

NMSC Kazmortransflot LLP

COMPANY STANDARD

**RULES ON THE PROCEDURE AND CONDITIONS FOR HOLDING THE
ANNUAL COMPETITION "THE BEST INNOVATIVE IDEAS AND PRACTICES
IN THE FIELD OF HEALTH, SAFETY AND THE ENVIRONMENT"**

STP KMTF.103

NMSC Kazmortransflot LLP

**APPROVED by the
Resolution of the
Management Board of
NMSC Kazmortransflot LLP Minutes
No. 03 as of 02.03.2017**

COMPANY STANDARD

<p>Integrated Management System STP KMTF.103</p>	<p>Total sheets: 11</p>
<p>Rules on the procedure and conditions for holding the annual competition "The Best Innovative Ideas and Practices in the Field of Health, Safety and the Environment"</p>	

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1. PURPOSE AND GENERAL PROVISIONS

1.1. These Rules on procedure and conditions for holding the annual competition "The Best Innovative Ideas and Practices in the Field of Health, Safety and Environment" (the Rules) define the procedure and conditions for holding the first round of the annual competition of the Chairman of the Board of NC "KazMunayGas" JSC - "The Best Innovative Ideas and Practices in the Field of Health, Labor and Environmental of the group of companies of NC "KazMunayGas" JSC in NMSC "Kazmortransflot" LLP

2. SCOPE

2.1. The requirements of these Rules are applied during the competition timed to the Independence Day of the Republic of Kazakhstan and is distributed to all employees of NMSC Kazmortransflot LLP (the KMTF).

3. DEFINITIONS AND ABBREVIATIONS

KMG	National Company "KazMunayGas" Joint Stock Company
Group of Companies KMG	Subsidiaries and dependent companies, including jointly controlled organizations and joint ventures of "National Company "KazMunayGas" JSC
Competition	Annual competition of the Chairman of the Board of NC "KazMunayGas" JSC - "The Best Innovative Ideas and Practices in the Field of Health, Labor and Environment Protection of the group of companies of NC "KazMunayGas" JSC
Supervising Director	Head of the Functional Unit (Deputy General Directors, Finance Director, Commercial Director)
SA	Subsidiaries and affiliates, including jointly controlled entities and joint ventures of KMG
HRD	Human Resources Department
Application	Application of an employee or a working team of the KMG group of companies to participate in the competition in the prescribed form F.103.02

Innovative idea	Proposal for an innovation in the field of health, safety and environment, which significantly improves the efficiency of the current system
LPED KMG	Labor Protection and Environment Department of KMG
LPEQD KMTF	Labor Protection, Ecology and Quality Department of KMTF

4. RESPONSIBILITY

4.1. The KMTF business unit responsible for ensuring occupational safety and health is responsible for conducting the first round of the Competition.

4.2. The Advisor to the General Director (Public Relations) is responsible for posting the Rules on the corporate website www.kmtf.kz .

4.3. The Deputy General Director for safety of navigation and operation of the fleet, the structural subdivision of KMTF responsible for ensuring safety and labor protection, and the HRD are responsible for organizing and conducting the first round of the competition.

5. PROCESS DESCRIPTION

5.1. Terms of competition

5.1.1. The competition is held to identify the best innovative idea in the field of health, labor and environment protection in order to increase the motivation and financial interest of employees in ensuring safe work performance, preventing industrial injuries, reducing the level of negative impact on the environment to increase the efficiency of production processes and sustainable development for the KMG group of companies.

5.1.2. The competition is held on an annual basis. Summing up the results of the Competition is carried out in the period from October to December of the reporting year, and is timed to the Independence Day of the Republic of Kazakhstan.

5.1.3. Applications for participation in the competition can be accepted from individual employees, as well as structural units and crews of ships. The documents submitted for consideration must contain a proposal for innovations in at least one of the areas of health, labor and/or the environment. The winners are selected based on the assessment of each applicant in terms of the possibility of implementing an idea or experience for all divisions of the KMG Group of companies, as well as the use of best practices in the field of health, labor and/or the environment. The criteria for evaluating applications are defined in the evaluation sheets F.103.01.

5.2. Stages of the Competition

The competition consists of the following stages:

5.2.1. Announcement of competition by posting on the website, sending informational letters to e-mail addresses and/or to business units.

5.2.2. Centralized collection of applications. Applications are sent in the

prescribed form **F.103.02** to the email address of KMG annual.hse.award@kmg.kz until October 10.

5.2.3. Consideration, registration, assignment of an identification number to the application of LPED KMG and sending applications without specifying the name of the author and place of work to the KMTF business unit responsible for ensuring safety and labor protection for consideration by the KMTF commission in the period from October 10 to October 15.

5.2.4. Conducting the first round of the registered applications selection by the KMTF commission with the assignment of 1, 2, 3 places in the period from October 15 to October 30.

5.2.5. Sending applications of the winners of the 1st, 2nd, 3rd places of the first round to participate in the second round of the competition. The KMTF business unit responsible for ensuring occupational safety and health sends applications by letter to KMG for the second round of the competition in the period from October 30 to November 6.

5.2.6. The second and third rounds of the competition are held from November 6 to December 4 in KMG according to **KMG-PR-2191.1-13**.

5.3. Procedure for creating and organizing the work of the competition commissions

5.3.1. The competition commission of the first round consists of the chairman of the commission - the General Director of the KMTF or another authorized person, members of the commission from among the supervising managers and/or heads of business units, specialists of the KMTF, the secretary of the commission. The Competition Commission must consist of at least five people (odd number) and be approved by the Order of the General Director of the KMTF.

5.3.2. Functions of the first round commission:

- consideration of registered applications;
- summing up the results of the first round of the competition;
- determination of the winners of the first round of the competition with the assignment of 1, 2, and 3 places, according to the established criteria - **F.103.01**;
- sending the winners' applications to the second round of the competition;
- making proposals for awarding in accordance with the established procedure.

5.3.3. Powers of the Competition Commissions:

- in case of disputed issues, the final decision is made by a simple majority of the commission's votes;
- members of the commission fill out and sign the relevant evaluation sheets of participants **F.103.01** to evaluate the application;
- a protocol **F.103.03** on the assignment of seats is drawn up and signed by all members of the commission and approved by the chairman of the commission;
- consideration of the appeal (filing an appeal within a day after the announcement of the results of the commission);
- members of the competition commission have the right to a dissenting opinion, which, if expressed, must be stated in writing and attached to the minutes of the Commission meeting.

5.3.4. The chairman of the commission directs the work of the commission. All decisions of the commission are made collectively. The Secretary of the commission has no voice in making a decision.

In exceptional cases, by order, other persons may be included in the composition of the competition commission (as an expert without the right to vote) on issues related to their competence.

5.3.5. The secretary of the competition commission is responsible for the formation of the draft agenda, notification of the chairman, members of the Commission about upcoming meetings, collection and distribution of materials on the agenda to the chairman, members of the Commission, keeping minutes of meetings, other documentation in the course of the activities of the competition commission, preparing a draft Minutes of the meeting of the competition commission, its approval and signing by the Chairman, Members of the Commission.

The retention period of the entries of competition commission is 3 years.

5.4. Summing up the competition results

5.4.1. Maximum number of points - 15.

5.4.2. In order to assign 1st, 2nd and 3rd places in the first round, the number of points must be at least 9 points.

5.4.3. In order to pass the application for the second and third rounds, the number of points must be at least 9. Applications with a score below 9 are not sent to the second round.

5.4.4. The winners of the competition are determined by the highest number of points scored.

5.4.5. The winners of the first round of the competition, who took 1st, 2nd and 3rd places, may be encouraged in the prescribed manner at the discretion and within the budget of the KMTF.

5.4.6. Financing of travel and food expenses, accommodation of KMTF employees - winners of the third round of the competition is carried out at the expense of KMTF funds.

6. PROCESS CRITERIA

The first round of the competition will be held no later than October 30.

7. REFERENCES TO DOCUMENTS

	Policy in the field of occupational safety and health, environmental protection of KMG
Minutes of the KMG Board No.87 dated 24.07.2012	Comprehensive program in the field of occupational safety and health of NC "KazMunayGas" JSC for 2012 -2016
KMG-PR-2191.1-13	Rules on procedure and conditions for the annual competition of the Chairman of the Board of NC "KazMunayGas" JSC - "The Best Innovative Ideas and Practices in the Field of Health, Labor and Environment Protection of the Group of companies of NC "KazMunayGas" JSC
	KMTF Policy in the field of quality, safety and environmental protection

8. FORM OF RECORDS

F.103.01	Commission evaluation sheet
F.103.02	Application for participation in the competition
F.103.03	Minutes of the evaluation commission

9. FLOW CHART

Input to the process is:	Rules on procedure and conditions for the annual competition of the Chairman of the Board of NC "KazMunayGas" JSC - "The Best Innovative Ideas and Practices in the Field of Health, Labor and Environment Protection of the Group of companies of NC "KazMunayGas" JSC		
Flow Chart	Action	Executor	Record
1	centralized collection of applications until October 10 (c.5.2.1)	LPED KMG	Applications for participation in the competition F.103.01
2	consideration, registration, assignment of an identification number to the application and sending applications, without specifying the name of the author and place of work, to the structural subdivisions of the SA responsible for labor and environmental protection for consideration by the commission of the SA during the period from October 10 to 15	LPED KMG	Letter
3	conducting the first round of registered applications by the KMTF commission with the assignment of 1, 2, 3 places, in the period from October 15 to October 30	KMTF Competition Commission, LPEQD KMTF	Evaluation sheets Minutes of the evaluation commission (F.103.01., F.103.03)
4	sending applications of the winners of the 1st, 2nd, 3rd places of the KMTF for participation in the second round of the competition among KMG companies from October 30 to November 6	LPEQD KMTF	Letter
5	confirmation of the place of work of KMTF employees at the request of KMG	HRD KMTF	Letter
Output to the process is:	Awarding the winners of the competition by the Chairman of the Management Board of KMG		

10. RESPONSIBILITY FOR THE APPLICATION AND SUPPORT OF THIS STANDARD IN KMTF BUSINESS UNITS:

Business Unit	Job Title	Name	Signature and date
Labor Protection, Ecology and Quality Department	Acting Director	Akayev K.K.	
	Senior Specialist (for IMS)	Ulykpanova A.	
	Engineer (for HSE)	Irgaliyeva Z.	
Developer of document			

CHANGE SHEET

№ — —	Date	№ amended page	Description	Executor, signature
1	10.02.2017	5	<p>1. Change of the Organizational structure of NMSC Kazmortransflot LLP. Resolution of the KMTF Supervisory Board No.05-16/NS dated 07.10.2016</p> <p>2. Changing the Staffing table of NMSC Kazmortransflot LLP. Resolution of the Board of the KMTF No. 17 dated 27.10.2016</p> <p>3. Replace HSSE Service with KMTF HSE Service.</p>	Engineer - Irgaliyeva Z.
2	02.08.2019		<p>1. Change of the Organizational structure of NMSC Kazmortransflot LLP. Resolution of the KMTF Supervisory Board No. 04-19/NS dated 27.06.2019</p> <p>2. Changing the Staffing table of NMSC Kazmortransflot LLP. Resolution of the Board of the KMTF No. 13 as of 03.07.2019</p> <p>3. Replace the KMTF HSE Service with the LPEQD KMTF.</p>	Engineer - Irgaliyeva Z.

FAMILIARISATION SHEET FOR BUSINESS UNIT PERSONNEL

№ s/i	Job Title	Name	Signature and date	Note