



# Tariff Manual

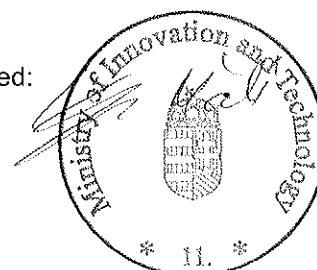
Budapest Airport Budapest Ferenc Liszt International  
Airport Operator Private Limited Company

Valid: from 1 January 2022

When interpreting this Tariff Manual, the Hungarian version shall prevail.

Budapest Airport Zrt.  
1185 Budapest,  
BUD International Airport

Approved:





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## Abbreviations

Civil Code	Act V of 2013 on the Civil Code
Aviation Act	Act XCVII of 1995 on aviation
AIP	Aeronautical Information Publication
ICAO	International Civil Aviation Organization
IATA	International Air Transport Association
ACI	Airports Council International
CAA	Civil aviation authority [the organization designated as per section (1) of article 9 of government decree 382/2016. (XII. 2.)]
CUTE	Common used terminal equipment
EUR	Euro
HUF	Forint
MTOW	Maximum takeoff weight
Kg	Kilogram
GAT	General Aviation Terminal
EPNdB	Effective perceived noise in decibel
NOTAM	Notice to airmen
ASQ	Airport service quality
HICP	Harmonized index of consumer prices
PSC	Passenger service charge
PRM	Persons with reduced mobility (as per regulation 1107/2006/EC of the Parliament and of the Council of 5 July 2006 concerning the rights of disabled persons and persons with reduced mobility when travelling by air)

## Definitions

**Aircraft in emergency:** An aircraft that initiates landing for a cause that is declared an emergency situation by the flying crew and forces the aircraft to conduct an emergency landing but the flight's planned destination is not Budapest.

**Aircraft operator:** In the case of scheduled and charter flights, the airline that operates an aircraft under the airline's ICAO or IATA code and its airline code is not indicated as code-share partner. In the case of general aviation, the legal entity or individual who/which according to section 12 of the Aviation Act is included in the register of the aviation authority, or in the case of a foreign aircraft, an operator included in the register of the foreign aviation authority.

**Aircraft owner:** According to section 12 of the Aviation Act, an aircraft owner is a person included in the register of the aviation authority as owner, or in the case of a foreign aircraft a person included in the register of the foreign aviation authority as owner.

**Aircraft:** Any mechanism, the staying of which in the air originates from an interaction with the air different from the effect of the forces of the air on the surface of the earth.

**Airline designator:** the unique 3-character ICAO code or the 2-character IATA code serving the purpose of international identification of the airline.

**Airport Operator:** Budapest Airport Zrt., a business entity, the duty of which - together with other activities - is to administer and manage the infrastructure of the airport as well as to coordinate and control the activities of the different persons at the airport in accordance with the statutory instruments and the assets management contract concluded with KVI (Treasury Property Directorate).

**Airport system:** A group of airports which are located in the immediate vicinity or catchment area of the same town. The list of these airports and towns are attached hereto under point 2.7.4.

**Airport user:** A natural person or a legal person carrying passengers, postal consignments and/or goods to or from the given airport via air.

**Airport:** Budapest Ferenc Liszt International Airport (BUD).

**Annual operation:** Operation on a particular route for one year (two consecutive schedule periods) actually operating at least one flight a week.

**Code C-, D- or E aircraft:** aircraft categories according to the ICAO Aerodrome Reference Code.

**Chartered flights:** Occasional and periodical flights which fly to and from the Airport not regularly and which are not included in the schedule approved by the aviation authority.

**Code-share airline:** An airline which flies a particular route by a code-share flight and it is not the operating carrier.

**Code-share flights:** A flight used by two or more airlines according to the operating or commercial contract but the actual flight is operated by one of these airlines by means of its own aircraft.

**Dedicated cargo aircraft:** Any aircraft that carries goods and postal consignments and is not a passenger aircraft.

**Flight designator:** A series of characters consisting of the airline designator and the flight number, unambiguously defining the route and its direction.

**Flight number:** IATA standard; minimum three digits (e.g.: 009/520; maximum four digits + one letter (e.g. 7441A)).

**Flight frequency:** The total number of scheduled flights on a route in a specific period of time (month, week).

**Frequency / Weekly frequency:** an average value defined as the ratio of the total number of scheduled flights in a specific time period (year, month, schedule period) and the number of weeks in the same period.

**General aviation flight:** A flight that does not operate as a scheduled or chartered flight and is not typically engaged in commercial activity.

**List of service charges:** The document comprising the services provided by Budapest Airport Zrt. which may be requested/used by anyone - with the exception of services under the scope of this Tariff Manual as well as the lease of assets managed by Budapest Airport Zrt. (including public-road car parks) - and their fees/charges.

The effective version may be accessed at and downloaded from [https://www.bud.hu/en/tariff\\_manual](https://www.bud.hu/en/tariff_manual) at all times.

**Long-haul flights:** Flights lasting at least four and a half hours.

**Low-cost carrier:** An air carrier that has a relatively low cost structure in comparison with other comparable carriers and offers low fares and rates. Such an airline may be independent, the division or subsidiary of a major network airline or, in some instances, the ex-charter arm of an airline group.

**Maximum Takeoff Weight (MTOW):** The maximum structural takeoff weight of an aircraft on the basis of the certificate of the aircraft's suitability for flying.

**New destination / new seasonal destination:** All cities or airport systems to which no flights were operated by any airline from the Airport during the schedule period preceding the starting date (in the case of a new seasonal destination, during the same schedule period, either summer or winter, preceding the starting date). If there is more than one airport in a city, the incentive can only be used if the given airport is not part of the airport system of the city. The list of cities qualifying as airport systems is included in section 2.7.4.

**Passenger aircraft:** A flight that carries persons who are included on the Passenger Name List and do not belong to the crew of the aircraft.

**Practice and training flights:** A flight, the purpose of which is training activity, and not transport or carriage.

**Price Cap:** The Price Cap is determined as the net sales revenues of Budapest Airport Zrt. per passenger (excluding value added tax) which the airport operator can realize from the whole of the Regulated Activities in a given year. The specification of the Price Cap's calculation and the value of the Price Cap valid in each year of the five-year charge calculation period are included in Annex 2.

**Regulated Activities:** The activities relating to airport operation and to aircraft and passenger services listed in Annex 1.

**Rescue flight:** A flight necessary because it carries seriously ill or seriously wounded persons, who have already received medical treatment or first aid, from one hospital to another.

**Scheduled flights:** Flights flying regularly to and from the Airport and included in the schedule approved by the aviation authority.

**Searching flight:** A flight which is aimed at saving someone's life or protecting someone's health.

**Seasonal flight:** Flights that are operated in one given schedule period only, or repeatedly during consecutive summer or winter schedule periods.

**Standard gate (boarding gate providing a standard level of service):** Boarding gates used for boarding by air jetty or busing.

**State aircraft:** The aircraft serving the purposes of the defense, customs, police and border guard authorities.

**Technical test flight:** A flight, the aim of which is to obtain the certificate of an aircraft's suitability for flying or the certificate of the suitability of certain appliances.

**Transfer passenger:** A passenger who changes flights without leaving the transit area of the airport, who arrives at the airport by a different flight to the one he leaves on. A passenger qualifies as transfer passenger if he/she leaves on the same flight but changes aircraft at Budapest.

**Transit passenger:** A passenger who continues his journey by the aircraft of the same flight number and registration number as the one he arrived on.

**Year of operation:** The period commencing from the starting date of the flight and lasting for 365 days.

**Year-round flight:** The operation of at least 1 regular flight per week during the year of operation, for at least 50 weeks.



# 1. General Provisions

## 1.1. The legal background to the Tariff Manual

Decree no. 61/2011 (XI. 25.) of the Minister of National Development on the principles and methods of determining the charges payable for the use of the commercial airport by aircraft (hereinafter: **Decree**) issued on the basis of government decree no. 532/2017. (XII.29.) on the supplementary procedural rules of the aviation authority (hereinafter: **Government Decree**), issued on the basis of the authorization in subsection k) of section (3) of article 73 of the Aviation Act as well as the authorization in subsection z) section (1) of article 74 of the Aviation Act) provides for the charges payable by those using the Airport and intended to be applied by Budapest Airport Zrt. (hereinafter: **Charges**).

The scope of the Decree applies to airports serving more than 250 thousand passengers a year, as well as to the revenues originating from Regulated Activities. The list of Regulated Activities is included in **Annex I**.

In accordance with the Decree, an upper limit (**Price Cap**) shall apply to the revenues of Budapest Airport Zrt. originating from the Regulated Activities. The trends of the Price Cap shall have a direct effect on the current Charges.

The detailed specification of the calculation of the Price Cap and the value of the Price Cap valid in each year of the five-year charge calculation period are included in **Annex II**.

## 1.2. Determination and collection of the Charges

### 1.2.1 Determination of the Charges

Based on the authorization of the Aviation Act, Budapest Airport Zrt. shall determine and collect the Charges, and the aviation authority cannot directly influence the rate or the inner structure of the charges adopted by the airport operator for the Regulated Activities. Budapest Airport Zrt. can freely establish the different rates of charges, provided that the regulated revenue per passenger remains below the Price Cap in effect, with the exceptions laid down in the Decree.

### 1.2.2 Consultation process

An essential element of the determination of charges is the consultation carried out with the users of the Airport, the procedure/schedule of which is included in **Annex III**.

### 1.2.3 Collection of the Charges

When using the Airport, the charges determined in the Tariff Manual and issued in the AIP (calculated in EUR) shall be paid in EUR.

It shall be the duty of the operator of the flight to pay the Charges for the use of the Airport, and in the case of a flight of general aviation, it shall be the duty of the operator of the aircraft. If the operator cannot be identified unambiguously, then the owner of the aircraft - identified on the basis of the registration number - shall be obliged to pay the Charges.

In the case of so-called "code-share" flights, the operator of the aircraft shall pay the Charges, irrespective of the fact that the flight number of another airline is also linked with the given aircraft.

The Charges due shall be paid in advance. Prepayment shall take place on the basis of calculation. The operator/owner of the aircraft shall request the calculation from Budapest Airport Zrt. in an application for pre-calculation mailed to [prepayment@bud.hu](mailto:prepayment@bud.hu). This can be found in Annex IV. The following data shall be submitted to Budapest Airport Zrt. for the purpose of prepayment:

- The aircraft type and subtype,
- Flight number,
- Registration number,
- Time of arrival and departure,
- MTOW,
- The noise certificate of the aircraft,
- Seating capacity.

In the case of aircraft arriving for maintenance, during the pre-calculation, Budapest Airport Zrt. is entitled to charge half of the parking fee for the period of time expected to be spent at the airport.

Based on the above data, Budapest Airport Zrt. shall prepare the pre-calculation and send it to the airline within 2 (two) working days of the receipt of the request. In the case of prepayment, the calculated amount must be transferred to the bank account of Budapest Airport Zrt. not later than the 3<sup>rd</sup> (third) working day preceding the date of the arrival of the flight. When requesting prepayment all abovementioned deadlines shall be considered. If the prepayment does not arrive at Budapest Airport Zrt.'s bank account in time, Budapest Airport Zrt. (or its contracted partner) shall be entitled to demand the payment of the Charges on the spot either in cash or by bank card. In case of cash or credit card payment, Budapest Airport Zrt. collects a one-off fee of €40 (administration fee) on top of the published airport charges. The administration fee shall be paid along with the airport charges.

In the case of airlines operating flights to and from the airport continuously, the Charges due shall be paid in advance bi-weekly to Budapest Airport Zrt. after the flights between the 1<sup>st</sup> day and 15<sup>th</sup> day, and the flights between the 16<sup>th</sup> day and the last day of the month. The amount calculated for the two-week period must arrive at the bank account of Budapest Airport Zrt. until the 3<sup>rd</sup> (third) working day before the arrival of the first flight in the given period.

Budapest Airport Zrt. is entitled to request a monthly advance on the Parking charges to be incurred pursuant to section 2.2 from the operators / owners of aircraft present at the airport for more than 1 (one) month continuously. This advance must be transferred to the bank account of Budapest Airport Zrt. not later than the 3<sup>rd</sup> (third) working day preceding the commenced month of parking. Budapest Airport Zrt. shall issue a final invoice for the Parking charge subsequently, on a monthly basis, and if any Parking charge is payable, it shall be due by the 8<sup>th</sup> (eighth) day following the date of issue of the invoice.

Budapest Airport Zrt. forwards the invoices to aircraft operators/owners in an authenticated electronic form, as an electronic invoice furnished with all legal requirements, to the email address(es) specified by the aircraft operator/owner to Budapest Airport Zrt. in the pre-calculation request or in some other written form.

If the operator/owner of the aircraft issues a written declaration refusing to accept electronic invoices, then Budapest Airport Zrt. reserves the right to charge the invoicing fee specified in the List of Service Charges for each paper-based invoice.

Until the Charges due are paid to Budapest Airport Zrt. and to its subsidiaries, the airport operator shall be entitled to block take-off without prejudice to the safety of aviation. If the airport operator blocks take-off because of non-payment, the operator/owner of the aircraft having failed to pay may not claim damages from Budapest Airport Zrt. If the operator/owner of an aircraft cannot comply with its cash/bankcard payment obligation, the airport operator shall be entitled to charge triple the one-off administration fee of €40.

Except for claims acknowledged by Budapest Airport Zrt. or based on a final and valid court resolution, the operator of the aircraft is not entitled to offset any kind of actual or presumed claim, on any grounds against the Charges payable under the Tariff Manual.

It is possible to deviate from the above terms of payment on the basis of the provisions of a bilateral agreement (payment agreement) concluded with Budapest Airport Zrt. A payment agreement may only be concluded in the case of scheduled flights or regular charter flights. The conclusion of such a payment agreement may be initiated by Budapest Airport Zrt. or by the airline. Budapest Airport Zrt. shall decide on the conclusion of a payment agreement within its own competence.

#### ***1.2.4 Delayed payment***

If the invoices issued for the airport charges are not settled on time, Budapest Airport Zrt. shall be entitled to charge default interest, the rate of which shall be determined in accordance with the provisions of the Hungarian Civil Code (the base rate determined by the Central Bank of Hungary in effect on the first day of the calendar half-year affected by the default, or in the case of a foreign currency debt the base rate determined by the central bank which issued the affected currency or in the absence of it the relevant rate in the money market, increased by an additional 8 percentage points).

Pursuant to the provisions of the Civil Code, in the event of late payment Budapest Airport Zrt. shall be entitled to satisfy - out of the paid amount - the costs in the first place, after that the default interest, and finally the principal. On the remaining amount, further default interest will be charged.

#### ***1.2.5 Complaint management***

If the airport user does not accept the invoice issued by Budapest Airport Zrt. concerning the passenger service charge or the security fee, the airport user shall submit the following documents as attachments to the complaint:

1. In case of discrepancies in total passenger number: the load message or load sheet of the flight concerned;
2. In case of discrepancies in the share of departing/transit passengers within the total passenger number: passenger list of the flight concerned.

In the absence of the above documents Budapest Airport Zrt. will refuse any complaint without having regard to any other circumstances.

The evaluation of complaints concerning Landing charges stipulated in section 2.1 shall be governed by the provisions of section 1.4 of this chapter.

### **1.2.6 Governing law**

All matters in dispute concerning the legal ground, payment and collection of the Charges shall be governed by the laws of Hungary.

### **1.3. The calculation of the weight of the aircraft**

In the case of charges where the weight of the aircraft is a determining factor,

- Primarily the data indicated in the airworthiness certificate,
- And in the absence of the aircraft operator's certification of the data specified in point a), the weight data pertaining to the given aircraft type indicated in the publication called *ICAO Doc 7100 Manual of Airport and Air Navigation Facility Tariffs, Selective List of maximum Licensed Take-off Weights for Aircraft* shall be applied.

### **1.4. The submission of data concerning the aircraft fleet**

Airport users operating flights regularly must submit the data (registration number, aircraft type-model, maximum take-off weight, noise emission data, number of seats) of the aircraft they intend to operate at the Airport. Data shall be submitted to the Airport Operations Control Center at:

Email: [airport.ops@bud.hu](mailto:airport.ops@bud.hu); [alexandra.varro@bud.hu](mailto:alexandra.varro@bud.hu)

A list already submitted can be updated anytime, under the condition that Budapest Airport Zrt. shall apply the data submitted as of the 4<sup>th</sup> day following the date of receipt of the notification. Until notification to the contrary is received, Budapest Airport Zrt. shall take into consideration the last submitted data.

Budapest Airport Zrt. shall not be liable for damages arising from a failure to submit data, from the missing of the deadline for data submission, or from the submission of incorrect data; and the airport user cannot claim compensation for its damages arising from those from Budapest Airport.

### **1.5. Quality compliance**

The detailed description of quality compliance of Budapest Airport Zrt. relating to the Charges collected for Regulated Activities and the system of requirements thereof are included in **Annexes V-VIII**.

### **1.6. Other**

The Decree provides for the mandatory content elements of the Tariff Manual, which shall not necessarily be directly connected to the Charges determined by Budapest Airport Zrt. For the sake of compliance, Budapest Airport Zrt. discloses this information in **Annexes IX-XIV**.

All ways or modes of the usage of airport infrastructure as described in this Tariff Manual shall always be subject to and superseded by the Aerodrome Manual, as it is amended from time to time, or by any kind of safety or security measures introduced by the authorities.

## 2. Airport charges

### 2.1. Passenger aircraft

#### 2.1.1. Landing charge

The Landing charge as per this section 2.1.1, is determined by Budapest Airport Zrt. taking into consideration the maximum take-off weight of the aircraft. The airport user - in the absence of exemption - shall be obliged to pay the charge.

##### *a) Calculation of the Landing charge*

The airport user can decide to pay the Passenger Service Charge Inclusive or the Passenger Service Charge Non-Inclusive options as per section 2.1.3. b), with prior notice to Budapest Airport Zrt., latest by the day on which the new schedule period starts. The Landing charge paid by the airport user depends on the chosen Passenger Service Charge option.

The charge for the use of the runways and/or taxiways of the airport shall be paid together with the charge for lighting for every aircraft, taking the maximum take-off weight into consideration. The Landing charge shall be paid if the aircraft touches down, including touch-and-go operations.

The airport user shall pay a standard charge for every aircraft not exceeding a maximum take-off weight of 10 000 kg. If the maximum take-off weight of the aircraft exceeds 10 000 kg, then the airport user shall pay the Landing charge stipulated in this section according to the category the given aircraft falls into on the basis of its maximum take-off weight.

Weight of the aircraft (kg)	Passenger Service Charge Inclusive		Passenger Service Charge Non-Inclusive and in case of GAT Terminal	
	EUR (per aircraft)	EUR/1000 kg started	EUR (per aircraft)	EUR/1000 kg started
Up to 10 000	128.65	-	136.48	-
10 001 - 45 000	-	12.23	-	12.98
45 001 - 150 000	-	10.37	-	11.01
150 001 -	-	8.31	-	8.82

##### *b) Reductions and exemptions*

Reductions granted from the Landing charge are calculated, in each case, from the Landing charge that belongs to the Inclusive Passenger Service Charge as per section 2.1.1.

From the Landing charge calculated as per section 2.1.1, a reduction of 75% is granted to flights performed in relation with the issuing of airworthiness certificates/records as well as flights performed for the purpose of checking on-board instruments and test flights.

From the Landing charge calculated as per section 2.1.1, a reduction of 50% is granted to training flights.

Based on sections (5) and (6) of article 41 of the Aviation Act, the following flights shall be exempted from the obligation to pay the Landing charge calculated on the basis of section 2.1.1:

- Non-commercial flights performed by aircraft operated by the Hungarian state;
- Search and rescue flights;
- Flights carried out for the purpose of calibrating navigation instruments;
- Use of the airport by an aircraft in emergency;

### 2.1.2. Parking charge

All users of the airport shall be obliged to pay a parking charge irrespective of whether they use a contact stand, a remote stand or any other area which is not rented exclusively.

#### 2.1.2.1. At a stand without a passenger boarding bridge (remote position or area not rented exclusively)

##### a) During the day (between 06:00 and 22:00):

The following parking charges shall be paid for every 60 minutes started, for every 1000 kg of the maximum take-off weight of the aircraft.

Every 1000 kg started shall be regarded as a whole.

Every 60 minutes or less                      EUR 0.231/hour/1000 kg

Discounts:

Irrespective of whether it takes place on several stands, parking for a period not exceeding 30 minutes shall be free of charge. In the case of parking for more than 30 minutes, the operator of the flight shall not be entitled to receive any discounts; therefore parking charges must be paid in full. In such cases, the basis for calculating the parking charge shall be the time of the aircraft's occupying the stand.

##### b) At night (between 22:00 and 06:00):      free of charge

#### 2.1.2.2. At a stand with a passenger bridge (together with 400 Hz service):

If it becomes necessary to park a type of aircraft to which it is not possible to connect a passenger bridge on a stand with a passenger bridge (e.g. due to the full occupancy of remote stands), the parking charge for stands without a passenger bridge shall apply.

##### a) During the day (between 06:00 and 22:00), irrespective of the maximum take-off weight of the aircraft:

The first 60 minutes:

**EUR 67.48**

Every further 15-minute period or less:

**EUR 41.61**

(Every period started shall be regarded as a whole period of 60 or 15 minutes, respectively.)

##### b) At night (between 22:00 and 06:00):

Staying at the passenger bridge for more than 3 hours at night shall be regarded as night parking, the charge for which shall be determined as follows (a period of more than 3 hours shall be regarded as a full night):

Nighttime parking charge: **EUR 96.85 / night.**

### 2.1.2.3. Long-term parking:

Long-term parking is the storage of aircraft which do not participate in any operations for at least 30 (thirty) consecutive days, undertaken in an area not rented exclusively. In this case, Budapest Airport Zrt. may provide a discount of up to 50% from the fee specified in section 2.1.2.1, based on the number of aircraft stored by the airline and the length of the period of storage, as defined precisely by the parties in writing.

### 2.1.3. “Deep sleep operation” charge

With the “deep sleep operation” charge, Budapest Airport Zrt. encourages airport users to avoid, as much as possible, the most densely populated residential areas around the Airport in the period between 00:00 and 05:00 LT (the period of deep sleep).

#### 2.1.3.1. Calculation of the ‘deep sleep operation’ charge:

$$M = A * P * K$$

where,

„A” is the basic charge

$$A = 1\,000 \text{ EUR / operation [movement]}$$

„P” is the runway direction

	13L	13R	31L	31R
Take-off	0%	0%	100%	100%
Landing	100%	100%	0%	0%

„K” is the category multiplier

The amount of the ‘deep sleep operation’ charge is proportionate with noise emission, thus, the principle of power-proportionate emission/compliance is observed by establishing six categories of aircraft. Aircraft belong to any of the following categories based on the noise level indicated in their noise certificates:

In the case of take-off, based on the noise level of flyover indicated in the noise certificate, and in the case of landing, based on the arithmetic average of noise values indicated for the approach and lateral reference points in the noise certificate:

Category I EPNdB	Category II EPNdB	Category III EPNdB	Category IV EPNdB	Category V EPNdB	Category VI EPNdB
$L \leq 85$	$85 < L \leq 90$	$90 < L \leq 95$	$95 < L \leq 100$	$100 < L \leq 105$	$105 < L$

Based on the categorization above, the value of ‘K’ shall be as follows:

Category I	Category II	Category III	Category IV	Category V	Category VI
10%	15%	20%	25%	50%	100%

If, with the permission of the aviation authority, the Airport is used by aircraft non-compliant with the requirements stipulated in sections 3, 4, 5, 6, 7, 8, 10, 11, 13, 14 of chapter II of

volume I of annex 16 (on environmental protection) of the Chicago Convention, then the value of 'K' shall be 100%.

The following flights shall be exempted from the obligation to pay the 'deep sleep operation' charge calculated as stipulated in section 2.1.3 based on sections (5) and (6) of article 41 of the Aviation Act:

- Flights of Hungarian state aircraft performing non-commercial activities;
- Search and rescue flights;
- Flights completed for the purpose of the calibration of navigation equipment;
- Aircraft in emergency;
- Flights performed by aircraft of maximum take-off weight of 3000 kg.

#### 2.1.4. Passenger service charge

Budapest Airport Zrt. collects the following passenger service charges from the airport users per passenger, with the exception of

- Infants under the age of 2
- Transit passengers.

##### a) At the General Aviation Terminal (GAT): EUR 38.03 / departing passenger

In addition to the Passenger service charge defined in this section 2.1.3, service providers providing convenience services including the GAT VIP (business) lounge, car park and other available extra services (hereinafter collectively: GAT Services) may collect a separate charge for the use of GAT Services. If the use of the GAT is not possible without the use of the convenience GAT Services and the passenger does not wish to use these, then as an alternative Budapest Airport Zrt. - after identification of the passenger at Terminal 2A - ensures access for the passenger to the Airport via the designated entry point in the GAT for the Passenger service charge specified in this section 2.1.3 a).

##### b) At Terminals 2A and 2B:

	Passenger Service Charge Inclusive	Passenger Service Charge Non-Inclusive
Departing passenger	26.93	25.64
Departing transfer passenger	6.68	6.68

The charge for passenger services includes the CUTE charge and the PRM cost elements.

The PRM charge is EUR 0.20 / departing passenger.

The discount rate for transfer passengers (EUR 6.68) shall apply to all transfer passengers of the eligible airline in the given month.

#### 2.1.5. Security Charge

Budapest Airport Zrt. will collect the following Security Charge from the airport users for every departing/transferring passenger, with the exception of

- Infants under the age of 2
- Transit passengers.



At the General Aviation terminal (GAT): EUR 4.10 / departing passenger

At Terminals 2A and 2B: EUR 4.10 / departing passenger

At Terminals 2A and 2B: EUR 4.10 / transfer passenger

#### **2.1.6. Charge for the baggage handling system**

Budapest Airport Zrt. will collect a baggage handling system charge from airport users for the use of the T2 baggage handling system, comprising a fixed fee per departing flight and a variable fee per piece of checked baggage:

**Fixed fee:** EUR 29.79 / departing flight

**Variable fee:** EUR 0.83 / checked-in baggage

The charge is not applicable if the flight does not transport any arriving or departing baggage. In the case of flights only transporting arriving passengers, the fixed fee is charged only. The baggage handling system fee is not charged separately in the case of Airport users who pay it to Budapest Airport Zrt. as part of the Passenger Service Charge Inclusive, in accordance with section 2.1.3.

#### **2.1.7. Charge for check-in desks**

On the basis of decree no. 7/2002 (I.28.) of the Minister of Transport and Water Management, Budapest Airport Zrt. provides for the conditions and the charges for the use of check-in desks in the Aerodrome Manual.

### **2.2. Dedicated cargo flights**

#### **2.2.1. Landing charge**

The Landing charge as per this section 2.2.1 is determined by Budapest Airport Zrt. in the form of two separate charges, taking two factors into consideration (maximum take-off weight, noise emission). The airport user shall be obliged to pay the charge.

#### **Calculation of the Landing charge**

The charge for the use of the airport runways and/or taxiways shall be paid together with the charge for lighting for every aircraft, taking the maximum take-off weight into consideration. A Landing charge based on the weight component in line with this section 2.9.1.1 shall be paid if the aircraft touches down, including touch-and-go operations.

The airport user shall pay a standard charge for every aircraft not exceeding a maximum take-off weight of 10 000 kg. If the maximum take-off weight of the aircraft exceeds 10 000 kg, then the airport user shall pay the Landing charge stipulated in this section 2.9.1.1 according to the category the given aircraft falls into on the basis of its maximum take-off weight.

Weight of the aircraft (kg)	EUR (per aircraft)	EUR (per every 1000 kg started)
Up to 10 000	136.48	-
10 001 - 45 000	-	12.98
45 001 - 150 000	-	11.01
150 001 -	-	8.82

### **2.2.2. Parking charge**

All users of the airport shall be obliged to pay a parking charge irrespective of whether they use a contact stand, a remote stand or any other area which is not rented exclusively.

For uninterrupted parking planned to exceed one month, section 2.1.2.3 is applicable.

***At a stand without a passenger bridge (remote position or area not rented exclusively):***

**a) During daytime (between 06:00 and 22:00):**

The following parking charges shall be paid for every 60 minutes started for every 1000 kg maximum take-off weight of the aircraft.

Every 1000 kg commenced shall be regarded as a whole.

**Every 60 minutes or less                      EUR 0.258/hour/1000 kg**

Discounts:

Irrespective of whether it takes place in several stands, parking for a period not exceeding 3 hours shall be free of charge for dedicated cargo aircraft. In the case of parking for a period exceeding 3 hours, the operator of the flight shall not be entitled to receive any discounts; therefore parking charges must be paid in full. When determining the parking charge in such cases, the time of the aircraft occupying the stand shall constitute the basis of calculation.

**b) At night (between 22:00 and 06:00):      free of charge**

### 3. Incentive Schemes

#### 3.1. Passenger flights

##### 3.1.1. Route incentive scheme

###### *General terms and conditions for route incentives*

- Any incentive is always credited towards the subsequent period after the given year of operation (by incentive period). The incentive is credited to the partner in the invoices issued by Budapest Airport Zrt. during the year following the incentive period.
- Incentives are valid for scheduled departing flights only.
- Budapest Airport Zrt. temporarily invalidates the three provisions below, until 31 March 2022:
- Incentives are only valid for flights departing off-peak. In the case of Code C aircraft, the following periods are regarded as peaks:
  - **Morning departure peak:** 06:00-07:00
  - **Noon departure peak:** 11:00-13:00
  - **Noon arrival peak:** 11:00-13:00
  - **Evening arrival peak:** 19:00-20:00
  - **Nighttime arrival peak:** 23:00-00:00
- In the case of Code D and Code E aircraft, peaks shall be determined and approved by Budapest Airport on request
- A given airline is eligible for the incentive from the Passenger service charge only if the total number of passengers carried by the airline from the Airport increased or decreased by no more than 15% during the Incentive period, compared to the same period of the previous year.
- In order to take advantage of incentives, the flight operator must submit a request containing all relevant information at the end of each incentive period, but within one year of the individual years of operation at the latest. Budapest Airport Zrt. shall have no payment obligation from the incentives.
- Budapest Airport Zrt. is entitled to offset the sum of the discount against the overdue debts of the given airline towards Budapest Airport Zrt. Furthermore, Budapest Airport Zrt. reserves the right to exclude the enforcement of the discounts to an extent exceeding the overdue debts of the airline outstanding towards Budapest Airport Zrt. at the time of the enforcement of the discounts. If the airline's debts exceed the amount of the discounts due for the period in question at the time of the enforcement of the discounts, and Budapest Airport Zrt. notifies the airline thereof in writing, the airline shall lose the right to enforce the part of the discounts in excess of its debts.
- Reductions (discounts) of the Landing charge are always granted from the Landing charge related to the Passenger Service Charge Inclusive option, in line with section 2.1.1. The discount provided for a given period cannot exceed 100% of the invoiced landing fee.

- Reductions (discounts) of the Passenger Service Charge are always granted from the Passenger Service Charge related to the Passenger Service Charge Non-Inclusive option, in line with section 2.1.4. The discount provided for a given period cannot exceed 100% of the invoiced passenger service fee.
- Reductions (discounts) of the Passenger Service Charge are only valid for local departure passengers; transfer passengers are excluded.
- In order to maintain the original purpose of the New destination incentive scheme (3.1.1.1./a-d) in the post-COVID era, the airline is only eligible for the incentive if at least three (3) consecutive schedule periods of operation have elapsed since the discontinuation of flight(s).
- In order to maintain the original purpose of any incentive rewarding additional growth year-over-year in the post-COVID era (such as 3.1.1.1./e and 3.1.1.2), the 2019 IATA summer and proportionally adjusted winter schedule periods serve as a basis for comparison.

### 3.1.1.1. Incentives for New destinations

#### a) Incentives for passenger aircraft (except for long haul)

	Year one	Year two	Year three	Year four	Year five
Landing charge	100%	75%	50%	25%	10%

#### b) For long haul passenger aircraft

	Year one	Year two	Year three	Year four	Year five
Landing charge	100%	100%	75%	50%	25%
PSC	50%				

#### c) For new winter destinations (except long haul flights)

	Year one
PSC	50%

#### Terms & conditions:

- The incentive may be requested after the first year of operation, and subsequently for 365-day periods. (For the purposes of this incentive, each affected year separately: *Incentive period*.)
- The airline shall operate to the New destination for at least one year of operation, with a minimum weekly frequency of two in the case of short-haul flights and a minimum weekly frequency of three in the case of long-haul flights.
- If an airline re-launches service to a destination which was earlier part of the route network, it is only eligible for the incentive if at least three (3) consecutive schedule periods of operation have elapsed since the discontinuation of its flight(s) to the given destination, and no other airline operates flights on the given route.
- In the event that the airline launches more than one flight to the same New destination during the first year of operation, the incentive shall apply to each of these flights.

- The new winter destination incentive may be granted if the airline launches the new short-haul flight during the winter schedule period. In this case the airline is entitled to the PSC discount until the end of this first winter schedule period.
- The discount cannot be combined with the “incentive for route recovery”.
- In the case of “code-share” operation, if the “code-share” partners operate their own aircraft, the incentive shall be provided to the partner having started the operation earlier with its own aircraft. In the event that a “code-share” flight is operated by only one company, but in the meantime - prior to the expiry of the incentive - another partner also launches flights to the same destination, that party shall not be entitled to receive that incentive.

**d) New thin route incentive**

	1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year
<b>Passenger service charge</b>	50%	50%	50%

**Terms & conditions:**

- The incentive is granted annually, first after the Year of operation and then after each subsequent period of 365 days (For this specific incentive every concerned year individually: incentive period).
- An airline is eligible for the above discount from passenger service charges for scheduled flights operating to a New destination in the following two cases: if it operated at least 60 but not more than 208 scheduled flights on the given route, or if the total departure capacity is at least 11,000 but not more than 40,000 seats during the incentive period.
- The incentive does not apply if the total number of scheduled flights by all airlines to the given destination or to a destination located within a range of 100 km exceeds 208 during the incentive period.
- The discount may only be combined with discounts from landing charges as part of the route incentive scheme (section 3.1.1) and with discounts from passenger service charges granted as part of the operational incentive scheme (section 3.1.3).

**e) Incentive for route recovery**

	Year one	Year two
<b>Landing charge</b>	100%	50%

**Terms & conditions:**

- Route recovery occurs if an airline commences operation to an airport or airport system to which no other airline operates from the Airport, and operation on the given route was discontinued by another airline in S19/W19.
- The airline must operate to the New destination for at least one year of operation, with a minimum weekly frequency of 2 on average.
- If an airline re-launches service to a destination which was earlier part of its route network, it is only eligible for the incentive if at least 3 consecutive schedule periods have elapsed since the discontinuation of its flight to the given destination, and no

other airline operates flights on the given route. In the event that the airline launches more than one flight to the same New destination during the first year of operation, the incentive shall apply to each of these flights.

- If the given airline embarks on commercial cooperation (code-share, aircraft lease) with another airline previously operating on the same route, the airline shall not be eligible for this incentive.
- The discount cannot be combined with the discounts under section 3.1.1.1 a), b), c) and d) of the Tariff Manual.

**f) Incentive for new seasonal flights**

	Year one	Year two
Landing charge	50%	25%
Passenger service charge	25%	

Terms & conditions:

- The airline must operate to the New destination for at least two schedule periods (of the same season, summer or winter).
- The passenger service charge incentive may be granted if the following additional conditions are met:
  - The incentive may be requested after the first period of operation (schedule period), and subsequently for 365-day periods. (For the purposes of this incentive, each affected schedule period separately: *Seasonal Incentive Period.*)
  - In the Seasonal Incentive Period, the flight must be operated for at least 3 months.
  - An airline is eligible for the above discount from passenger service charges for scheduled flights operating to a New destination, if it operated at least 15, and in the case of a short-haul flights not more than 112 flights during the seasonal incentive period on the given route. In the case of long-haul flights the incentive shall be applicable without a ceiling.

**3.1.1.2. Incentive for frequency increase**

	Year one
Landing charge	100%

Terms & conditions:

- The incentive shall be applicable to the given destination, and the incentive period lasts from the start of the given summer (winter) schedule period until the end of the following winter (summer) schedule period.
- The frequency increase must reach at least 30 additional departing aircraft during the period in question on the given route of the airline.
- The incentive may be granted both for Seasonal and Year-round flights.

- The airline, either a new entrant or an airline already operating on the given route, operates an additional aircraft, which results in both a higher frequency and a capacity increase on the given route and in the case of the given airline.
- The airline did not reduce its total capacity on the given route compared with the same schedule period of the previous year. If there was a reduction, the airline shall not be eligible for the incentive.
- The discount is only applicable to the additional departing flights of the airline representing incremental ATMs, and not for already existing flights.
- The incremental ATMs shall be determined by comparing ATMs during the given year with ATMs in the S19 / W19 period.

### 3.1.1.3. Airport systems

<u>Belgium</u>	Brussels	<i>Brussels International/Charleroi</i>
<u>Denmark</u>	Copenhagen	<i>Kastrup/Roskilde</i>
<u>Germany</u>	Berlin	<i>Schoenefeld/Tegel/Brandenburg</i>
	Dusseldorf	<i>Dusseldorf International/Weeze</i>
	Frankfurt	<i>Hahn/Main (International)</i>
	Hamburg	<i>Fuhlsbuttel/Finkenwerder</i>
<u>Finland</u>	Helsinki	<i>Malmi/Vantaa</i>
<u>France</u>	Lyon	<i>Bron/ Saint Exupéry</i>
	Paris	<i>Beauvais-Tille Airport/Charles de Gaulle/Le Bourget/Orly</i>
<u>Italy</u>	Milan	<i>Bergamo-Orio Al Serio/Linate/Malpensa</i>
	Rome	<i>Ciampino/Fiumicino</i>
	Venice	<i>Venice/Treviso</i>
<u>Norway</u>	Oslo	<i>Gardermoen / Rygge</i>
<u>Poland</u>	Warsaw	<i>Chopin / Modlin</i>
<u>Russian Federation</u>	Moscow	<i>Domodedovo/Sheremetyevo/ Vnukovo/Bykovo / Zhukovsky</i>
<u>Spain</u>	Madrid	<i>Barajas/Torrejon</i>
	Barcelona	<i>El Prat/Costa Brava (Girona)</i>
<u>Sweden</u>	Stockholm	<i>Arlanda/Bromma/Skavsta/Vasteras</i>
	Goteborg	<i>Landvetter / City</i>
<u>United States</u>	New York	<i>John F. Kennedy / Newark/LaGuardia / Stewart International Airport</i>

	Philadelphia	<i>Philadelphia International / Wings Field Airport/ Northeast Philadelphia / Philadelphia Seaplane Base/ Trenton-Mercer</i>
	Chicago	<i>O'Hare / DuPage Airport/ Gary-Chicago / Chicago Midway / Chicago Executive Airport/ Rockford</i>
<u>Canada</u>	Toronto	<i>Toronto / Billy Bishop Toronto City / Buttonville Municipal Airport/ Region of Waterloo International Airport/ John C. Munro Hamilton</i>
<u>China</u>	Shanghai Beijing	<i>Pudong / Hongqiao Beijing Capital / Beijing Daxing</i>
<u>Ukraine</u>	Kiev	<i>Zhuliany/ Boryspil</i>
<u>United Kingdom</u>	Belfast	<i>Belfast City Airport/ Belfast International Airport</i>
	Bristol	<i>Bristol/ Filton</i>
	Glasgow	<i>International/ Prestwick Airport</i>
	London	<i>Gatwick/ Heathrow/ Luton International Airport/ Stansted/ London City Airport / Southend</i>
<u>United Arab Emirates</u>	Dubai	<i>Dubai International / Dubai World Central</i>
<u>Turkey</u>	Istanbul	<i>Ataturk/ Sabiha Gokcen International Airport / New Istanbul Airport</i>

### 3.1.2 System of operational incentives

#### ***General conditions for operational incentives***

- The airline achieved traffic of at least 50 000 departing passengers in total, excluding transfer and transit passengers as well as infants under the age of 2, during the calendar year of using the incentive.
- Budapest Airport Zrt. credits the discount to the airline after the end of the calendar year, in January of the next year.
- When the discounts are determined, the conditions specified in the Tariff Manual in force in the given month shall be applied.
- Budapest Airport Zrt. is entitled to offset the sum of the discount against the overdue debts of the given airline towards Budapest Airport Zrt.
- Operational incentives may be combined with each other and with route incentives.
- The total amount of the operational incentives under sections 3.1.2.1, 3.1.2.23.1.2.3 and 3.1.2.4 may not exceed 12.0 EUR/ departing passenger.



- In the application of the incentive and the calculation of the passenger numbers, only scheduled flights operating under the same airline code (IATA/ICAO code) may be taken into account. The incentive does not apply to increases in passenger traffic achieved during the previous schedule period by means of mergers and acquisitions of airlines operating to the Airport. Passenger numbers achieved by means of code-share or non-scheduled flights cannot be taken into account for the incentive.
- Operational incentives - with the exception of the Retention and the Growth Incentive as per section 3.1.2.1 and 3.1.2.4- are always granted from the Passenger Service Charge related to the Passenger Service Charge Non-Inclusive option, in line with section 2.1.4. The discount provided for a given period cannot exceed 100% of the invoiced passenger service fee.
- The new system of operational incentives is calculated retroactively, as of 1 January 2021. In case an airline benefits from the operational incentives as described in the former tariff manual valid until 31 March 2021, the incentives granted according to the old tariff manual will be offset with the operational incentives granted according to the new methodology in the calendar year 2021.

### **3.1.2.1. Retention Incentive**

<b>Departing passengers</b>	<b>Discount per departing pax</b>
<b>0-499,999</b>	0.00 EUR
<b>500,000-749,999</b>	5.20 EUR
<b>750,000-999,999</b>	5.50 EUR
<b>1,000,000-1,499,999</b>	5.80 EUR
<b>over 1,500,000</b>	6.10 EUR

#### **Conditions:**

- Budapest Airport Zrt. provides this incentive to airlines from the Passenger Service Charge specified in section 2.1.4 of this Tariff Manual, as chosen and paid by the given airline.
- The amount of the incentive is dependent on the total departing passenger number of the airline during the given calendar year, calculated without transit passengers and infants under the age of 2.
- The incentive is not to be interpreted as involving more than one band at a time. If the airline achieves a certain band during the incentive period, the discount applicable for the given band applies to all departing passengers during the given incentive period.
- In the case of launching new operations, after the first 12 months the incentive for the total departing passenger traffic is accounted for in one sum, in such a way that any discounts already credited to the airline during the year are subtracted.
- If the airline discontinues operations with respect to the Airport, it is not entitled to the incentive thereafter.

- Budapest Airport Zrt. is entitled to offset the sum of the discount against the overdue debts of the given airline towards Budapest Airport Zrt.
- The Retention Incentive is credited as of the end of the given calendar year, which takes into account the total number of departing passengers in the calendar year.

### **3.1.2.2. Load factor incentive**

When determining the passenger number, the total departing passenger traffic of the calendar year in question must be taken as the basis. The incentive does not apply to transit passengers and infants under the age of 2.

<b>Load factor indicator</b>	<b>Discount</b>
<b>80.0%-84.99%</b>	10%
<b>85.0% - 89.9%</b>	15 %
<b>90.0% - 100.0%</b>	20 %

#### **Conditions:**

- The amount of the incentive is dependent on the load factor indicator calculated as the quotient of the total departing passenger number of the airline calculated without transit passengers and infants under the age of 2 and the total capacity of departing aircraft in one calendar year.
- The Load factor incentive is credited to airlines whose total annual ATM number in the respective calendar year exceeded 75% of the airline's total annual ATM number in 2019.
- The incentive is not to be interpreted as involving more than one band at a time. The extent of the incentive shall be the discount which belongs to the band achieved by the airline in the incentive period.
- The airline is obliged to send to Budapest Airport Zrt., by registration mark, the number of physical seats for all aircraft operating to the Airport, for each schedule period in advance. In the absence of this, Budapest Airport Zrt. shall calculate the load factor indicator with the highest capacity of the given aircraft type.
- In the case of launching new operations, after the first 12 months the incentive for the total load factor indicator is accounted for in one sum, in such a way that any discounts already credited to the airline during the year are subtracted.

### 3.1.2.3. Turnaround time efficiency incentive

Turnaround time efficiency indicator	Discount
3.1	5 %
3.2	6 %
3.3	7 %
Over 3.9	13 %

Conditions:

- The amount of the incentive is dependent on the turnaround time efficiency indicator calculated as the quotient of the departing passenger number of the airline, calculated without transit passengers and infants under the age of 2, during the calendar year and the median parking time during the calendar year.
- The incentive is not to be interpreted as involving more than one band at a time. The extent of the incentive shall be the discount which belongs to the band achieved by the airline in the incentive period.
- In the case of aircraft staying at the Airport overnight, the median daytime turnaround time for the entire operation of the given airline must be taken as the basis (e.g. 150 passengers / 45 minutes = 3.33).
- In the case of launching new operations, after the first 12 months the incentive for the total turnaround time efficiency indicator is accounted for in one sum, in such a way that any discounts already credited to the airline during the year are subtracted.

### 3.1.2.4. Growth Incentive

Additional departing passengers	Discount per additional departing passengers
0-19,999	0.00 EUR
20,000-29,999	2.50 EUR
30,000-39,999	3.50 EUR
40,000-49,999	4.50 EUR
50,000-59,999	5.50 EUR
60,000-79,999	6.50 EUR
80,000-99,999	7.50 EUR
Over 100,000	8.50 EUR

#### Conditions:

- The growth incentive is credited as of the end of the given calendar year, in the case of airlines whose total annual passenger traffic in 2021 exceeded 60 percent of the airline's total annual passenger traffic in 2019.
- The incentive is not to be interpreted as involving more than one band at a time. If the airline achieves a certain band during the incentive period, the discount applicable for the given band applies to all departing passengers during the given incentive period.
- The discount cannot be combined with the Recovery scheme for COVID-19 according to section 3.3.
- Budapest Airport Zrt. provides this incentive to the airlines from the Passenger Service Charge specified in section 2.1.4 of this Tariff Manual, as chosen and paid by the given airline.

#### **3.1.2.5. Environmental Incentive**

- Budapest Airport Zrt. grants a 100% discount on landing charges for the use of full electric power / CO<sub>2</sub> neutral aircraft under regular passenger air traffic operation and research and development test flights.
- Operational requirements and conditions must be coordinated in advance with Budapest Airport Zrt.

#### **3.2. Dedicated cargo flights**

##### ***General terms and conditions for route incentives for dedicated cargo flights***

- Any incentive is always credited towards the subsequent period after the given year of operation (by incentive period). The incentive is credited to the partner in the invoices issued by Budapest Airport Zrt. during the year following the incentive period.
- During the determination of the incentives, the incentive scheme in the Tariff Manual valid at the time of the departure of the first flight qualifying for the incentive shall be applied. The Tariff Manual valid at any given time does not affect the validity of the incentives published during previous years, and the incentive systems of Tariff Manuals valid at different times cannot be combined.
- Incentives are valid for all new cargo flights.
- In order to take advantage of incentives, the flight operator must submit a request containing all relevant information at the end of each incentive period, but within one year of the individual years of operation at the latest. Budapest Airport Zrt. shall have no payment obligation from the incentives.
- Budapest Airport Zrt. is entitled to offset the sum of the discount against the overdue debts of the given airline towards Budapest Airport Zrt. Furthermore, Budapest Airport Zrt. reserves the right to exclude the enforcement of the discounts to an extent exceeding the overdue debts of the airline outstanding towards Budapest

Airport Zrt. at the time of the enforcement of the discounts. If the airline's debts exceed the amount of the discounts due for the period in question at the time of the enforcement of the discounts and Budapest Airport Zrt. notifies the airline of this in writing, then the airline shall lose the right to enforce the part of the discounts in excess of its debts.

- Reductions (discounts) of the Landing charge are always granted from the Landing charge based on the weight component in line with section 2.2.1.
- The incentives concern scheduled or regularly operating cargo flights.

### 3.2.1 New destination incentives

a) **Dedicated cargo flights** - (short and medium haul cargo flights with less than 5 000 km flight distance) (MTOW >100t)

Dedicated cargo flight	Year one	Year two	Year three	Year four
Landing charge	80%	60%	40%	20%

#### Conditions:

- The new flight must operate on a regular basis at least for 182 days or for one schedule period, with a minimum frequency of 1 flight per week. In the event that the airline launches more than one cargo flight to the same New destination during the first year of operation, the incentive shall apply to each of these flights.
- If an airline re-launches service to a destination which was earlier part of Budapest Airport's route network, and the flight was operated by this airline, it becomes eligible for the incentive. However, in case of a re-launch, the incentive calculation period will be continued, and it is not restarted from the first year. So, for example, in case of 2 years of operation and a one-year break, the first year of the re-launch qualifies as the third year in terms of incentives.

b) **Dedicated cargo flights** (long haul cargo flights with more than 5 000 km flight distance) [MTOW > 100t]

Dedicated cargo flight	Year one	Year two	Year three	Year four
Landing charge incentive in case of at least 1 flight per week	80%	60%	40%	20%

Regular cargo route operation with long haul flight distance above 5 000 km can apply for 25% landing fee incentive after the four year period, which incentive can be provided by Budapest Airport Zrt. for operation until 31 March 2023.

#### Conditions:

- The new flight must operate on a regular basis at least for 182 days or for one schedule period, with a minimum frequency of 1 flight per week. The airline, either a new entrant or an airline already operating on the given route, operates an

additional flight, which results in both a greater frequency and a capacity expansion on the given route, considering all operating airlines.

- In the event that the airline launches more than one cargo flight to the same New destination during the first year of operation, the incentive shall apply to each of these flights.
- If an airline re-launches service to a destination which was earlier part of Budapest Airport’s route network, and the flight was operated by this airline, it becomes eligible for the incentive. However, in case of a re-launch, the incentive calculation period will be continued, and it is not restarted from the first year. So, for example, in case of 2 years of operation and a one-year break, the first year of the re-launch qualifies as the third year in terms of incentives.

### 3.2.2 Incentive for frequency increases

#### a) Dedicated cargo flight MTOW >100t (short, medium and long haul)

Dedicated cargo flight	Year one	Year two	Year three	Year four
Landing charge incentive in case of at least 1 flight per week	80%	60%	40%	20%

#### Conditions:

- The airline, either a new entrant or an airline already operating on the given route, operates an additional flight, which results in both a greater frequency and a capacity expansion on the given route, considering all operating airlines.
- The incremental ATMs must reach at least the increase specified above per year for the given route of the airline, compared with the same schedule period in the previous year. The period of providing the incentive lasts from the start of the given summer / winter schedule period until the end of the next summer / winter schedule period.
- The new flight must be operated for at least 182 days or for one schedule period, with a minimum frequency of 1 flight per week.
- The incentive is valid both for regular and charter operations, in the case of operation with a frequency of at least 1 per week.
- The incentive applies only to the incremental flights, not to the existing flights.
- The discount provided for the frequency increase resulting in the capacity expansion is calculated based on the total and actual departing MTOW increment of the airline during the period in question.

### 3.3. Recovery scheme for COVID-19

#### 3.3.1. "Pile-up" credit program

- Validity of the program: From 1 January 2021 until the amount of the pile-up credit is paid off.
- Amount of the credit: EUR 5.00 per each departing passenger for the period of 1 January 2021 - 31 December 2021.
- Deadline to register for the program: 30 January 2021, by e-mail to [budairlinedevelopment@bud.hu](mailto:budairlinedevelopment@bud.hu).
- Budapest Airport Zrt. reserves the right to request a payment guarantee (bank guarantee) from the airline for participation in the program, in any individual case, at its sole discretion.
- The credit will be granted from the actual airport charge invoiced towards the airline, including each and every charge element, operational and commercial incentives which shall be applicable for the regular scheduled commercial operation of the given airline, based on the prevailing Tariff Manual applicable at the time (as amended, supplemented or re-enacted from time to time).
- Details:
  - Budapest Airport Zrt. provides an incentive of EUR 5.00 per each departing passenger in the year 2021 for airlines who register until the deadline. The total amount of the credit needs to be repaid by the airline to Budapest Airport Zrt. in installments as per the following method:
  - The redemption of the total credit amount must be commenced as of 1 January 2022 and lasts until the total credit amount has been paid off.
  - The redemption is based on a per departing passenger basis and its amount is EUR 2.50, which will be invoiced on a monthly basis, in the regular invoices issued to the airline based on the Tariff Manual.
  - The balance of redemption should be checked after each six-month period from 1 January 2022. If the amount of the credit is paid off during the year 2022, then Budapest Airport Zrt. stops charging the EUR 2.50.
  - If the airline reaches more departing passengers in the year 2022 and/or in the year 2023 compared to the total departing passenger volume reached by the airline in the year 2019, the additional airport charge up to the credited amount per departing passenger (i.e. the airport charge paid by the additional passengers compared to total departing passenger volume of year 2019) will reduce the outstanding amount of the pile-up credit.
  - The pile-up credit program may be combined with other operational and route incentives, with the exception of the growth incentive according to section 3.1.2.4.

#### 3.3.2 Recovery incentive

- Validity of the program: 1 January 2021 - 31 December 2021 (the "Incentive Period").
- The recovery incentive is calculated based on the projections for the year 2020 ("FC0"). The projection includes (i) the actual passenger numbers of January and February 2020, (ii) the final slot requests for March - October, weighed with actual

load factors by airline, on a monthly basis, for the year 2019, and (iii) the actual passenger numbers of November and December 2019.

- The recovery incentive provides EUR 5.50 per each departing passenger above 70% recovered passengers until 100% of the FC0.
- The incentive will be credited towards the subsequent period after the Incentive Period. The incentive is credited to the partner in the invoices issued by Budapest Airport Zrt. during the year following the Incentive Period.
- Incentives are valid for scheduled departing passengers only.
- The recovery incentive applies for year-around and seasonal services as well.
  - This incentive may be combined with the pile-up credit, in parallel. Between 70% and 100% of the recovered passenger number, both the pile-up credit and the recovery incentives apply, meaning that the airline gets EUR 10.5 discount for every departing passenger.
  - The recovery incentive may be combined with other operational and route incentives with the exception of the growth incentive according to section 3.1.2.4.



## Annex I.

### The list of Regulated Activities

The activity of airport operation and the activities relating to aircraft shall be interpreted in such a way as to include any of the following services, as well as the provision of the availability of the necessary infrastructure, and the cleaning, energy supply or maintenance of any related infrastructure:

- a) Runway of the airport, taxiways, aprons;
- b) Lighting on the airport and navigation tools;
- c) Facilities for the accommodation of the air traffic control service;
- d) Aircraft stands (including the taxiing);
- e) Support areas for the operation of the airlines;
- f) Services to monitor environmental risks;
- g) Airport safety and road network;
- h) Infrastructure required for defense against unlawful actions;
- i) Protection of the perimeter;
- j) Disaster recovery and fire service;
- k) Reduction and prevention of noise pollution.

Activities relating to the handling of passengers shall be interpreted as covering any of the following services:

- a) Rent of the check-in counters (with the exception of the ticket sale counters of the airlines);
- b) Maintenance of the terminal equipment in common use (CUTE);
- c) Operation of passenger bridges and buses of Budapest Airport Zrt.;
- d) Passenger areas, waiting rooms on the arrival and departure sides (except the VIP lounges);
- e) Areas used by the police, the border guard service and customs administration;
- f) Equipment and services for passenger safety (also including the closed-circuit safety cameras);
- g) Operation and maintenance of the infrastructure used for the dispatch, handling and delivery of baggage;
- h) Public conveniences, lifts, escalators, and moving walkways;
- i) Flight information system and loudspeakers.

## Annex II.

### The Price Cap

#### II.1. The method of calculating and the value of the Price Cap

In the period between 2022 and 2026, Budapest Airport Zrt. applies the default Price Cap in accordance with the provisions in articles 6-7 of the Decree and its annex 3.

The default Price Cap depends on three factors:

- i) The total value of capex projects relating to the airport completed by the airport operator in preceding years,
- ii) The extent of average traffic increase experienced in the preceding two years, and
- iii) Actual HICP.

The calculation shall have a fully objective basis, free of any subjective value judgment. The Price Cap shall be defined as follows:

Default Price Cap valid in the first year of the new period = the Price Cap valid in the fifth year of the preceding period x (1+(“Y<sub>1</sub>” factor passenger traffic score + Y<sub>2</sub> factor capex score) x HICP inflation rate).

$$\hat{A}p_{\hat{u}} = \hat{A}p_{\hat{u}-1 \text{ year}} \times (1+Y \times \text{HICP inflation rate})$$

where:

$\hat{A}p_{\hat{u}}$ : the price cap valid in the first year of the new period  
 $\hat{A}p_{\hat{u}-1 \text{ year}}$ : the price cap valid in the fifth year of the preceding period  
HICP: harmonized consumer price index as per section 3.1.2 of the Decree

and

$$Y = Y_1 + Y_2$$

where:

Y: factor “Y”  
Y<sub>1</sub>: passenger traffic score  
Y<sub>2</sub>: capex score

Factor “Y” shall be defined as follows:

- a) “Y” may not be lower than 0 (thus the smallest extent of the price cap equals the price cap valid in preceding years),
- b) The HICP inflation rate may be 0, 25, 50, 75 or 100% (i.e. the price cap as a maximum may increase proportionately to the HICP inflation rate).

Both past capex and traffic increase contribute to factor “Y” scores. The link between the two factors is additive instead of multiplicative, which means the scores in the two categories are added up. Factor “Y”, however, cannot exceed 100% of the HICP inflation rate, and the values cannot be carried forward to subsequent periods.

Passenger traffic „Y<sub>1</sub>” score:

Average passenger number increase in the preceding two years <sup>1</sup>	Passenger traffic „Y <sub>1</sub> ” score
Average annual growth under 0%	100%
Average annual growth between 0 and 2.99%	75%
Average annual growth between 3 and 5.99%	50%
Average annual growth between 6 and 8.99%	25%
Average annual growth over 9%	0%

Capex „Y<sub>2</sub>” score:

The airport operator’s total capex in the preceding five years <sup>2</sup>	Capex „Y <sub>2</sub> ” score
Capex > average EBITDA <sup>3</sup> in years 4-5 times 4	100%
Capex > average EBITDA <sup>3</sup> in years 4-5 times 3.5	75%
Capex > average EBITDA <sup>3</sup> in years 4-5 times 3.0	50%
Capex > average EBITDA <sup>3</sup> in years 4-5 times 2.5	25%
Capex < average EBITDA <sup>3</sup> in years 4-5 times 2.5	0%

The estimated Price Cap valid in the first year of the five-year calculation period (2022): 20.40 euros.

<sup>1</sup>Preceding two years shall mean years 4 and 5 of the preceding five-year tariff period. Average value shall be calculated as the arithmetical mean.

<sup>2</sup>Without taking the effects of possible company acquisitions into consideration. Its calculation is based on the audited financial accounts of the airport operator, that is, without distinguishing between aviation-related capex and commercial capex, and it does not include capex excluded from the airport operator’s balance sheet.

<sup>3</sup>EBITDA means earnings before interest, taxes, depreciation, and amortization, calculated in accordance with international accounting standards, in the given calculation period (without taking modification due to non-cash items into account twice, and excluding extraordinary items).

## II.2. Possible modifications to the Price Cap

The price cap may only be modified in the cases defined in the Government Decree and the Decree.

### II.2.1 Substantial changes in circumstances

Additionally, Budapest Airport Zrt. may request a review of the price cap in case of extraordinary and substantial changes in circumstances which significantly alter operational circumstances and occur for reasons not attributable to Budapest Airport Zrt., provided that Budapest Airport Zrt.:

- a) Has taken all reasonable steps to mitigate the adverse effect,

- b) Implemented a traffic-related modification of the Tariff Manual or price cap, provided that the change is traffic-related and the effects of the change were taken into account.

In the above case, Budapest Airport Zrt. may initiate the holding of the consultation less than four months before the entry into force of the modification of the price cap or the Tariff Manual as well, specifying the justification for the shortened procedure. The consultation shall be held in accordance with the consultation procedure set out in Annex III of the Tariff Manual, prior to the submission of the request for the modification of the Tariff Manual or the review of the price cap, and airport users' views on the modification shall be attached to the request.

### ***II.2.2 Discrepancy with the Price Cap (lost revenues or surplus)***

If in a year, actual revenues remain below the level allowed by the Decree, Budapest Airport Zrt. may carry forward the difference to the following years within that five-year period, but may not carry it forward to the next five-year period. Such losses of revenues shall be calculated at nominal value for the purpose of a carry-forward between the different years; that is, Budapest Airport Zrt. cannot use compensation for lost interest income.

Should actual revenues, after accounting for the lost revenues carried forward, exceed the value allowed by the Decree, the difference shall be returned in the next year to the airlines, as a lump sum payment, with a distribution based on the percentage paid by that given airline of total regulated revenues in the year of the surplus payment. No interest may be charged on these surplus revenues, and Budapest Airport Zrt. shall make the repayment in the next year to the airlines, at nominal value, as a lump sum.

### ***II.2.3 Additional government provisions on aviation safety and aviation security***

The Price Cap or the Tariff Manual can be modified in order that Budapest Airport Zrt. can pass on its costs incurred in connection with the achievement of a situation that is in compliance with prescribed new aviation safety or aviation security rules.

The aviation authority shall judge the application submitted with the above justification taking into account all of the circumstances of the case, but Budapest Airport Zrt. shall in any case attest that:

- a) The justification is new provisions on aviation safety or security, the publication or promulgation of which took place not prior to the entry into force of the Government Decree; and
- b) The provisions substantially increase the operating costs of Budapest Airport Zrt., or it necessitates a major one-off investment.

### ***II.2.4 Substituting agreement with airline customers***

Budapest Airport Zrt. - by way of the application for modification of the Tariff Manual - may request, at any time, from the aviation authority, a modification of the Price Cap and a modification of other provisions in the Tariff Manual, if it can verify that a new commercial contract, serving as the basis for the request, is supported by airlines using the airport which carry at least 70 percent of passengers combined, determined on the basis of the number of passengers in the previous 12 months. When considering this application, the aviation authority shall also take the submitted contracts into account.

## **Annex III.**

### **Determining of Charges and Consultation**

Budapest Airport Zrt. shall determine the order of determining and publication of Charges in accordance with the expectations of airport users and the provisions of the Government Decree. During the determination of the Charges, the consultation with airport users shall also have a role.

#### **III.1. General schedule of the consultation**

The schedule of consultation is determined by the effective date (ED) of the Tariff Manual.

ED - 210 days	Meeting and preliminary talks with the representatives of IATA and of the main airport users familiar with the determination of charges.
ED - 180 days	Elaboration of the proposals within Budapest Airport Zrt.
ED - 150 days	Sending the proposal for next year's Charges to interested parties and consultation.
ED - 120 days	Approval by the CAA. Period of consultation.
ED - 60 days	Publication of the charges.

Budapest Airport Zrt. holds the consultation for airport users on the five-year Tariff Manual and price cap every five years and the consultation on the potential modification of the Tariff Manual and price cap during the five-year period as required by such modifications. If, however, no consultation on the modification of the Tariff Manual of the price cap is held in a given calendar year, Budapest Airport Zrt. holds a consultation for airport users on one occasion in the given year in any case.

#### **III.2. Expectations**

The expectations of the airport users in connection with the calculation of Charges are as follows:

- Transparency,
- Lack of discrimination,
- The general lowering of Charges,
- Shifting the main focus of the Charges in such a way that they should be borne by the passengers instead of the airlines,
- Reducing the difference in passenger service charges between transferring passengers and departing passengers,

#### **III.3 Determining of the charges**

The Charges shall be reviewed and determined every year in the following stages accompanied by a similar negotiation process:

1. Prediction of the number of passengers and the number of air traffic movements for the following year.
2. Calculation of the Price Cap, taking into account the inflation rate as well as the modifying factors.
3. Determining of the charges per passenger intended to be achieved during the following year.

4. Determining of the charges by which it is possible to achieve the predefined charge per passenger.
5. Consultation process comprising the drafting of the consultation document and subsequent consultation with the airlines and IATA on the tariffs applicable in the following year.
6. As a result of the above stages, the final determining of the Charges to be applied by Budapest Airport Zrt. in the following year.

It is obvious from the above that the Price Cap plays a primary role in the determining of Charges. The development of the Price Cap is affected by several factors:

- Harmonized index of consumer prices (HICP),
- Passenger and ATM forecast

The first factor shall only be determined in the second half of the year preceding the year in question. It is also true for the second factor that the later it is determined the more exact it will be.

Because of the above facts and the constantly and quickly changing external circumstances characteristic of the aviation industry, it is impossible to determine the Charges for a long term. Therefore Budapest Airport Zrt. shall determine its Charges yearly, but it shall undertake obligations for a long term (a five-year period).

### III.4 List of airline representatives participating in the consultation

#### July 2016

No.	Company
1	IATA
2	Wizz Air
3	Brussels
4	Qatar Airways
5	Ryanair
6	AF/KLM
7	LH Group
8	CEAS
9	Jet2.com
10	Emirates
11	British Airways
12	IAG
13	Tarom
14	BUD

#### October 2016

No.	Company
1	Wizz Air
2	Ryanair
3	LOT Polish Airlines
4	IATA
5	IAG
6	AF/KLM

7	Alitalia
8	Qatar Airways
9	Air China
10	El Al
11	CEAS
12	British Airways
13	BUD
14	Emirates
15	Tarom

#### October 2017

No.	Company
1	Aeroflot
2	Alitalia
3	Tarom
4	IATA
5	Malév GH
6	Lufthansa
7	LOT Polish Airlines
8	Qatar Airways
9	Travel Service
10	Emirates
11	CEAS
12	El Al
13	British Airways
14	Wizz Air
15	BUD
16	IATA
17	Celebi

#### October 2018

No.	Company
1	Easyjet
2	Tarom
3	Jet2.com
4	Travel Service
5	British Airways
6	Malév Ground Handling
7	Alitalia
8	CEAS

9	Menzies
10	Qatar
11	Emirates
12	Tunisair
13	AF - KLM
14	IAG
15	Wizz Air
16	LOT Polish Airlines
17	Ryanair
18	El Al
19	LH Group

#### October 2019

No.	Company
1	Ryanair
2	Jet2.com
3	Celebi
4	Wizz Air
5	IAG
6	LOT
7	Emirates
8	Air France / KLM
9	Smartwings
10	Malév GH
11	El Al
12	LH Group
13	Egyptair
14	BUD

#### June 2020

No.	Company
1	IATA
2	Emirates
3	LOT
4	Air France / KLM
5	Turkish Airlines
6	Qatar Airways
7	Jet2.com
8	Norwegian



9	Lufthansa
10	Celebi
11	Egyptair
12	TAP Portugal
13	BUD

**October 2020**

No.	Company
1	Jet2.com
2	IATA
3	easyJet
4	Emirates
5	El-Al
6	Alitalia
7	Ryanair
8	KLM
9	Lufthansa
10	Turkish Airlines
11	BUD

**August 2021**

No.	Company
1	Jet2.com
2	IATA
3	Emirates
4	El-Al
5	DHL
6	Ryanair
7	LOT
8	TAP
9	Turkish Airlines
10	Wizz Air
11	BUD

## Annex IV.

### Pre-calculation request form



### BUDAPEST Airport

### Proforma invoice request form

#### AIRLINE DATA

Name of airline	
Address of airline	
Invoicing address of airline	
Airline tax registration	
E-invoicing e-mail address(es) of airline	
Contact person	Name:
	E-mail:
	Phone:

#### AIRCRAFT/FLIGHT DATA

Aircraft type	
Registration	
Flight ID	
Estimated time of arrival BUD (UTC)	
Estimated time of departure BUD (UTC)	
MTOW	
Capacity	
<u>Comments:</u>	

Telefon / Phone: +361 296 9696  
Fax: +361 296 9697

Budapest Airport Zrt.,  
H-1185 Budapest

BUD Nemzetközi Repülőtér /  
BUD International Airport

## **Annex V.**

### **Quality compliance in relation to the Regulated Activities**

Budapest Airport Zrt. must comply with objective and subjective quality requirements in relation to Regulated Activities. Compliance is ensured by a correction system of financial incentives.

#### **V.1 The financial incentive system of the services related to the Regulated Activities to support quality of service**

The regime of assessment and appraisal shall provide that Budapest Airport Zrt. must - in case the actual service quality falls short of the expected level - reduce the pre-passenger Price Cap by up to 5% (i.e. by up to 2.5% on the basis of the objective assessment of the availability of the airport infrastructure and by up to 2.5% on the basis of the subjective assessment of customer satisfaction)

The above financial incentive adjustments provided for in case inadequate service quality shall be applied from the first quarter of 2007, as necessary.

Budapest Airport Zrt. shall establish the amount of the financial incentive adjustments applicable owing to inadequate service quality for each calendar quarter, and shall submit a report to the CAA on the quality of service, within 30 days of each calendar quarter. In checking compliance with provisions laid out in the Tariff Manual the CAA may also check whether the actual quality of service is in line with the report produced by Budapest Airport Zrt.

Within 120 days of the end of the calendar year Budapest Airport Zrt. shall refund to its airline customers the amount of the financial incentive adjustments, in proportion to the amounts of revenue deriving from Regulated Activities received from them during the given calendar year.

If the financial incentive adjustment relating to the objective criteria of assessment is related exclusively to a given terminal of the Airport, the amount shall be allocated only to the airline customers using the terminal concerned.

#### **V.2 Objective factors regarding the availability of the airport infrastructure**

The primary aim of the objective measurements is the mapping of the services provided by Budapest Airport Zrt. in relation to the availability of the airport infrastructure, related to the 6 performance criteria prescribed in Appendix 4 of the Decree. The criteria and financial impacts of the airport infrastructure and the schedule of airline consultations aiming to determine the limits applicable thereto can be found in **Annex VI**.

The objectively measurable performance criteria are the following:

- Availability of the runways;
- Availability of the aircraft stands;
- Availability of the baggage delivery system;
- Availability of the baggage handling system on the departures' side;
- Availability of passenger boarding bridges;
- The ratio of passengers using passenger boarding bridges, at terminals with passenger boarding bridges.

The measurement system and the limits have been designed pursuant to the provisions of

the Decree, in the framework of consultations with the airlines, the results of which were reported to the CAA. Within the framework of the consultations, the measurement system, the parameters measured, the target values regarding the 6 performance criteria, the peak periods related to the winter and summer schedules and the notification system have been accepted. The compliance with target values regarding the performance criteria prescribed in the Decree can be observed as compared with the values measured, taking into account the fair consideration factors.

Budapest Airport Zrt. performs the measurements in relation to the 6 performance criteria with the involvement of several specialist areas (Operation, IT Directorate). The measurements related to the individual performance criteria are collected on a monthly basis by the designated data owners of Budapest Airport Zrt. from the designated persons responsible for data collection in the different areas. The duty of the persons in charge of data collection is the registration of measurements in the electronic diary, while the data owners summarize the results of measurements. It is the responsibility of the data owners to determine the peak periods related to the winter and summer schedules.

The notification system prescribed in the Decree, which provides that in the case of 6 facilities, the airlines must be notified of planned maintenance one week in advance and of planned renovation one month in advance, is realized by electronic means (email), operated by the Airside Operations Division.

### **V.3 Content requirements regarding the objective measurements**

#### ***V.3.1 Availability of the runways***

The NOTAM issue request issued by the Airport traffic control and any events affecting the runway noted in the monthly service log kept by the Airside Operations Service are recorded. The following types of information shall be recorded:

- The exact time of the event (hour/minute of start and end);
- Duration of the event;
- Accurate description of the event;
- Location of the event;
- Whether the event was planned or unplanned.

#### ***V.3.2 Availability of the aircraft stands***

Any events affecting the aircraft stands are recorded in the monthly service log kept by the Airside Operations Service. The following types of information shall be recorded:

- The exact time of the event (hour/minute of start and end);
- Duration of the event;
- Accurate description of the event;
- Location of the event;
- Whether the event was planned or unplanned.

#### ***V.3.3 Availability of the baggage delivery systems***

Any events affecting the baggage delivery system are recorded in the monthly event log kept by the operators. The following types of information shall be recorded:

- The exact time of the event (hour/minute of start and end);
- Duration of the event;
- Accurate description of the event;
- Location of the event;
  - Whether the event was planned or unplanned.
  - Whether the event was within the scope of competence of Budapest Airport Zrt.

#### ***V.3.4 Availability of the baggage handling system on the departure side***

Any events affecting the baggage handling system are recorded in the monthly event log kept by the operators and the IT Directorate. The following types of information shall be recorded:

- The exact time of the event (hour/minute of start and end);
- Duration of the event;
- Accurate description of the event;
- Location of the event;
- Whether the event was planned or unplanned.
- Whether the event is within the scope of competence of Budapest Airport Zrt.

#### ***V.3.5 Availability of passenger bridges***

The Airport has two Terminals; passenger bridges are operated only at Terminal T2 (both at Terminal 2A and 2B). Any events affecting the passenger bridges are recorded in the monthly event log kept by the operators. The following types of information shall be recorded:

- The exact time of the event (hour/minute of start and end);
- Duration of the event;
- Accurate description of the event;
- Location of the event;
- Whether the event was planned or unplanned.
- Whether the event is within the scope of competence of Budapest Airport Zrt.

#### ***V.3.6 The ratio of passengers using passenger bridges, at terminals equipped with passenger bridges***

The Airport has two Terminals; passenger bridges are operated only at Terminal T2 (both at Terminal 2A and 2B). Therefore, when calculating the performance criteria, only the ratio of passengers at Terminal 2 shall be considered. The airside operations division shall obtain the data from the AODB program.

Furthermore, with regard to each facility, any notifications to the airline regarding potential closings shall be recorded; these can be retrieved from the correspondence of Budapest Airport Zrt.

In this way, from the results, it is possible to determine the availability of the given facility and the nature of the events, on the basis of which it can be decided whether the fair consideration factors can apply or not.

By virtue of the Decree, Budapest Airport Zrt. is obliged to review the measurement method and the drafting of reports based on the results of measurements.

The measurement database and the correctness of measurements are supervised by the CAA on a quarterly basis. Following approval, Budapest Airport Zrt. presents the phenomena detected during the measurements, with the help of illustrative diagrams, followed by a short textual analysis, in the form of a study. Budapest Airport Zrt. sends the final results both to the CAA and to the airlines, in Hungarian and English, on the date determined by the Decree.

As regards the results of the objective measurements, Budapest Airport Zrt. performed above the preset and approved target values in each quarter.

#### V.4 Subjective factors regarding the quality of Airport infrastructure and passenger/client satisfaction (ASQ [airport service quality] satisfaction survey)

Budapest Airport Zrt. shall ensure that all facilities operated continue to participate in the quarterly IATA/AETRA Global Airport Monitor Survey or, if this is terminated, in a comparable survey. As the IATA/AETRA Survey was terminated, from 2006 onwards, Budapest Airport Zrt. has been participating in the ACI (Airport Council International)/ASQ (airport service quality) survey (hereinafter. the "Survey").

The primary aim of Budapest Airport Zrt. is to map the opinion of passengers and airlines regarding the services provided by the Airport. The result may be compared with the services of other airports participating in the survey. Subjective factors regarding the quality of Airport infrastructure and passenger/client satisfaction are listed in Annex VII.

The marketing agency of ACI (Airport Council International) provides the blank question sheets necessary to the execution of the survey on a quarterly basis. It also ensures the processing of the completed and sent question sheets, the preparation of the result in electronic and in printed form and the professional negotiation and consultation on the relevant questions. In the course of the survey, the quality of the services listed in the questionnaire must be evaluated on a 1 to 5 scale, which will give an average point value. The fieldwork necessary to the market research is conducted by a third independent market research agency, in compliance with the requirements of the Decree.

If the Survey qualifies any of the services provided by Budapest Airport Zrt. in the area of passenger service, aviation activity or the provision of infrastructure at Budapest Airport Zrt. as "well below average", Budapest Airport Zrt. shall submit to the CAA, within three months from the publication of the Survey, a plan of correction measures, for its information.

If the qualification of any of the services provided by Budapest Airport Zrt. in the area of passenger service, aviation activity or the provision of infrastructure is "well below average" in four consecutive quarterly reports, Budapest Airport Zrt. shall reduce the Price Cap by a multiple of 0.25%, subject to the number of categories where the above situation was observed. A reduction caused by one of the categories shall remain in effect as long as there is no improvement in the qualification. The extent of the corrections for financial incentives can be no more than 2.5% in total.

As regards the results of the subjective measurements, Budapest Airport Zrt. has performed above the preset and approved target values in four consecutive quarters.

Bratislava, Belgrade and Warsaw Airport did not participate in the Survey, while Prague Airport joined in 2014. In view of the above, Budapest Airport Zrt. can provide data for 2015 and Q1 2016 compared to Prague and Vienna airports. In the comparisons, the respective places of Vienna, Prague and Budapest Airport Zrt. are indicated regarding the average for 2015 and for Q1 2016, as found in Appendix VIII.

The contract concluded by and between ACI and the participating airports contains a confidentiality clause, prohibiting the disclosure of any data related to the airports to third parties. For that reason, concrete figures are not included in this report.

## Annex VI.

### Objective factors regarding the availability of the Airport infrastructure and the corresponding financial impact

Facility	Performance criterion	Maximum reduction in the Price Cap
<i>Considerations applicable to all airlines</i>		
Availability of the runways	<ul style="list-style-type: none"> <li>- At least one runway shall be available 24 hours a day</li> <li>- Fair consideration may be given to a closing of runways for reasons outside the scope of competence of Budapest Airport Zrt.</li> <li>- Measurements shall be aimed at establishing the number of minutes in the different quarters of the year when the individual runways were not available, due to an unsatisfactory condition of their surface or a breakdown of the lighting. A larger reduction is implied when the runway is not available during peak hours. The target values shall be set in agreement with the airlines.</li> <li>- Fair consideration may be given to closing of the runways due to planned maintenance works carried out outside the peak period, with the condition that the airlines have been notified about these at least one week in advance.</li> <li>- A month shall be qualified as a “not appraisable month” and it shall imply no reduction, if, in a given month, one of the two runways is not available due to reconstruction, subject to the condition that the airlines were notified about this at least one month earlier. In any two-year period, a maximum of three “not appraisable months” are allowed.</li> <li>- Fair consideration shall be given to force majeure events.</li> </ul>	<b>0.75%</b>
Stands for aircraft	<ul style="list-style-type: none"> <li>- The measurements shall be aimed at establishing the number of minutes in a quarter of the year when the stands, in a comparison with a pre-set operation schedule, were not available. The target values shall be set in agreement with the airlines.</li> <li>- Fair consideration may be given to closing of the stands due to planned maintenance works carried out outside the peak period, with the condition that the airlines have been notified about these at least one week in advance.</li> <li>- A month shall be qualified as a “not appraisable month” and it shall imply no reduction, if, in a given month, a stand is not available due to reconstruction, subject to the condition that the airlines were notified about it at least one month earlier. In any two-year period, a maximum of three “not appraisable months” are allowed.</li> </ul>	<b>0.5%</b>

	- Fair consideration shall be given to force majeure events.	
Baggage delivery system	<p>- The measurements shall be aimed at establishing the number of minutes in a quarter of the year when the baggage delivery system was not operational, in a comparison with a pre-set operation schedule. The target values shall be set in agreement with the airlines.</p> <p>- Fair consideration may be given to the fact that the failure of the baggage delivery system might be outside the competence of Budapest Airport Zrt.</p> <p>- Fair consideration may be given to system closing due to planned maintenance works carried out outside the peak period, with the condition that the airlines have been notified about these at least one week in advance.</p> <p>- A month shall be qualified as a “not appraisable month” and it shall imply no reduction, if, in a given month, the system is not available due to a reconstruction, subject to the condition that the airlines were notified about it at least one month earlier. In any two-year period, a maximum of three “not appraisable months” are allowed.</p> <p>- Fair consideration shall be given to force majeure events.</p>	0.25%
Availability of the baggage handling system on the departure side	<p>- The measurements shall be aimed at establishing the number of minutes in a quarter of the year when the departures’ side baggage handling system was not operational, in comparison with a pre-set operation schedule. The target values shall be set in agreement with the airlines.</p> <p>- Fair consideration may be given to the fact that the failure of the baggage delivery system might be outside the competence of Budapest Airport Zrt.</p> <p>- Fair consideration may be given to system closing due to planned maintenance works carried out outside the peak period, with the condition that the airlines have been notified about these at least one week in advance.</p> <p>- A month shall be qualified as a “not appraisable month” and it shall imply no reduction, if, in a given month, the system is not available due to reconstruction, subject to the condition that the airlines were notified about it at least one month earlier. In any two-year period, a maximum of three “not appraisable months” are allowed.</p> <p>- Fair consideration shall be given to force majeure events.</p>	0.25%
Considerations applicable to airlines using passenger bridges <sup>1</sup>		
Availability of passenger bridges	- The measurements shall be aimed at establishing the number of minutes in a quarter of the year when the passenger bridges, in a comparison with a pre-set	0.5%



	<p>operation schedule, were not available. The target values shall be set in agreement with the airlines.</p> <ul style="list-style-type: none"> <li>- Fair consideration may be given to closing of the passenger bridges due to planned maintenance works carried out outside the peak period, with the condition that the airlines have been notified about this at least one week in advance.</li> <li>- Fair consideration may be given to the fact that the failure of the passenger bridges might be outside the competence of the operator of Budapest Airport Zrt.</li> <li>- A month shall be qualified as a “not appraisable month” and it shall imply no reduction, if, in a given month, a passenger bridge is not available due to reconstruction, subject to the condition that the airlines were notified about it at least one month earlier. In any two-year period, a maximum of three “not appraisable months” are allowed.</li> <li>- Fair consideration shall be given to force majeure events.</li> </ul>	
The ratio of passengers using passenger bridges, at terminal(s) with passenger bridges	<ul style="list-style-type: none"> <li>- The measurements shall be aimed at establishing the percentage of the passengers served through passenger bridges. The target values shall be set in agreement with the airlines.</li> <li>- The measurement shall follow, on the basis of a 12-month moving average, the ratio of the passengers who can use the passenger bridges for embarkation and disembarkation into and from the aircraft at such terminal(s) (in order to ensure that the measurement always includes months in the high season and months outside that period). The point of comparison can be a target value agreed upon with the airlines.</li> </ul>	<b>0.25%</b>
<i>Total</i>		<b>2.5%</b>

<sup>1</sup> The term “passenger bridge” includes aircraft stands that are not qualified as remote and can also be accessed without the use of a bus.

**Compliance with the above criteria can be established by analyzing the quarterly results. Quarterly publications were made as follows:**

**2 August 2021.** Publication of survey results as set forth by the Decree to airlines and the Civil Aviation Authority (CAA) concerning Q2 2021.

**3 May 2021.** Publication of survey results as set forth by the Decree to airlines and the Civil Aviation Authority (CAA) concerning Q1 2021.

**1 February 2021.** Publication of survey results as set forth by the Decree to airlines and the Civil Aviation Authority (CAA) concerning Q4 2020.

**16 November 2020.** Publication of survey results as set forth by the Decree to airlines and the Civil Aviation Authority (CAA) concerning Q3 2020.

Budapest Airport Zrt. did not carry out the ASQ survey on customer satisfaction in Q2 2020, for which the minister for innovation and technology granted an exemption in a letter dated

9 July 2020, on account of the pandemic and the related drastic reduction in passenger traffic.

**4 May 2020.** Publication of survey results as set forth by the Decree to airlines and the Civil Aviation Authority (CAA) concerning Q1 2020.

**3 February 2020.** Publication of survey results as set forth by the Decree to airlines and the Civil Aviation Authority (CAA) concerning Q4 2019.

**4 November 2019.** Publication of survey results as set forth by the Decree to airlines and the Civil Aviation Authority (CAA) concerning Q3 2019.

**2 August 2019.** Publication of survey results as set forth by the Decree to airlines and the Civil Aviation Authority (CAA) concerning Q2 2019.

**2 May 2019.** Publication of survey results as set forth by the Decree to airlines and the Civil Aviation Authority (CAA) concerning Q1 2019.

**1 February 2019.** Publication of survey results as set forth by the Decree to airlines and the Civil Aviation Authority (CAA) concerning Q4 2018.

**25 October 2018.** Publication of survey results as set forth by the Decree to airlines and the Civil Aviation Authority (CAA) concerning Q3 2018.

**31 July 2018.** Publication of survey results as set forth by the Decree to airlines and the Civil Aviation Authority (CAA) concerning Q2 2018.

**2 May 2018.** Publication of survey results as set forth by the Decree to airlines and the Civil Aviation Authority (CAA) concerning Q1 2018.

**1 February 2018.** Publication of survey results as set forth by the Decree to airlines and the Civil Aviation Authority (CAA) concerning Q4 2017.

**2 November 2017.** Publication of survey results as set forth by the decree to airlines and the Civil Aviation Authority (CAA) concerning Q3 2017.

**1 August 2017.** Publication of survey results as set forth by the decree to airlines and the Civil Aviation Authority (CAA) concerning Q2 2017.

**2 May 2017.** Publication of survey results as set forth by the decree to airlines and the Civil Aviation Authority (CAA) concerning Q1 2017.

**1 February 2017.** Publication of survey results as set forth by the decree to airlines and the Civil Aviation Authority (CAA) concerning Q4 2016.

**2 November 2016.** Publication of survey results as set forth by the decree to airlines and the Civil Aviation Authority (CAA) concerning Q3 2016.

**1 August 2016.** Publication of survey results as set forth by the decree to airlines and the Civil Aviation Authority (CAA) concerning Q1 2016.

**2 May 2016.** Publication of survey results as set forth by the decree to airlines and the Civil Aviation Authority (CAA) concerning Q1 2016.

**1 February 2016.** Publication of survey results as set forth by the decree to airlines and the Civil Aviation Authority (CAA) concerning Q4 2015.

**2 November 2015.** Publication of survey results as set forth by the decree to airlines and the Civil Aviation Authority (CAA) concerning Q3 2015.

**3 August 2015.** Publication of survey results as set forth by the decree to airlines and the Civil Aviation Authority (CAA) concerning Q2 2015.

**4 May 2015.** Publication of survey results as set forth by the decree to airlines and the Civil Aviation Authority (CAA) concerning Q1 2015.

**3 February 2015.** Publication of survey results as set forth by the decree to airlines and the Civil Aviation Authority (CAA) concerning Q4 2014.

## Annex VII.

### Subjective factors regarding the quality of Airport infrastructure and passenger/client satisfaction

<p><i>Considerations relating to services provided by the operator of the airport, governed by regulation</i> (an automatic reduction of 0.25% when one of the factors receives the qualification “well below average” in four consecutive reports)</p>	<p>Difficulty level of orientation at the airport, indicative signs</p> <p>Flight information display</p> <p>Distances on foot</p> <p>Difficulty level of changing planes</p> <p>Availability of baggage trolleys</p> <p>Access to computers/ telecommunication/ Internet</p> <p>Toilets (availability and cleanliness)</p> <p>Comfort in waiting and check-in areas</p> <p>Waiting times at ticket handling</p> <p>Efficiency of the ticket handling staff</p> <p>Politeness and helpfulness of the security staff</p> <p>Waiting times at the security check</p> <p>Feeling of safety</p> <p>Cleanliness of the passenger terminal</p> <p>Car parking</p> <p>Speed of baggage delivery</p>
<p><i>Considerations regarding services not provided by the operator of the airport</i> (do not imply a negative correction of financial incentives)</p>	<p>Access to the airport</p> <p>Access to cities from the airport</p> <p>Customs check</p> <p>Passport and visa check</p> <p>Public order, public safety</p> <p>Restaurants and catering units</p> <p>Business lounges</p> <p>Shops</p> <p>Politeness and helpfulness of the airport staff (other than ticket handling and security staff)</p> <p>Politeness and helpfulness of the ticket handling staff</p> <p>General satisfaction with the airport/ the atmosphere at the airport</p> <p>Price/ value ratio at the restaurants/ catering and shopping facilities</p> <p>Price/ value ratio for parking</p>

## Annex VIII.

### ASQ results of Budapest, Prague and Vienna airport

2021 Q2	BUD	PRG	VIE
<b>OVERALL SATISFACTION</b>			
1 Overall satisfaction with the airport	3	1	2
2 Overall satisfaction with the airport: business pax	3	1	2
3 Overall satisfaction with the airport: leisure pax	2	1	3
<b>ACCESS</b>			
4 Ground transportation to / from the airport	3	2	1
5 Parking facilities	3	2	1
6 Parking facilities value for money	2	1	3
7 Availability of baggage carts / trolleys	3	1	2
<b>CHECK-IN (AT THIS AIRPORT)</b>			
8 Waiting time in check-in queue / line	3	1	2
9 Efficiency of check-in staff	3	2	1
10 Courtesy, helpfulness of check-in staff	3	2	1
<b>PASSPORT / PERSONAL ID CONTROL</b>			
11 Waiting time at passport / personal ID inspection	3	1	2
12 Courtesy and helpfulness of inspection staff	3	1	2
<b>SECURITY</b>			
13 Courtesy and helpfulness of Security staff	3	2	1
14 Thoroughness of Security inspection	1	1	3
15 Waiting time at Security inspection	1	3	2
16 Feeling of being safe and secure	2	3	1
<b>FINDING YOUR WAY</b>			
17 Ease of finding your way through airport	2	1	3
18 Flight information screens	1	3	2
19 Walking distance inside the terminal	2	1	3
20 Ease of making connections with other flights	3	2	1
<b>AIRPORT FACILITIES</b>			
21 Courtesy, helpfulness of airport staff	2	3	1
22 Restaurant / Eating facilities	3	2	1
23 Restaurant facilities value for money	2	1	3
24 Availability of bank / ATM facilities / money changers	2	1	3
25 Shopping facilities	3	1	2
26 Shopping facilities value for money	3	1	2
27 Internet access / Wi-Fi	3	2	1
28 Business / Executive lounges	3	2	1
29 Availability of washrooms / toilets	2	1	3
30 Cleanliness of washrooms / toilets	2	1	3
31 Comfort of waiting / gate areas	2	1	3
<b>AIRPORT ENVIRONMENT</b>			
32 Cleanliness of airport terminal	2	1	3
33 Ambience of the airport	2	1	3
<b>ARRIVALS SERVICES</b>			
34 Arrivals passport and visa inspection	1	3	2
35 Speed of baggage delivery service	3	2	1
36 Customs inspection	3	2	1

## Annex IX.

### Traffic at Budapest Ferenc Liszt International Airport

Below, a brief overview of the traffic figures relating to the last 5 years is offered, followed by the traffic forecast for the next 5 years.

#### IX.1 Overview of Airport traffic in the last 5 years (2017-2021<sup>1</sup>)

After Malév ceased operations in 2012, several low-cost carriers, making use of their flexible operations, immediately took advantage of the newly arising market opportunities, and several additional aircraft were transferred to Budapest, using it as a base airport.

As a result of the grounding of Malév flights, all transfer traffic was immediately and permanently lost, along with several niche routes that relied heavily on connecting passengers (e.g. towards the Balkan countries). On the larger routes, however, the two biggest low-cost carriers embarked on intense competition, even adding significant additional capacity on certain routes. The fierce price competition proved to be unsustainable in the long term. Thus, by 2013, low-cost capacities decreased significantly, or were shifted to more profitable routes.

In contrast, the full service carriers could not respond as flexibly to the bankruptcy of the Hungarian national carrier as their low-cost competitors. With the exception of a few routes, they merely reacted to the new market situation by growing capacity on existing routes and by increasing ticket prices. The last few years have been characterized by a strengthening of the low-cost carriers; all full service carriers established their own low cost carriers (IAG - Vueling, Lufthansa - Eurowings, Air France-KLM - Transavia). As a result, this is the segment that has produced the growth in Europe, and Budapest was no exception to this.

In 2018, after a hiatus of 7 years, a direct flight was introduced again between Budapest and New York City, operated by LOT. At the same time, the Budapest-Chicago flight and the Budapest-Philadelphia flight were also launched, operated by LOT and American Airlines, respectively. 2019 also proved to be a successful year in the operation of long-haul flights: in June, Shanghai Airlines launched its Budapest - Shanghai service, followed by LOT's Budapest-Seoul flight.

In 2019, due to numerous new routes and a slight increase in average load factors, the airport registered a successful year; it reached passenger traffic of 16 million for the first time in its history, which meant 8.8% growth from the previous year.

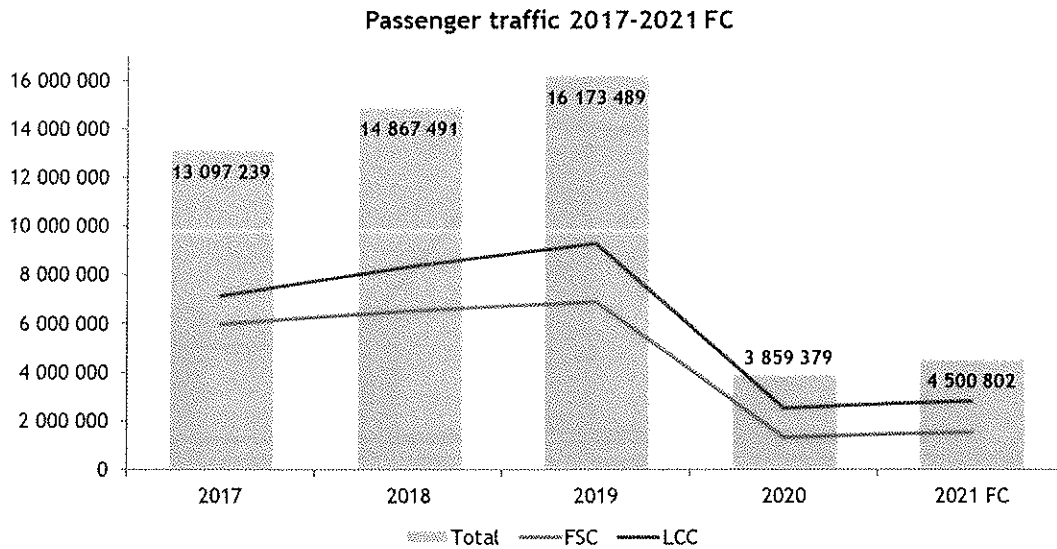
2020 was a difficult year for all players in the aviation industry, as the restrictions introduced in each country on account of the coronavirus pandemic have resulted in a drastic drop in traffic. Passenger traffic fell by 76.1% from the previous year, resulting in 3.86 million passengers in 2020.

2021 is still affected by the coronavirus pandemic; nevertheless we have started to see the gradual recovery of passenger traffic from June. According to estimates, 4.50 million passengers will use the airport in 2021. However, there will be a higher deviation between full service and low-cost passenger traffic, due to the heavier impact of coronavirus pandemic on full service airlines.

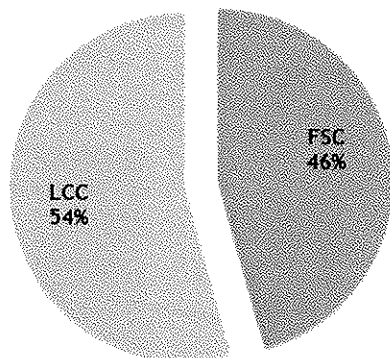
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<sup>1</sup> 2021 traffic figures are estimated.

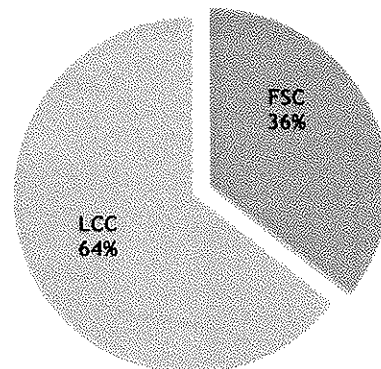
Changes are shown in the chart below:



**Passenger traffic share 2017**



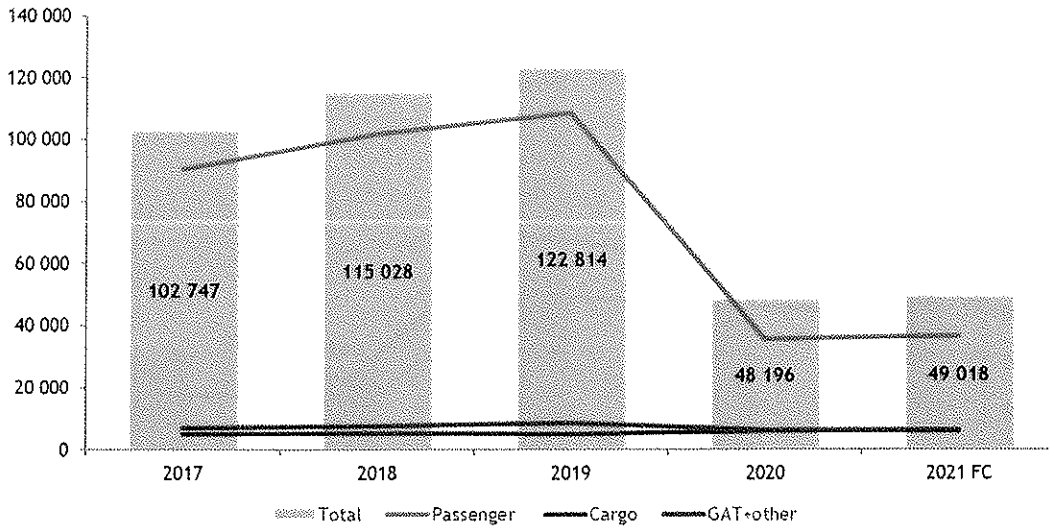
**Passenger traffic share 2021 FC**



The number of ATMs had been increasing continuously since 2016, but to a smaller extent than passenger traffic, resulting from the fact that airlines were using larger aircraft, with higher load factors. In 2021 ATMs are expected to have an overall slower recovery compared to passenger traffic, which is justified by the higher load factors expected in the second half of the year.

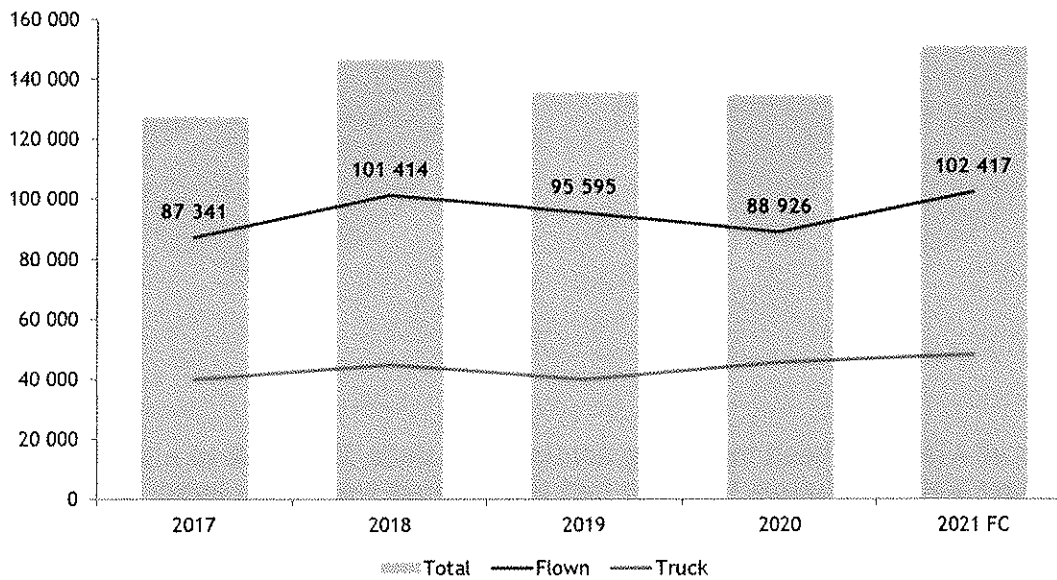
49 k ATMs are forecast for 2021, which is an increase of 1.71% compared to 2020.

**Air Traffic Movements 2017-2021 FC**



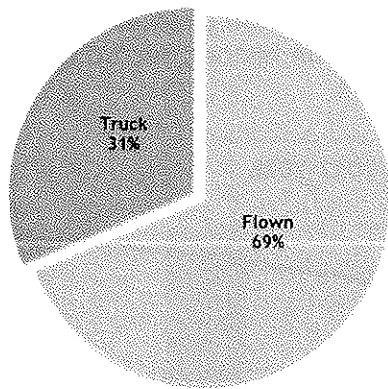
Regarding cargo traffic, the effects of the coronavirus pandemic were minor. The largest growth was recorded in 2018, when cargo flown traffic exceeded the volume from the previous year by 16.1%. In 2021, the total cargo traffic is expected to have an increase of 12.0% vLY, amounting to a total of 150 k tons. The share of flown and truck volumes are more or less expected to remain the same vs 2017.

**Cargo traffic (tons) 2017-2021 FC**

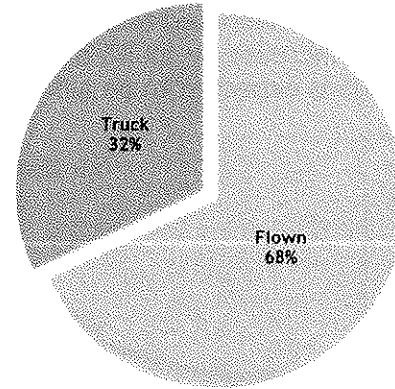




Cargo traffic share 2017



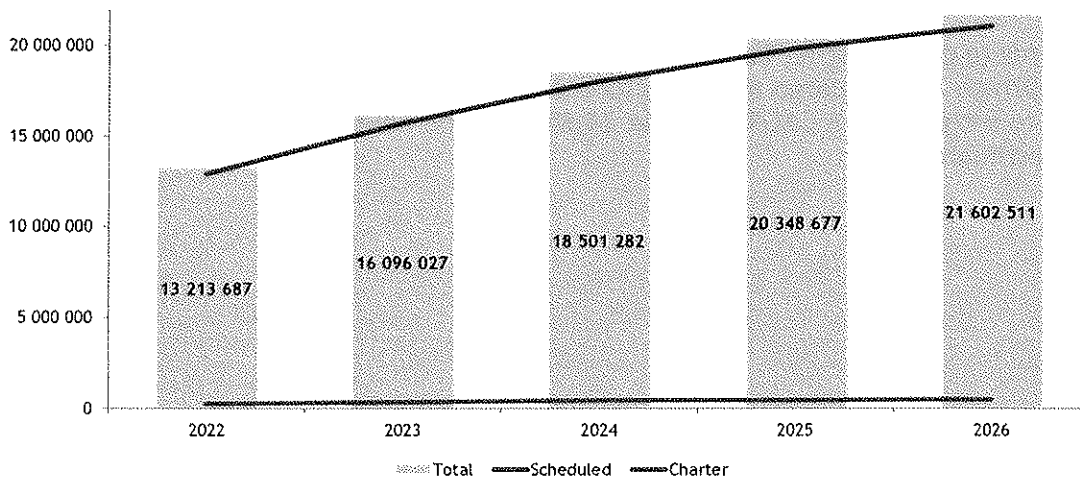
Cargo traffic share 2021 FC



### IX.2 Traffic forecast for the next five years (2022-2026)

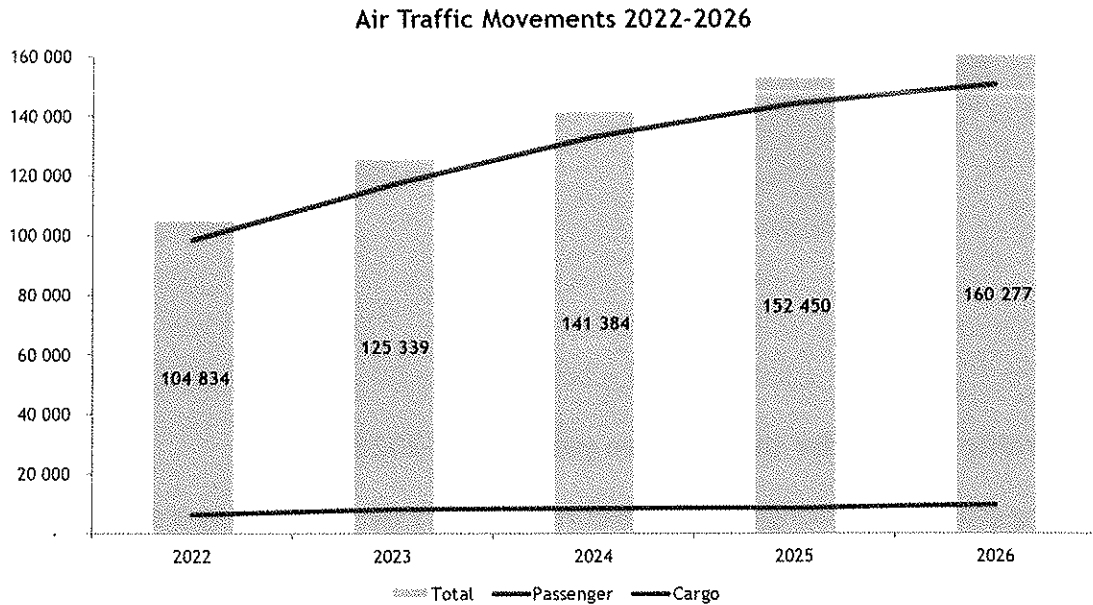
The strong growth of passenger traffic over recent years was followed by a decrease in 2020-2021 due to the COVID-19 pandemic. According to Budapest Airport Zrt.'s forecast, a recovery of 13.2 million passengers is expected in 2022 which is still below 2019 passenger levels. The airport is expected to reach the 2019 passenger traffic level again in 2023, when 16.1 million passengers are foreseen to use the airport.

Passenger traffic 2022-2026



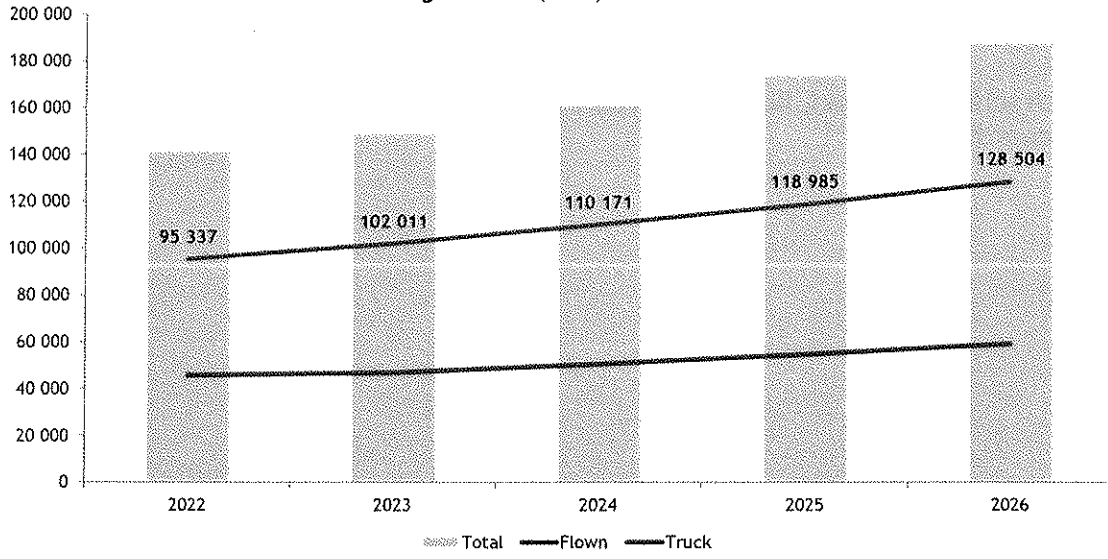
With the bankruptcy of the Hungarian national carrier, market segments have undergone significant rearrangement. Due to the nature of their business model, the LCCs reacted immediately, allocating considerable capacity to Budapest, filling a part of the gap in the market. The less flexible business model of the full services carriers enabled an expansion of flights and mainly aircraft capacity, although several new players are appearing in the market in this segment as well. The split of these market segments is not expected to change significantly on account of the coronavirus pandemic either. Budapest Airport expects that growth in 2021 will be achieved mainly through the expansion of the main carriers, WizzAir and Ryanair. CAGR is expected to be 13.0% for the five-year period. However, in the mid-term, no major shifts in market segments are expected.

In terms of aircraft movements, Budapest Airport Zrt. expects an increase of approximately 113.9% for 2022 compared to 2021, which would be a decrease of 14.6% from 2019. Cargo is expected to increase by 53.8% over a 5-year period. The historic record of nearly 127 000 ATMs in 2006 is expected to be achieved again in 2024.



With regards to cargo traffic, Budapest Airport expects growth of around 9.0% per annum on average. Driven by the cargo infrastructure expansion, the cargo flown traffic tonnage is expected to increase by a CAGR of about 34.8% over the next five years. Numbers for 2022-2026 are estimated.

Cargo traffic (tons) 2022-2026



## **Annex X.**

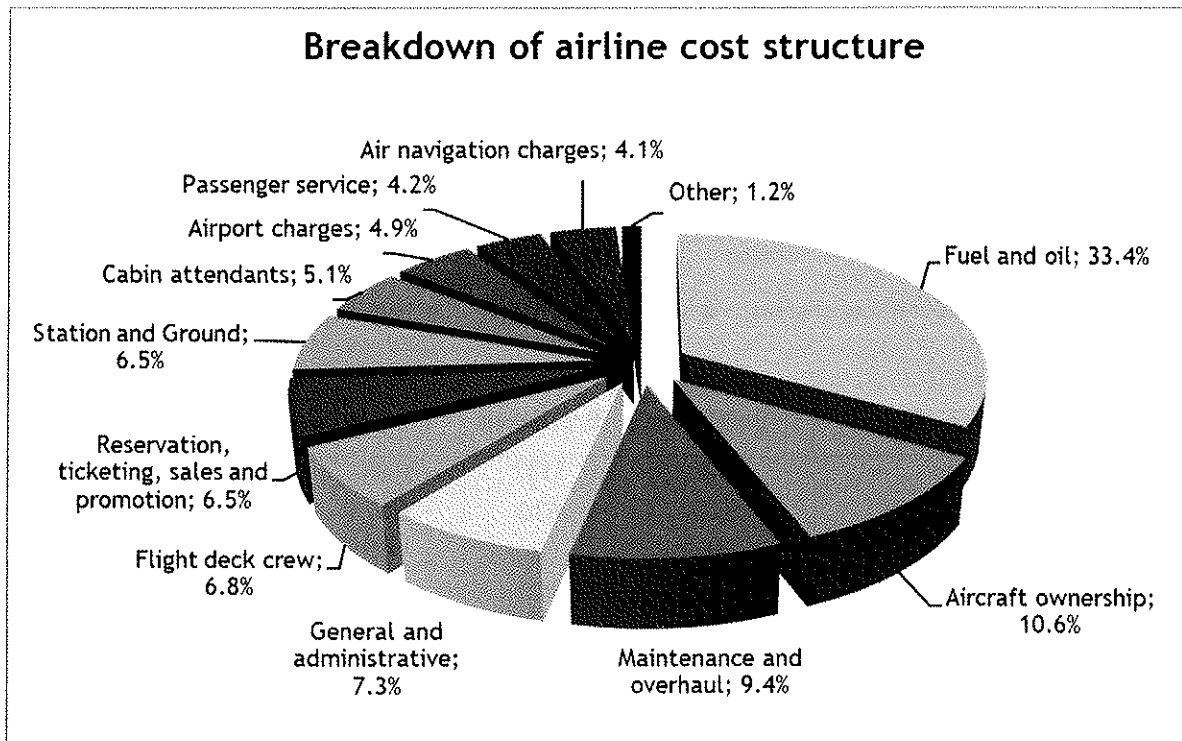
### **Airport Capacity**

Prior to each schedule period, Budapest Airport Zrt. sends the actual capacity of the Airport to the slot coordinator.

## Annex XI.

### Charge comparison of the main airports in the region

The changes in traffic are partly influenced by the changes in prices at airports. On average, airport costs amount to 5% of the total operating cost of a flight. Of course, this is much lower in the case of long-haul transcontinental operations.



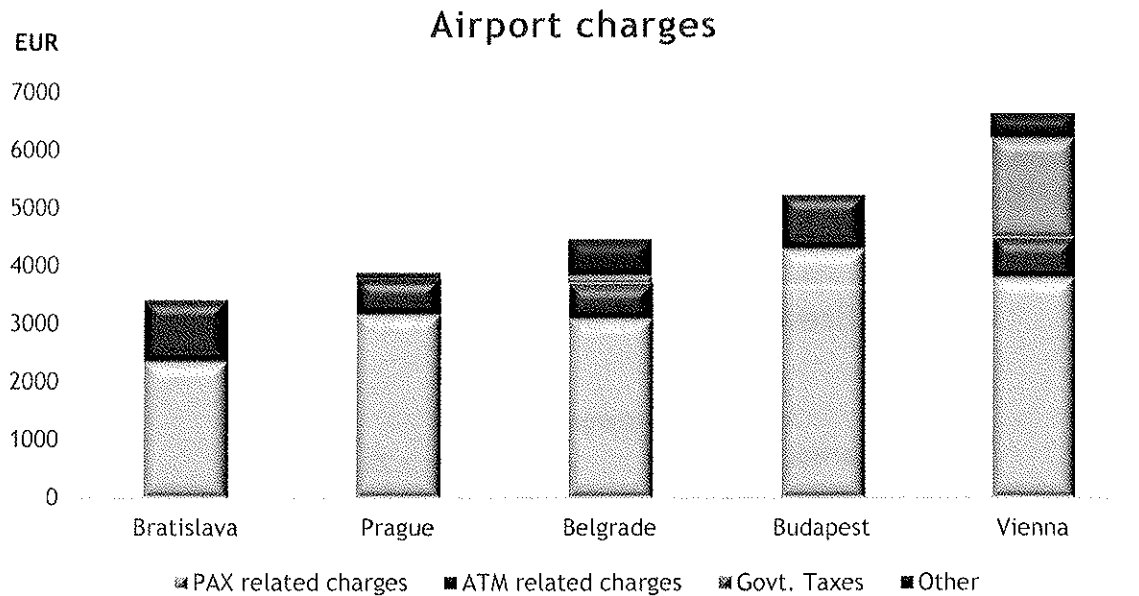
Source: IATA

The connection between airport charges and costs is not the only important indicator, but charges must also be competitive with those of competitors.

In order to be able to present and compare airport charges as clearly as possible, we have made calculations based on the published charges of Vienna, Prague, Belgrade and Bratislava Airports (effective in 2020). The following parameters have been used for the calculation:

- Type: A320
- MTOW: 72 tons
- Max passenger number: 180
- Load factor: 80%, 144 passengers
- Turnaround time: 60 min.
- Operation: daytime (6 a.m. - 6 p.m.)
- Operation: to central (main) terminal
- Parking: apron

(Detailed descriptions of the charge structures used at the different airports and the calculation tables can be found in **Annex XII.**)



Airport charges (EUR)	Belgrade	Bratislava	Prague	Budapest	Vienna
PAX related charges	2343	3157	3084	4283	3787
ATM related charges	1073	630	616	948	701
Govt. taxes	0	0	141	0	1728
Other	0	100	626	0	426
<b>Total</b>	<b>3416</b>	<b>3887</b>	<b>4467</b>	<b>5231</b>	<b>6642</b>

The diagram above shows the cost structure from the given charge items of the airports' charge regulation. For all airports, passenger-related charges (PSC) represent the largest share of the charges. The passenger-related charges are connected to the use of the terminal, which also includes the costs of security activities. It is expressly in the interest of the airlines that the largest possible part of the fees should be invoiced as part of the passenger charge, since this is only a transitory item for them. Budapest and Prague are in the lead in this respect, since the passenger charge accounts for more than 80% of total costs. The aircraft-related charges are typically the landing fee, the parking fee, the noise fee and other infrastructural charges.

Of the five airports, the charges are lowest at Belgrade, followed by Bratislava and Prague. Prices at Budapest are 21% lower than at Vienna, being the most expensive airport in the region.

## Annex XII.

Published charges at Budapest, Vienna, Prague, Belgrade and Bratislava Airports  
Calculations are based upon the airport charges in effect in 2021.

<b>Budapest (valid from 1 April 2021)</b>	
<b>Landing charge</b>	Up to 10 tons: Passenger € 128.65 / ton Cargo € 136.48 / ton
	From 10 to 45 tons: Passenger € 12.23 / ton Cargo € 12.98 / ton
	From 45 to 150 tons: Passenger € 10,37 / ton Cargo € 11.01 per ton
	Over 150 tons: Passenger € 8.31 / ton Cargo € 8.82 / ton
<b>Parking charge</b>	Passenger between 0600 and 2200: € 0.231 / hour / ton (less than 30 minutes free of charge)
	Cargo between 0600 and 2200: € 0.258 / hour / ton (less than 3 hours free of charge)
	Between 2200 and 0600: Free of charge
<b>Passenger service charge</b>	€ 25.64 / € 26.93 departing passenger at T2 € 6.68 / transferring passenger
	€ 38.03 / departing passenger at the GAT terminal
<b>PRM charge</b>	€ 0.20 / departing passenger
<b>Security charge</b>	€ 4.10 / departing or transferring passenger
<b>Infrastructure charge</b>	None
<b>Noise charge</b>	Built into the landing / passenger service fee based on the chosen passenger service charge.
<b>Deep sleep charge</b>	$M = A * P * K$ A = basic charge P = runway direction K = category multiplier

<b>Vienna (valid from 1 January 2021)</b>	
<b>Landing charge</b>	From 5 to 45 tons: Passenger € 222.98 Cargo € 284.68
	Over 45 tons: Passenger € 222.98 + € 6.08 / ton Cargo € 284.68 + € 6.41 / ton
<b>Parking charge</b>	Determined as a percentage of the landing charge (free of charge for the first four hours)
	rate: 15 %
<b>Noise charge</b>	$H = G - W$

	W (compensation value) = $\Sigma G$ of all movements in the given period / $\Sigma$ of all movements in the given period
	G (noise charge before compensation with the definition of noise quality) $G = (F + Y) - \text{Bonification}$
	Bonification technical equipment: 15% bonus from noise charge for landing and for take off is deducted Bonification CURVED APPROACH: 15% bonus from noise charge for landing is deducted
	Y (noise charge quality) If $C < 1$ , then $Y = \text{€ } 1000$ If $C > 1$ , then $Y = \text{€ } 500 / C$
	C (deviation from prescribed noise level) $C = \text{ICAO (noise value)} - \text{AC certificate (noise value)}$
	F (noise charge before compensation without the definition of noise quality) $F = (A - X) * U$
	A (noise value of aircraft) $A = 10 * \text{LOG} ((10^{(K/10)} + 10^{(L/10)} + 10^{(M/10)})/3)$
	X (noise value limit) 81
	U (basic charge / piece) € 1.00
Passenger service charge	€ 17.40 / departing passenger
	€ 18.77 / departing passenger including PRM and infrastructure charges
Infrastructure charge "passenger"	€ 0.91 / departing passenger
Infrastructure charge "apron"	Depending on aircraft type and stand: From € 70.01 to € 441.39
Schedule Coordination Fee	€ 3.70 / round trip
PRM charge	€ 0.46 / departing passenger
Security charge	€ 8.44 / departing passenger
	€ 8.44 / transfer passenger

Prague (valid from 28 March 2021)	
Landing charge:	Up to 5t MTOW CZK 1 110
	6-9t MTOW CZK 2 220
	10-24t MTOW CZK 2 273 + (MTOW - 9t) x CZK 225
	25-49t MTOW CZK 5 689 + (MTOW - 24t) x CZK 195
	50-100t MTOW CZK 10 575 + (MTOW - 49t) x CZK 186
	above 100t MTOW CZK 20 070 + (MTOW - 100t) x CZK 99
Parking charge	External stand: CZK 0.24/ton/minute between 06:00-22:00 CZK 0.15/ton/minute between 22:00-06:00
	By passenger boarding bridge: CZK 0.29/ton/minute between 06:00-22:00 CZK 0.18/ton/minute between 22:00-06:00
Noise charge	Varies with noise categories between CZK 0.10 and CZK 36 / ton MTOW during daytime and CZK 0.30 and CZK 32 / ton MTOW at nighttime.



<b>Passenger service charge</b>	CZK 649 / departing passenger
	CZK 324 / transferring passenger
<b>PRM charge</b>	CZK 10 / departing and transferring passenger
<b>Security charge</b>	None
<b>Infrastructure charge</b>	None
<b>Bus charges</b>	First 30 min CZK 578 Each additional 10 min CZK 578
<b>Use of passenger boarding bridge charges</b>	CZK 2 530 for PB Bridge for aircraft <100 t MTOW / max 120 min
	CZK 4 730 for PB Bridge for aircraft ≥100 t MTOW / max 180 min incl. AC/Heating
	CZK 352 AC/Heating Charge for aircraft <100 t MTOW

<b>Belgrade (valid from 15 Nov 2017)</b>	
<b>Landing charge</b>	up to 25 tons € 5.70 / ton
	over 25 tons: € 7.70 / ton
<b>Parking charge</b>	Remote position € 2.00 / ton / 24 hour (free of charge for the first 4 hours)
	Use of passenger boarding bridge: 24 - 35 tons € 114.00 38 - 48 tons € 128.00 48 - 60 tons € 142.00 60 - 70 tons € 160.00 70 - 80 tons € 185.00 80 - 90 tons € 202.00 90 - 150 tons € 232.00 150 - 180 tons € 302.00 180 - 210 tons € 302.00 210 - 260 tons € 444.00 Over 260 tons € 560.00
<b>Lighting charge</b>	Up to 25 tons € 1.80 / ton
	Over 25 tons: € 2.46 / ton
<b>Passenger service charge</b>	Terminal 1 & 2 International passenger: € 16.50 / departing passenger Domestic passenger: € 8.50 / departing passenger Transfer passenger: €4.00 / transfer passenger
<b>Security charge</b>	€ 4.48 / departing passenger
<b>CUTE charge</b>	€ 0.69 / departing passenger
<b>Infrastructure charge</b>	Up to 5 tons € 17.00 5 - 10 tons € 37.04 10 - 16 tons € 99.16 16 - 24 tons € 175.00 24 - 35 tons € 228.52 38 - 48 tons € 246.00 48 - 60 tons € 264.00

	60 - 70 tons € 309.16 70 - 80 tons € 341.36 80 - 90 tons € 372.56 90 - 150 tons € 444.08 150 - 180 tons € 578.00 180 - 210 tons € 733.48 210 - 260 tons € 942.20 Over 260 tons € 1190.76
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<b>Bratislava (valid from 26 March 2020)</b>	
<b>Landing charge</b>	Domestic: € 5.15 / ton
	International: Up to 150t € 13.11 / ton 151 - 250t € 9.29 / ton Over 250t € 6.64 / ton
<b>Parking charge</b>	Cargo: Up to 2 hours free of charge 2 to 12 hours € 0.30 / ton / hour Over 12 hours € 0.07 / ton / hour
	Passenger: Up to 1 hour free of charge Over 1 hour € 0.30 / ton / hour
<b>Passenger service charge</b>	International passenger: € 16.27 / departing passenger
	International transfer passenger: € 8.13 / transfer passenger
	Domestic passenger: € 6.31 / departing passenger
	Domestic transfer passenger: € 3.15 / transfer passenger
<b>Security charge</b>	None
<b>Infrastructure charge</b>	None
<b>Noise charge</b>	None

The term “per ton” or “/ ton” refers to each ton of the maximum takeoff weight (MTOW) (even if the last ton is incomplete).

## Annex XIII.

### Financial overview and forecast

#### XIII.1 Analysis of the revenue and cost allocation between regulated and non-regulated services

The BUD group generated revenues of 144.2 million EUR in 2020, of which 72.0 million EUR is from aviation-related charges and regulated services.

000 EUR	2020		
	Total	PAX	CARGO
<b>Revenues</b>	<b>144,152</b>		
<b>Aviation revenues</b>	<b>71,997</b>	<b>67,557</b>	<b>4,440</b>
Landing fee - weight component	18,964	14,996	3,968
Landing fee - noise component	0	0	0
Aircraft parking	4,735	3,932	803
BHS	858	858	0
Public incentives	582	913	-331
Passenger service charge	43,980	43,980	
Check-in	749	749	
Other aviation revenues	2,129	2,129	
<b>Non-aviation revenues</b>	<b>71,561</b>		
Fuel supply revenues	28,958		
Real estate	26,770		
Retail & advertisement	9,046		
Landside services	4,367		
Other non-aviation revenues	2,420		
<b>Other non-financial revenues</b>	<b>567</b>		
<b>Financial revenues</b>	<b>27</b>		
<b>Expenditure</b>	<b>229,105</b>		
<b>Aviation</b>	<b>128,669</b>	<b>120,734</b>	<b>7,935</b>
Materials	19,239	18,052	1,186
Personnel expenditure	21,724	20,384	1,340
Depreciation	8,925	8,375	550
Financial expenditure	68,016	63,822	4,195
Other expenditure	10,765	10,101	664
<b>Non-aviation</b>	<b>100,436</b>		
Materials	39,339		
Personnel expenditure	5,245		
Depreciation	4,035		
Financial expenditure	45,766		
Other expenditure	6,051		
<b>EBT</b>	<b>-84,953</b>		
<b>Aviation EBT</b>	<b>-56,672</b>	<b>-53,178</b>	<b>-3,495</b>
<b>Non-Aviation EBT</b>	<b>-28,281</b>		

Note: Audited data, BUD Group (AHK consolidated) IFRS

During the same period, the BUD group's costs amounted to 229.1 million EUR, of which 128.7 million EUR is linked to aviation-related - regulated - services.

The financial results of the BUD Group's aviation business unit for 2020 show a 56.7 million EUR loss.

### ***XIII.2 The valuation of capital deposited with a view to providing regulated services***

Budapest Airport began its activities on 1 January 2002. It received its assets required for airport and other commercial activities from MNV for asset management. These were entered into accounting records at values determined by an independent value appraiser. The independent expert also defined the net value, the useful life cycle and the residual value of these assets.

At the time of privatization, on 22 December 2005, the Airport's fixed assets were subjected to an independent valuation prepared according to international financial reporting standards (IFRS).

### **XIII.3 Implemented investments in the previous period**

From the investment forecast included in the previous Tariff Manual, the following investments were implemented in 2019-2020:

- Construction of Pier 1 and handover in two phases
- Refurbishment of boarding hall
- Terminal refurbishment works aimed at passenger satisfaction, for instance restroom refurbishment and extension
- Developments of the baggage system (construction of self-service baggage drop-off system, construction of a new baggage sorting hall, development of the baggage forwarding system, replacement of baggage screening equipment, with technology complying with the latest EU requirements)
- New logistics base to serve cargo traffic (Cargo City Forwarder and Handler)
- Procurement and installation into operation of new multifunctional, summer and winter cleaning and snow clearance machines
- Continuation of apron and taxiway refurbishments
- Installation of electric chargers for plug-in hybrid and electric vehicles
- -
- -
- Installation of new noise monitoring system
- Further investments related to capacity extension and infrastructure development.

### **XIII.4 Operating cost and efficiency forecasts relating to the Regulated Activities**

In addition to ensuring the conditions of continuous operation and implementing investments necessary to develop operation, Budapest Airport took the following steps in order to increase efficiency, which it plans to continue going forward:

- Check-in capacity expansion
- Installation of additional automated boarding gates
- Procurement of new security equipment, expanding the equipment park, testing of new security technologies
- Quality assurance, regular ISO audits, including the Armed Security Guard and Polaroid
- Security awareness, labor and fire safety and compliance trainings for all employees of Budapest Airport
- Efforts related to energy efficiency and sustainability
- IT developments, digitization

- Continuous replacement and modernization of mechanical systems and operational infrastructure, with the aim of introducing more cost-effective systems.

The main aim of these efficiency improvement measures and developments is to achieve a faster passenger traffic flow, reduce waiting times, enhance security / safety, increase service quality, increase capacities, cost-effectiveness and sustainability.

In line with the shareholders' guidelines, Budapest Airport Zrt. intends to take further steps to increase the efficiency of the Airport, whilst maintaining and improving the quality of the operational services provided.

### **XIII.5 Forecasts for aviation-related capex projects to be implemented during the next forecasting period, including indicative schedules for the execution of individual projects<sup>2</sup>**

The following table summarizes estimated figures for the aviation-related capex projects of Budapest Airport Zrt.:

<b>CAPEX projects (EUR m) - aviation-related CAPEX</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2021-2025</b>
Total	41.79	87.49	89.10	89.42	206.75	517.48

Budapest Airport Zrt. is planning to implement the following capacity expansion projects during the next 5 years, in line with passenger traffic which dropped in 2020 due to COVID-19, but is expected to grow again slowly in the next years:

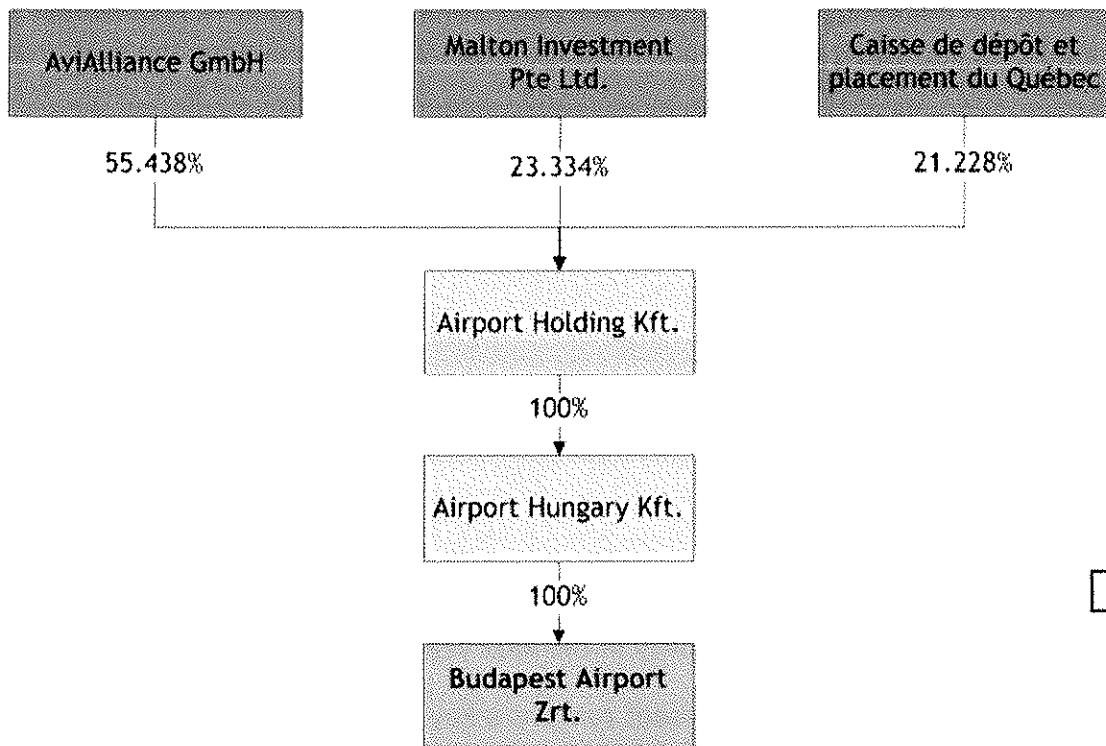
- The Terminal 3 (T3) development remains a key plan, but implementation has been rescheduled, due to the reduction in passenger traffic. Plans also include the T3 processor building (construction of an extended check-in and passenger security screening area).
- Developments linked with the T3 development: Pier A, T2A north-west extension, low-cost piers, increasing of parking capacity.
- Developments aimed at increasing terminal capacity until commencement of the T3 development.
- Apron developments
- Hangar developments (ACE hangar)
- The continuous, pre-planned refurbishment and development of the runways and taxiways
- Additional developments aimed at capacity increases, including: extension of the baggage reclaim system in several phases, extension of passenger security screening lanes.

In addition, projects focusing on the ongoing development and replacement of existing infrastructure are also included in the capex plan for the next 5 years (for instance, AGL upgrades / refurbishments, upgrade / replacement of air traffic systems, development / enhancement of airport infrastructure).

<sup>2</sup> Based on the current CAPEX plan of Budapest Airport approved by its Board.

### XIII.6 Overview of the expected financing sources and capital structure of the Regulated Activities

The diagram below shows the company's ownership structure as of May 2021.



Budapest Airport wishes to finance Regulated Activities entirely from its revenues generated from the Regulated Activities and its capital expenditure from internal and external resources.

### XIII.7 The method of the financing of ongoing capex projects

Budapest Airport Zrt. wishes to finance capex projects from shareholder loans, resources provided by financial institutions and its own aeronautical revenues.

## **Annex XIV.**

### **The list of Non-Regulated Activities**

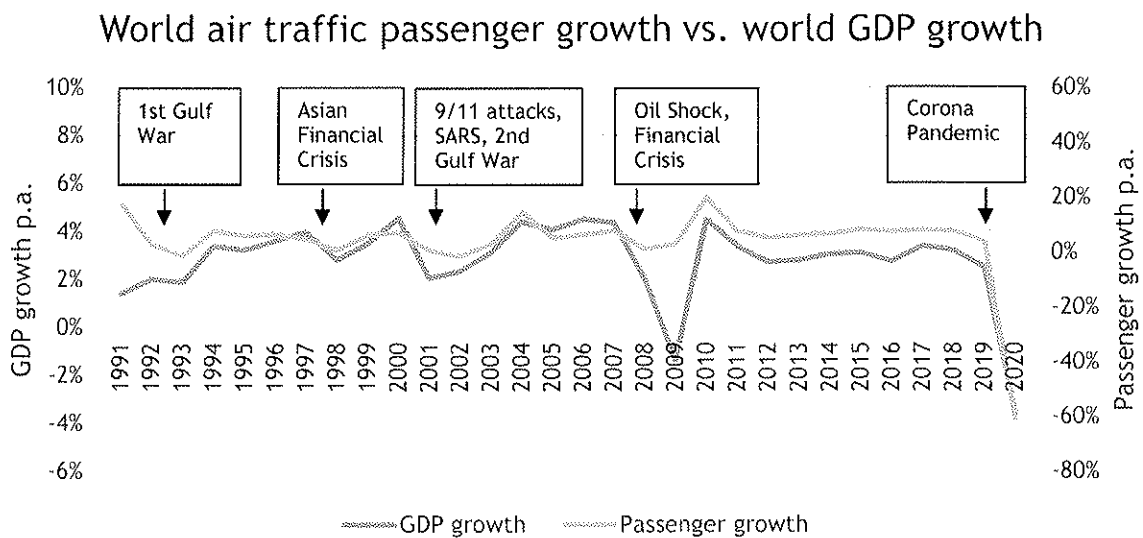
All activities, services and infrastructure provided by the airport operator not being listed as part of the regulated activities presented in Annex I. The list includes but is not limited to:

- Property leasing
- Utilities and waste management
- Sales of advertising surfaces
- Car park management
- Other traffic-related services
- Other terminal-related services
- IT services
- Fuel sales for road vehicles
- Occupational health services
- Other services

## Annex XV

### Market risks in the air transport sector

The global passenger traffic growth can be characterized by industry cycles that are driven by the economic situation. The concept of an industry cycle is largely based on the presumption that air traffic growth is driven by an expanding economy and that a recession will in turn have a negative impact. This can easily be seen in the close correlation between the GDP development and air traffic development. In the past, GDP has always been the single most important indicator for the aviation industry's development. If the expected GDP growth is positive, the demand for air travel and the propensity to fly is expected to rise accordingly. A slowing economy in turn leads to stagnating markets, which, in terms of the aviation industry, usually recovered after a certain period to reach the level of onward growing markets.



Source: The World Bank, Oxford Economics

While some of the crises can be expected - economic downturns, for example, have shown a certain regularity - others cannot be predicted at all. The events of September 11, 2001 had a significant impact on the global economy and the aviation sector in particular, leading to largely stagnating passenger numbers for the two succeeding years. Smaller crises like the SARS pandemic or the Icelandic volcanic ash cloud in 2010 have a more regional, yet still significant impact on growth rates. The appearance of the coronavirus has caused a significant downturn all over the world; the travel restrictions introduced on account of the pandemic have exerted drastic impacts on aviation.

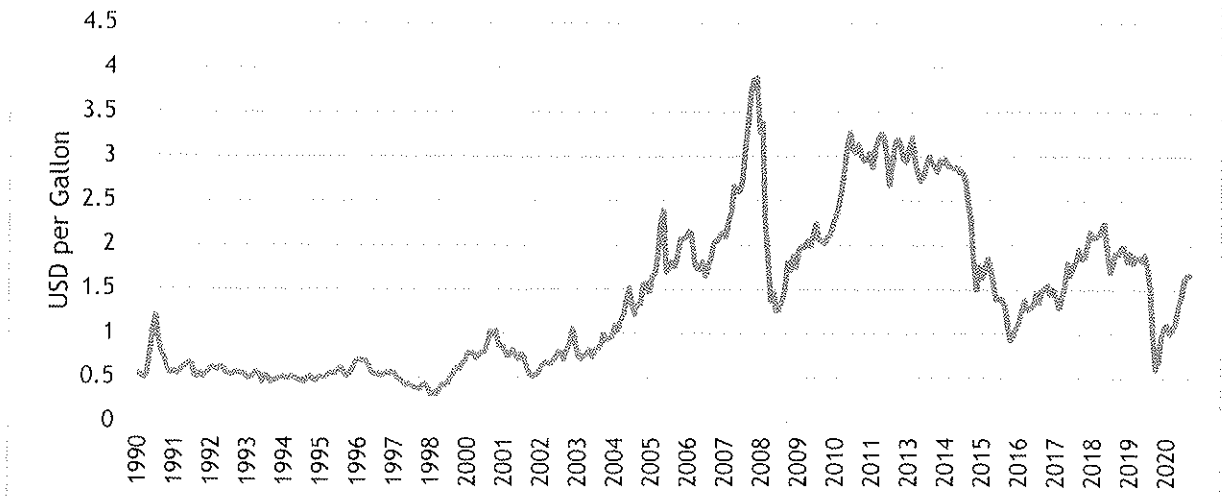
Overall, during the last 40 years, global air travel showed strong and robust growth. However, traffic reduced significantly in 2020, due to the appearance of the coronavirus. The drastic decrease in passenger traffic is observable all over the world; the global drop in passenger traffic was around 61% by the end of 2020, which means the “disappearance” of nearly 2.4 billion aerial passengers.

The coronavirus pandemic presents a huge challenge for the aviation industry; the busiest airports in Europe have all registered a traffic reduction of around 70-90% since the outbreak of the pandemic. More than 2.6 billion aerial passengers have vanished on the continent up to February 2021, due to the travel restrictions introduced on account of the pandemic. Expected passenger traffic at many airports, especially in our region, is reducing to levels seen 15-20 years ago; a fraction of what was originally forecast for this year.



While economies will continue to live through such difficulties, the most important threats to aviation operations are currently the further impacts of the coronavirus pandemic and the future development of oil and kerosene prices. In particular in 2015, global aviation benefited from a sharp decrease in oil and kerosene prices (Jan. YoY: -49%), allowing the airline industry to put additional capacity on the market, stimulate growth by offering attractive airfares and ultimately rising returns on its invested capital.

U.S. Gulf Coast Kerosene-Type Jet Fuel Spot Price FOB



Source: US Energy Information Administration

In the last decade, the growth in European air traffic volumes was strongly driven by the triumphal rise of the low-cost carriers. The lower cost of airfares stimulated markets by making it more attractive for people with small disposable incomes thereby increasing the propensity to fly in particular to and from Eastern Europe and pushing traffic volumes to a higher level.

Oil prices have been very volatile during the past few years. It has been exposed to numerous impacts, including, amongst others, conflicts in the Middle East and the appearance of the coronavirus, which had a strong impact on the price level. The switch to renewable energy will also exert a strong impact in the coming years, which will have a significant effect on aviation as well.

### Specific risks for airport operators

Whereas airlines are generally subject to the same market risks as airport operators, the latter have to deal with a limited range of countermeasures being available to react to changing business conditions and changing traffic streams. Nowadays, airports are subject to strong competition by other airports. According to a study by Copenhagen Economics, European citizens benefit from a well-established network of airports, giving more than 60% the choice between at least two major airports within a two-hour driving distance.

In contrast to the physically fixed nature of airports, airlines are capable of reacting to passenger downturns and shifts in passenger flows within a reasonable time, e.g. by partially

reducing their fleets or reallocating capacities to more mature markets. About 15-20% of the routes at European airports are opened and closed each year, as airlines reallocate capacities to maximize their profitability. In particular, for the increasing market segment of low-cost carriers, the former barriers of switching costs no longer deter airlines from switching airports, as recently also confirmed by the UK Competition Commission.

On the contrary, airport operators are usually only marginally able to reduce their fixed costs. In general, the economic fate of an airport is strongly linked to the economic and social growth of its region. In particular, given the fact that despite short-term local downturns airport operators are required to pre-finance long-term and strategic investments into aviation infrastructure, airport operators are always risking that business conditions change irretrievably before such investments pay off. This risk is further increased as the majority of airport operators are still dependent on a single airline accounting for more than 40% of their capacity. As happened in the case of BUD, airports are hardly able to take countermeasures to react on sharp traffic decreases as seen following the grounding of Malév. However, despite an imbalanced risk-profile, airport expansion programs must ultimately be decoupled from single downturn events and are rather linked to the general long-term economic growth of the region. Typically, airport operators need to act ahead of market trends to ensure that airport expansion programs are initiated in due time. Passenger traffic was increasing continuously over the past years, and forecasts for the next years also indicated further growth. This was stunted by the appearance of the coronavirus, causing significant challenges for the economy.

Aviation is facing a severe downturn; passenger traffic has decreased considerably, due to the travel restrictions introduced on account of the virus. Numerous airlines are on the brink of bankruptcy. Traffic is expected to increase over the coming years; however, aviation faces significant changes due to the spread of the virus, and the recovery could take years to materialize.