

Fraport AG  
Frankfurt Airport Services Worldwide  
Sales & Customer Relations  
60547 Frankfurt am Main

[www.fraport.de](http://www.fraport.de)

Incentive Program 2019

## *Airline Incentives*

Financial Support for Airlines to Foster Long-Term  
Growth and Innovation



*Frankfurt Airport Frankfurt Airport*

## FRA Airline Support

### *Incentives for Long-Term Growth and Innovation*

**Our objective as an airport operator is to provide your airline business with the best possible support. In addition to professional services and top class infrastructure, our incentive program offers financial support to establish new routes, increase capacities and introduce the most recent level of technology.**

The incentives program promotes long-term and sustainable growth at Frankfurt Airport by creating new intercontinental connections and increasing capacity on intra-European routes.

Frankfurt International, as one of the world's largest airports, keeps up the latest standards of technology. Furthermore we are very committed to take over responsibility for our local community and environment. Introduced in 2017, we therefore support the fitting of GBAS in aircraft: a new, satellite-assisted navigation system that can make a significant contribution to noise abatement.

The following pages provide an overview of our incentive program for 2019.

Please note that you have to actively apply for our program to participate. (by 31 Dec 2019)

#### Contact

For general and specific information about our incentive program, please contact us at [✉ incentive@fraport.de](mailto:incentive@fraport.de).



## Incentives for Growth

### FRA Incentive Program – One Program, Three Options

The FRA Incentive Program gives you three options: the Incentive Model Intercontinental, the Incentive Model Continental and the Incentive Model GBAS.



#### Incentive Model Intercontinental

##### The Intercontinental Model in brief

First 12 months	 €20*
Second 12 months	 €15*
Third 12 months	 €10*

\* Per departing passenger

The Incentive Model Intercontinental helps airlines to establish new non-stop intercontinental destinations from Frankfurt Airport. An incentive is paid for each new non-stop intercontinental destination from Frankfurt Airport for the 36 months following the first flight.

The airline will receive an incentive per departing passenger for each flight to the new destination on a sliding scale across the 36-month period:

- In the first 12 months = €20 per departing passenger
- In the following 12 months = €15 per departing passenger
- In the last 12 months = €10 per departing passenger

##### Sample calculation<sup>1</sup>

A B787 flies non-stop to a new intercontinental destination with an average of 250 passengers on board. In the first twelve months, the airline receives a total incentive of €5,000 per flight: 250 passengers at €20 each = €5,000 per flight.

Taking charges into account (including central infrastructure, PRM, noise abatement) amounting to around €10,700 per flight, this effectively results in a saving of around 47 percent for the airline.

##### Payment terms

Incentives are paid at the end of the respective twelve-month period. All other details, including repayment terms, can be found in the current Airport Charges Regulation.

##### Conditions

To participate in the Incentive Model Intercontinental, airlines need to fulfill the following conditions:

- The destination has not been served from Frankfurt Airport in the previous three flight schedule periods by any other airline
- The new destination has to be served at least 25 times per period – either per season (summer or winter flight schedule period, for seasonal flights) or within twelve months
- The airline needs to serve the new destination for at least three consecutive flight schedule periods or three summer or winter flight schedule periods
- The total growth of the airline is > 0 percent, i.e. the new destination supplements the airline's existing route network
- The aircraft deployed belongs to noise categories<sup>2</sup> 1 through 11

To participate in either option, airlines must submit an informal application to Fraport AG. Please send an e-mail to: [incentive@fraport.de](mailto:incentive@fraport.de)

Please note that your application must be submitted by December 31, 2019

<sup>1</sup> Please note that this example does not represent a guarantee or forecast of the incentives you will receive. Please get in touch with your contact at Fraport to receive your own customized offer.

<sup>2</sup> Details of the noise categories can be found in the current Airport Charges Regulation ([www.fraport.com](http://www.fraport.com) > Business & Partners > Services > Airport Charges)



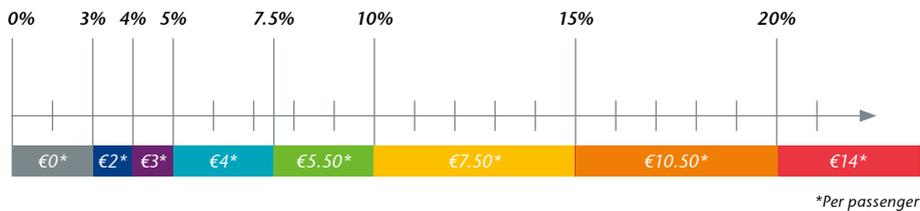
## Incentive Model Continental

The Incentive Model Continental rewards an airline's growth in continental traffic. The model encompasses all destinations in the EU (excluding Germany) and the rest of Europe that are served from Frankfurt.

The incentive is paid per departing passenger on a sliding scale depending on the growth rate<sup>3</sup>. It is calculated on the basis of passenger figures for 2018. If the airline records growth of at least 3 percent in the base year of 2019, an incentive is paid for each additional passenger above the growth rate of 3 percent.

The amount of the incentive in the base year is determined on the basis of the passenger growth rate: An incentive of €2 per passenger is paid for passengers within a growth interval from 3 to 4 percent. An incentive of €3 per passenger is paid for passengers within a growth interval from 4 to 5 percent. The other intervals are shown in the accompanying diagram. If the airline achieves at least the same number of passengers in the two years following 2019, this is also rewarded in the form of a sustainability component.

Incentive per passenger according to airline growth



### Sample calculation<sup>4</sup>

In 2018, airline YY carried 200,000 departing passengers to European destinations outside Germany. 224,000 passengers use airline YY in 2019, an increase of 12 percent over 2018. This growth rate of 12 percent is compensated on a sliding scale. The incentives from the individual intervals are added up at the end.

#### Up to 4 percent growth

2,000 passengers fall within the > 3 to 4 percent growth interval, earning the airline an incentive of €2/passenger = €4,000 in total.

#### 4 to 5 percent growth

A further 2,000 passengers fall within the > 4 to 5 percent growth interval, earning the airline an incentive of €3/passenger = €6,000 in total.

#### 5 to 7.5 percent growth

5,000 passengers fall within the > 5 to 7.5 percent growth interval, earning the airline an incentive of €4/passenger = €20,000 in total.

#### 7.5 to 10 percent growth

5,000 passengers fall within the > 7.5 to 10 percent growth interval, earning the airline an incentive of €5.50/passenger = €27,500 in total.

#### 10 to 15 percent growth

Finally, a further 4,000 passengers fall within the > 10 to 15 percent growth interval, earning the airline an incentive of €7.50/passenger = €30,000 in total.

Example airline growth: 12% in 1 year



All in all, the airline receives an incentive of €87,500 for the base year of 2019.

#### First sustainability component

If the airline succeeds in maintaining its passenger numbers and transporting at least 224,000 passengers in 2020, it receives a sustainability component of €70,000 – this corresponds to 80 percent of the incentive for 2019.

#### Second sustainability component

If there is no decline in passenger numbers in 2021 and the airline's growth is sustained, the airline receives 60 percent of the first sustainability component, i.e. €42,000.



### Payment terms

Incentives are paid at the end of the year. This applies for the base year and both years in which the sustainability component may be payable. All other details, including repayment terms, can be found in the current Airport Charges Regulation.

To participate in either option, airlines must submit an informal application to Fraport AG.  
Please send an e-mail to: [incentive@fraport.de](mailto:incentive@fraport.de)

Please note that your application must be submitted by December 31, 2019

### Conditions

To participate in the Incentive Model Continental, airlines need to fulfill the following conditions:

- The airline carries at least 10,000 departing passengers from FRA per calendar year
- If an airline carries no passengers or less than 10,000 passengers in the year preceding the base year, a base figure of 10,000 departing passengers is applied for the purposes of the growth calculation
- Only flights to European destinations outside Germany are incentivized
- The aircraft deployed belongs to noise categories<sup>5</sup> 1 through 10

<sup>3</sup> Growth refers to the growth of the airline group. The supported growth may not substitute losses of another airline belonging to the same group.

<sup>4</sup> Please note that this example does not represent a guarantee or forecast of the incentives you will receive. Please get in touch with your contact at Fraport to receive your own customized offer.

<sup>5</sup> Details of the noise categories can be found in the current Airport Charges Regulation ([www.fraport.com](http://www.fraport.com) > Business & Partners > Services > Airport Charges)



## Incentives for Innovation

### Incentive Model GBAS

**GBAS (Ground-Based Augmentation System) is a new navigation system enabling aircraft to make satellite-assisted precision approaches.**

Frankfurt Airport has been the first international hub in Europe to offer regular GBAS-CAT I approaches since September 2014. Since March 2017, Frankfurt Airport can be approached at a steeper glide path angle, GBAS 3.2°. In this way, the new GBAS technology will make a significant contribution to noise abatement and to protecting people and the environment in the vicinity of the airport.

Fraport AG is supporting the equipping of aircraft with GBAS technology. This applies to aircraft that are newly licensed in 2019 and equipped with GBAS, including its activation, and aircraft that are retrofitted with GBAS in 2019 or whose GBAS is activated in 2019. Consequently, the flight crews of the airline need to be licensed for GBAS landings (OPS approval). Airlines will then receive €100 per landing for each aircraft that has been equipped with GBAS in 2019.

This incentive applies for the first 100 landings of the GBAS-equipped aircraft, resulting in a maximum total incentive per aircraft of €10,000. Please note that the model is limited to a total budget of €2 million for all airlines.



### Payment terms

Incentives will be paid in the first quarter of 2020 provided that Fraport AG has received the corresponding documentation by December 31, 2019. All other details can be found in the current Airport Charges Regulation.

### Conditions

To receive the incentive, airlines need to fulfill the following conditions:

- An excerpt from the AOM (Aircraft Operating Manual) is provided showing that the aircraft has been fitted with GBAS
- The activation of GBAS is documented
- The cockpit crews of the airline have OPS approval for GBAS landings from their national aviation authority

For aircraft that are **newly licensed** in 2019, the following documentation also needs to be provided:

- Registration by their national aviation authority including licensing date
- Proof of GBAS activation

For aircraft that are **retrofitted** with GBAS / whose GBAS function is **activated** in 2019, the following documentation also needs to be provided:

- AOM revision page including revision date
- Proof of retrofitting or proof of GBAS activation

To participate in the GBAS incentive, please send an e-mail to: [incentive@fraport.de](mailto:incentive@fraport.de)

Please note that your application must be submitted by December 31, 2019