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FAI
EXPERTS IN
MEDEVAC

**FAI – Serving the Insurance- and Assistance-
Industry, Government-Agencies, Health- and
Relief-Organisations, Hospitals, Corporations
and Private Individuals for more than 20 years**

**Report to Stakeholders
2008**

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FAI and the UN's Global Compact Initiative



- I. Introduction – Chief Executive's Statement**
- II. Human Rights Aspects**
- III. Labour Standards**
- IV. Environmental Aspects**
- V. Anti-Corruption Aspects**

I. Chief Executive's Statement for Continued Support (1)



Since June 2005 where FAI first expressed its support for the UN's Global Compact Initiative FAI now fully supports and adheres to the Global Compacts 10 principles with regard to human rights, fair labour practices, environmental topics and anti-corruption aspects in its daily operations.

“ The time in-between the issue of our last report and the preparation of this years COP we have used to continue implementation of our policies and programs most notably in the range of social criteria. Our firm commitment to equal opportunity and to fight all forms of discrimination, are fundamental to our business relations with our clients as well as to our employees.

Due to our nature of business our possibilities in reference to environmental protection are very low – therefore we always kept an eye on the environmental endeavours of our vendors regarding waste treatment, pollution prevention, energy saving and water consumption control.

I. Chief Executive's Statement for Continued Support (2)

By end of June 2008 FAI's workforce numbers more than 60 people. FAI has equal opportunity plans in compliance with legislation with regard to employment and advancement practices. We ensure that each qualified candidate is given equal opportunity during the recruitment process – regardless of any status protected by the law (e.g. colour, gender, age, nationality or religion).

FAI maintains a policy of strong commitment towards health and safety in its daily operation. As a responsible employer, FAI ensures high standards in physical conditions such as lighting, heating and air-conditioning and in safe work practices, providing safe workplaces and taking due measures to prevent accidents and occupational injuries by minimizing the risks to the greatest possible extent. All our premises have Contingency Plans in accordance with the law and certified by the local authorities."

Siegfried Axtmann, Chief Executive Officer

II. Human Rights Aspects



**Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights and
Principle 2: make sure that they are not complicit in human rights abuses.**

All of FAI's operations are subject to determinations that are in full compliance with internationally recognized human rights, proclaimed in the European convention of Human Rights.

As a certified EURAMI*-member FAI provides its services neutral in politics and religion and in compliance with the principles of the Red Cross and places all means at its disposal in the service of people in need, without regard to financial capabilities, sex, social position, nationality, race, creed or political conviction.

- * The EURAMI-Institute is primarily involved in the medical aspects of air rescue. It harmonises and generalises European and International experience and insights in air rescue, facilitates and develops the practical work of its members and improves and increases the results of this work in order to guarantee step by step an equally good and high level of air rescue in all countries inside and outside the European Union.

III. Labour Standards (1)



Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4: the elimination of all forms of forced and compulsory labour;
Principle 5: the effective abolition of child labour;
Principle 6: the elimination of discrimination in respect of employment and occupation.

Although 16 nationalities are united in our company and some of the cultures differ these above mentioned 4 core principles are valid throughout our company.

Regular Auditing – internal or done by customers or independent organizations like our civil aviation authority (LBA) confirm the effectiveness of our internal control mechanisms and company rules, which reflect our company culture since the very beginning.

FAI has fair recruitment practices (also in respect to gender equality), offers equal opportunities and does not allow discrimination in regard to racial, religious or ethnic reasons. We invest in training, offer performance-related payment plus a voluntary annual bonus in form of an extra months payment.

FAI managed to provide 20 new jobs in the company in the last years by doubling its hangar space at Nuremberg Intl. Airport, Germany in 2006.

III. Labour Standards (2)



Particular Facts: Improvement of the Company's high Standards in Air Ambulance through Compilation and Implementation of an expanded Medical Operation Manual (MOM)

The FAI Air Ambulance Medical Team (consisting of doctors and paramedics) aims at providing the best possible care to the patient.

To achieve this objective it adheres to the following principles and guidelines:

Patient-centred care, treatment based on up-to-date scientifically proven/evidence-based data, maximized satisfaction of the patient and the client, commitment to professionalism and quality, continuous quality improvement, motivation towards continuous education and training, efficient strategies to avoid errors and minimize risks, capability to learn from errors, effective communication and coordination, teamwork, use/introduction of state-of-the-art medical technology

IV. Environmental Aspects



Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility;

Principle 9: encourage the development and diffusion of environmentally friendly technologies

General Projects:

- In addition to our project “paperless office” with the aim to save the consumption of paper by adoption of revised software and hardware and the increasing use of new storage media in our operations and flight operations department we achieved sustained success to reduce paper consumption by double-sided printing (on both sides of a sheet of paper) - not only for internal usage. In all offices of our premises we made sure that double-sided printing is possible on printers and copiers.
- Economic utilisation of resources (project in progress)
- Company Cars: FAI encourages purchase of “greener cars”, whether fuel-efficient or smaller.

Maintenance Projects:

- Intensification of Floating Base Concept: We try hard through avoidance of empty legs to prevent unnecessary flights and thus to reduce exhaust emission caused by our fleet of aircraft

V. Anti-Corruptional Aspects



Principle 10: Businesses should work against all forms of corruption, including extortion and bribery.

FAI is an authorized Air Operator which is subject to supervision and control of the Luftfahrt-Bundesamt (LBA), the German Civil Aviation Authority. It is part and parcel of FAI's business ethics to comply with all the laws and regulations in force.

All our employees are responsible for adherence to our company policies and are expected to act with the highest sense of integrity on behalf of the company. Each employee is expected to deal with all our customers, suppliers and competitors morally correct and is committed to use company's assets and resources wisely. The acceptance, direct or indirect offer and payment of bribes in any form are totally unacceptable practices.

We comply with the competition rules that apply to all our national and international activities. In all aspects of our business we insist on honesty and integrity and expect this as well in our business relationships.

The integrity of our financial reports is certified for many years by the reputable auditing company Rödler & Partner, Germany.

Service Scope



Air Ambulance



Public Services



Jet Charter



Other Services

s.a. Maintenance + Aircraft Management

FAI Flight Ambulance Intl. is a trading name of FAI rent-a-jet AG

Company Profile



FAI rent-a-jet AG (dba FAI Flight-Ambulance-Intl.) was founded in 1986 as a 100%-subsidiary of the non-profit-organization „IFA e.V.“ under the company name of IFA-Flugbetriebs GmbH. In the year of 1989 the IFA e.V. sold the company by an outsourcing process and the company's name was changed into FAI.

Since that time the company is **owned by the Axtmann-Family's holding** and is fully independent, although IFA e.V. is one of many frequent clients FAI has within the Insurance- and Assistance-Industry.

In 1991 FAI took over the GRUNDIG-Flight-Department during another outsourcing process.

For many years FAI was busy in different sectors of the General Aviation Market, doing Air Ambulance, Executive Charter, Maintenance and Aircraft Leasing.

Since 2001 when FAI acquired its first two Learjet Aircraft (LR 35A + LR 55) the company is focusing mainly the Air Ambulance business and therefore the activities in other fields of Airservice have been reduced. **Meanwhile FAI is creating 75% of its revenue with Air Ambulance related services.**

In May 2007 FAI was awarded with EURAMI's (European Aero-Medical Institute) Certificate "Critical Care", which is the highest certification EURAMI is issuing to Air Ambulance Operators.

Nationalities represented by FAI Personnel



FAI is employing a fulltime staff of approx. 60 people from 16 different nations plus a group of 50 physicians + paramedics under freelance-contract.



1. Austria
2. Canada
3. Congo
4. Finland
5. Germany
6. Ghana
7. Greece
8. Hungary
9. Iceland
10. Ivory Coast
11. Senegal
12. Sweden
13. Switzerland
14. Turkey
15. Uganda
16. USA



The photo shows FAI's Board of Directors:
Volker Lemke (CSO), Martin Mühlmeier (COO),

Market Position



FAI's market position:

- Top 3 (European, African and Asian market)
- Top 5 (worldwide)

FAI's major direct competitors:

A) In Europe (serving the European, African and Asian market):

- EAR (European Air Rescue) – a joint venture of the non-profit organisations DRF + LAR
- Tyrolean Air Ambulance – private ownership (Minor competitor)

B) In North America:

- Global Air Response – USA
- SkyService Lifeguard – Canada

FAI's Benefits within the Air Ambulance Market

- Fleet is based at the low-cost, 24/7 opened International Airport of Nuremberg
- Homebase located in the Centre of Europe
- FAI owns the aircrafts, the operation and the maintenance facilities
- being independent from 3rd parties in respect to maintenance, this fact is the base for maximum reliability and higher utilization of the fleet compared to operators having no own maintenance facilities
- private ownership combines a maximum of flexibility with a minimum of time-delay in making decisions.

Performance



A) Fixed-Wing-Fleet:

FAI's fixed wing fleet, was in 2007 consisting of 6 ea. aircraft (2 ea. Learjet 35A + 4 ea. Learjet 55) and has performed more than 600 missions (incl. 560 ambulance missions) world-wide in 2007, creating an airtime-utilization of close to 6250 hrs. In addition to this approx. 1000 flights have been performed on behalf of the United Nations by two Learjet 55, which are under UN-longterm-charter-contract. One is based in Abidjan/Ivory Coast since 2004, a second one is based in Dakar, Senegal since December 2006. A third Aircraft (LR35A) is operating under UN-contract in Kinshasa (DRC) since April 2008. In September 2007 FAI completed its fleet-harmonisation by selling the last Citation Aircraft and acquiring a fourth Learjet 55. In January 2008 FAI acquired a third Learjet 35A, bringing FAI's company-owned Learjet fleet to a total of 7 aircraft. FAI is operating under Management Contract furthermore 2 ea. Learjet 60 since end of March 2008, boosting FAI's Learjet-fleet to a total of 9 Aircraft, reflecting already **one of the world's largest Learjet-fleets**. In June 2008 FAI acquired another LJ60, which brings FAI's fleet to a **total of 10 ea. Learjets** (3 x 35A, 4x 55 + 3 x 60), while 8 or them are company-owned and 2 of them are operated under Management Contract.

B) Revenues

Although FAI had shut down its EMS-helicopter-Operations – which reflected a revenue of approx. € 1,5 million p.a. in the past - in October 2005, again a revenue of more than € 17 Mio. was created during the fiscal year of 2006. **In the year of 2007 FAI's operational revenue was exceeding € 20 Mio. For the year of 2008 FAI is expecting revenues exceeding €25 Mio** (= \$ 40 Mio).

FAI is the only **UNO approved** fixed wing airtservice provider in Germany as per June 2008. FAI also is approved Service-Provider of ICRC (Intl. Committee of the Red Cross), WFP (World Food Program) and other global acting Health- and Relief-Organisations.

FAI's Fleet of Learjets



... coming soon: Challenger 604 – scheduled to operate from end of 2008 on ...

D-CFAX S/N 35A-135 Owned and operated by FAI rent-a-jet AG 	D-CFAI * S/N 35A-365 Owned and operated by FAI rent-a-jet AG 	D-COKE S/N 35A-447 Owned and operated by FAI rent-a-jet AG 	D-CMAX S/N 55-011 Owned and operated by FAI rent-a-jet AG 	D-CATL S/N 55-051 Owned and operated by FAI rent-a-jet AG 
D-CUNO S/N 55-108 Owned and operated by FAI rent-a-jet AG 	D-CONU S/N 55-124 Owned and operated by FAI rent-a-jet AG 	D-CPMU S/N 60-032 Owned and operated by FAI rent-a-jet AG 	D-CSLT S/N 60-200, Operated under management contract on behalf of the owner 	D-CDSM S/N 60-276, Operated under management contract on behalf of the owner 

* damaged beyond economic repair in June 08, will not be replaced at this time

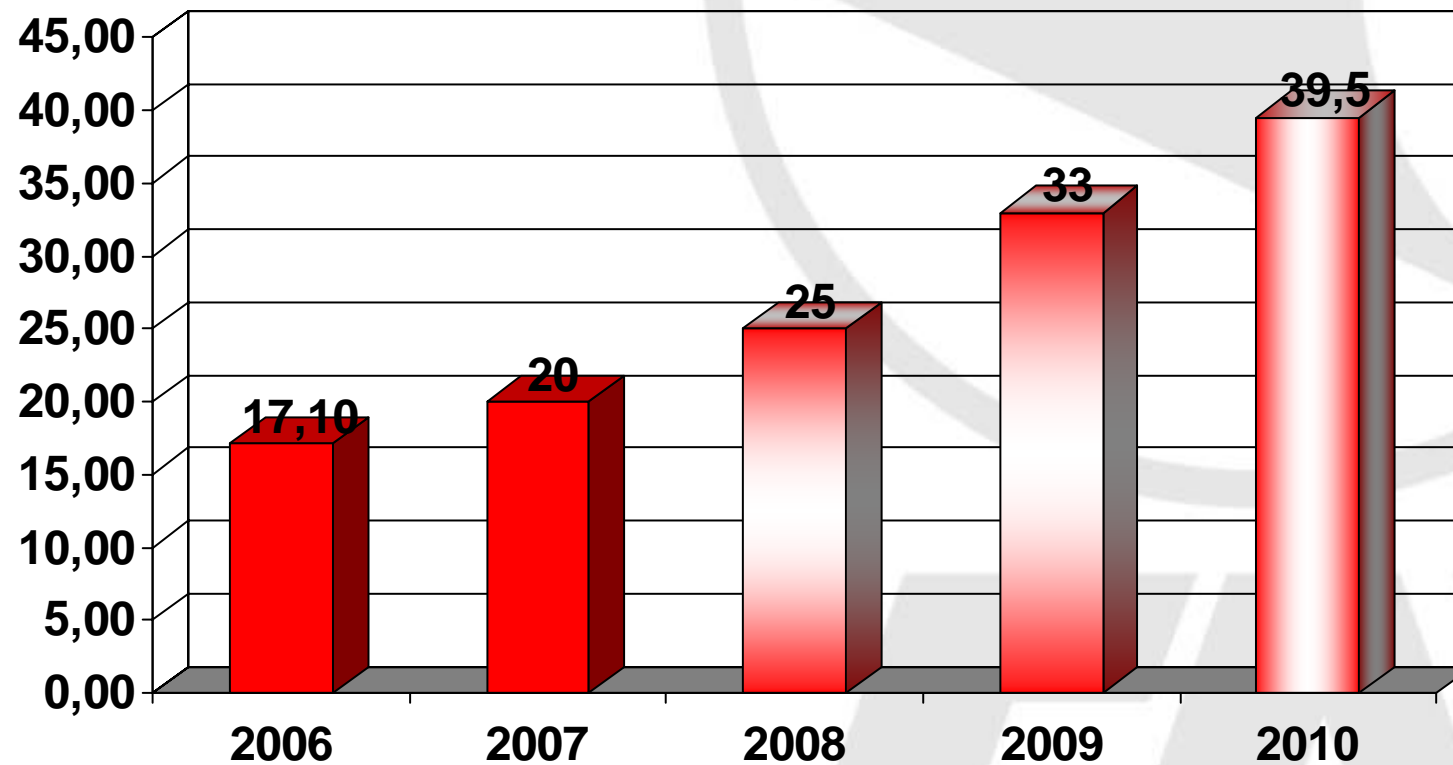
FAI Flight Ambulance Intl. is a trading name of FAI rent-a-jet AG

Revenue 2006 – 2010 (in Mio. €)



Mio. €

 Estimate

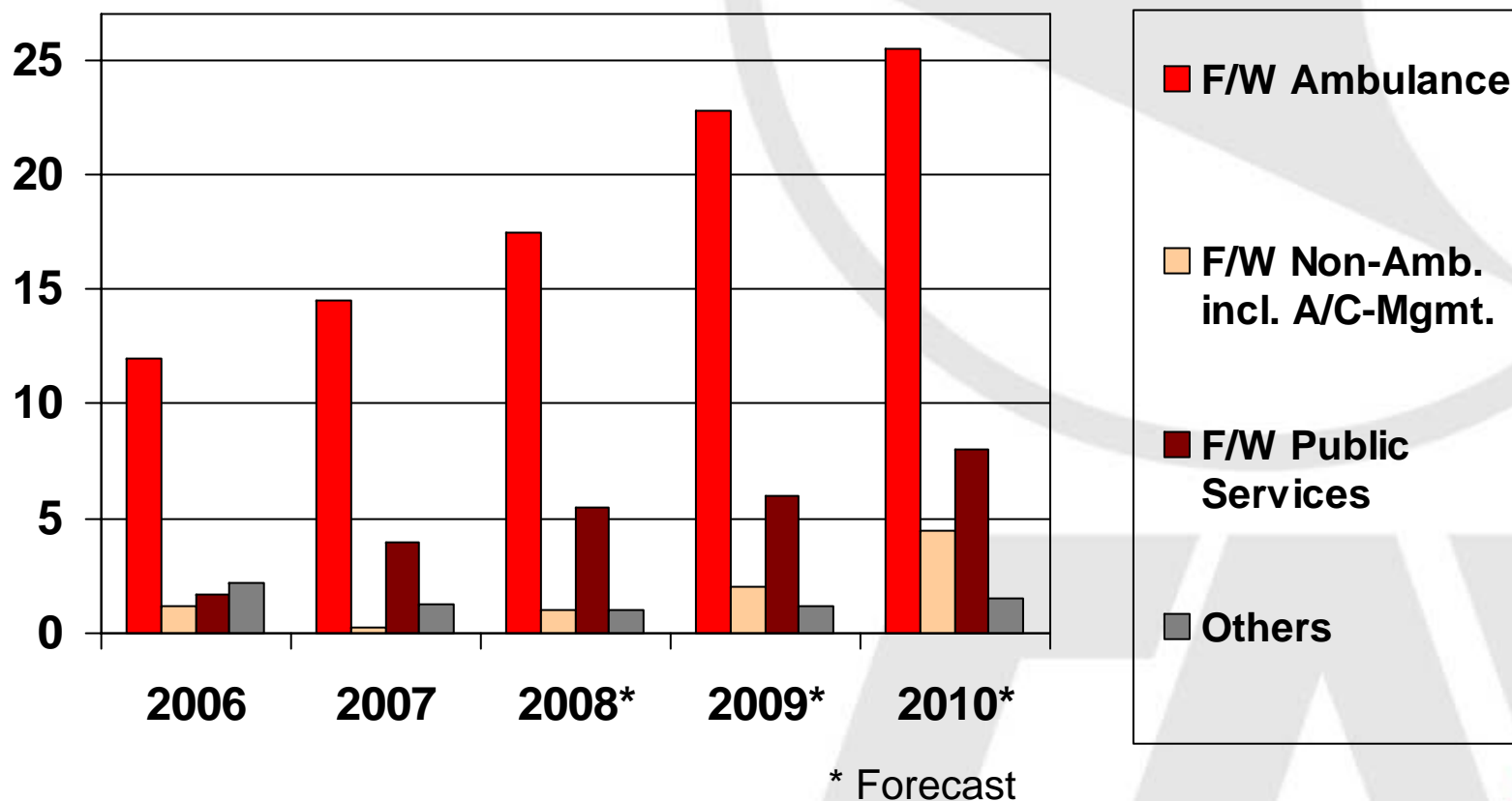


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Revenue 2006 - 2010 by Type of Service (Graphic)

in reference to different sectors FAI is active in

Mio.€



A Key to Success – Customer Friendly Pricing

- FAI offers a maximized **patient-oriented service** without intermediaries. The customer receives the quotation directly from the owner and operator of the Ambulance Jets. FAI guarantees for a **maximum of availability** at a **minimum of preliminary lead time**
- FAI's fleet of Ambulance Jets is **positioned in the centre of Europe** and is operated and maintained by **FAI's inhouse-maintenance organization** according to the highest level in civil aviation

Operations: JAR-OPS1
License-No.: D-049 AOC

Maintenance: EASA Part 145
License-No.: DE.145.0062

- Favourable pricing can be offered because of FAI's convenient geographic location, **high aircraft utilization** and **efficient cost management**
- FAI grants **flexible terms of payment** to obviate delay of transport

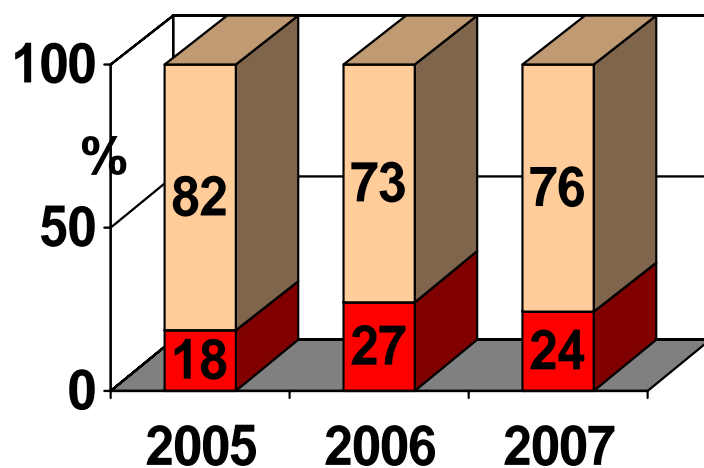
Our Experience – Your Benefit



- The **medical equipment** of all FAI-aircraft meets all expectations for an **intensive care unit**. We employ **specially trained doctors and paramedics** – particularly in the area of intensive/critical care
- The treatment on board of FAI's aircraft adheres **strictly to international standards** and is co-ordinated with the hospitals and clinics that are involved at both ends of each specific transport and the client's medical manager, if applicable
- If desired the patient's personal physician can accompany the transport of the patient. Furthermore FAI offers a service that assists clients in finding the best medical facility at destination for your patient's individual/customised medical needs

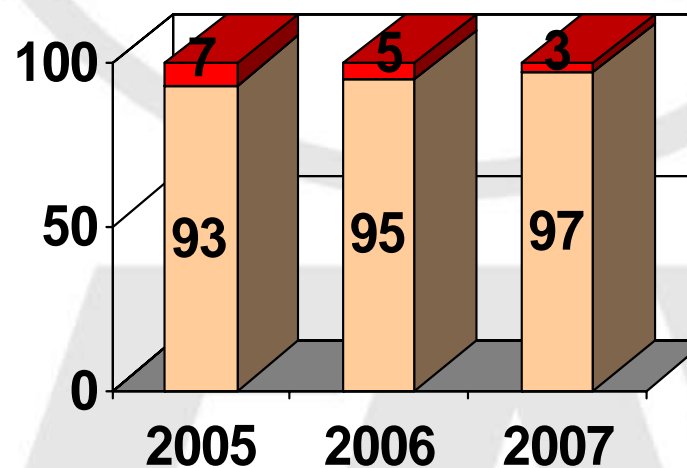
Type of Patient Transport (2005 - 2007)

■ Ventilated ■ Non-Ventilated



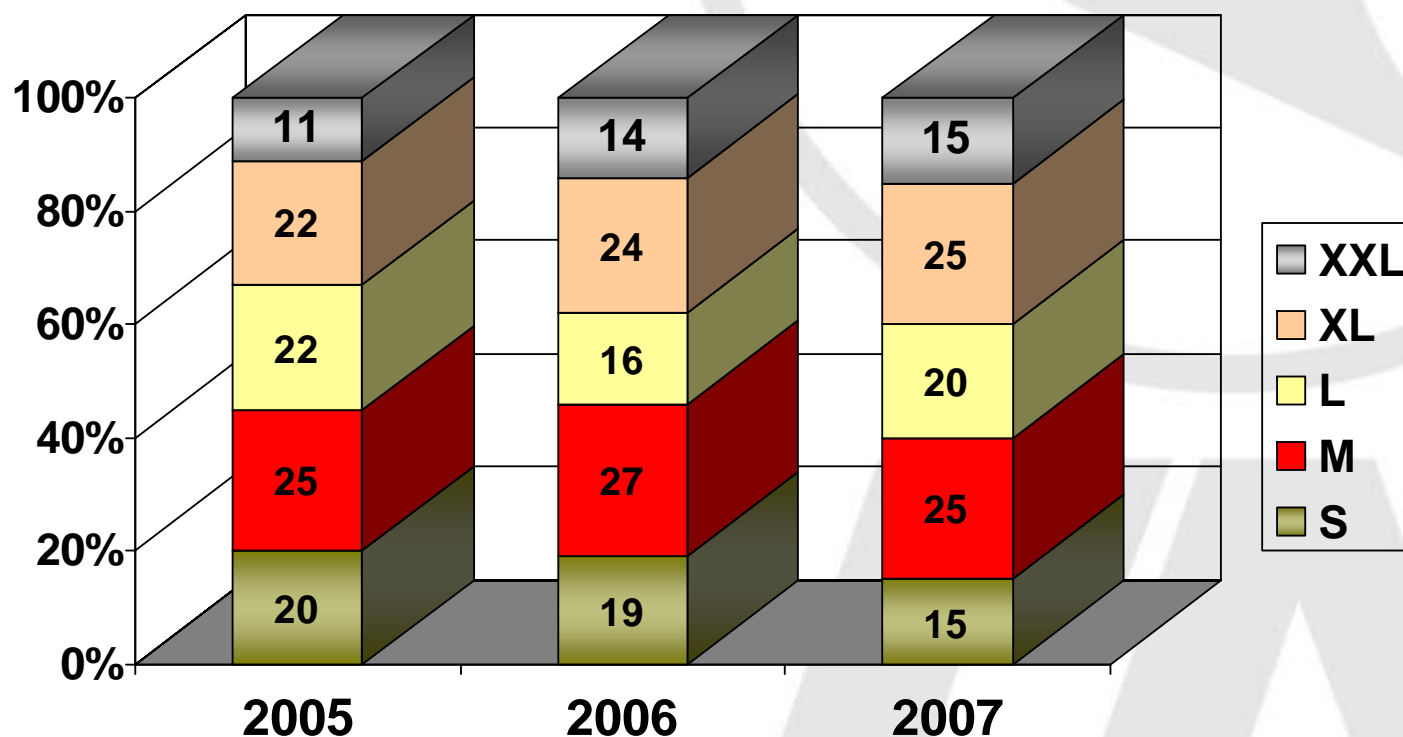
%

■ High Level ■ Sea Level



Patient Transport Distance in Average (2005 - 2007)

S	= Short Range	= transport distance up to 700 NM (1440 km)
M	= Medium Range	= transport distance up to 1200 NM (2160 km)
L	= Long Range	= transport distance up to 1700 NM (2880 km)
XL	= Extra Long Range	= transport distance up to 3000 NM (5400 km)
XXL	= Ultra Long Range	= transport distance more than 3000 NM



FAI Flight Ambulance Intl. (Germany)



Your patient – Our responsibility

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