

«Қазақстан темір жолы»
ҰЛТТЫҚ КОМПАНИЯСЫ» АКЦИОНЕРЛІК ҚОҒАМЫ

National Company
Kazakhstan Temir Zholy Joint Stock Company



Approved by
Order of the First Deputy Chairman of
the Management Board
National Company
Kazakhstan Temir Zholy
Joint Stock Company dated
8.09. 2021
No. 653-43

**Guidelines for the Traffic Safety Management System in
National Company Kazakhstan Temir Zholy Joint Stock Company
and its subsidiaries**

Revision 1.0

Document Group: Management System Standard

Developer: Traffic Safety Department

Responsible for analyzing
and updating the document: Traffic Safety Department

Nur Sultan – 2021

Table of contents

1	General provisions	3
2	Concepts and abbreviations.....	4
3	Company's traffic safety policy.....	8
4	Traffic Safety Development Strategy.....	8
5	Organizational roles, responsibilities and powers.....	9
6	Planning.....	9
7	Formation of goals in traffic safety.....	11
8	Resources	13
9	Motivation	13
10	Competence, training and awareness.....	13
11	Communication	14
12	Documented information	14
13	Activities	15
	13.1 Legal and regulatory requirements.....	15
	13.2 Emergency preparedness and response	16
14	Evaluation of the implementation.....	16
	14.1 Monitoring, analysis and evaluation	16
	14.2 Conformity assessment.....	18
15	Audits, inspections	18
16	Continuous improvement	18
17	Nonconformities and corrective actions.....	19
18	Performance analysis	20

1. General provisions

1. The Guidelines for the traffic safety management system in the National Company Kazakhstan Temir Zholy Joint–Stock Company and its subsidiaries (the Guidelines) contains a description and defines the requirements for planning, implementation, monitoring and continuous improvement of the Company's traffic safety management system and its subsidiaries.

2. The Guidelines has been developed in accordance with the requirements of regulatory legal acts of the Republic of Kazakhstan, the international standard *ISO9001:2015 - Quality Management Systems*, regulatory and technical documentation and local acts of the Company in the field of traffic safety.

3. The structure of the traffic safety management system (the TSMS) corresponds to the structure of the Company's management system and has a hierarchical multi-level architecture that takes into account the levels of responsibility:

1) management level of the group of Companies is responsible for the effectiveness of traffic safety (the TS);

2) the network management level is responsible for the effectiveness and condition of the TS within the boundaries of the activities of the network level divisions of the group of Companies;

3) the level of regional management is responsible for the effectiveness of work to ensure the TS within the boundaries of the activities of regional level units;

4) The level of linear management is responsible for the effectiveness of work to ensure the TS within the boundaries of the activities of the Company's line-level divisions and SO.

4. The TS management system is aimed at:
TS support during the transportation process;
defining principles, standards and responsibilities related to the TS;
involvement of all employees of the Company and its subsidiaries in building a TS culture;

description of the TS management system with the definition of key elements;
establishing the responsibility of managers at all levels;

increasing the competitiveness of the Company through improving the quality of its services by achieving and continuously improving the target TS level;

providing a TS related to the activities carried out by the Company and its subsidiaries.

5. The Guidelines apply to the Company and its SO.

6. The Guidelines is mandatory for all employees of the Company and its SO.

7. When sending electronic copies of the Guidelines, it is mandatory to use a format protected from modification (*.tif, *.pdf, etc.).

2. Concepts and abbreviations

8. The following basic concepts and abbreviations are used in the Guidelines:

NC KTZ JSC, Company audit	<ul style="list-style-type: none"> - National Company Kazakhstan Temir Zholy Joint Stock Company - a systematic, independent and documented process for obtaining audit opinions and evaluating them objectively to determine the degree of compliance with audit criteria
Traffic Safety (TS)	<ul style="list-style-type: none"> - the absence of unacceptable risk when performing operations of the transportation process associated with harm to life, human health, the environment, damage to the property of participants in the transportation process and third parties, taking into account the combination of the probability of the realization of a dangerous factor and the severity of its consequences
process owner	<ul style="list-style-type: none"> - a manager at the level not lower than the director of a branch of a Company or the head of a subsidiary, who manages the process within its authority, has at its disposal all the necessary resources to complete the process (personnel, equipment, tools, production environment, information, powers and competencies, etc.), and is responsible for the effectiveness and efficiency of the process
group of companies, Company and its SO Sole Shareholder related party	<ul style="list-style-type: none"> - National Company Kazakhstan Temir Zholy Joint Stock Company and its subsidiaries - National Welfare Fund Samruk –Kazyna Joint Stock Company - individuals, legal entities, groups of individuals or legal entities that influence or may be influenced by the Company and SO's activities, its products or services and related actions by virtue of legislation, concluded agreements (contracts) or indirectly
corrective action	<ul style="list-style-type: none"> - an action aimed at eliminating the cause of the discrepancy and preventing its recurrence
correction control	<ul style="list-style-type: none"> - the action taken to eliminate the detected discrepancy - the process necessary to establish compliance with the real, true state of traffic safety with the requirements of regulatory legal acts of the Republic of Kazakhstan, regulatory and technical documentation, standards and local acts of the Company

Guidelines for the traffic safety management system in National Company
Kazakhstan Temir Zholy Joint Stock Company and its subsidiaries

Revision 1.0

Page 5 of 19

culture of safety	- the qualification and psychological preparedness of employees at all levels, in which ensuring traffic safety is a priority goal and an internal need, leading to awareness of personal responsibility and self-control in the performance of all work
monitoring	- a complex of diagnostic observations, analytical assessment and prediction of the state of an integrated system, process
traffic safety violation (the TSV)	- a railway accident that is classified in accordance with regulatory legal acts, which occurred as a result of deviations from the established traffic safety requirements during the transportation process
inconsistency	- failure to comply with the requirements of standards, as well as internal and external regulatory documentation
regulatory and technical document (RTD)	- a regulatory document containing technical and technological standards
business units	- departments, services, departments of the central office, branches, assigned staff, representative offices of the Company, including those located outside the Republic of Kazakhstan
network level division	- divisions of the Company and its subsidiaries that are directly subordinate to the management of the Company and its subsidiaries in accordance with the local act of the Company
regional level divisions	- a division of the Company and its subsidiaries, whose activities are coordinated by a network-level division, in accordance with the regulations on the network-level division
line-level division	- a division of the Company and its subsidiaries that is under the operational control of a regional and/or network-level division, in accordance with the regulations on a regional-level division
process	- a set of interrelated or interacting activities that uses inputs to produce planned results
resources	- technologies, means of production, money, personnel and their competencies, infrastructure, rolling stock, regulatory framework, technological documentation, time, etc. everything that is necessary to ensure the achievement and improvement of traffic safety targets
Company	- Chairman of the Management Board, First Deputy

Guidelines for the traffic safety management system in National Company
Kazakhstan Temir Zholy Joint Stock Company and its subsidiaries

Revision 1.0

Page 6 of 19

Management	Chairman of the Management Board, First Deputy for Transformation and Digitalization, Deputy Chairmen of the Management Board, Managing Directors, Chief Engineer, Director of Traffic Safety
risk	- a potential event (or combination of circumstances) in the future, which, if realized, may have a significant negative impact on the achievement of the Company's Group's long-term and short-term goals
Traffic Safety Department (CRB)	- The Company's Traffic Safety Department, whose functions include the implementation of a unified policy in the field of traffic safety in the Company and its subsidiaries
Traffic Safety Management System (TSMS)	- a set of interrelated and interacting management components of a participant in the transportation process, covering the processes of planning, preparation and execution of operations, monitoring and control, analysis and aimed at ensuring compliance with established requirements for the safety of the transportation process and reducing the risks of harm to human life or health, the environment, damage to the property of participants in the transportation process and third parties
State control	- the activities of the control and supervision body for verification and supervision of compliance of the activities of the audited entities with the requirements established by the legislation of the Republic of Kazakhstan
contractor(s), a contracting organization	- organizations that, according to an agreement/contract/agreement, perform work, supply goods or provide services
definition of the root causes of TSV	- the process during which the commission for the investigation of traffic safety violations collects and verifies facts, evidence, establishes the root causes of traffic safety violations, draws lessons from the case of traffic safety violations to prevent the recurrence of similar cases
traffic safety indicators	- indicators characterizing the effectiveness of the Company's activities, its business units, subsidiaries and their managers in the field of traffic safety
traffic safety measures	- a set of actions aimed at reducing or eliminating risk, as well as improving traffic safety activities
subsidiaries	- legal entities with 100% of the voting shares

(SO)	(participation shares) owned by the Company on the right of ownership or trust management
Top management	- Chairman of the Management Board and members of the Management Board of the Company
international standard	- international standards ISO, OHSAS and others
(IS)	
RLA	- regulatory legal acts
RK	The Republic of Kazakhstan

3. The Company's Traffic Safety Policy

9. The Company has approved the Company's Policy - Corporate Ideology and Business Philosophy (the Policy).

10. The Company's Policy is based on the provision of high-quality, uninterrupted and safe services by the Company.

11. TS maintenance is a priority in the Company's activities, and is aimed at managing the risks of violations and their consequences, and identifying opportunities.

12. The Company requires contractors, customers and partners, in accordance with the concluded contracts (agreements), as well as its employees, to comply with all standards and norms in the field of safety of the transportation process.

13. The Company takes all necessary measures to form and develop a safety culture.

14. The company uses a systematic approach that integrates TS management at all levels through constantly improving processes and goals, as well as builds and improves TSMS, implements advanced and secure technical tools, automated control systems, equipment and technological processes, and mechanization tools.

15. The Company maintains a high level of qualification and competence of the personnel involved and/or ensuring the safety of the transportation process.

16. The company applies advanced domestic and foreign experience to improve the TS level.

17. The Company's policy is brought to the attention of the Company's employees and explained to them, including through the Internet portal "Train safety first", which serves as a full-fledged open communication platform for socializing issues of developing a safety culture and zero tolerance for TSV.

4. Traffic Safety Development Strategy

18. The strategic initiative in the field of TS is aimed at achieving the following main goals - ensuring the safety of human life and health, the safety of goods, rolling stock, infrastructure facilities, a given level of traffic safety and

minimizing the consequences of traffic accidents.

19. In order to improve the TSMS, work is underway to develop a risk management system, a technical and technological base and the reliability of the transportation process, the formation of a positive traffic safety culture, as well as improving the procedures for investigating TSV and the activities of emergency recovery units.

5. Organizational roles, responsibilities and powers

20. The responsibilities for providing the TS for the Company and its subsidiaries are determined in accordance with the Management Guidelines of the Group of Companies of NC KTZ JSC, the procedure for distributing responsibilities and spheres of authority between the Company's management, approved by a separate local act of the Company.

21. The Director of Traffic Safety is responsible for the Company's TSMS.

22. The general management of the TSMS in the Company and SO is carried out by the First Deputy Chairman of the Management Board.

23. Maintaining the TSMS in the Company and SO in working order, coordinating the activities of all structural divisions of the Company and SO in the field of TSMS is carried out by the Central Bank.

24. Management in the field of TSMS in the Company's business units and SO is carried out by the heads of business units and Company's SO who are responsible in the managed division and SO for the correct organization of work, implementation of planned activities, compliance with the instructions of state regulatory and other inspection bodies, for violation of legislation in the field of TS.

25. The functional responsibilities for TS issues, the rights and responsibilities of each employee of the business units of the Company and SO are contained in the job description, as well as in the local acts of the Company and SO, which the employees of the Company and SO should be familiar with.

26. The only way to achieve a safety culture is for all managers to take personal responsibility for themselves and for their subordinates, and to involve employees in risk-oriented approaches when performing technological tasks.

27. Responsibility for the development, timely correction, updating and execution of TS activities (including corrective and preventive ones), as well as for collecting and providing analysis of TS indicators by type of activity is assigned to process owners at all levels of management.

6. Planning

28. - In order to ensure and improve the TS, the main goals and objectives of the Company's TS are determined, for the implementation of which measures are formed, including the following actions:

defining programs and action plans to ensure the target level of TS;

determining the resources required to achieve the target TS level and their sources, as well as the allocation of these resources to processes.

29. Planning of TS activities is inextricably linked to the general planning cycle in the Company and its subsidiaries and affiliates and takes into account the need to ensure compliance with the regulatory legal acts of the Republic of Kazakhstan, international agreements, international standards, requirements of standards and norms regulating the activities of the Company and its subsidiaries in the field of TS and the collective agreement concluded between the Company and its labor collective.

30. Planning for the TS issues of the Company's group includes such stages as:

identification of hazards, aspects and risks that negatively affect the TS and identification of opportunities;

formation of strategic goals, TS indicators and cascading them to all levels of management;

formation of plans, identification of direct performers and bringing plans to them.

31. Planning should be focused primarily on the implementation of the Company's strategic objectives in the field of TS.

32. The priority of the formation and allocation of resources (financial) is carried out based on the need to achieve the established TS targets, as well as taking into account the results of risk assessment, aspects and influencing factors, and the identification of opportunities. First of all, measures aimed at reducing critical aspects and risks of prerequisites for TS violations based on the results of a factor analysis of TS risks are subject to financing.

33. It is prohibited to exclude from budgets and action plans and/or postpone to a later date the implementation of projects aimed at ensuring the TS, except in cases where:

1) their relevance has been objectively proven due to the introduction of new equipment or technologies;

2) their impact on the risk of TS violations has been significantly reduced due to the implementation of other measures;

3) appropriate changes have been made to the requirements of the RLA and (or) RTD;

34. The results of planning are reflected in the form of projects, programs, action plans and purchases, budgets, schedules, orders and protocols, norms and regulations, etc.

35. Action plans for all types of activities aimed at ensuring the TS are formed from a list of measures indicating specific deadlines for their execution, responsible performers and the form of completion. The action plans do not include measures, the deadline for which is defined as "permanent". Such measures, taken

on an ongoing basis, are reflected in the regulations on the business units of the Company and its subsidiaries, job descriptions, regulatory technical documents, etc.

36. The owners of the processes determine the performers, as well as the persons responsible for monitoring the execution of action plans, the frequency of their implementation and the forms of completion. All plans recorded in material form should be communicated to direct executors, other participants in the implementation of these plans and stakeholders, both within the group of companies of NC KTZ JSC and outside it in accordance with the procedure determined by the relevant local acts of the Company.

37. Process owners at the appropriate management level ensure the timeliness and quality of planning activities to achieve (ensure) the target TS level.

38. The Company and SOs have established procedures and defined criteria for the implementation and management of TS processes, the absence of which could lead to deviation from the Company's Policy, goals and objectives, identified operational risks that have a potential threat and significant impact on TS.

39. The process of managing TS operations is implemented by a set of measures to define goals, establish requirements for achieving them, analyze performance and implement control actions to achieve the target level of the TS and improve it.

40. The procedures for managing operations and risks are regulated and implemented in accordance with the regulatory legal acts of the Republic of Kazakhstan, local acts of the Company, SO in the field of TS.

7. Formation of traffic safety goals

41. The key goal is to ensure and improve the level of TS in the Company, including:

- ensuring the safety of human life and health;
- ensuring the safety of goods, rolling stock, and infrastructure facilities;
- ensuring a given level of traffic safety;
- minimizing the consequences of TSV.

In order to achieve this goal, work is being carried out in the following areas:

- development of a risk management system in the field of traffic safety;
- formation of a positive traffic safety culture;
- development of the technical and technological base for ensuring the safety and reliability of the transportation process;
- improvement of procedures for the investigation of TSV and the activities of emergency recovery units.

The business units of the Company and its subsidiaries develop goals and objectives in the field of TS, plans to eliminate risks, support and develop the TS level. When developing goals and plans, the following is taken into account:

- compliance with Company Policy;

compliance with the Company's Development Strategy;
results of hazard identification, risk assessment and control;
legal and regulatory requirements;
the results of the analysis of the performance of the Company and its subsidiaries in the field of TS;
financial and production capabilities of the BU and SO;
resource requirements;
analysis of non-compliance with legislative and regulatory requirements;
tasks for improving business processes and structures in the field of TS;
suggestions from stakeholders and employees.

42. The formation of TS indicators is carried out in accordance with the established procedure, the subject of formation is the TS targets, which must be measurable and achievable.

43. The targets of the network management level are coordinated with the CRB and approved by the Head of the Company in charge of the network level division.

44. Targets for the regional management level are approved by the process owner at the network management level.

Targets for linear management are approved by the process owner at the regional management level.

45. The basis for updating the TS targets may be both the degree of their achievement and the requirements imposed by the legislation of the Republic of Kazakhstan.

46. The owners of processes of the appropriate management level are responsible for ensuring the formation of goals in the field of TS, their updating, as well as bringing goals to the involved structural divisions and subsidiaries.

47. The First Deputy Chairman of the Management Board is responsible for the formation of the Company's goals in the field of TS at the management level of the group of Companies.

48. Process owners are responsible for cascading and bringing TS goals to all levels of management.

8. Resources

49. Senior management ensures the availability of resources (human, technological, financial and others) necessary for the development, operation and improvement of TSMS in accordance with the legislative and other requirements of the Republic of Kazakhstan and local acts of the Company.

9. Motivation

50. Motivation of personnel in the field of TS serves as an effective tool for the development of a safety culture in the Company, and is regulated by the Rules of Moral Encouragement in the National Company Kazakhstan Temir Zholy Joint-

Stock Company as well as local acts of the SO.

51. Each production division of the Company and its subsidiaries regularly notes and publicly rewards its employees for the best results in the TS (both financially and not financially).

10. Competence, training and awareness

52. The Company and its subsidiaries determine the necessary competence of personnel in accordance with the List of positions (professions) of railway transport workers and the qualification requirements imposed on them, as well as the relevant qualification reference books approved by the authorized body, approved professional standards.

53. The business units of the Company and its subsidiaries provide professional training, retraining, advanced training of employees and monitoring of professional development and training in accordance with the local acts of the Company defining the procedure for organizing professional development and training.

54. Staff qualification is ensured through advanced training courses, seminars, trainings, internships, scientific and practical conferences, symposiums, exhibitions, forums.

55. In order to deepen the professional knowledge of the Company's employees and its employees, improve the efficiency and quality of work, labor productivity, and compliance with the requirements of the TS, technical classes are conducted in accordance with the local acts of the Company defining the organization and conduct of on-the-job training.

56. Training, instruction, knowledge testing, professional training, retraining of employees on TS issues is carried out in accordance with the requirements of regulatory legal acts of the Republic of Kazakhstan and local acts of the Company and SO.

57. Awareness of the Company's employees and its subsidiaries is provided through the Internet portal "Train Safety First", which serves as a full-fledged open communication platform for socializing issues of developing a safety culture and zero tolerance for TSV.

11. Communication

58. Within the framework of the operation of the TSMS, the Company, its business units and subsidiaries interact with each other, as well as with other participants in the transportation process, authorized bodies, the public, railway administrations of other countries, international organizations and others.

59. Communications are carried out through correspondence, direct contacts, meetings, publications, electronic channels, telephone communications and other means of communication, both on paper and electronic media.

60. Feedback on TS issues can be carried out both through the specified channels and through the hotlines indicated on the Company's website and in other ways that do not contradict the legislation of the Republic of Kazakhstan.

61. Separate information materials and documents on TS issues are posted on the Company's corporate information portal, "Safety First" and are updated as they become updated.

The owner of the processes is responsible for the timely posting and updating of information about TSV, its completeness and reliability.

12. Documented information

62. The documented information of the Company's TSMS and SO includes: external documentation (legislation, resolutions, normative legal acts, normative technical documents) and internal documentation (Policies, guidelines, standards, as well as documents supplementing or specifying their individual provisions: rules, instructions and techniques, regulatory, technical and organizational documentation and other local acts of the Company, SO, documents of collegial bodies, including working groups, aimed at meeting the requirements of regulatory legal acts of the Republic of Kazakhstan in the field of TS);

external and internal records.

63. The methods of management of documented information, including requirements for record management, are defined by the Rules of Documentation Management in the Company and the Rules of Documentation in the Company, approved by separate local acts of the Company. The types of records are also defined by external regulatory and legislative acts of the Republic of Kazakhstan in the field of TS.

64. The TSMS documented information system also includes documents reflecting the situation on a specific date (period), such as:

TSV reports, the results of their investigations and lessons learned from the incidents;

orders, telegrams, letters, memos, orders, instructions, instructions;

various reports on TS issues, both operational and periodic, in particular audit reports, audit reports;

programs and action plans of process owners (including corrective and preventive measures) in the field of TS;

records of nonconformities, violations, corrective and preventive actions, acts, regulations;

registered requests from external stakeholders and responses to them;

monitoring and measurement data;

the results of the analysis of the functioning of the TSMS by the Company's Management.

65. The Company and its subsidiaries are developing RTD (technological

processes, technological maps, diagrams, etc.), which describe the requirements of the TS.

66. Relevant documents may be updated in the event of changes in legal requirements, requirements of stakeholders, changes in processes or the introduction of new processes and technologies.

13. Activities

13.1 Legal and regulatory requirements

67. The procedure for the identification of national and international standards, RTD, RLA of the Republic of Kazakhstan, is regulated by separate local acts of the Company and SO.

68. The list of requirements of a legislative and regulatory nature in the field of TS is drawn up in the form of a register of regulatory requirements in the field of TS (the Register).

69. The Register is updated as changes and additions are made to the relevant documents, registration for loss and approval of a new version of the documents specified in the Register, but at least once a year.

70. Process owners, when developing, implementing and maintaining up-to-date documentation, technical processes and internal procedures, take into account legislative, regulatory requirements and requirements established within the group of companies of NC KTZ JSC.

71. Business units of the network level, SO, develop a Register, which includes a list of legislative and regulatory requirements, local acts of the Company, business units of the network level, SO to in the field of TS, and bring the Register and changes in it to the attention of the employees involved.

72. The development and updating of the Register at the management level of the Company's group and bringing this Register and changes in it to the structural divisions and SO, is carried out by the CRB.

13.2 Emergency preparedness and response

73. The management of the emergency prevention and liquidation system is carried out in accordance with the requirements of the Standard "Prevention and Liquidation of Emergency Situations in NC KTZ JSC and its subsidiaries", approved by a separate local act of the Company.

74. Employees who have discovered an TSV immediately notify the dispatcher or the immediate supervisor about the TSV in accordance with the Rules for Investigating Traffic Safety Violations with the determination of their root causes in the National Company Kazakhstan Temir Zholy Joint-Stock Company and its subsidiaries, approved by a separate local act of the Company.

75. Structural divisions and SO to inform the authorized body in the field of safety in railway transport about the committed safety violations, promptly no later

than 24 hours, and in cases of collisions, derailments of trains and rolling stock – no later than one hour from the moment of the incident. Also, this information is provided to the supervising department according to the information scheme approved by a separate local act of the Company.

76. Liquidation of the consequences of emergency situations is carried out in accordance with the requirements of the Standard for the Prevention and Liquidation of Emergency Situations in NC KTZ JSC and its subsidiaries, approved by separate local acts of the Company.

14. Evaluation of the implementation

14.1 Monitoring, analysis and evaluation

77. In order to monitor, analyze and evaluate the state of the TS at all levels of management of the Company and SO, information is recorded and collected, information is summarized and reports are submitted to the management of the Company and SO.

78. The analysis is carried out in the Company and SO in accordance with the Methodological Recommendations for conducting a factor analysis of train safety risks in the structural divisions of the National Company Kazakhstan Temir Zholy Joint-Stock Company and its subsidiaries, approved by a separate local act of the Company.

79. The basic principles of TS monitoring are implemented by ensuring compliance with the requirements of the RLA of the Republic of Kazakhstan, local acts of the Company, SO, and the implementation of measures in the field of TS.

80. Accounting of cases of TSV and reports on them are provided in accordance with the forms established by the regulatory legal acts of the Republic of Kazakhstan and local acts of the Company and SO.

81. Within the established time limits, the divisions of the regional and linear levels of the Company provide reports in the prescribed form to the territorial divisions of the authorized state body, the management of the levels of regional, network management, as well as to the management level of the Company's group in accordance with the requirements of the RLA of the Republic of Kazakhstan and local acts of the Company.

82. The report materials are provided quarterly to the head, at the management level of the Company's group, depending on the type of activity of the owner of the process, until the 10th day of the month following the reporting quarter.

83. The reports of the owners of the network management level processes on the results of the half-year and the year include information materials on the work done during the reporting period, including on the following issues:

- 1) execution of planned TS activities;
- 2) staffing of the economy with personnel of mass professions;
- 3) organization and conduct of technical training with staff, provision of

technical rooms, their equipment;

- 4) standard-setting activities on TS issues;
- 5) organization of work with suppliers/contractors to ensure the quality of goods, works and services (repair, maintenance, servicing, quality of supplied materials and spare parts, etc.);
- 6) ensuring the safety of the carriage, locomotive fleet, infrastructure facilities - depending on the type of activity of the owner of the process;
- 7) equipment with technical means and special equipment, analysis of the operation of technical means and special equipment, their contents;
- 8) the results of the introduction of new equipment and technologies (including new farming methods) in the field of TS;
- 9) execution of investment budgets for TS projects;
- 10) organizational measures to protect high-risk areas aimed at preventing unauthorized persons from entering main and station tracks in unidentified places - depending on the type of activity of the process owner.

14.2 Conformity assessment

84. The Company also evaluates compliance with the requirements of the legislation of the Republic of Kazakhstan and other regulatory requirements in the field of TS.

85. Annually, at all levels of the Company's management and SO, compliance with the requirements of regulatory legal acts of the Republic of Kazakhstan and local acts of the Company is assessed in accordance with the Register.

The results of the assessment of compliance with the requirements of regulatory legal acts of the Republic of Kazakhstan in the field of TS are the input data for conducting an analysis of the state of the TS by the Company's management and SO.

86. The list of requirements of a legislative and regulatory nature in the field of TS is formed and updated in accordance with section 13 of this Guidelines.

15. Audits, inspections

87. Audits of the TS management system are conducted in the Company's divisions and SO and are divided into external and internal.

88. External audit in the field of TS is carried out by the authorized body in accordance with the procedure established by the Rules of Safety in Railway Transport, approved by the relevant act of the authorized body.

89. The Company and SO periodically conduct an internal audit of the management system, including the TSMS, in accordance with the Rules for Planning and Conducting Internal audit in the group of companies of NC KTZ JSC, approved by a separate local act of the Company.

90. The internal audit of the TSMS is a periodic review of the activities of

business units of the company's group to obtain evidence that the TSMS is maintained and effective.

91. In order to assess the effectiveness of the traffic safety management system, audits and inspections of the TS are carried out in accordance with the Rules for Conducting traffic safety inspections in NC KTZ JSC and its subsidiaries, approved by a separate local act of the Company.

16. Continuous improvement

92. Improvement of the TSMS is the constant work through control actions, including corrective actions, and the results of which are expressed in an increase in the level of TS.

93. The Company conducts a systematic assessment of the effectiveness of TS processes, searches for areas of possible improvement, to develop and implement corrective measures in these areas.

94. Decisions on the revision of the TSMS organization are made by the Company's Management based on the results of an analysis of its functioning. The result of improving the TSMS may be an adjustment of its elements (goals, objectives, structure, distribution of powers and responsibilities, allocated resources, procedures, etc.).

17. Nonconformities and corrective actions

95. In order to ensure the identification of the root cause of TSV, thereby preventing their recurrence, managers organize an effective process of identifying and investigating TSV at all levels and in all departments in accordance with regulatory legal acts of the Republic of Kazakhstan, regulatory and technical documentation and local acts of the Company in the field of TS.

96. Non-compliances in the activities of the structural units of the KTZ Group may be identified in the course of internal or external audits, inspections, revisions, in the course of operations, as well as in the course of analysis and evaluation of the achievement of objectives, monitoring of the implementation of the plans of the structural units and the fulfillment of the requirements of the regulatory legal acts of the Republic of Kazakhstan, international standards and (or) local acts of the Company, including all those non-compliances and (or) recommendations that have become known from suggestions, complaints and recommendations.

97. Based on the results of state and internal control over the TS, corrective measures are carried out in accordance with the requirements of the Rules for managing nonconformities, recommendations and implementation of corrections, corrective actions in NC KTZ JSC and its subsidiaries approved by a separate local act of the Company.

Corrective actions can be taken based on the results:
analysis of information received from stakeholders;

analysis and evaluation of the effectiveness of the functioning of business processes by the heads of structural divisions and the management of NC KTZ JSC, SO;

monitoring the activity of the process and measuring the results of the activity; identification of nonconforming products or services (after the delivery of products, during or after provision of services);

analysis and assessment of compliance with the requirements of regulatory legal acts of the Republic of Kazakhstan, local acts of NC KTZ JSC, as well as international standards of management systems, interstate and national standards, technical regulations.

The management of nonconformities in the Company and SO is carried out in accordance with the Rules of Nonconformity Management and recommendations and the implementation of corrections, corrective actions in the National Company Kazakhstan Temir Zholy Joint-Stock Company approved by a separate act of the Company.

18. Performance analysis

98. The top management analyzes the TSMS in order to:

assessing the relevance, application and effectiveness of the TSMS and determining the necessary corrective and preventive actions to improve it;

assessment of the needs for changes in the TSMS, including Company policies, strategic goals in the field of TS.

99. The main data for analyzing the operation of the TSMS and preparing relevant information for the Company's Management are:

the status of actions based on the results of the previous analysis;

changes in internal and external issues related to TSMS; needs and expectations of related parties;

significant risks and opportunities;

results of internal and external audits and inspections;

the results of the assessment of compliance with legal and other applicable requirements;

internal reporting;

analysis of the fulfillment of TS targets and targets;

all registered TS data;

information on the implementation of measures aimed at managing risks and opportunities;

risk management reports;

external circumstances, including legal requirements and other requirements applicable to the activity being carried out;

information from external stakeholders, including complaints; information on opportunities for improvement.

100. The results of the TS status analysis serve as the basis for continuous improvement and include:

conclusions about the efficiency and effectiveness of the TSMS;
performance indicators in the field of TS;
planning and adjustment of activities and resources;
the use of control actions aimed at continuous improvement of TS performance.

101. Reporting on the TSMS effectiveness is heard:

1) at the management level of the Company's group – at the Board of Directors of the Company with the frequency established by it;

2) at the network management level:

monthly - according to a separate schedule at a conference call with the heads of the Company's network level and SO;

quarterly - at meetings to hear reports from process owners from the Company's management or using mass media;

according to separate schedules - from the Chairman of the Management Board.

3) for the regional and linear levels of management, the frequency and reporting procedure are set by the owners of the processes at the higher management level.

The results of hearings are documented by the heard process owners in the form of Minutes signed by the person who accepted the report, after coordination with the heads of supervising divisions of the Company's group.
