

# 3.5

## SAFETY

### Passenger and employee safety

The safety of passengers and employees is one of our core values, and the implementation of the highest safety standards is the top corporate goal. Our Company implements structured and comprehensive processes for hazard identification and analysis and risk mitigation as part of our safety management system. Company management is committed to proactive and effective risk management, and staff are continuously reminded of their safety responsibilities and duties at all levels.

#### Compliance

In 2017, we continued to demonstrate adherence to the highest international standards and best practices. Thus, our Company passed, for the sixth time, the IATA Operational Safety Audit (IOSA), which is conducted once every two years. Moreover, we continue to be part of the IOSA Working Group to contribute to the improvement of IOSA standards.

In 2017, we successfully passed our annual EASA Part 145 audit (Aircraft Line Maintenance) by the UK Civil Aviation Authority and an EASA Part 147 audit (Maintenance Training Organisation) by the Irish CAA. As a holder of an EASA Part 145 certificate, we also perform full maintenance of our own fleet and provide line maintenance services for other air carriers.

We also renewed our EASA Third Country Operator Certificate, which allows flights to European countries.

#### Regulatory oversight

Our operational safety is monitored by the following key authorities: the Department of Civil Aviation of Aruba (the responsible national supervisory authority); the Civil Aviation Committee of Kazakhstan; and other regulatory authorities with specific authority in the field of operations or aircraft maintenance approval.

In 2017, we successfully completed several external regulatory inspections:

- » AOC (Air operator's certificate) renewal, AMO (Approved Maintenance Organization) renewal, Aviation Training Organisation, one ramp and four en route inspections conducted by the Civil Aviation Committee of Kazakhstan
- » an annual audit of our operations departments conducted by the Department of Civil Aviation of Aruba
- » 32 aircraft airworthiness certificates renewed by DCA Aruba without significant findings
- » six inspections conducted by operators and other CAAs

Our Company's aircraft were subjected to 47 ECAC (European Civil Aviation Conference) SAFA (Safety Assessment of Foreign Aircraft) and 112 ramp (non-ECAC) inspections.

### Safety and compliance programmes

In 2017, as part of our risk management programme, our flight data monitoring experts analysed 98.7% of our flights with the aim of identifying, measuring and assessing existing risks and taking measures to mitigate those risks, with an emphasis on trends and root causes.

We continue to encourage the reporting of hazards and errors by operational staff as an important element of our safety culture, resulting in a 25% increase in safety reporting in 2017.

Last year, we enhanced our unauthorised-substances testing programme by implementing drug testing of staff who perform a safety-sensitive aviation activity (SSAA). In 2017, the number of unauthorised-substance tests of SSAA staff doubled compared to the previous year.

Within the internal compliance monitoring programme, nearly 190 compliance audits were conducted by our Company based on IOSA regulations. Compliance monitoring is also supported by our membership and active participation in IATA safety and quality audit programmes, the IATA Fuel Quality Pool (IFQP) and the IATA De-Icing/Anti-Icing Quality Control Pool (DAQCP). Moreover, we have four in-house IOSA auditors, an indication of our intention to comply with the highest standards.



As a safety promotion initiative, we hosted the third regional “Risk Management with Quality” safety seminar, where speakers from the ICAO, IATA, Airbus, Emirates, Austrian Airlines and others made presentations on current topics in the field of aviation safety, including the implementation of a safety management system, risk management and safety investigations.

We pay a great deal of attention to the integration of safety improvement initiatives by participating in international safety organisation forums. In 2017, we became a permanent member of the IATA Accident Classification Technical Group, which determines trends and areas of concern related to operational safety and to the development of preventative strategies. We also joined the IATA Safety Incident Taxonomy Working Group, which is aimed at developing a new IATA Incident Reporting Taxonomy. We are also an active member of the Association of Asia Pacific Airlines (AAPA), and we participate in the AAPA’s Flight Operations and Safety Working Groups.

### Outlook for 2018

Our Company’s key plans and objectives for 2018 in the field of corporate safety compliance are as follows:

- » improved monitoring of safety performance indicators to ensure a more effective response to operational risks and more active monitoring of preventive measures

- » further structuring risk controls for major hazards by implementing the bowtie risk analysis methodology
- » further improvement of safety officers’ qualifications and knowledge through development of internal initial and continued training and coaching
- » improved quality in terms of audits, investigations and flight safety data analysis to support proactive risk identification and mitigation

## Safety training for cabin crew and flight crew

### New alternative safety training provider (British Airways Training Centre)

In December 2016, a fire occurred at the Condor Training Centre, which had been used for almost 10 years to train flight attendants. This was a critical situation for our Company: in order to issue valid certificates for flight attendants to fly or perform safety functions, all flight attendants have to complete training on designated dates.

In response, we found a new provider, the British Airways Training Centre, which offers simulators for the types of aircraft operated by our Company, including the Boeing 757 (very few simulators are available for this type of aircraft) so that we can continue our non-stop training process for flight attendants. As a result,

our Company is currently using two training centres: Condor and BA.

### Joint SEP (student exchange programme) practical training

The number of safety training sessions involving pilots and cabin crew increased last year. The purpose of this change is to facilitate an understanding of the tasks performed in both the cockpit and the cabin.

### Institute of Cabin Crew Examiners

In 2016, work began on the training of personnel whose main task is to verify flight safety, the procedures applied in the cabin of the aircraft and the knowledge of flight attendants. This was the initiative of the ICAO and the Civil Aviation Committee of the Republic of Kazakhstan.