better specify: an airline which benefits by the "New destinations" may be granted an increased depax incentive in case it meets the requirements set out in this category.

ANNEX 1



(5) SHORT- AND - MEDIUM-HAUL ROUTES

ANNEX 2

EXISTING SCHEDULED ROUTES (1/2)

Summer 2023

COUNTRY		ROUTES		OPERATING AIRLINE	
ALBANIA	TIA	TIRANA	AIR ALBANIA	ALBAWINGS	RYANAIR
AUSTRIA	VIE	VIENNA	AUSTRIAN AIRLINES	RYANAIR	WIZZ
BELGIUM	BRU	BRUSSELS	Brussels Airlines		
	CRL	BRUSSELS	RYANAIR		
BULGARIA	SOF	SOFIA	RYANAIR	WIZZ AIR	
CROATIA	ZAD	ZADAR	RYANAIR		
CYPRUS	PFO	PAPHOS	RYANAIR		
CZECH REPUBLIC	PRG	PRAGUE	RYANAIR		
DENMARK	BLL	BILLUND	RYANAIR		
	CPH	COPENHAGEN	NORWEGIAN	RYANAIR	SAS
EGYPT	MUH	MARSA MATROUH	NEOS		
	RMF	MARSA ALAM	NEOS		
	SSH	SHARM EL SHEIKH	AIR CAIRO	NEOS	
FINLAND	HEL	HELSINKI	FINNAIR		
FRANCE	BVA	PARIS	RYANAIR		
	CDG	PARIS	AIR FRANCE		
	LYS	LYON	TWINJET		
	MRS	MARSEILLE	RYANAIR		
	ORY	PARIS	VUELING		
GERMANY	TLS	TOULOUSE	RYANAIR		
	BER	BERLIN	RYANAIR		
	CGN	COLOGNE	EUROWINGS	RYANAIR	
	DUS	DUSSELDORF	EUROWINGS		
	FRA	FRANKFURT	LUFTHANSA		
GREECE	MUC	MUNICH	AIR DOLOMITI		
	NUE	NUREMBERG	RYANAIR		
	AOK	KARPATHOS	NEOS		
	ATH	ATHENS	RYANAIR	AEGEAN	
	CFU	CORFU	RYANAIR		
HUNGARY	CHQ	CHANIA	RYANAIR		
	HER	HERAKLION	NEOS	RYANAIR	
	JMK	MIKONOS	NEOS	RYANAIR	
	KGS	KOS	NEOS	RYANAIR	
	PVK	PREVEZA	RYANAIR		
IRELAND	RHO	RHODES	NEOS	RYANAIR	
	SKG	THESSALONIKI	RYANAIR		
	BUD	BUDAPEST	RYANAIR		
	DUB	DUBLIN	RYANAIR		
	KEF	REYKJAVIK	FLY PLAY		
ISLAND	TLV	TEL AVIV	RYANAIR		
ISRAEL	AHO	ALGHERO	RYANAIR		
ITALY	BDS	BRINDISI	RYANAIR		
	BRI	BARI	RYANAIR		
	CAG	CAGLIARI	RYANAIR	NEOS	
	CIY	COMISO	AEROITALIA		
	CRV	CROTONE	RYANAIR		
JORDAN	CTA	CATANIA	RYANAIR	WIZZ AIR	
	EBA	ELBA	SILVER AIR		
	FCO	ROMA	ITA		
	LMP	LAMPEDUSA	VOLOTEA		
	OLB	OLBIA	NEOS	VOLOTEA	
LUXEMBOURG	PMO	PALERMO	RYANAIR		
	PNL	PANTELLERIA	VOLOTEA		
	SUF	LAMEZIA	RYANAIR		
	TPS	TRAPANI	RYANAIR		
	AMM	AMMAN	RYANAIR		
MACEDONIA	LUX	LUXEMBOURG	LUXAIR		
MALTA	SKP	SKOPJE	WIZZ AIR		
MOLDOVA	MLA	MALTA	RYANAIR		
MOROCCO	KIV	CHISINAU	FLYONE	HISKY	
	CMN	CASABLANCA	AIR ARABIA	ROYAL AIR MAROC	
	FEZ	FEZ	RYANAIR		
	RAK	MARRAKECH	TUI AIRLINES		

ANNEX 2

EXISTING SCHEDULED ROUTES (2/2)

Summer 2023

NETHERLANDS	AMS	AMSTERDAM	KLM	
	EIN	EINDHOVEN	TRANSAVIA	
NORWAY	OSL	OSLO	NORWEGIAN	
POLAND	KRK	KRAKOW	RYANAIR	
	WAW	WARSAW	WIZZ AIR	
	WMI	WARSAW	RYANAIR	
	WRO	WROCLAW	RYANAIR	
PORTUGAL	LIS	LISBON	RYANAIR	TAP
	OPO	PORTO	RYANAIR	
ROMANIA	CLJ	CLUJ	WIZZ AIR	
	CRA	CRAIOVA	WIZZ AIR	
	IAS	IASI	WIZZ AIR	
	OTP	BUCHAREST	RYANAIR	WIZZ AIR
	SCV	SUCEAVA	WIZZ AIR	
	TSR	TIMISOARA	WIZZ AIR	
SERBIA	BEG	BELGRADE	AIR SERBIA	
SPAIN	ACE	LANZAROTE	RYANAIR	
	AGP	MALAGA	RYANAIR	
	ALC	ALICANTE	RYANAIR	
	BCN	BARCELONA	RYANAIR	VUELING
	FUE	FUERTEVENTURA	NEOS	RYANAIR
	IBZ	IBIZA	NEOS	RYANAIR
	LPA	LAS PALMAS	RYANAIR	
	MAD	MADRID	AIR NOSTRUM	RYANAIR
	MAH	MAHON	NEOS	RYANAIR
	PMI	PALMA	NEOS	RYANAIR
	SCQ	SANTIAGO	RYANAIR	
	SDR	SANTANDER	RYANAIR	
	SVQ	SEVILLA	RYANAIR	
	TFS	TENERIFE	NEOS	RYANAIR
	VLC	VALENCIA	RYANAIR	
	ZAZ	ZARAGOZA	RYANAIR	
SWEDEN	ARN	STOCKHOLM	RYANAIR	SAS
SWITZERLAND	ZRH	ZURICH	SWISS AIR	
TUNISIA	DJE	DJERBA	NEOS	
	MIR	MONASTIR	NEOS	
	TUN	TUNIS	NOUVELAIR TUNISIE	TUNIS AIR
TURKEY	IST	ISTANBUL	TURKISH AIRLINES	
	SAW	ISTANBUL	PEGASUS	
UNITED ARAB EMIRATES	DXB	DUBAI	EMIRATES	
UNITED KINGDOM	EDI	EDINBURGH	RYANAIR	
	LGW	LONDON	EASYJET	
	LHR	LONDON	BRITISH AIRWAYS	
	LTN	LONDON	RYANAIR	
	MAN	MANCHESTER	RYANAIR	
	STN	LONDON	RYANAIR	