

# 3.6

## ADDITIONAL COMMERCIAL ACTIVITIES

WE USE A WIDE RANGE OF TECHNOLOGIES FOR EMPLOYEE TRAINING, EQUIPMENT REPAIR AND SERVICING, SALES MANAGEMENT AND INFORMATION SYSTEMS, WHICH WORK TOGETHER AS A COORDINATED ENTITY, ENSURING THAT OUR BUSINESS REMAINS HIGHLY EFFICIENT.

With unique competencies in the training of technical specialists, service providers and managerial staff at our disposal, we are able to develop additional business areas. In addition to specialised educational programmes, there is also demand in external markets for our aircraft repair and maintenance services. Based on the positive trends in Kazakhstan's economy, we believe that developing additional commercial services is a promising area for business development.

### Servicing aircraft

We use in-house services to keep our fleet of aircraft in flightworthy condition. Our technicians' high level of expertise and the availability of certified production facilities in Almaty, Astana and Atyrau enable our Engineering and Maintenance Department to provide additional technical services for local and international airlines, as well as training for technicians.

We are certified to service the following types of aircraft:

#### Airbus

- » A319/320/321 (IAE V2500)/(CFM56)
- » A320/321 NEO (PW1100G)
- » A330 (CF6-80/PW4000/RR Trent 700)

#### Boeing

- » B737-700/800 (CFM56)
- » B747 400/400ERF (CF6-80/RR RB211/PW4000)
- » B747-8 (GE GEnX)
- » B757-200/300 (RR RB211)
- » B767-300 (CF6-80/PW4000)

#### Embraer

- » ERJ-190 (GE CF34)

### Certificates

IATA Operational Safety Audit (IOSA)



European Aviation Safety Agency (EASA):

- EASA Part 145
- EASA Part 147



Certificate from the Committee of Civil Aviation of the Republic of Kazakhstan



Selected (Skytrax four-star and above) international airlines benefiting from Air Astana's technical services:



Domestic clients include Kazairjet, Qazar Air, Bek Air, Scat, Prime Aviation and Flyjet.

Other international clients include Yakutiya, Czech Airlines, Comlux, CHC Helicopter, Rossiya air, Vim Airlines, Kam Air, FlyDubai, TAG, Pobeda, S7, Cargolux and Air Arabia.

## Service training

We provided training for more than 1,200 train attendants in classrooms and completed 60 coaching trips on board for the Kazakhstan Temir Zholy rail service. We also trained Berkut crew on service techniques, teamwork, managing challenging situations and leadership and produced a full service manual for them.

## Aircraft ground handling

In addition to operating our own fleet of aircraft, we are actively expanding into de-icing/anti-icing services for third-party aircraft. We operate our own fleet of de-icing machines to perform de-icing/anti-icing treatment on aircraft at the airports in Aktau and Pavlodar. These services are provided by small dedicated teams of certified specialists.

To maintain our high safety and service standards, we regularly conduct external and internal audits of de-icing/anti-icing services. In 2017, Aeroflot conducted a de-icing/anti-icing audit on our service in Aktau (by Austrian Airlines in Almaty) while an audit was carried out in Pavlodar by the De-Icing/Anti-Icing Quality Control Pool (DAQCP). Both audits were passed with no non-conformities found.

Our technical capabilities allow us to follow the guidelines for the de-icing/anti-icing procedures for over 20 types of aircraft. In 2017, our ground handling services were used by a number of airlines, including Scat, Bek Air, Aeroflot, Qazaq Air, S7 and charter operators.

## Outlook for the business segment

We anticipate that the Rules on Ground Handling Services at Kazakhstan's Airports<sup>1</sup> will be amended in 2018 to permit airlines to perform in-house ground handling. Additionally, formal requirements will be established for the provision of ground handling services by third-party vendors (ground handlers) at airports. These amendments will introduce modern operating mechanisms for ground handling operators, significantly changing the environment in the market for ground handling services at airports. As a key player in the ground handling market, we are uniquely suited to offer these services to third-party operators and are therefore well placed to benefit from the new environment.

<sup>1</sup> Joint Order of the Acting Minister for Investment and Development of the Republic of Kazakhstan No 516 of 31 July 2017 and of the Minister of National Economy of the Republic of Kazakhstan No 311 of 24 August 2017 on the Approval of Rules on Ground Handling Services at Airports.