

# **Abstract of the Model of Organization, Management and Control according to Legislative Decree 231/2001 of Jindal Films Europe Brindisi S.r.l.**

Legislative Decree no. 231/2001 (the "Decree") introduced a new form of liability - Administrative Responsibility - which falls on the Legal Entity (the "Companies") for some types of offenses where these were committed by their directors, employees and representatives in the exercise of activities in the name and on behalf of the Companies.

The same Decree provides that Companies may not incur in such liability if they demonstrate that they have adopted and effectively implemented an organization, management and control model (the "Model") that is suitable for preventing the commission of the offense.

Jindal Films Europe Brindisi Srl has approved, with the Board of Directors resolution of 27 June 2017, a Model conforming to the Decree's provisions.

The Model of Jindal Films Europe Brindisi Srl consists of: a General Part, which outlines the reference principles to which the entire Model is inspired, as well as 8 Special Sections and the following 4 Attachments:

1. Simplified Organigrams and Role Statement;
2. Mapping of risk areas and "gap analysis"
3. Receipt Statement
4. Ethics Code.

## **Description of the Model of Jindal Films Europe Brindisi Srl**

The GENERAL SECTION contains the key principles of the Model, which recall the main points of the Decree as well as the indications of the Confindustria Guidelines ("Guidelines") that the Company has decided to follow in its construction.

According to the Guidelines, the Model was developed through the following two phases, the rest of which is typical of the "risk management" system generally adopted by all principal multinational companies:

- a. Identification of risks by analyzing business activities and processes to highlight the areas / business sectors and in what ways the offenses could be committed under the Decree;
- b. Evaluation of the existing preventive control system and any adjustments in terms of their ability to reduce the risks identified to an acceptable level.

Other factors such as the internal operating environment (organizational structure, geografich area, size, etc.) and outside the company (economic sector, geographic area) have also been taken into account in the construction of the Model.

Taking into account the provisions of the Decree and Confidustria Guidelines, the Model has been set up considering the following main steps:

- Mapping of business areas under the risk;
- Potential risk analysis, i.e. a documented map of potential implementation of illicit behaviors in the identified risk areas;
- Indication of the control measures required for the areas under the risk, in particular those relating to the management of financial resources, with any adjustments deemed necessary to prevent the commission of the offenses;
- Description of the system of preventive checks with detail of the individual components of the system (the protocols);
- Appointing a "supervisory organism" ("Organismo di Vigilanza") of the Company with the task of monitoring the operation and observance of the Model;
- Provision of information obligations vis-à-vis such Organismo di Vigilanza;
- Introduction of a sanctioning system for failure to comply with the measures indicated in the Model.

In the Model are illustrated the control systems and the principles to which they are inspired.

The Company's organizational system is developed in accordance with the principle of separation of tasks and is based on clear attributions of responsibility and lines of hierarchical dependency, with adequate information within the organization. The system provides delegation of powers within the corporate organization, also, in some cases, with the faculty of representing the Company in relations with third parties, public and private.

The principle of separation of duties in Jindal Films Europe Brindisi Srl, under which "no one should be able to manage an entire business process autonomously" is intended to prevent that an employee from being in a position to conceal mistakes or irregularities, relating to an operation performed in the performance of its duties, without that the other colleagues involved in the same operation being able to detect them.

The control system is also inspired by the principle of documentation of operations, which requires that every transaction, activity, action must be verifiable, documented, must be consistent and congenial and tends to ensure that all business operations are authorized at a

predefined level and that are supported by adequate documentation to ensure the transparency of the operations themselves and to facilitate the verification at all times.

Finally, the management control system provides for independent risk and self-assessment programs for activities that are considered at greater risk, with documentation of the controls carried out and reporting of results at an adequate level of management.

Within the framework of the Health, Safety and Environment control system, particular attention it has been given special attention both to the operational management of the relevant issues in this field, with the aim of ensuring, wherever possible and at best of all business opportunities, compliance with the requirements of the highest standards of quality recognized at national and international level and the development of an effective and efficient system of two levels of articulation: the first level involving all those involved in the organizational structure of the Company, the second being carried out by the Organismo di Vigilanza, which is assigned the task of verifying, within and within of its possibilities, the effectiveness of the preventive system adopted by the Company for the protection of health and safety of employees.

The documental structure of the Management System Environment, Safety (called "SGISSA") that Jindal Films Europe Brindisi srl refers, is the following:

- Health, Safety and Environment Policy contained in the Ethics Code: this is the main document of the system. His document establishes the policy of Jindal Films Europe Brindisi srl on environmental, safety and health issues and reflects the commitment of Jindal Films Europe Brindisi srl for their respect;
- "SGISSA": the reference document is intended to achieve high operational, safety, health and environmental standards.
- Operating Procedures: documents defining conditions, responsibilities and procedures for performing activities Of administrative or operative type to the level of the each productive units;
- Procedures for Fulfillment and Evaluation of Risks as per the "Security Decree".

The reference document called "SGISSA" is periodically verified by its dedicated internal function, the correspondence and effectiveness of reference standards to which SGISSA itself is inspired: BS OH SAS 18001: 2007 for Health and Safety at Workplaces and ISO 14001 : 2004 for environmental protection.

To this end, AUDITs are planned with external consultants and accredited certification bodies.

The current "SGISSA" management system, which complies with the International Standards Organization's environmental management systems guidelines (ISO: 14001), includes the following elements, each with specific and clearly defined objectives to which each operation and every business activity:

- 1) Management, leadership, commitment and responsibility;

- 2) Risk assessment and management;
- 3) Design and construction of plants;
- 4) Information and documentation;
- 5) Personnel and training;
- 6) Exercise and maintenance;
- 7) Managing Changes;
- 8) Services provided by third parties;
- 9) Accident Investigation and Analysis;
- 10) Training in case of Emergency;
- 11) Periodic review and improvement of operations.

Jindal Films Europe Brindisi srl has developed its own "Management System" according to its specific activities, as described in the Mapping of Risk Areas and its Gap Analysis, which also aims to highlight any lack of correlation between the law requirements and local operational practices.

The assessment of the efficiency of the system of controls and compliance with procedures is carried out on an ongoing basis through independent auditing, self-assessment and external auditing cycles that allow timely detection of the existence or the occurrence of critical situations and The timely resolution of any control issues.

The Ethics Code of the Company (called "Base Business Policies"), which also complies with the principles set out in the Confindustria Guidelines, contains the guiding principles, the rules on the transparency of corporate communications and, inter alia, the following key policies:

- Ethics Corporate;
- Conflict of interest;
- Protection of Corporate Property;
- Policy on corruption;
- Political Activities;
- Policy on Security, Health and the Environment (SHE policy);
- Safety of Products;
- Relations with Customers and Quality of Products;
- Alcohol & Drug Policy;

- Equal opportunities;
- Equal Opportunity Policy in the Company;
- Anti-harassment policy;
- Transparency Communications Policies.

Any violation to Ethical Code is sanctioned under the disciplinary system (that is also briefly summarized in the Model).

Behaviors in violation held by employees to the principles contained in the Model are subject to disciplinary sanctions.

The sanctions imposed on those employees fall within the scope of the Corporate Disciplinary Regulations, in accordance with the procedures laid down in Article 7 of the Statute of the Employees ("Statuto dei Lavoratori") and any applicable special regulations.

In relation to the foregoing, the Model refers to the categories of penalties provided for by the existing sanction system.

These categories describe the behaviors sanctioned, depending on the extent of the individual cases being considered and the concrete penalties for the commission of the offenses, depending on their gravity.

In the event of a breach by the executives of the internal procedures provided for in this Model or adoption, in carrying out a risk activity of conduct that does not comply with the requirements of the Model itself, it will be required to apply to the responsible persons the most suitable in accordance with the provisions of the National Collective Contract for the Work for the Executives ("Contratto Collettivo Nazionale di Lavoro per i Dirigenti").

As far as communication and involvement are concerned, the adoption of the Model must be communicated to the Employees and the Corporate Bodies by sending the Model and subsequent appropriate information and training.

When concluding contracts with the Company's Consultants, Partners and Suppliers, it will be made known that it has adopted the Model of Compliance stipulated by D.Lg.231 / 2001. Contract standards with Consultants, Partners and Suppliers are subject to the inclusion of a specific clause that ensures compliance with the Model.

As regards the training, the Model assigns to the Organismo di Vigilanza the task of promoting and monitoring the implementation of initiatives aimed at fostering adequate knowledge and awareness of the Model and Protocols.

Special training activities (courses, seminars, questionnaires, etc.) are provided for this purpose, differentiated according to the role and responsibility of the subjects involved.

The Model disciplines also the functioning of the Organismo di Vigilanza.

In particular, a Collegial Board of Supervisors ("Organismo di Vigilanza") has been appointed, composed from three members, two of which are internal and one is an external lawyer, the latter with the functions of President.

In addition, the Model has also provide for the cases of ineligibility and decay of the Organismo di Vigilanza, as well as, in a very detailed manner, the duties and powers of the same.

Particular attention has been paid to information flows from and to the Organismo di Vigilanza, so that the same, on the one hand, is able to inform the Board of Directors and the Auditing Company of the results of its business and of any criticism, on the other hand, is placed in the best conditions to carry out its task.

THE SPECIAL SECTIONS have been prepared for the various categories of offenses contemplated in the Decree, due to the business activities and sensitive processes detected and the related improvements. In particular, this Model is composed of:

Special SECTION 1, dedicated to "Offenses committed in relations with the Public Administration", which applies to the specific types of offenses provided for in Art. 24 and 25 of the Decree;

- Special SECTION 2, dedicated to "Corporate Crimes", which applies to the types of offense provided by Art. 25 *ter* of the Decree;

- Special SECTION 3, dedicated to "Criminal Offenses, Recycling and Use of Money, Goods or Other Illicit Uses", which applies to the offenses referred to in Art. 25- *opties* of the Decree;

- Special SECTION 4, dedicated to "Crimes committed and serious or serious offenses committed in violation of the rules on the protection of health and safety at work", which applies to offenses referred to in Art. 25 - *septies* of the Decree;

- Special SECTION 5, dedicated to "Computer Delicts and Illegal Data Processing", which applies to the offenses referred to in Art. 24- *bis* of the Decree;

- Special SECTION 6, dedicated to "Organized Crime Offenses and Indicted Offense to make misleading declarations to the Judicial Authority", which applies to offenses referred to in Art. 24- *ter* and 25- *decies* of the Decree;

- Special SECTION 7, dedicated to "False Delinquencies in Instruments or Signs of Recognition and Crimes Against Industry and Commerce", which applies to offenses referred to in Art. 25-*bis* and 25- *bis* n. 1 of the Decree;

- Special SECTION 8, dedicated to "Environmental Offenses", which applies to offenses referred to in Art. 25-*undecies* of the Decree.

For what concerns the Annexes 1, 2, 3, 4, they contain, respectively:

- Annex 1: the simplified schemes of the working organizations in which the Company is structured;
- Annex 2: Hazardous Activity Maps for each type of offense and each work organization;
- Annex 3: the receipt of the Model and commitment to respect of the Model that each Company Exporter is required to sign in accordance with the provisions of paragraph 6 below.
- Annex 4: Business Policies of Ethics and Behavior called "Base Business Policies" adopted by Jindal Films Europe Brindisi s.r.l., which constitute the Ethical Code of the Company.

### **Communications**

Communications or Requests for Information on the Model by Employees, Social Organizations, Consultants, Partners and Third Parties Recipients in general can be sent to the Supervisory Body:

- by e-mail to the email address:

[ODV231-JindalFilmsit@jindalfilms.com](mailto:ODV231-JindalFilmsit@jindalfilms.com)

- in writing (also in anonymous form) at the following address:

Jindal Films Europe Brindisi S.r.l.

Organismo di Vigilanza

Strada per Pandi, 4

72100- Brindisi