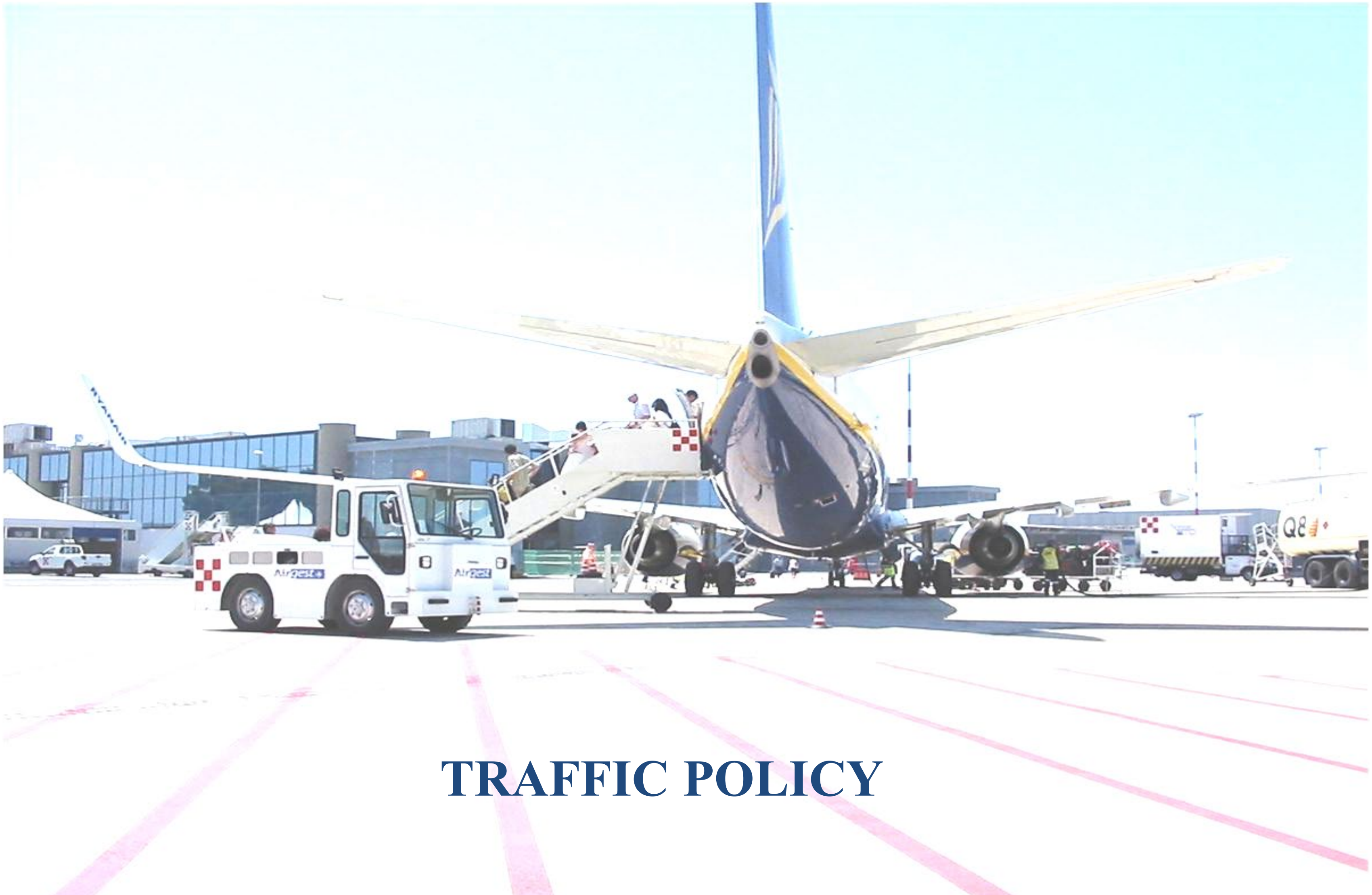

TRAFFIC POLICY

Airgest SpA

Aeroporto di Trapani Birgi "Vincenzo Florio"

TRAFFIC POLICY

LEGAL FRAMEWORK

This Policy is based on the following legal sources:

- **EU law** on State aid for route start-up, in particular Commission Communication 2014/C 99/03 of 4 April 2014 on State aid to airports and airlines, where public funds are involved;

- **National law**, as most recently provided by Article 13, paragraphs 14 and 15 of Decree-Law No. 145 of 23 December 2013, converted with amendments by Law No. 9 of 21 February 2014, and as amended by Article 1, paragraph 7 of Decree-Law No. 104 of 10 August 2023, converted with amendments by Law No. 136 of 9 October 2023, concerning urgent measures for the protection of users in the context of economic and financial activities and strategic investments.

CHARACTERISTICS OF THE TRAFFIC POLICY

- **Non-discriminatory**;

- **In compliance with the principles** of publicity, transparency, non-discrimination, and the prevention of undue negative effects on competition and trade between Member States;

- **Aimed at increasing traffic volumes** and enhancing regional mobility;

- **In line with the Private Investor Operating in a Market Economy principle** (*Market Economy Operator Test – MEO Test*);

- **Provides incentives for flight operations** scheduled during off-peak hours and/or off-season periods.

TRAFFIC POLICY

OBJECTIVES

The system set out below is designed to **promote the development and consolidation of passenger traffic** at Trapani–Birgi civil airport, **improve access to infrastructure**, and **optimize the use of available airport capacity**, thereby ensuring the most efficient utilisation of airport infrastructure and fostering **increased regional mobility and connectivity**, in full compliance with the applicable sectoral legislation.

Particular emphasis is placed on **incentive programmes aimed at de-seasonalising airport activity**, as well as on **promoting sustainable growth** through environmental protection measures and, more generally, through a firm commitment to the **pursuit of decarbonisation, innovation, and enhanced passenger service quality**.

BENEFICIARIES

The traffic development policy is addressed to all interested legal entities that meet the prescribed requirements, ensuring, in a transparent and non-discriminatory manner, equal opportunities for operators who intend to undertake the specified commitments of development and, where applicable, sustainable growth towards the airport operator.

TRAFFIC POLICY

CRITERIA FOR THE GRANTING OF INCENTIVES

CONNECTIVITY GROWTH BY FLIGHT TYPE

- DOMESTIC
- INTERNATIONAL

BY PURPOSE'

- GROWTH IN OVERALL TRAFFIC VOLUME
- GROWTH IN SPECIFIC TRAFFIC SEGMENTS

INCREASE IN OVERALL MOBILITY

- BASED ON GROWTH IN TRAFFIC VOLUMES
- BASED ON NETWORK EXPANSION

TRAFFIC POLICY

PARAMETERS FOR DETERMINING THE INCENTIVE

The parameter used for calculating the incentives consists of a **pre-determined contribution per departing passenger (DEPAX)**, multiplied by the number of passengers deemed valid and compliant with the required standards.

The incentive shall be granted **ex post**, meaning that it will be awarded at the end of a predetermined period specified in the agreement, and only after verification that all eligibility conditions have been met.

No incentive shall be granted for routes subject to public service obligations.

The incentives shall be disbursed in the form of a **contribution regulated by Airgest** and shall be paid **no earlier than 30 days** from the date of receipt of the invoice submitted by the air carrier.

VALIDITY

The incentive programme shall apply **exclusively on the basis of a formal agreement** signed by both parties **prior to the commencement of operations**. This policy shall apply **only to new agreements**.

Existing agreements shall remain valid until their natural expiry.

The present Traffic Policy **replaces all previously published documents** and shall remain in force **until amended or replaced**.

TRAFFIC POLICY

TYPES AND TARGETS OF INCENTIVES

1) START-UP OF NEW ROUTES

2) INCREASE AND CONSOLIDATION OF EXISTING ROUTES

3) ACTIVATION OF SEASONAL CHARTER SERVICES

1. START-UP OF NEW ROUTES

1) START-UP OF NEW ROUTES: Scheduled air services not previously operated from Trapani–Birgi Airport.

- Start-up of new scheduled routes entailing at least **one weekly rotation** (1/7).

- ✓ The air carrier shall be granted an incentive per departing passenger (DEPAX) on routes not previously served by Trapani–Birgi Airport.
- ✓ The amount of the incentive may vary depending on whether the flight is operated during peak or off-peak hours, or in the summer or winter season.
- ✓ **A one-off start-up marketing contribution** may be granted in the case of destinations considered strategic for the airport.
- ✓ The air carrier must guarantee the operation of at least **80% of the scheduled flights** and seat capacity forming the basis for the incentive. Furthermore, the route must be maintained for a period at least equivalent to the period during which start-up aid was received.

Eligible Entities

The following air carriers are eligible for incentives:

- ✓ Those meeting the **technical and financial criteria established under EU legislation**;
- ✓ Not listed on the **European Commission's blacklist**;
- ✓ Not involved in any **pending legal disputes** with the airport operator;
- ✓ **Compliant with anti-mafia regulations** and, where applicable, with **social security and tax obligations**;

The incentive may include **bonus mechanisms** in the form of **modulated airport charges**, ground handling services, and/or **promotional payments** based on the total number of **new passengers** transported on the agreed routes, as estimated within the framework of the carrier's entrepreneurial initiative.

Modulated charges may include:

- Landing and take-off charges (per aircraft movement); Aircraft parking charges; Passenger boarding charges; Security charges (for passengers and checked baggage); PRM (Passengers with Reduced Mobility) fees.

2. INCREASE AND CONSOLIDATION OF EXISTING ROUTES 1/2

2) INCREASE AND CONSOLIDATION OF EXISTING ROUTES: <u>exclusively for scheduled connections already in operation at Trapani-Birgi Airport</u>

- **Incremental traffic** is defined as the positive difference in the number of departing passengers (depax) carried by an air carrier at Trapani Airport over the same period in two different calendar years.

- The carrier shall be granted an incentive for each departing passenger;
- The amount of the incentive may vary depending on whether the flight is operated during peak or off-peak hours, and whether it is operated during the November–March period on existing routes already served by the carrier;
- A **one-off start-up marketing contribution** may be granted in the case of destinations deemed particularly strategic for the airport or for the relevant local area;
- The carrier is required to operate at least **80% of the scheduled flights** and to comply strictly with all contractual terms and deadlines.

<u>Eligible parties for the incentive scheme</u>

- Carriers meeting the technical and financial requirements under EU regulations. Carriers not included on the **European Commission's blacklist**. Carriers with no outstanding legal disputes with the airport managing company. Carriers in compliance with anti-mafia regulations and social security contribution obligations, where applicable;
- The incentive may include **bonus mechanisms** in the form of **modulated airport charges**[1], ground handling services discounts, and/or **promotional payments** related to the total number of **new passengers** transported on the agreed routes, as estimated under free market conditions.

[1] Airport charges include: landing and take-off fees (per aircraft per movement), parking fees (per aircraft per movement), passenger boarding fees, security charges (per passenger and checked baggage), and PRM (Passengers with Reduced Mobility) fees.

2. INCREASE AND CONSOLIDATION OF EXISTING ROUTES 2/2

APPLICABLE CASES UNDER THE POLICY FOR ROUTE INCREASES

1) A Carrier already operating at the airport submits a scheduled flight program that consolidates or increases by at least **one (1) weekly rotation** the scheduled routes it already operated during the corresponding previous IATA season.

2) A new Carrier schedules the commencement of at least **one (1) weekly rotation** on a scheduled destination already served at Trapani Airport by another carrier during the same IATA season. The scheduled flight program must be confirmed for at least **two (2) consecutive IATA seasons**.

3. SEASONAL CHARTER FLIGHTS

3) SEASONAL CHARTER FLIGHTS – Launch of New Routes at Trapani-Birgi Airport

- The launch of new seasonal routes is envisaged, primarily aimed at incoming traffic of a tourist nature, with a minimum operational frequency of one (1) weekly rotation during the relevant IATA season.

•Departure Passenger Incentive (depax):
An economic contribution is granted to the air carrier for each departing passenger, applicable for IATA season.
•Incentive Modulation:
The amount of the incentive may vary depending on whether the flight is operated during peak or off-peak hours, and/or during the low season period (specifically, the November–March timeframe).
•Priority Routes:
For applying the incentive scheme, the following destinations are considered strategically prioritized routes:
Prague, Budapest, Bucharest, Berlin, Vienna, Geneva, Zurich, Tampere.
•One-off Start-up Contribution:
A one-off promotional contribution may be granted in cases where the new destination is deemed of particular strategic interest to the airport.
•Obligations of the Air Carrier:
The carrier shall operate at least 80% of the scheduled flights and comply strictly with the contractual obligations and deadlines.

Eligible Beneficiaries

The following entities are eligible to receive the above-mentioned incentives:

- Air carriers that meet the technical, operational, and financial requirements as set forth by applicable European Union regulations;
- Carriers not listed on the European Commission’s blacklist;
- Carriers that have no ongoing disputes with the airport managing company;
- Carriers that comply with anti-mafia regulations and social security contribution obligations, where applicable.

The incentive may take the form of bonus mechanisms, including but not limited to:

- **Tariff modulation** of airport charges[1] ;
- Reductions or exemptions related to ground handling services;
- **Promotional payments**, based on the total number of new passengers transported on the agreed routes, as estimated under the carrier’s entrepreneurial initiative.

[1] Airport charges include: landing and take-off fees (per aircraft per movement), parking fees (per aircraft per movement), passenger boarding fees, security charges (charges applicable to both passengers and hold baggage), and PRM (Passengers with Reduced Mobility) fees.

EFFECTIVENESS

- The Traffic Development Policy:
  - is published on the official website of the airport managing company;
  - may be revoked or updated by the company at any time;
  - is drafted in both Italian and English;
  - requires a written agreement between the company and the beneficiary of the incentive in order to be implemented.

Agreements signed under previous policies shall remain valid until their natural expiry date.

DURATION

The incentive program shall be applied exclusively based on a valid agreement duly signed by both parties prior to the commencement of operations and shall remain in force for the entire duration of said agreement.
These Traffic Policies supersede any previously published documents and shall remain in effect until amended or replaced.

REQUIREMENTS AND PROCEDURES FOR ACCESSING THE INCENTIVE PROGRAM (1/3)

- All carriers are eligible to apply for access to Airgest's incentive program, with no distinction made regarding the type of flight operated (e.g., Low Cost, Charter, etc.).
- The applicant carrier shall submit a three-year passenger traffic and movement forecast, or in any case, a forecast aligned with the proposed agreement, along with all relevant operational information (such as aircraft type, fleet composition, backup capacity), and any other data deemed necessary for the proper assessment of the initiative and its economic sustainability. Additional information may be requested if deemed necessary.
- The applicant carrier must hold a valid Air Operator Certificate, including the necessary traffic rights where applicable.
- The applicant carrier must provide anti-mafia certification and proof of social security compliance, where applicable.
- Eligible beneficiaries are those carriers that meet the technical and economic requirements established under European legislation, are not included in the EU Safety List (i.e., the blacklist of carriers banned from operating within the European Union).
- Carriers must not have any ongoing legal disputes with the airport managing company, must comply with anti-mafia regulations, and must fulfill all payment obligations arising from the executed agreement.
- Carriers must not have committed serious legal violations

REQUIREMENTS AND PROCEDURES FOR ACCESSING THE INCENTIVE PROGRAM (2/3)

- To request admission to the incentive program, carriers must submit their **expression of interest** via email to: **aviation@airgest.it** or **protocollo@pec.airgest.it**, specifying the proposed flight program to be activated and/or any existing routes they intend to increase. For each route, the following information must be provided:
    - proposed start-up date;
    - period of operation;
    - scheduled frequencies;
    - type of aircraft to be used.
- Airgest will assess the content of the submissions and may select those carriers whose proposals are deemed most suitable for achieving the common objectives underlying this incentive program.
- Without prejudice to Airgest's obligation to comply with the Guidelines issued by the Ministry of Infrastructure and Transport, any incentive agreements entered into with carriers that include the granting of incentives under the described conditions shall be treated as confidential.
- Incentive measures may not be combined for the operation of the same route.

REQUIREMENTS AND PROCEDURES FOR ACCESSING THE INCENTIVE PROGRAM (3/3)

- If multiple carriers submit expressions of interest concerning the same route, the selection of the carrier eligible to benefit from the incentives shall be based on the following evaluation criteria:
  - the number of routes proposed in the submitted expression of interest;
  - the level of market penetration, as evidence of the carrier's commercial capability;
  - the seasonality of the routes proposed within the Development Program;
  - the type of aircraft the carrier intends to operate.
- The conclusion of agreements with carriers benefiting from the incentives shall, in all cases, be subject to verification of the eligibility requirements set forth in the section ***"Entities Eligible for Incentives".***
- *Any amendments to this policy shall be published by Airgest in accordance with the provisions set forth in the guidelines issued by the Ministry of Infrastructure and Transport.*
- *Airgest reserves the right to evaluate the submitted applications in accordance with the above-mentioned criteria, including the verification of economic sustainability requirements (MEO Test). In the event of multiple applications or equivalent qualifications, Airgest shall carry out the selection independently, assessing which application aligns more closely with its strategic objectives.*

ECONOMIC SUSTAINABILITY REQUIREMENTS

The objectives set forth through the implementation of the incentive scheme must generate a positive economic return for the airport management company, Airgest S.p.A. The verification of economic sustainability — a prerequisite for the disbursement of any incentive — shall be carried out on an **ex-ante** basis for each agreement entered into with carriers, in accordance with the **Market Economy Operator (MEO) Test**, in order to ensure that the incentive measure does not constitute State aid.

In cases where the incentive may qualify as **State aid**, Airgest shall act in accordance with the provisions laid out in the **European Commission Guidelines No. 2014/99C of 4 April 2014**.