

ORGANISATIONAL, MANAGEMENT AND CONTROL MODEL

of

Univar S.p.A.

Approval and revision

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GENERAL SECTION

Introduction

In the general context of activities relevant to its Corporate Governance system, Univar S.p.A., following the entry into force of Legislative Decree No. 231/2001, and subsequent amendments in the area of corporate liability for administrative offences resulting from some criminal acts, adopted a Management and Supervisory Organisational Model (hereafter known as “Organisational Model” or “Model”), which meets the following requirements:

- evaluating the impact of the introduction of the Decree on the company structure;
- analysing the company's risk profile in relation to the business activity carried out;
- identifying the guidelines of the Organisational Model consistent with the Decree, to be completed and implemented in successive phases and in relation to the normal and possible changes in the company structure.

This Model is structured into two sections:

- General section: containing general information on the purpose, functioning and main components of this Model;
- Special section: the body of general principles and specific procedures which the recipients, depending on the type of relationship they have with Univar S.p.A., are held to in order to comply with the correct application of the Model, according to that laid down in the Decree.

Definitions

For the sake of clarity and conciseness, the terms and definitions referred to in all the sections of the Model are defined below.

- Area at Risk or Sensitive Activity: the area of activity of Univar S.p.A. which has an associated risk of crimes being committed.
- Code of Conduct: document containing the body of values describing the intrinsic objectives of Univar S.p.A. Compliance with these values is essential for the correct functioning, integrity, reputation and image of the company.
- External Collaborators: all external collaborators considered as a whole, such as business partners, clients, suppliers and consultants.
- Internal Collaborators: those people who have a professional working relationship with Univar S.p.A. and work within the corporate structure, such as but not limited to independent contractors, interns, trainees, part-time workers.
- Recipients: company representatives and External Collaborators.

- Legislative Decree No. 231/01: (hereafter, also “The Decree”), Legislative Decree 8 June 2001, No. 231 and subsequent amendments and addenda.
- Corporate Representatives: directors, auditors, receivers, managers, employees and internal collaborators.
- Corporate Bodies: the Board of Directors, the Board of Statutory Auditors and their members.
- Supervisory Board: (hereafter, also “SB”) the internal supervisory body, in charge of supervision of the functioning of and compliance with the Model as well as the relevant revision.
- P.A.: Public Administration and, with reference to offences against the public administration, public officials and those in charge of a public service.
- Partners: contracted counterparties with whom Univar S.p.A. comes to some form of contractually regulated collaboration (temporary business association, joint venture, consortium, agency, etc.), where cooperation is designated with Univar S.p.A. within Areas of Risk.
- Public Officials: persons who, pursuant to article 357 of the Criminal Code, “hold a public legislative, judicial or administrative role”. By the same effect, also public is the administrative function governed by civil law and by regulatory authority deeds and characterised by the formation and manifestation of the will of public administration or executing it by means of regulatory powers or powers of certification.

1. INTRODUCTION TO LEGISLATIVE DECREE No. 231/01

1.1 Legislative Decree No. 231/01 and reference legislation

Legislative Decree No. 231/01, issued on 8 June 2001, updated the National Law on the administrative liability of the legal person to several international agreements which Italy has adhered to for some time, such as the Brussels Agreement of 26 July 1995, on the safeguarding of the European Union's financial interests, the Convention of 26 May 1997, also signed in Brussels, aimed at countering corruption of government officials in the European Community or the Member States and the OECD Agreement of 17 December 1997 on tackling the corruption of foreign government officials in economic and international operations.

Legislative Decree No. 231/01, on the “administrative liability of legal persons, companies and associations, including without legal personality” introduced for the first time in Italy, the concept of administrative liability (essentially comparable to criminal liability) of those entities for any offences committed in the interest or to the advantage of the same, by persons who are representatives, directors or managers of the company or one of its organisational units having financial and

functional autonomy, as well as persons who exercise *de facto* management and control of the assets, and finally by persons under the direction or supervision of one of the aforementioned individuals. The entity, therefore, is liable for the offence in association with the individual who committed the offence.

This liability, which is added to the criminal liability of the individual who committed the offence, is intended jointly to punish the entities in whose interest, or to whose advantage, such an offence has been committed: the entity is not liable for the offence committed by individuals but for an independent administrative offence, attributable to a management deficit, which made committing the crime possible. The legislator has actually outlined a system of liability through *management negligence*, which arises if the criminal offence can be attributed to the organisation.

The new type of liability introduced by Legislative Decree No. 231/01 requires that the company which has gained an advantage by committing the offence is summonsed to answer to the offence with their assets. Indeed, the application of a monetary fine against the entity is provided for all the offences indicated in Legislative Decree No. 231/01; however the regulation also provides for, in the most serious cases, the application of the disciplinary measures detailed in paragraph 1.4 below.

Over the years, Legislative Decree No. 231/01 has expanded due to a growing number of criminal offences, the commission of which may bring an administrative liability on the entity. Other types of criminal offence have been added to the list of crimes originally laid down, which has subsequently entailed an extension of the ruling's scope.

The most recent and significant innovations have been:

1. the restructuring, with the entry into force of Legislative Decree No. 81/08 of 9 April 2008 (what is known as the “Consolidated Act on Health and Safety at Work”, integrated into Legislative Decree No. 106/2009), on the penalty system applicable to the offences of manslaughter and serious or grievous bodily harm committed in violation of the safety regulations and of the protection of health and safety at work introduced by Law No. 123/2007 (article 25 *seventh subsection* of the Decree);
2. the introduction of the offences of receiving stolen goods and laundering (article 25-*eighth subsection* of the Decree) with Legislative Decree No. 23/2007 of 14 December 2007, adopted for implementation of Directive 2005/60/EC concerning the “Prevention of the use of the financial system for the purposes of laundering the proceeds of criminal activity and financing terrorism”;

3. the introduction of computer offences and the unlawful handling of data (article 24 *second subsection* of the Decree) with Law no. 48/2008 of 18 March 2008, on “Ratification and implementation of the European Council Agreement on computer crime”;
4. the extension of the application of the ruling on organised criminal activity (article 24 *third subsection* of the Decree), introduced with Law no. 94/2009 of 15 July 2009, on “Public security Rulings”;
5. the applicability of the Decree also to violations provided by Law no. 633/1941 on copyright (article 24 *ninth subsection* of the Decree), as well as crimes against industry and commerce (article 25-*second subsection I* of the Decree), both introduced by Law no. 99 of 23 July 2009 on “Rulings for the development and internationalisation of companies, as well as in the field of energy”;
6. the extension of the administrative liability of companies also to environmental crime (article 25 *eleventh subsection* of the Decree), which entered into force on 16.8.2011 of Legislative Decree No. 121/2011, which partially implemented the EU Directive 2008/99/EC on environmental protection through criminal law;
7. the insertion, with Legislative Decree No. 109/2012 of 16 July 2012, of article 25-*twelfth subsection* regarding “Employment of third-country nationals who are staying illegally”, in relation to the possible commission of the offence referred to in article 22, paragraph 12-second subsection, of Legislative Decree No. 286 of 25 July 1998;
8. the revision, with Law no. 190/2012 of 6.11.2012, of articles 25 and 25 third subsection of the Decree, on the subject, respectively, of crimes against the public administration and corporate crimes with the introduction of new types of offences of unlawful inducement by gift or promising benefit, provided for in article 319 fourth subsection of the criminal code (article 25) and bribery between individuals (article 25 third subsection letter s second subsection);
9. the amendment of article 24 *second subsection* of the Decree, which occurred with Decree-Law No. 93/2013 of 14.8.2013, on “Urgent rulings on security and on tackling gender-based violence, as well as on the subject of civil protection and on the compulsory administration of provinces”, with the introduction of new types of criminal offences regarding computer fraud committed by replacing digital identity, improper use of credit cards or payment, unlawful data processing, false declarations and failure to observe the provisions of the Agency.

1.2 Recipients of the regulation

The company is responsible for the offences committed in its interest or to its advantage by:

1. “persons who carry out functions of representation, administration or management of the company or one of its organisational units with financial and functional autonomy, as well

- as people who practise, *de facto*, the management and control of the entity itself” (namely individuals in senior or “top” positions; article 5, paragraph 1, letter a) of the Decree);
2. persons under the management or supervision of an individual in a senior position (namely individuals under the management of another director; article 5, paragraph 1, letter b) of the Decree);

The company is not liable, under express legislative provision (art. 5, paragraph 2, of the Decree), if it can prove that it has adopted, prior to the commission of the offence, an Organisational, Management and Control Model capable of preventing crimes of the kind that occurred and that they were committed by fraudulently evading the business model and the protocols adopted.

Companies that have their registered office in the territory of the state are also liable in relation to offences committed abroad, provided that:

- the state of the place where the act was committed is not acting in law against them;
- the cases and additional conditions provided for in articles 7, 8, 9 and 10 of the Criminal Code apply, allowing the citizen and the foreigner to be punished according to Italian law for crimes committed in foreign territory;
- the law provides that the offender be punished at the request of the Ministry of Justice: such request must have also been formulated against the company.

1.3 Offences envisaged by the decree

The types of offences referred to in Legislative Decree No. 231/01 are numerous: other types of offences were added to the core of offences originally provided, that has resulted in an expansion of the scope of the applicable legislation under review and can be grouped into the following categories:

- offences committed against the public administration;
- crimes against public trust;
- computer crimes and crimes related to illegal data processing;
- corporate crimes;
- crimes against the state;
- crimes of terrorism or subversion of democratic and transnational order;
- crimes by association;
- offences against the individual;
- manslaughter and serious or grievous bodily harm committed as a result of violation of the safety regulations and of the protection of health and safety at work;
- market abuse (insider dealing and market manipulation);
- receiving, laundering and use of money, goods or assets of illicit origin;

- offences provided for under copyright regulations;
- crimes against industry and commerce;
- inducement not to make statements or to make false statements to the legal authorities;
- crimes against the environment
- employment of illegal workers

A brief description of the offences provided for in each category of Legislative Decree No. 231/01 is given below (those in brackets are the articles of the Decree to which they relate).

1.3.1 Crimes committed in relations with the public administration (art. 24 and 25)

Legislative Decree No. 231/01 from the outset included among the types of punishable offences those regarding relations with the Public Administration, namely:

- Embezzlement of the state or any other public body (art. 316-*second subsection* of the criminal code);
- Improper receipt of grants, loans or other payments from the state or other public bodies (art. 316-*third subsection* of the criminal code);
- Embezzlement of the state or any other public body (art. 640, 2nd paragraph, no. 1 of the criminal code);
- Aggravated fraud to obtain public funding (art. 640-*second subsection* of the criminal code);
- Computer fraud against the state or any other public body (art. 640-*third subsection* of the criminal code);
- Bribery (art. 317 of the criminal code);
- Corruption in public office (art.318 Criminal Code);
- Corruption resulting from an act contrary to the duties of office (art. 319 of the criminal code, 319 second subsection of the criminal code aggravating circumstances);
- Corruption in legal proceedings (art. 319 third subsection c. 1, paragraph 2 of the criminal code);
- Inducement through gifts or the promise of benefits (art. 319 fourth subsection of the criminal code ;
- Bribery of a public service employee (art. 320 and 321 of the criminal code);
- Inciting corruption (art. 322 c. 2-4 , 322 c.1-3 of the criminal code);
- Embezzlement, extortion, inducement or promise to give undue benefit, bribery and attempted bribery of members of the EC institutions and of EC officials and foreign states (Art. 322-second subsection of the criminal code

1.3.2 Offences against public trust (article 25-second subsection)

Article 25-*second subsection* of Legislative Decree No. 231/01, introduced with Law No. 409/01, provides for the administrative liability of entities with reference also to the commission of offences against the public trust.

- Counterfeiting money (art. 454 of the criminal code);
- Spending and introducing counterfeit money into the state (art. 455 of the criminal code);
- Spending counterfeit money which has been received in good faith (art. 457 of the criminal code);
- Forgery of tax stamps, bringing purchase, possession or circulation of forged tax stamps into the state (art. 459 of the criminal code);
- Counterfeiting of watermarked paper used in the manufacture of legal tender or tax stamps (art. 460 of the criminal code);
- Manufacture or possession of watermarks or instruments for counterfeiting coins, tax stamps or watermarked paper (art. 461 of the criminal code);
- Use of counterfeit or forged tax stamps (art. 464 of the criminal code);

Article 25-*second subsection* was subsequently amended by Law No. 99 on 23 July 2009, which, in addition to the cases already provided, also introduced the following offences:

- Counterfeiting, forgery and use of brands or trademarks, i.e. of patents, models or designs (article 473 of the criminal code);
- Smuggling and trading of products with false brands into the state (art. 474 of the criminal code);

1.3.3 Computer offences and the unlawful processing of data (article 24-second subsection)

Law of 18 March 2008, No. 48 on the “Ratification and implementation of the European Council Agreement on computer crime” and the subsequent adjustment of the internal standards introduced within Legislative Decree No. 231/01, along with the types of computer crimes and the illegal handling of data.

'Computer crime' is defined as unlawful conduct concerning automatic processing and transmission of data, that is, the offence that sees the computer as its subject, medium or symbol.

The offences in the field of computer crime are:

- Forgery of electronic documents (art. 491 *second subsection* of the criminal code);
- Unauthorised access to a computer or electronic system (art. 615 *third subsection* of the criminal code);
- Illegal possession and distribution of access codes to computer or electronic systems (article 615-*fourth subsection* of the criminal code);

- Distribution of equipment, devices or programs designed to damage or disrupt a computer or electronic system (art. 615 *fifth subsection* of the criminal code);
- Interception, prevention or interruption of computer or electronic communications (article 617-*fifth subsection* of the criminal code);
- Damage to information, data and computer programs (article 635-*third subsection* of the criminal code);
- Damage to computer or electronic systems (art. 635-*fourth subsection* of the criminal code);
- Damage to public service computers or electronic systems (art. 635-*fifth subsection* of the criminal code);
- Computer fraud of the person who provides electronic signature certification services (art. 640-*fifth subsection* of the criminal code);

Legislative Decree No. 93/2013 of 14.8.2013, led to an amendment of article 24, second subsection of the Decree, introducing new types of offences on the subject of:

- Computer fraud committed by substitution of digital identity (art. 640-*third subsection* paragraph 3 of the criminal code);
- Improper use of credit cards or payment (article 55 paragraph 9 Legislative Decree 231/07);
- Unlawful processing of data (article 167 Legislative Decree 196/2003);
- False statements in declarations and notifications to the Agency (art. 168 Legislative Decree 196/2003);
- Non-compliance with provisions of the Agency (article 170 Legislative Decree 196/2003);

1.3.4 Corporate crimes (art. 25-third subsection)

This category of offences was introduced in Legislative Decree No. 231/01 by Legislative Decree 61 of 28 March 2002, which resulted in an additional article 25-third subsection, with the provision of so-called corporate crimes.

Along with this measure, the Government implemented article 11 of the designated Law on the reform of corporate law (Law no. 366/2001);

With Law No. 262 of 28 December 2005 on “Measures to protect savings and the regulation of financial markets”, that has extended the liability of a company to the new offences of failure to disclose a conflict of interests of the directors, limited to listed companies, and that has changed the rules on false corporate reporting and false statements, the financial penalties put on the company has been doubled.

With reference to corporate crimes, article 37, paragraph 34, of Legislative Decree No. 39/10, which implements Directive 2006/43/EC on statutory audits of annual accounts and consolidated accounts, repealed article 2624 of the Civil Code "*False reports or communications of the auditing company*", initially expressly stated in article 25-*third subsection* of Legislative Decree No. 231/01.

The same Decree (art. 37, paragraph 35) also amended the first paragraph of article 2625 of the Civil Code (inhibited scrutiny), also referred to in article 25-*third subsection* of the Decree, providing that directors are deemed liable for inhibiting scrutiny only when shareholders or other corporate bodies are blocked and not the external auditors, as provided in the text previously in force.

The crime of bribery between private individuals, introduced by Law No. 190/2012 is a criminal offence under article 2635 of the Civil Code, which is uniquely entered among corporate crimes, rather than being placed under the provisions on bribery and corruption.

The offence occurs in the event that a senior representative or its subordinate has given or promised money or other benefits to directors, statutory auditors, managers responsible for preparing accounting documents, liquidators or employees of another company or private entity, by carrying out or omitting acts pertaining to their office, causing damage to their company. For the purposes of the applicability of Legislative Decree 231/2001, the company will be liable for the offence only if it acts as corrupting subject and not as corrupted subject.

The types of offences currently provided for by art. 25-*third subsection* of Legislative Decree No. 231/01, are as follows:

- False business reporting (art. 2621 of the Civil Code);
- False reporting to the detriment of shareholders or creditors (art. 2622 of the Civil Code);
- False statements (art. 2623 of the Civil Code);
- Inhibited scrutiny (art. 2625 of the Civil Code);
- Unlawful return of capital (art. 2626 of the Civil Code);
- Illegal distribution of profits and reserves (art. 2627 of the Civil Code);
- Illegal transactions involving shares or stock, or shares in the parent company (art. 2628 of the Civil Code);
- Transactions to the detriment of creditors (art. 2629 of the Civil Code);
- Failure to disclose a conflict of interest (article 2629-second subsection of the criminal code);
- Fictitiously paid-up capital stock (article 2632 of the Civil Code);
- Improper distribution of company assets by liquidators (art. 2633 of the Civil Code);
- Bribery between private individuals (art. 2635 of the Civil Code);

- Undue influence over the Annual General Meeting (article 2636 of the Civil Code);
- Stock manipulation (art. 2637 of the Civil Code);
- Obstructing the exercise of the public supervisory authorities' functions (art. 2638 of the Civil Code);

1.3.5 Offences against the state

Crimes of terrorism or subversion of the democratic order and transnational crimes (article 25-fourth subsection)

Included to the offences relevant to corporate administrative liability are all those activities aimed at the promotion, organisation and funding of organisations and/or associations formed for the purpose of carrying out acts of terrorism or subversion of the democratic order of a State or an international organisation.

These offences were introduced by Law no. 7 of 14 January 2003, which ratified and implemented the New York International Convention of 1999 for the Suppression of the Financing of Terrorism, and are listed below:

- Associations formed for the purpose of terrorism or subversion of the democratic order (art. 270-second subsection of the criminal code);
- Assistance to members (art. 270-third subsection of the criminal code);
- Recruitment for the purposes of international terrorism (article 270-fourth subsection of the criminal code);
- Training for the purposes of international terrorism (article 270-fifth subsection of the criminal code);
- Conduct with the aim of terrorism (article 270-sixth subsection of the criminal code);
- Attacks for terrorism or subversion purposes (art. 280 of the criminal code);
- Kidnapping for terrorism or subversion purposes (art. 289-second subsection of the criminal code);

Law No. 146 of 16 March 2006, by which the Convention and the United Nations Special Protocols on the fight against transnational organised crime were ratified, was also introduced among the offences other categories, which will be applicable from time to time, as they have “transnational” character:

- due to having been committed in more than one state;
- as they are committed in one state but have substantial effects in another state;
- as they are committed in only one state, but they are involved in an organised criminal group leading criminal activities in more than one state.

It deals with the following offences:

- organised crime offences, such as criminal association (art. 416 of the criminal code), criminal Mafia-type association (article 416 second subsection) and association for the purposes of drug dealing (art. 74 of Presidential Decree 309/90); criminal association for purposes of tobacco smuggling (article 291 fourth subsection of Presidential Decree 43/1973);
- aiding illegal immigration (article 12 of Legislative Decree 286/1998);
- inducement not to make statements or to make false statements to the legal authorities (article 377-second subsection of the criminal code);
- aiding and abetting (art. 378 of the criminal code)

In relation to crimes of terrorism or subversion of the democratic order and transnational crimes, the areas considered most specifically at risk are activities aiming at the selection/admission of foreign subjects as well as all financial and commercial transactions, carried out with:

- natural and legal persons residing in the countries which are identified as risky in the so-called “Country List” and/or with natural or legal persons related to international terrorism given in the so-called “Name List”, both on the Italian Foreign Exchange Office website or published by other nationally and/or internationally recognised bodies;
- companies controlled directly or indirectly by the above parties.

1.3.6 Corporate crimes (art. 24-third subsection)

Law of 15 July 2009, No. 94, on “Measures relating to public safety”, which came into force on 8 August 2009, introducing into the body of Legislative Decree No. 231/01 organised crime offences, with the extension of administrative liability of companies in the following cases, no longer relevant for solely transnational purposes (for which it shall proceed only on the condition that the state of the place where the offence was committed does not act against them):

- criminal associations (art. 416 of the criminal code);
- Mafia-type associations (art. 416 second subsection of the criminal code);
- political Mafia clientelism (art. 416-third subsection of the criminal code);
- kidnapping for purposes of robbery or extortion (art. 630 of the criminal code);
- crimes committed under the conditions laid down by said article 416-second subsection or rather in order to facilitate the activities of the associations provided by the same article;
- association for purposes of the illegal trafficking of narcotics or psychotropic substances (art. 74 Presidential Decree No. 309 of 9 October 1990, Consolidating Act on narcotics);
- crimes of illegal manufacture, introduction into the State, sale, transfer, possession and carrying in a public place or place open to the public weapons of war or warlike weapons or parts of them, explosives, illegal weapons and more common firearms, excluding those provided for by article 2, paragraph three, of Law of 18 April 1975, No. 110.

The so-called “crimes by association” are intended to prevent the formation of criminal organisations, made up of three or more people, in order to commit indefinite series of crimes.

With reference to the hypothesis are those of criminal conspiracy (article 416 of the criminal code) and criminal Mafia-type associations (article 416-*second subsection* of the criminal code). Article 24-*third subsection* of Legislative Decree No. 231/01 envisages the possibility that the company or its organisational units are regularly used for the single and main purpose of allowing or facilitating the commission of the above-mentioned crimes (with the consequent application of the penalty of definitive disqualification from carrying out the business activity).

Conspiracy is an offence that can be charged also in connection with crimes not expressly designated by Legislative Decree No. 231/01. It follows that all the management and administration activities of the company, including purely operational activities, are at risk.

The rule also provides that if the company or one of its units are regularly used for the single and main purpose of allowing or facilitating the commission of the crimes mentioned above, the penalty of definitive disqualification carrying out the business activity is applied to the company.

1.3.7 Offences against the individual (article 25-fourth subsection, 1 and 25-fifth subsection)

Articles 25-*fourth subsection, 1* and 25-*fifth subsection* of Legislative Decree No. 231/01 list offences against the individual that the company which employs the perpetrator of the crime can be charged with. Entities that organise or manage prohibited activities are also charged with the commission of these offences. The offences listed are:

- Mutilation of female genital organs (article 583-second subsection of the criminal code);
- Reduction or maintenance in slavery or servitude (article 600 of the criminal code);
- Child prostitution (article 600-second subsection of the criminal code);
- Child pornography (article 600-third subsection of the criminal code);
- Possession of pornographic material (article 600-fourth subsection of the criminal code);
- Online pornography (article 600-fourth subsection.1 of the criminal code);
- Tourism initiatives for exploiting prostitution of minors (article 600-fifth subsection of the criminal code);
- Human trafficking (article 601 of the criminal code);
- Purchase and sale of slaves (article 602 of the criminal code);

1.3.8 Offences arising from the breach of safety regulations and protection of health and safety at work (article 25-seventh subsection)

Article 25-seventh subsection was included from the provisions of Law No. 123 of 3 August 2007 on “Measures for the protection of health and safety at work and delegation of the Government for the reorganisation and reform of applicable legislation”, which found its full implementation in Legislative Decree No. 81/08, known as the “*Consolidated Act on Health and Safety at Work*”, which extended the corporate responsibility to the offences of manslaughter and serious or grievous bodily harm committed in breach of current accident prevention regulations or protection of health and safety at work.

The offences are as follows:

- Manslaughter (article 589 of the criminal code)
- Serious personal injury through negligence or grievous bodily harm (art. 590 of the criminal code)

The crimes of manslaughter and injury through negligence arising from breach of the safety regulations or the protection of the health and safety of workers are punishable offences of mere negligence, unlike most of the other offences, which require awareness and the intentional nature of the action.

In relation to the type of criminal offences, Legislative Decree 3 August 2009, No. 106 containing “*Supplementary and corrective regulation of Legislative Decree 9 April 2008, No. 81, concerning the protection of health and safety at the workplace*” made a significant change in the Consolidated Act 81/08 on safety, which is reflected in the rules provided for in Legislative Decree No. 231/01.

One of the main innovations of the Consolidated Act 81/08 is that in case of delegation of functions, the employer's obligation to oversee the delegate's correct fulfilment is considered acquitted in case of adoption and effective implementation of the verification and control Model provided for in article 30 paragraph 4 (article 16 paragraph 3).

1.3.9 Illicit financial income from market abuse (article 25-sixth subsection)

The new regulation on “market abuse” enacted the EU Directive 2003/6/EC of 28 January 2003 on abuse of privileged information and market manipulation. These provisions, introduced by the Law of 18 April 2005, amended both the Consolidated Finance Act (Legislative Decree No. 58/1998), and the Regulations provided for in Legislative Decree No. 231/01.

Legislative Decree No. 231/01 envisages the liability of the company for being found to have committed one of the offences of market abuse sanctioned by the Consolidated Finance Act.

The following falls under the category of offences under administrative liability of entities:

- Abuse of privileged information, namely “*insider trading*” (articles 184 and 187-second subsection of the Consolidated Finance Act), with the aim of carrying out transactions on

financial instruments while communicating privileged information outside of their normal professional duties;

- Market Manipulation (art. 185 and 187-third subsection of the Consolidated Law on Financial Intermediation), via the dissemination of false information or the creation of simulated transactions or other devices capable of causing a significant change in the price of financial instruments.

1.3.10 Money-laundering and stolen asset offences (article 25-eighth subsection)

Legislative Decree No. 231 of 14 December 2007 adopted in implementation of Directive 2005/60/EC on the “prevention of the use of the financial system with the purpose of laundering the proceeds of criminal activity and financing of terrorism” has further expanded the scope of the application of Legal Decree No. 231/01, by inserting article 25-*eighth subsection*.

The significant conduct that may give rise to direct administrative liability of the company in whose interest the crime was committed includes the following offences:

- Receiving stolen assets (art. 648 of the criminal code);
- Money-laundering (art. 648-*second subsection* of the criminal code);
- Use of money, goods or assets of illicit origin (art. 648-*third subsection* of the criminal code).

1.3.11 Offences envisaged in the area of copyright law (art. 25-ninth subsection)

Law No. 99 of 23 July 2009 introduced the new article 25-*ninth subsection* of Legislative Decree No. 231/01 with the provision of the violations provided for in Law No. 633/1941 on copyright among offences relevant to the purposes of Legislative Decree No. 231/01.

The significant conduct for the purposes of a possible direct administrative liability of the company in whose interest the offence was committed is as follows:

- Disclosure, including entering into a telecommunications network system, of work protected by copyright, or part of it (article 171, paragraph 1, letter a-*second subsection* Law 633/1941);
- Disclosure of someone else's work not intended for advertising, or by plagiarising the authorship of the work, or with distortion, defacement or other modification of the work itself, when it offends the credit or reputation of the author (article 171, paragraph 3, Law 633/1941);
- Abusive duplication, for the purposes of profit, of computer software, or importation, distribution and sale, or even possession for commercial or business purposes or leasing of programs on platforms not registered in the Italian Society of Authors and Publishers (SIAE). (art. 171-*second subsection* Law 633/1941);

- All the cases of duplication or transmission or abusive disclosure provided for in article 171-*third subsection* Law 633/1941.

1.3.12 Offences against industry and commerce (25-second subsection I)

Law No. 99 of 23 July 2009 on “Measures for the development and internationalisation of companies, as well as in the field of energy” also introduced article 25-second subsection I concerning crimes against industry and commerce and the following specific cases:

- Disruption of the freedom of trade or industry (article 513 of the criminal code);
- Unlawful competition with threats or violence (art. 513-second subsection of the criminal code): this type of offence refers to any competition activities carried out by those who execute a commercial activity, accomplished by force or threat.
- Fraud against national industries (article 514 of the criminal code);
- Fraudulent trading (art. 515 of the criminal code);
- Sale of non-genuine foodstuffs (article 516 of the criminal code);
- Sale of industrial products with misleading signs (art. 517 of the criminal code);
- Manufacture and sale of goods made by misappropriating industrial property (art. 517 third subsection of the criminal code);
- Counterfeiting of geographical indications and named origins of agricultural and food products (art. 517-fourth subsection of the criminal code).

The following rules are intended to protect the consumer:

- Fraudulent trading (art. 515 of the criminal code). The law punishes those who, in the course of a commercial activity, deliver a product to the customer for which the origin, source, quality or quantity is different from the one that was declared;
- Sale of non-genuine foodstuffs (article 516 of the criminal code); the unlawful conduct consists in putting on the market non-genuine foodstuffs.
- Sale of industrial products with misleading signs (art. 517 of the criminal code). The activity of any person selling or putting into circulation industrial products with names, trademarks or distinctive national or foreign signs, intended to mislead the buyer about the origin, source or quality of the product acquired is punished.

1.3.13 Inducement to not make statements or to make false statements to the Legal Authority (art. 25 tenth subsection)

Law No. 116 of 3 August 2009 introduced among the offences relevant to the aim of Legislative Decree No. 231/01 that of inducement not to make statements or to make false statements to the Legal Authority (art. 377-second subsection of the criminal code), which punishes those who offer

or promise money or other benefits by force or threat, to induce a person called to testify to the legal Authority not to make statements or to make false statements, when such statements are used in criminal proceedings.

1.3.14 Environmental crimes (art. 25-*eleventh subsection*)

On 16 August 2011 Legislative Decree No.121/2011 came into force, which extended the scope of administrative liability of entities provided for in Legislative Decree No. 231/01, to the area of environmental crimes.

This Decree enacted EU Directive 2008/99/EC on environmental protection through criminal law, to strengthen the discipline against damages to the environment.

The monetary fines and disqualification penalties provided for in the new article 25-*eleventh subsection* included into Legislative Decree No. 231/01, concern both the types of offence contemplated by the Consolidated Environmental Act (Legislative Decree No. 152/06), related to the treatment of waste, and those under other environmental provisions:

- Discharges of industrial waste water containing hazardous substances without authorisation, or with revoked or suspended authorisation (art. 137, paragraph 2 of the Consolidated Environmental Act);
- Discharges of industrial waste water containing dangerous substances, in contrast to requirements (article 137, paragraph 3 of the Consolidated Environmental Act);
- Discharges of industrial waste water containing dangerous substances exceeding the limit values (art. 137, paragraph 5 of the Consolidated Environmental Act);
- Prohibitions on discharges of soil, subsoil and groundwater (art. 137, paragraph 11 of the Consolidated Environmental Act);
- Discharge of banned substances from vessels or aircraft (art. 137, paragraph 13 of the Consolidated Environmental Act);
- Management of unauthorised waste (art. 256, paragraph 1 of the Consolidated Environmental Act);
- Unauthorised landfill (art. 256, paragraph 3 of the Consolidated Environmental Act);
- Mixing of waste (art. 256, paragraph 5 of the Consolidated Environmental Act);
- Temporary storage of hazardous medical waste (art. 256, paragraph 6 of the Consolidated Environmental Act);
- Site remediation (art. 257, paragraph 1 of the Consolidated Environmental Act);
- Remediation of sites with hazardous substances (art. 257 paragraph 2 of the Consolidated Environmental Act);

- Violation of the obligation to report and maintain compulsory records and forms (art. 258, paragraph 4 of the Consolidated Environmental Act);
- Illegal trafficking of waste (art. 259, paragraph 1 of the Consolidated Environmental Act);
- Activities organised for the illegal trafficking of waste (art. 260, paragraph 1 of the Consolidated Environmental Act);
- Activities organised for the illegal trafficking of highly radioactive waste (art. 260, paragraph 2 of the Consolidated Environmental Act);
- Exceeding the emission limit and air quality values (art. 279, paragraph 5 of the Consolidated Environmental Act);
- Regulation of offences related to the implementation of the convention on international trade of animal and plant species in danger of extinction in Italy (article 2, paragraphs 1 and 2 Law 150/92);
- Regulation of offences relating to the application of the convention on international trade of animal and plant species in danger of extinction in Italy (article 6 paragraph 4 Law 150/92);
- Regulation of offences related to the implementation of the convention on international trade of animal and plant species in danger of extinction in Italy (article 3 second subsection, paragraph 1 Law 150/92);
- Measures to protect the ozone layer and the environment (art. 3, paragraph 7 Law 549/93);
- Intentional pollution caused by ships (art. 8, paragraph 1 and 2 Legislative Decree 202/07);

In addition, the cases provided by the following two new articles of the Criminal Code:

- art. 727-second subsection - Killing, destruction, catching, taking, possession of specimens of protected wild fauna or flora species;
- art. 733-second subsection-Destruction or deterioration of habitat within a protected site

Legislative Decree No. 121/2011 also provided for the application of definitive disqualification carrying out the business activity, but only where the organisation or some of its organisational activities are regularly used for the sole or main purpose of enabling or facilitating the commission of the following offences:

- a) “association” for illegal trafficking of waste purposes (art. 260 Legislative Decree No. 152/2006);
- b) Intentional dumping of polluting materials into the sea (art. 8, paragraphs 1 and 2 of Legislative Decree No. 202/2007).

1.3.15 Use of illegal workers (article 25 twelfth subsection)

Legislative Decree No. 109/2012 of 16 July 2012 included in Legislative Decree 231/01 article 25-*twelfth subsection* concerning the “Employment of third country citizens staying illegally”, in relation

to the possible commission of the offence referred to in article 22, paragraph 12-second subsection, of Legislative Decree 25 July 1998, No. 286.

Any entity that employs workers without a residence permit, or whose permit has expired, been revoked or cancelled and the renewal has not been applied for, will be punished in accordance with the law.

1.4 The penalties provided for in the decree

The penalties for companies provided for in Legislative Decree No. 231/01 are divided into:

- a) monetary penalties, calculated on the basis of a system “in portions not less than one hundred nor more than one thousand”; each individual portion ranges from a minimum of 258 euros to a maximum of 1,549 euros, except in cases of reduction of the penalty, in which each part is equal to 103 euros and the penalty ranges from a minimum of 10,329 euros to a maximum of 103,291 euros; there are also other mechanisms envisaged to increase the penalty up to ten times the product or the profit gained by the company (for the offences of privileged information abuse and market manipulation);
- b) disqualification penalties, some of which also apply in advance of any potential irrevocable ruling, which are:
 - 1. disqualification from carrying out the business activity;
 - 2. suspension or revocation of permits, licenses or concessions used in the commission of the offence;
 - 3. prohibition from contracting with the public administration;
 - 4. exclusion of benefits, loans, grants or subsidies and the possible revocation of those already granted;
 - 5. ban on advertising goods or services;
 - 6. confiscation;
 - 7. publication of the sentence.

The financial penalties and disqualifications are reduced by a third to a half in relation to the commission, in the form of attempt, of the crimes indicated in Legislative Decree No. 231/01.

1.5 The Organisational, Management and Control Model and exemption from liability

Articles 6 and 7 of Legislative Decree No. 231/01 provides a form of exemption from liability, if the entity can prove that it has adopted and effectively implemented a *Organisational, Management and Control Model*, designed to prevent the realisation of the offences envisaged.

The system also provides for the establishment of an internal body of control in the company, the Supervisory Board, with the task of supervising the operation, effectiveness and observance of the models, as well as updating it.

An adequate and effective Model must meet the following requirements:

- to identify activities where there is potential for commission of the offences envisaged in Legislative Decree No. 231/01.
- to set out specific protocols (i.e. procedures) aimed at planning the development and implementation of company decisions with the purpose of preventing such offences;
- to identify ways of managing suitable financial resources and preventing the commission of such offences;
- to prescribe the obligation of reporting to the body responsible for supervising the functioning and observance of the Model;
- to introduce a suitable disciplinary system to punish non-compliance of the measures indicated in the Model.

In case of commission of an offence among those covered by the law by persons who have functions of representation, administration or management in the company or one of its organisational units with financial and functional autonomy, as well as persons who carry out the *de facto* management and control of the same, the company is not criminally liable if it can prove that:

- before the commission of the offence, the management adopted and effectively implemented, a suitable Organisational, Management and Control Model to prevent the kind of crime that occurred;
- the task of supervising the functioning, observance and updating of the Model has been entrusted to a body within the company, with independent powers of initiative and control;
- the individual who committed the offence did it fraudulently circumventing the Model;
- there has not been a failure of or insufficient supervision and control by the Supervisory Board over the implementation of the Model.

2. APPLICABLE GUIDELINES

As provided for in article 6, paragraph 3, of Legislative Decree No. 231/01, the company adopts its own Organisational, Management and Control Model by following, if applicable, codes of conduct drawn up by the associations representing the company, and communications to the Ministry of Justice, which may make observations.

Univar S.p.A, in adopting this model, has referred to various guidelines and *best practices* mainly in its sector, but also in others.

Confcommercio Guidelines

In February 2001, with subsequent updates until February 2007, Confcommercio, the Italian General Federation of Commerce and Tourism, incorporating AsslICC, an association relevant to the company, approved the final version of its “Guidelines for the construction of the Organisational, Management and Control Models pursuant to Legislative Decree No. 231/01”.

To date, the most widely recognised reference in the development of appropriate Organisational and Management Models, are the guidelines set out by Confindustria, the Italian Employers' Federation (also followed by Confcommercio), which indicate, as activities intended to adapt to Legislative Decree No. 231/01, as summarised as follows:

- activities to identify areas of risk, intended to highlight the business departments which have the potential for realising the harmful events envisaged by the Decree;
- the preparation of a control system capable of preventing the risks through the adoption of specific protocols.

Confcommercio's control system has the following elements:

- code of conduct;
- organisational system;
- manual and computerised procedures;
- authorisation and signatory powers;
- control and management systems;
- communication to personnel and training.

By their nature, the Confcommercio guidelines finds, general application, therefore the failure to follow them does not affect the validity of the Model adopted by the company, which has to be prepared with specific reference to the reality of the business.

AsslICC Code of Ethics

Univar S.p.A. is registered with AsslICC (Italian Association of Chemical Trade), which has strongly backed the adoption of a Code of Ethics as an instrument to highlight the ethical-social commitment to carrying out its activities and management of relationships with partners and associates to its interlocutors (customers, suppliers, partners, etc.).

The AsslCC Code of Ethics was presented to the public on 31 May 2012.

In preparing the Organisational Model, Univar also took into account the Code of Conduct of its association, using as a reference the principles that include:

- Safety in production and the protection of workers' health and respect of the environment
- Sustainable development in growing the business
- Collaboration and cooperation with its suppliers in the field of research and development
- Promotion of ethics and respect for customers and for the competition

Guidelines on health and safety in the workplace

In relation to the offences of health and safety violations at work, Legislative Decree 81/08 (the Consolidated Act) indicated, in the reference documents for the implementation of the Organisational, Management and Control Models, the "UNI -INAIL Guidelines for a system of management of health and safety at work" of 28 September 2001.

The Consolidated Act shall consider the Management System of Occupational Safety (MSOS) (excluding criminal offences in the field of health and safety in the workplace) effectively implemented when the system complies with the requirements of the international standard BS OHSAS 18001.

Legislative Decree No. 231/05 (EEC Directive 105/2003), better known as Seveso Ter, is an additional legislation of reference in the analysis of risks to health and safety, which incorporates the following measures:

- Legislative Decree No. 17 August 1999, No. 334 - Implementation of Directive 96/82/EC on the control of dangers from major accidents involving dangerous substances.
- Decree of the President of the Council of Ministers (D.P.C.M) 25 February 2005 - Guidelines for the planning of external emergencies of industrial plants at risk of major accident.
- Circular of the Department of Firefighters, Public Rescue and Civil Defence-Central Management for the Prevention and Technical Safety Risk Industrial Area - external emergency planning for industrial plants at risk of a major accident.

In relation to the methodological approach adopted, it should be specified that the reference taken was the framework of the Committee of Sponsoring Organisations (CoSO) of the Treadway Commission, internationally recognised by the PCAOB (Public Company Accounting Oversight Board, the agency that supervises external auditors of listed companies in the USA), the IIA (the Institute of Internal Auditors, an international association of internal auditors) and Enterprise Risk Management (ERM).

This approach is taken at international level for the compliance management of business risks, in compliance with the Sarbanes-Oxley Act, due to companies listed on the New York Stock Exchange.

Guidelines on Risk Management and Internal Control

The contribution of the CoSO Report focuses on implementation and application indications of the internal control system which the company refers to, with the following characteristics:

- the control is a process carried out by the Board, the managers and the company's personnel, designed to provide reasonable assurance regarding the achievement of the objectives of the business, which are included specifically in the following categories:
 - effectiveness and efficiency of operations;
 - reliability of financial reporting;
 - compliance with laws and regulations in force;
- control activities should be seen in a dynamic sense, that is, to be in tune with the company's objectives;
- the concept of control is closely related to risk, defined as the potential for the objectives not being achieved. In this context, the concept of risk obviously extends well beyond the traditional financial area; internal control is an activity that involves all the active subjects in the company: from the board of directors to staff in general and from the highest levels to the lower ones.
- Internal control becomes effective if there is a perception of it as an integral part of the business and not as an essentially unproductive obligation;
- Internal control comprises not only structures of power and authority, procedures, manuals or organisation charts, but human activities. This also forms its limitation: the flexibility and discretion associated with human intervention mean that internal control cannot provide absolute achievement of the objectives.



Source: *Committee of Sponsoring Organisations*

There is a direct relationship between the objectives and components of internal control: The control system consists of **5 interrelated components**, (as the above figure shows in the horizontal rows) which derive from the way in which the management runs the business and are strongly integrated with management processes. All five components must coexist so that the control system is effective.

- By *Monitoring* we mean the set of activities required periodically to assess and verify the adequacy, operation and effectiveness of the internal controls.
- By *Information & Communication* we mean the processes established to ensure the accurate and timely collection and reporting of information.
- By *Control Activities* we mean the set of practices and control procedures established to define the reduction of risks to an acceptable level and ensure the achievement of the business objectives.
- By *Risk Assessment* we mean the process to ensure the identification, analysis and management of business risks.
- By *Control Environment* we mean the environment in which individuals operate, representing the culture of control established in the company.

In particular, the approach and methodology of work used for corporate risk assessment is described in the document “Risk Assessment 231 Univar S.p.A” a summary of which is given in section 9 of the Special Section.

3. UNIVAR S.p.A.

Univar S.p.A. (hereinafter also “Univar”) is a company that operates within the Univar Group Structure, with Univar Inc., a company based in the US, being the ultimate holding company of all Univar entities and is subject to its management and coordination, pursuant to article 2497 second subsection of the Civil Code.

Univar is one of the leading distributors of chemicals and related services globally, in the field of chemical raw materials and their components in the different industries such as pharmaceutical household, personal care, construction, food and feed, oil and gas and machinery industry, water treatment, disinfestation and cleaning, paints and specific chemical industries.

Univar S.p.A. has its registered office at Via Caldera 21 in Milan, where the administrative offices, executive offices and sales staff are located, and it has four branches that serve as warehouses/depots:

- Cusago (MI)
- Turin (leased)
- Gualtieri (RE)
- Morolo (FR), formerly Achimar incorporated in 2007

Univar S.p.A.'s business, which is ISO9001 certified and conforms to HACCP, the Seveso law, with a commitment to the Responsible Care and U+ programmes in quality, health and safety and environment, focuses on:

- The purchase, sale, import, marketing and export, either directly or through a third party, of chemical products in general, including:
 - petrochemical products, plastic materials and textile fibres, such as substances and/or formulas, of food products, additives, colourings, preservatives, flavourings and sweeteners for the same foodstuffs, of activated charcoal
 - Pharmaceutical products, both chemical and of fermentation;
 - Medicinal, veterinary and supporting speciality products, cosmetic, dietary, hospital, diagnostic, veterinary and animal farming products, and any other goods used in the field of health and hygiene, as well as the provision of services in the same segment;
- Transformation, also on behalf of third parties, of standard products, basic chemicals, solvents, food and pharmaceutical substances, including additives, colourings, preservatives, sweeteners and flavourings, such as abatement of concentrated solutions;
- With particular attention to ecological aspects and recycling; the collection and storage of waste, specially toxic and hazardous, and their transfer or disposal.

UNIVAR S.p.A. is a company actively engaged in building relationships with customers and suppliers in order to be the market leader in the distribution of chemical products. The values that guide the company in this process are:

- increasing the value of the relationship, collaborating with customer suppliers as real long-term partners;
- achieving success through the performance of optimised logistics, the availability of the required products and production efficiency;
- growing through new markets, new opportunities, innovating as preferred distributors;
- guaranteeing integrity and security.

Univar S.p.A., operating within the UNIVAR Inc group, reflects the group's values and rules of conduct, such as those contained in the Group's Code of Conduct, in the quality and safety policies and internal policies designed to comply with the corporate values of the person, the environment and with sustainable values.

With regard to Univar S.p.A.'s organisation and governance model, please refer to paragraph 10 of the Special Section.

4. FUNCTION AND ADOPTION OF UNIVAR S.p.A.'s MODEL

4.1. Programme statement

Univar S.p.A. understands the need for fairness and transparency when conducting its business, to protect its image and reputation, the expectations of its shareholders and the work of its employees. It is also aware of the importance of adopting an Organisational, Management and Control Model capable of preventing the commission of unlawful behaviours by its directors, employees, associates and partners.

Univar S.p.A. has complied with the provisions of the Decree by adopting this Organisational, Management and Control Model by the Board of Directors' Resolution of March 31, 2014, at which also the Supervisory Board was established. Responsible for the internal control, the Supervisory Board was also given the responsibility of overseeing the operation, effectiveness and compliance with the Model, as well as updating it.

This initiative was undertaken in the belief that the adoption of the Model, over and above the optional rather than mandatory requirements of the Decree, will be a valuable tool in increasing the awareness of those who act for and on behalf of the company, so that, in carrying out their activity, they adopt correct and coherent behaviour, in order to prevent the risk of commission of the offences specified in the Decree.

The adoption and effective implementation of this system not only allows the company to benefit from the exemption provided for in articles 6 and 7 of Legislative Decree No. 231/01, but enhances, within the limits provided, its *Corporate Governance*, reducing the risk of commission of offences contained in Legislative Decree No. 231/01.

To this end, Univar S.p.A. proceeded to analyse its areas of risk taking into account while drafting this Model, the requirements of Legislative Decree No. 231/01 and the guidelines developed so far by the trade associations, as described in paragraph 2.

4.2. Purposes of the Model

The aim of the Model is the construction of a structured and organic system of procedures and preventive control activities with the purpose of preventing, as far as possible, the offences referred to in Legislative Decree No. 231/01, through the identification of activities exposed to the risk of crime and the consequent implementation of procedures.

The adoption of the procedures contained in this Model must lead, on the one hand, to ensuring a person is fully aware of the potential commission of a crime, which is strongly condemned and

contrary to the interests of the company, even when they could apparently derive an advantage; and, on the other hand, constant monitoring of activities, to allow the company to react promptly to prevent or impede the commission of the offence.

The company's preventive control system shall be guided by the principles of:

- verifiability, traceability, consistency and coherence of each transaction, for which any activity falling into risk areas must be properly documented in order to detect at any time the main phases of each operation, the reasons for its fulfilment and who the individuals were who authorised or carried them out;
- separation of functions, with the aim that no one can independently manage every stage of a process. Therefore, there must be a clear separation of roles and differentiation of tasks between the parties involved.
- preparation of methods to manage financial resources;
- preparation of an adequate system of sanctions in case of violation of the code of conduct and the procedures provided for by the Model;
- identification of a Supervisory Board, with the requirements of autonomy and independence, professionalism and continuity of action.
- creation of adequate flow of information to and from the body of control.

The Model, developed in consideration of the Guidelines set out in paragraph 2, in addition to the provisions of the Decree, is the result of a significant activity of detection of Risk Areas, which has led to the identification of general principles and specific procedural rules, which all Recipients must conform to.

This document is prepared on the basis of the following principles:

1. highlighting of sensitive business activities in the area where the offences provided for by Legislative Decree No. 231/01 can be committed.
2. awareness and dissemination at every level of the company (proportional to the level of responsibility) of the rules of conduct and established procedures;
3. definition of the authoritative powers in line with the assigned responsibilities;
4. compliance with the principle of separation of functions in areas deemed to be most at risk;
5. assignment of tasks to supervise the effective and correct functioning of the Model, as described in paragraph 6, to the company's Supervisory Board;
6. verification and filing of documentation of every relevant transaction for the purposes of Legislative Decree No. 231/01 and its traceability at all times;
7. monitoring of corporate conduct as well as periodic updating of the Model (control *ex post*, including by sampling);

8. adoption of a specific disciplinary system capable of pursuing and punishing non-compliance of the adopted organisational measures.

4.3 Model modification and integration process

This Model is a “document issued by the governing body” (in accordance with the provisions of article 6, paragraph 1, letter a, of the Decree). Subsequent substantive amendments and addenda are the responsibility of the Board of Directors.

The potential for making any additions to the Areas at Risk is, however, delegated to the relevant members, as is the option for making any changes or additions to the model in a non-substantial way such as regulatory updates, names of functions or change in roles of investing functions, or if necessary, the entire Board of Directors.

These powers are considered justified because of the need to ensure a consistent and timely adjustment of the Model to manage the changing operational and/or organisational nature within the company, but also to manage legislative changes.

The company’s Supervisory Board may submit proposals for amending and supplementing the Model to the above-mentioned bodies, after consultation with the competent departments.

In each case, these changes will be reported annually to the Board of Directors.

4.4 Relationship with the Code of Conduct

The provisions contained in this Model are integrated with those of the Code of Conduct, approved by the company’s Board of Directors and are based on its principles, while the Model has a different scope from the Code itself, as it is intended to implement the provisions contained in Legislative Decree No. 231/01.

Therefore, the Code of Conduct is in fact an independently adopted instrument and will be applied by the company generally in order to establish the principles of “business ethics”, which it recognises as its own and which requires the compliance of all recipients.

The Model instead responds to the specific needs of the Decree, and is designed to prevent the commission of certain types of offences for acts that, as apparently committed for the benefit of the company, may lead to administrative liability pursuant to the provisions of the same Decree.

5. PROCESSES, ACTIVITIES AT RISK AND POTENTIAL CRIMINAL OFFENCES

The mapping of activities at risk of crime involves the analysis of the business environment to highlight areas/functions and the manner in which events may occur which are detrimental to the objectives set out in the Decree.

Such activity is designed to raise the awareness of shareholders, directors, auditors and employees, each with obvious limitations and levels of knowledge and responsibility with regard to company functions in the context of which such conduct may be verified as an offence risk.

After examination of the structure and the business operations of Univar SpA, assets and company functions have been identified as part of what can theoretically be considered as offences committed under the Decree (so-called “sensitive activities”).

The results of the survey conducted in Univar S.p.A are summarised in the document “nivar_231_Risk mapping”.

Since the mapping of the offence risk is the starting point for the definition of specific protocols designed to prevent illegal conduct, such activity will be conducted on an ongoing basis, with particular attention at times of organisational change (e.g. rotations within Top Management, redefinition of the business model, opening in new locations, expansion of business, acquisitions, reorganisations, etc. and/or of the relevant legislation).

With reference to the company's activity, it should be noted that:

- “sensitive” activities are concentrated primarily in certain areas/functions;
- internal bodies and procedures are already operational, having broadly speaking functions of monitoring and control (it follows that in carrying out its activities, the Supervisory Board, or its appointees, will coordinate with the relevant organisations and existing procedures, limiting potential overlaps and the consequent uneconomical situations, and will ensure implementation of yet to be developed protocols).

Having identified the business areas at risk of crime, steps were taken to evaluate and implement the system of rules governing the procedures for forming the company's intent and its operations, as well as the existing control system and its possible adaptation, in order to effectively counter the risks identified and reduce them to an acceptable level, taking into account that a preventive control system must be able to:

- ensure that the company will be protected from any organisational dysfunction;

- rule out any person acting within the company being capable of justifying their conduct by pleading ignorance of company policy;
- prevent the offence being caused by human error (due to negligence or inexperience) in the interpretation of corporate directives.

The preventive control system, therefore, must be such that it cannot be bypassed even if unintentionally by those who shall carry out the criminal conduct.

An analysis of the existing control system was made of the processes/functions deemed “critical” following the mapping of risks, which could theoretically develop into the commission of the relevant crimes given the appropriate conditions, opportunities or means.

More specifically, for each type of offence and its means of implementation, the aim was to:

- identify the “critical” business functions;
- identify priorities for action, including in relation to the relevance of the processes with respect to the business activity;
- for the processes evaluated and considered most significant:
 - understand the existing control system;
 - identify areas for improvement and propose the first intervention plans;
- acknowledge the existence of formalised procedures to regulate the conduct of business with the provision of appropriate control points;
- acknowledge the existence of specific rules of conduct to oversee the activities carried out;
- monitor compliance and the practical implementation of the principle of separation of duties;
- monitor compliance and the practical implementation of the principle for which each operation, transaction, action must be verifiable, documented, consistent and appropriate;
- verify the existence of authorisation levels to ensure a proper control of the decision-making process;
- identify activities of control and monitoring of "sensitive" activities for the purposes of the Decree.

All business areas and functions considered at risk are those that, under normal circumstances generate the conditions for the commission of offences envisaged by the Decree, as well as business functions that manage tools (e.g. funds) or processes (e.g. recruiting) that could be used to confer the advantages and benefits in the commission of crimes.

From the analysis carried out within Univar S.p.A, it is believed that, **among the crimes listed in paragraph 1.3 above, the ones that are most likely to occur relate to the following types:**

1) Offences against the PA:

- **Corruption and bribery**, which can include:
 - a) Bribery of a public official to omit findings of proven forgery, alteration and/or omissions relating to the documentation of goods and services produced (e.g. falsification of shipping documents, with details including fabricated supporting documentation; falsification of product codes and records of loading and unloading) to obtain an undue advantage, or acts contrary to official duties (e.g. omit or delay any background checks);
 - b) Creating slush funds to finance activities aimed at the corruption of public officials to obtain undue advantages, through over-invoicing of purchases, or the issuance of invoices for non-existent transactions;
 - c) Selection of suppliers indicated by or linked to a Public Official in order to obtain undue advantages from the same and/or favourable treatment;
 - d) Giving money or other benefits in order to obtain the issuance of authorisations or concessions, or the performance of official acts from Public Officials (e.g. to “facilitate/expedite” a case in the company's interest) or acts contrary to official duties (e.g. omit or delay any background checks);
 - e) Using tricks or scams that mislead and cause damage to others, and procure an unjust profit for themselves or others;
 - f) Using tricks or deception (documents or false information, false or inflated invoices, false statements) to obtain funding, including through external consultants;
 - g) Giving and promising money or another benefit to a Public Servant in order to obtain favourable treatment in the accomplishment of proceedings of her/his competence, e.g. as in the process of business documents regularity verification and control;
 - h) Issuing contracts at prices higher than the market to create funds for corrupt purposes, forgery, alteration and/or omission of documents in order to obtain an unfair advantage.
- **Misappropriation of funds, fraud and computer fraud against the State**, whose conduct can, for example be traced back to:
 - a) Alteration of the functioning of a computer or electronic system, or intervention —without rights over the data, information or programs— for the purpose of making a profit to the detriment of the State or a public body (computer fraud);
 - b) Provision by the State, another public body or the European Community, of grants, subsidies or loans for the construction of works or the exercise of activities of public interest, without the company intending it for that purpose (embezzlement);
 - c) Use or submission of false statements or documents, or bearing false witness, or not providing the required information in order to receive grants, loans, soft loans other

resources of the same type, from the State or other Public Bodies or the European Community (improper receipt of public funds).

2) Computer crimes and illegal data processing, which can include:

- 1) Creation of fraudulent electronic documents
- 2) Unauthorised use of authentication profiles
- 3) Identity masking
- 4) Illegal access to computer systems, programs or databases
- 5) Installation of unauthorised software
- 6) Illegal access to locations where digital archives, hardware or software are stored.
- 7) Creation and use of unauthorised connections to connect with company or external systems via internet or other network connection systems.

3) Accounting fraud, including, but not limited to small payments of counterfeit, altered or forged money or funds received in good faith.

4) Crimes against industry and commerce, including but not limited to the sale of products that do not comply with the provisions of the law, the regulations or technical data sheets or the contractually agreed production.

5) Offences related to copyright infringements including but not limited to the use/duplication of software or databases without a licence, the downloading of copyright protected material (software, audio, and video).

6) Corporate crimes, which can include:

- a) Exhibition of false facts or omitting required information about the profit/loss, asset/liability or borrowing position of the company or the group it belongs to, in a way that misleads the recipients;
- b) Concealing documents or other devices that prevent or obstruct the performance of the control activity, legally attributed to shareholders, corporate bodies or external auditors;
- c) Development, increase and representation of fictitious capital: allocation of shares/stock whose total value exceed the size of the company's capital; reciprocal subscription of shares/stock; significant overvaluation of conferment of assets in kind or credits; significant overvaluation of the assets of the company in case of transformation.
- d) Bribery of private individuals, such as client company executives, competitors, suppliers, etc., causing them to commit acts contrary to their duties, in order to gain an economic advantage in providing products or services, or drawing up contracts, or an advantage in the market.

- 7) Provisions related to organised crime and mafia infiltration** including, but not limited to the establishment of a criminal organisation composed of at least three people to commit crimes of another nature, although these crimes are not included among the offences of the Decree.
- 8) Cross-border crimes**, such as, but not limited to the facilitation of illegal immigration ex article 12 of Legislative Decree No. 286/98, criminal association, aiding and abetting, etc., when they have “transnational” character (see paragraph 1.3.5).
- 9) Misappropriation, laundering**, including, but not limited to, the purchase, receipt or use of goods, resulting more advantageous from an economic perspective, while being aware of the illicit origin.
- 10) Manslaughter offences and serious or grievous bodily harm**, resulting from a breach of legislation on protecting safety at work (lack or incorrect implementation, application and compliance of safety regulations in the workplace, causing the serious or very serious injury or the death of a worker).
- 11) Crimes of terrorism/subversion of democratic order**, including the sale of chemical products to entities which are banned from trading on an international level (black-list or embargoes), or the creation of illegal consignments of precursor material of explosives aimed at using it for terrorist purposes or selling it for the same purposes.
- 12) Inducement not to make statements, or to make false statements in court**, for example unlawfully pressuring employees to induce persons not to make statements, or to make false statements about the company in legal proceedings, for example, to hide any violations by the company, or in proceedings between the company and employees or ex-employees.
- 13) Environmental crimes**, for example:
- 1) Exercise of an activity without integrated environmental authorisation;
 - 2) If in possession of integrated environmental authorisation, failure to comply with control requirements;
 - 3) Omissions in communications or documentation relating to the environmental authorities;
 - 4) Violations of regulations on discharging of water;
 - 5) Exercise of unauthorised waste management activities;
 - 6) Falsification of waste transport documents
 - 7) Activities organised for illegal trafficking of waste;
 - 8) False information and false certificates on the nature of the waste (SISTRI);

- 9) Fraudulent alteration of the written document for the transport of waste;
- 10) Exercising activities without authorisation, or with an expired, lapsed, revoked or suspended authorisation

14) Employment of illegal workers, including the recruitment or employment of undocumented workers providing an advantage to the company in terms of staff costs, contributions and taxes.

The results of that activity and the associated control standards adopted are set out in paragraphs 11 and 12 of the Special Section. While not being the subject of study, given that they are not related to UNIVAR S.p.A's activity, the following offence categories include:

- **crimes against individuals** (including that of female genital mutilation)
- **market abuse offences**

6. THE SUPERVISORY BOARD

6.1 Identification of the Supervisory Board

According to the provisions of Legislative Decree No. 231/01, the body entrusted with the task of supervising the operation, effectiveness and compliance with the Model, as well as updating it (in this Model defined as the Supervisory Board), must be a body within the company (article 6. 1, b) of Legislative Decree No. 231/01) and differ from the Board of Directors.

In order to guarantee its full autonomy and independence in carrying out the duties entrusted to it, the Supervisory Board (hereinafter also SB) reports directly to the heads of the company.

In the present case, it has to report to the Board of Directors and, in operational management, the Chief Executive Officer.

In relation to the tasks it has to carry out, the Supervisory Board has been defined as having the following characteristics:

- autonomy and independence, quality assured by placing the SB as a staff unit in a high position in the hierarchy and not giving it operational tasks, so as not to undermine the objectivity of judgment when assessing conduct and the Model;
- professionalism, a characteristic guaranteed by the level of preparation, experience and knowledge of the individuals chosen as members of the SB;
- continuity of action, ensured by choosing to identify and establish a structure within the company exclusively dedicated to the supervision of the Model, devoid of operational tasks that may be used to make decisions with financial effects;
- powers of change and initiative, this power is granted to the SB because it is able to take the necessary steps required to adapt the Model to the needs related to the occurrence of

deviations or violations of the standards specified in the Model itself or to the concrete needs of the organisation.

Univar S.p.A.'s Supervisory Board is composed of more members who, both external and internal, are appointed by the Board of Directors.

The members of the Supervisory Board are appointed for a period of three years and may be reappointed.

In the event of termination of an individual member, they shall remain in office until their replacement, which shall be provided, without delay, by the Board of Directors.

The role of the newly-appointed member shall expire simultaneously with that of the other members who were appointed to the SB.

Termination from the SB may occur for one of the following reasons:

- expiry of the appointment;
- suspension (only for just cause) from the SB by the Board of Directors;
- termination of all members of the SB, formalised by written communication sent to the Board of Directors.

The Supervisory Board is required to regulate its internal operations through the adoption of special regulations of its activities.

6.2 Functions and powers

The Supervisory Board is entrusted with the task of monitoring:

- compliance with the Model by employees, consultants and partners;
- the effectiveness and adequacy of the Model in relation to the company structure and its actual ability to prevent the commission of the offences referred to in Legislative Decree No. 231/01.
- updating of the Model, where there is a need to adapt the same in relation to changed company conditions.

It should be noted, however, that the control activities are primarily the responsibility of the operating management and are considered an integral part of every business process ("profile control"), hence the importance of a personnel training process.

The Supervisory Board is also responsible for:

- Implementing the control procedures established by the Model, requiring the adoption of appropriate procedures in accordance with the provisions currently in force within Univar S.p.A, and coordinating with other offices within the company;
- Conducting reconnaissance of the business activity in order to update the mapping of sensitive activities;
- Carrying out periodic checks on certain transactions or specific actions to be implemented, especially in the context of sensitive activities for which the results are summarised in the reports to corporate bodies;
- Coordinating with the Head of Human Resources and of Security, Prevention and Protection on training programmes for staff;
- Monitoring initiatives for the dissemination of knowledge and understanding of the Model and preparation of internal documents necessary for the functioning of the Model, including instructions, explanations and updates;
- Collecting, processing and storing of the relevant information in order to comply with the Model and updating the list of information that must be sent to, or made available to it;
- Coordinating with other company departments in order to better monitor activities in relation to the procedures set out in the Model. To this end, the Supervisory Board has the possibility to ask for information about all relevant company documents and must be constantly informed by management of: i) aspects of company activity which may expose the company to the risk arising from the commission of one of the offences provided for by Legislative Decree No. 231/01; ii) their relations with Consultants and Partners;
- Interpreting the relevant legislation and verifying the adequacy of the internal control system in relation to such provisions of law;
- Checking the update requirements of the Model;
- Reporting periodically to the governing bodies on the implementation of corporate policies for the implementation of the Model;
- Checking the actual presence, regularity and effectiveness of the database in supporting the activity of Legislative Decree No. 231/01.
- Examining the documentation received by the entity that manages the relationship with Consultants and Partners and the entity responsible for internal company operations to be performed in the context of sensitive activities;
- Providing for the transmission of relevant documents to the other bodies concerned, as well as the preservation of updated profiles of consultants and partners, in order to identify the third parties with whom the critical situation occurred;
- The Supervisory Board is responsible for internal investigations and will sometimes work with the corporate units involved in order to further the investigation.

For the performance of its duties, the Supervisory Board:

- a) has ample powers of inspection and the possibility to ask for access to corporate documents;
- b) has financial resources and professional knowledge, its budget is approved annually by the Board of Directors;
- c) relies on the support and cooperation of the various corporate structures that may be interested or involved in control activities;
- d) can benefit from the assistance of external consultants to carry out their duties within the given budget and by informing the board of directors beforehand.

6.3 Supervisory Board Report to the Corporate Organs

The Supervisory Board reports directly to the Board of Directors and, on an ongoing basis, to the Chief Executive Officer.

Each year the Supervisory Board reports to the Board of Directors and the Statutory Auditors, with regard to:

- a) their verification and control activities;
- b) any problems that emerged in terms of conduct or events, and in terms of the effectiveness of the Model.

The meetings are recorded and copies of the minutes are kept by the Supervisory Board and relayed to the bodies involved in each case. The Chairman of the Board of Directors has the power to convene the Supervisory Board at any time.

6.4 Other monitoring and reporting activity by the Supervisory Board laid down by Law or by internal regulations

The Supervisory Board must coordinate different aspects with the relevant company departments , particularly (but not limited to):

- with the Head of the Administration, Finance and Control Department or Finance, on company obligations that may be significant in the commission of corporate crimes;
- with the Head of Human Resources or HR, on all matters relating to the management of employees and collaborators, disciplinary procedures for breaches as per Legislative Decree No. 231/01, and the training of personnel.
- with the Security, Prevention and Protection Department on the verification of compliance relating to Consolidated Act 81/2008.
- with the Country Manager on all aspects related to the management and supervision of the company's activities and on contracts.

The checks will be carried out on the Model by performing specific analyses and control tests, submitting a report to the CEO and the Board of Directors on any possible shortcomings or failures and the actions to be taken.

6.5 Periodic checks

To carry out the tasks assigned to it, the SB is vested with all powers necessary to ensure timely and efficient supervision of the functioning and observance of the Model, without exception.

In order to better carry out its tasks, the body may make use of certain resources made available by the management to perform merely executive and/or preparatory tasks linked to control activities. In addition, it is furnished with the necessary powers to use from time to time the professional skills and techniques of different corporate management teams where the implementation of the Model or the activity of surveying and mapping of risks make it necessary to investigate specific issues.

The activities carried out by the SB cannot be influenced by any corporate body or structure.

The SB, through the resources available to it, may, for example:

- carry out, even without warning, all the checks and inspections deemed necessary for the proper performance of its duties;
- have free access to all the functions, archives and documents of the company, without any prior consent or need for authorisation, unless the information is confidential, in order to obtain any information, data or documents if it is relevant to avoid violations of the Model or crime commission;
- provide for, if required, hearings of personnel who can provide guidance or information about the conduct of the business or any malfunctions or violations of the Model;
- rely, under their direct supervision and responsibility, on the assistance of all the structures of the company or of external consultants;
- provide, whenever necessary, for the proper performance of its duties, the financial resources allocated by the Board of Directors.

6.6 Information flow to the Supervisory Board

Univar S.p.A. has appropriate flows of information that enable the Supervisory Board to acquire information relevant to the exercise of its control activities.

The flow of information and reports relating to significant acts, facts or events for the purposes of Legislative Decree No. 231/01 –including those from employees, consultants, partners– must be

centralised to the Supervisory Board, which will evaluate it using its reasonable discretion and responsibility, after listening to the author of the report and/or person responsible for the alleged violation and reasons for writing any refusal to proceed with an internal investigation.

As indicated Univar S.p.A's Code of Conduct, the reports will be in writing , or may be verbally relayed directly to the Supervisory Board members, and concern any violation or suspected violation of the Model. The Supervisory Board shall act in order to protect informants against any form of retaliation, discrimination or penalisation, also ensuring the confidentiality of the reporting party which is also the company policy.

The information obligation generally falls to all staff that come into possession of information relating to the commission of crimes within the company or practices which are not in line with the rules of conduct adopted by Univar S.p.A

The information that must still be compulsorily held at the disposal of the Supervisory Board by the relevant departments includes:

- decisions on applications for disbursement and use of public funds;
- news and documentation relating to contracts awarded by public bodies or entities performing functions of public utilities;
- requests for legal assistance made by managers and/or employees against whom the Legal Authority has brought proceedings for offences provided for by Legislative Decree No. 231/01;
- measures and/or information from the police, or any other authority, which indicate that investigations are ongoing, even against unknown persons for the offences referred to in Legislative Decree No. 231/01.
- news on possible Model infringements at all levels of the company, with evidence of disciplinary proceedings and of any sanctions or measures for the filing of such proceedings, and the associated reasons;
- reports prepared by managers of other company departments within their activity of control and which may reveal facts, acts, events or omissions with regard to the critical nature of the risks in compliance with the provisions of Legislative Decree No. 231/01;
- Univar S.p.A.'s responsibility system.

7 DISCLOSURE OF THE MODEL

7.1 The Model's Recipients

The effective implementation of the Model involves adequate knowledge and its dissemination.

The Model's Recipients are required to promptly abide by all the provisions, including the fulfilment of loyalty, fairness and diligence duties arising from the legal relations established with the company.

The company condemns any conduct which does not comply, in addition to the law, with the provisions of the Model, even if the behaviour is carried out in its interests or with the intention of giving it an advantage.

The rules of conduct contained in this Model are integrated with those of the Code of Conduct and its recipients are the following:

- a) Shareholders;
- b) the corporate organs, as well as any entity that exercises, both in fact and law, the powers of representation, decision or control within Univar S.p.A;
- c) company staff, represented by subordinate employees, quasi-employees, associates, agents, etc.;
- d) consultants and suppliers of goods and services, including professionals, and anyone who carries out business in the name and on behalf of Univar S.p.A or under its control;
- e) third parties in general that enter into relations with Univar S.p.A., including customers;

The recipients of the Model are obliged to observe and abide by the principles and to comply with its rules of conduct.

In particular, the main rules of conduct prescribe:

- not putting into place any conduct that constitutes the types of offences provided for under Legislative Decree No. 231/01, which, in any case, could potentially be an offence, even if they do not constitute it themselves;
- not creating situations of conflict of interest against the public administration;
- not making cash donations to public officials;
- respecting company practices and the relevant budget for the provision of gifts to avoid any form of gifts beyond acceptable limits, influencing the independence of judgment or leading to any advantage for the company. Gifts offered (except for those of modest value) as well as those which may be received from employees of the company, must be documented, in order to allow verification and authorisation by the person in charge;

- that any irregularities must be reported immediately, by the person in charge, to the Supervisory Board and to Univar's Compliance Office and General Counsel;
- the remuneration of consultants and partners should be established in writing only;
- no payment should be made in cash, as required by the existing procedures and regulations regarding money laundering, except for expenses carried out as petty cash;
- the principles of transparency should be respected by directors when taking business decisions that have direct impact on shareholders and third parties;
- appropriate procedures are set up by the directors to allow the exercise of control over the company by other parties (shareholders, auditors) and rapid access to corporate information attributed by law.

7.2 Communication and information

The knowledge and adaptation of the Model's and the Code of Conduct's requirements are an essential requirement to establish and maintain collaborative relations, not only with the company's employees and partners, but also with third parties.

Regarding all the recipients of the Model, Univar S.p.A. is committed to disseminating it and any related information in a context of absolute transparency, with different levels of detail depending on the various levels of involvement of the persons who are recipients in the areas of activity at risk.

The procedures, control systems and rules of conduct adopted by the implementation of the principles of reference covered in this document, together with the principles contained in the Code of Conduct, shall be communicated to the entire staff in consideration of their physical activity and assigned tasks.

The communication is carried out either via computer tools (e.g. Intranet or email) or by the delivery of the documentation suitable for the purpose, which can also be available at the offices of the person in charge.

a) Communication to employees

Upon acceptance of employment, staff is required to sign a specific declaration of compliance with the Code of Conduct and a statement of commitment to the procedures adopted in the implementation of the reference principles for the construction of the Model.

b) Communication to members of the corporate bodies

The members of the Board of Directors and Board of Statutory Auditors, upon accepting their appointment, must declare and/or endorse a similar statement of commitment of compliance and collaboration with the application of the Code of Conduct and reference principles for the construction of the Model referred to in this document.

c) Communication to management staff

This document and the reference principles contained herein are, likewise, communicated to each director, who, depending on the special trust relationship and the degree of management autonomy granted to the role, is called to actively cooperate for the smooth and effective implementation of the document. Executives must sign an agreement similar to the one signed by the members of the Corporate Bodies.

d) Information to external collaborators and partners

Univar S.p.A. also promotes knowledge and compliance with the Model among business and financial partners, different collaborators, customers and suppliers.

To this end, appropriate information on the principles, policies and procedures adopted on the basis of this Model will be given to these entities.

Following the adoption of this Model, the company shall agree to insert clauses attesting to having read the Code of Conduct, and to knowing the business procedures on the part of third parties into the concluded contracts.

7.3 Staff training

In order to disseminate and promote the understanding of the procedures and rules of conduct adopted in the implementation of the reference principles of this document and the Code of Conduct, the company must ensure appropriate activities to train staff.

The training of the personnel for the implementation of the Model is the responsibility of the Board of Directors, which also identifies the internal and external resources of the company entrusted with the organisation.

These resources are carried out in coordination with the SB, which evaluates their effectiveness in terms of planning, content, updating, timing, mode and identification of the participants, in the organisation of the training sessions.

Participation in these training activities on the part of the persons identified should be considered mandatory. Therefore, lack of participation will be sanctioned under the Disciplinary System contained in the Model.

The training should provide information with reference to the legislative framework (Legislative Decree No. 231/01 and Guidelines referred to in chapter 2), the Model and the Code of Conduct adopted by the company and the protocols introduced following the adoption of the Model.

In the case of new employees who join the company after the adoption of the Model, a specific training session must be carried out.

Completed training must be duly registered.

Finally, the training schedule must provide regular sessions to ensure a constant programme of updating.

8. DISCIPLINARY AND PENALTY SYSTEM

Background

The disciplinary system described below has been prepared on the basis of the provisions of Articles 6 and 7 of Legislative Decree No. 231/01, which provides for the exemption from administrative liability, introduced by Decree for those companies that have adopted an Organisational, Management and Control Model (hereinafter also referred to as "the Model") linked to a system of disciplinary penalties to be imposed in the case of non-compliance with the rules contained therein.

The preparation of an appropriate system of penalties serves to prevent breach of the Organisational, Management and Control Model, or the Code of Conduct.

The commission or abetting the commission of any of the offences referred to in Legislative Decree No. 231/01 is already punished by the Criminal Code and any special laws on the matter, therefore, the rules and penalties referred to in the Disciplinary System supplement and do not replace the law and the clause of the common agreement related to the subject of disciplinary penalties.

Violations of the Model and/or the Code of Conduct and/or company procedures that damage the relationship of trust with the company will result in the application of disciplinary penalties, without considering any criminal significance of the acts performed.

This disciplinary System has been prepared in accordance with articles 2118 and 2119 of the Civil Code, Law 300/1970 (Workers' Statute) and the existing National Collective Labour Agreement.

8.1 Punishable violations

A violation that results in the application of disciplinary penalties is an action or behaviour that does not comply with the requirements of the Model and/or the Code of Conduct, or the omission of actions or practices prescribed by the Model and/or the Code of Conduct that:

- expose the company to an objective situation of risk of committing one of the offences referred to in Legislative Decree No. 231/01;
- are unequivocally intended as the commission of one or more offences referred to in Legislative Decree No. 231/01, resulting in the application by the company of penalties provided for in the same Decree.

With regard to the verification of the above offences, commencement of disciplinary proceedings and imposition of penalties, the powers already conferred on the company management remain unchanged, within the limits of their respective competence.

The disciplinary system is constantly monitored by the Human Resources Department and if required with the support of the Supervisory Board, which, by virtue of the powers of supervision and control of the correct application of the Model and the Code of Conduct, will be able to promote the application of the system.

8.2 Penalty proportionality criteria

The applicable penalties should always be proportionate to the severity of the infringement and the reiteration of it.

The severity of the infringement will be evaluated on the basis of the following elements:

- specific timing and methods of the infringement
- existence and degree of the element of intent
- level of responsibility of the author of the offence
- extent of the damage or hazard to the company, the employees or all the company's stakeholders as a result of the infringement
- predictability of the consequences
- circumstances in which the infringement occurred

Recidivism is an aggravating circumstance and entails the application of more severe penalties.

8.3 Scope of application of the disciplinary system

The disciplinary system applies not only to employees, but to all collaborators, both internal and external, including members of the corporate bodies, members of the Supervisory Board, business *partners*, consultants and, in general, all third parties that have relationships with UNIVAR S.p.A.

8.4 Disciplinary measures against employees and internal collaborators

The applicable penalties in case of breaches of discipline on the part of employees are set forth by the “*Disciplinary measures*” adopted in the company and based on the National Collective Labour Agreement in force (Chapter III), in accordance with the procedures laid down in Article 7 of Law 20/05/1970, No. 300 (Workers' Statute) and any applicable special regulations.

In relation to the above, it is necessary that the present disciplinary system supplements and does not replace the more general system of sanctions related to the relationship between employer and employee, and that refers to the existing penalty apparatus, that is, the rules contained in the company's Collective Agreements.

Specifically, the National Collective Labour Agreement for employees of companies in the tertiary sector of trade and services applies to UNIVAR S.p.A employees, which provides for (article 210):

- verbal or written reprimands
- fines
- suspension from work and remuneration for a maximum of 10 days
- dismissal

With reference to the offences relating to the rules laid down by Legislative Decree No. 231/01, any employee who violates the internal procedures established by the Organisational, Management and Control Model (e.g. not observing the prescribed procedures, failure to give notice of the required information to the Supervisory Board, failure to carry out checks, etc.) or adopts, in carrying out sensitive activities, practices that do not comply with the provisions of the Model or the Code of Ethics, shall be liable to disciplinary action of a verbal or written reprimand, a fine or suspension from work and remuneration for a maximum of 10 days.

The punishment will always be commensurate with the severity of the infringement and the recurrence of it, therefore, verbal or written reprimand will be used for less important faults and fines and suspension from work for the more major faults.

An employee shall however be punished by dismissal, for adopting conduct, when carrying out sensitive activities, that does not comply with the requirements of the Model, and unequivocally

aimed at committing an offence punished by Decree No. 231/2001, causing the company serious moral or material harm.

This conduct represents such a serious infringement as not to allow the continuation, not even temporary, of the employment relationship.

Immediate and widespread information about the introduction of the new provisions concerning Legislative Decree No. 231/01 must be given to employees via an internal memo explaining the reasons that make the new provisions justifiable and summarising the content, considering the fact that the scope of sanctions of the penalty system already in force, according to the provisions of Chapter III of the National Collective Labour Agreement applied to cases of violation of the Model and/or the Code of Ethics and/or company procedures, has been extended.

The penalty system will refer to individual category contracts and will then be consistently applied also to workers employed under any other contract of employment.

8.5 Disciplinary procedure

The disciplinary procedure for the imposition of penalties is provided for and governed by the Workers' Statute and Chapter III (articles 216-218) of the National Collective Labour Agreement of the tertiary sector of trade and services in force in the company.

Violations which are severe according to Legislative Decree 231/01 and non-compliance with the Code of Conduct and the rules of the Model, shall, in each case, provide for the necessary involvement of the Supervisory Board in the process of investigation of offences and the subsequent imposition of sanctions.

8.6 Penalties against directors and managers

In case of violations of the provisions of the Model by the company's managerial team, this disciplinary system is applied in accordance with the law, the related contract and the applicable National Collective Labour Agreement.

The imposition of the penalty of termination of employment is justifiable whenever an executive carries out conduct in violation of the model so as to compromise the existing relationship of trust irreparably.

8.7 Penalties against those who have legal representation, the administration and/or the control of the company and the members of the Supervisory Board

Any infractions and violations committed by the directors of the company must be promptly notified by the Supervisory Board *to the Board of Directors and to the Board of Auditors as well as to the acting president of Univar Europe, Middle East and Africa ("President EMEA") and to the General Counsel in charge for Univar Europe, Middle East and Africa ("General Counsel EMEA")*. The Board of Directors, according to the Board of Auditors and upon consultation with the President EMEA and General Counsel EMEA will evaluate the appropriate measures.

In the case of serious violations, the company may implement the liability actions provided for in articles 2393 of the Civil Code *et seq*, with consequent removal from office.

Also constituting an infringement punishable under this disciplinary system is negligent conduct and/or incompetence on the part of a member of the Board of Directors, Board of Statutory Auditors or of the Supervisory Board, who has failed to control the implementation, compliance and updating of the Model.

The disciplinary procedure against a member of the Board of statutory auditors is managed by the entire Board of Directors in a collegiate session, on consultation with the Board of Statutory Auditors and the Supervisory Board, in each case.

Also, the disciplinary procedure against a member of the Supervisory Board is carried out by the entire Board of Directors in a collegiate session, on consultation with the Board of Statutory Auditors.

8.8 Sanctions against consultants and third parties

Any violation by consultants or third parties related to the company's provisions of the Model and/or the Code, or the commission of the offences referred to in Decree No. 231/2001, shall be punished in accordance with the specific clauses in related contracts, letters of appointment or agreements that regulate relations with UNIVAR S.p.A. This may also result in contract termination and disqualification from subsequent contractual relationships with the company.

This does not affect the company acting to claim compensation, where such conduct causes material damage to its image or activity, as in the case of application against the same of the prohibitive measures provided for in Legislative Decree No. 231/2001.