



# **CODE OF BUSINESS CONDUCT METHANOL SpA**

**Methanol Spa – Supplier of chemical products**  
[www.methanolspa.com](http://www.methanolspa.com)

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## 1. INTRODUCTION

### 1.1 VISION – MISSION

**Methanol Spa** is an Italian company that has operated in the chemical products sector since 1986. The company's current name stems from the merger by incorporation of Methanol Srl into UCT Spa on 25 November 2014.

The key partners are seven distributors with their own warehouses, laboratories and plants that are involved in all goods sectors and cover the territory of the whole of Italy.

The activities comply fully with strict safety and environmental regulations and the objective is to ensure constant improvement.

Our task is to search for new producers and products to increase the satisfaction levels of our own partners and existing clients as well as developing new markets. Commercial operations are supported by thorough knowledge of the logistical system, ensuring that both liquid and solid products can be transported by road, rail and sea.

### 1.2 CODE OF BUSINESS CONDUCT

METHANOL SpA's operations have always been based on the conviction that an ethical approach to business conduct should be pursued together with the success of the company. In order to clarify its corporate culture, the company has deemed it appropriate and necessary to adopt this code of business conduct which regulates the series of rights and responsibilities that the company expressly adopts in its dealings with those with whom it interacts in its business activities.

The company believes in the importance of work and considers legality, correctness and transparency of actions to be essential prerequisites to achieving its own economic, productive and social objectives.

The Code of Business Conduct also seeks to introduce the mandatory application within the company of the principles and codes of behaviour related to the reasonable prevention of the crimes indicated in Legislative Decree 231/2001 (Health and Safety legislation)

When considered in its entirety together with all the specific implementational procedures approved by the company, the Code of Business Conduct should be viewed as an integral part of employment contracts, both existing contracts and contracts that need to be drawn up, pursuant to article 2104 of the Italian Civil Code. (Contractor due diligence)

Violation of its provisions will therefore constitute a disciplinary offence and, as such, will be prosecuted and fined by the company pursuant to and by effect of article 7 (Disciplinary measures) of

Law no. 300/1970 (Workers' statute – Regulations on safeguarding workers' freedoms and dignity, trade union freedom and freedom to organise trade union activities in the workplace and regulations on job placement) and may lead to reimbursement of the damages caused to the organisation.

With regard to co-workers, consultants and self-employed workers, suppliers (referred to below as recipients) that offer their services to the company and other third parties, signing this Code of Business Conduct, or a summarised form of it, or adhering to the measures and principles provided for by the code represent an indispensable condition for drawing up contracts of any kind between the company and these parties. The measures that are thus signed or, in any case, approved, even by conduct, constitute an integral part of the contracts themselves.

On the basis of the above points, any violation by the parties pursuant to the previous paragraph of the specific provisions of the Code of Business Conduct, according to their severity, can justify the termination by the company of existing contractual relationships with the aforementioned parties and can also be identified *ex ante* as the causes of automatic termination of the contract in accordance with article 1456 of the Italian Civil Code (express termination clause)

## 2. RECIPIENTS OF THE CODE OF BUSINESS CONDUCT

Through the adoption of the Code of Business Conduct, the company has sought to define moral values, clear rules and procedures which must be complied with.

The Code of Business Conduct is aimed at:

- ☞ Members of the governing bodies
- ☞ Employees (both fixed-term and permanent contract employees)
- ☞ Independent contractors
- ☞ External and internal consultants
- ☞ Suppliers of goods and services
- ☞ Any other party that can act in the name of, or on behalf of, the company, either directly or indirectly, permanently or temporarily, or those who establish links or relationships with the company and operate to pursue its objectives.

The recipients of the Code of Business Conduct must learn its contents and respect its regulations.

The Code of Business Conduct will be made available to them as specified below.

The management, or a delegate, shall undertake to ensure the implementation of the Code of Business Conduct and its diffusion both inside and outside the organisation.

Besides their duty to respect existing regulations and measures provided for by collective bargaining, company employees, where applicable, undertake to adapt the way they perform their working activities to the objectives and measures provided for by the Code of Business Conduct.

This is true both for intra-company relationships and for relationships with parties that are external to the company and, in particular, with the public administration and with other public authorities.

An essential requirement in any fruitful collaborative relationship with the company is that other recipients should respect the principles and measures contained in this Code of Business Conduct. When drafting contracts and agreements with other recipients, the company should therefore inform its interlocutors of the adoption of the Code of Business Conduct.

### **3. VALUES AND RELATED CRITERIA FOR COMPANY CONDUCT**

The conduct of parties, both inside and outside the Company, must always be based on the respect for the values and principles of the Code. Recipients must conduct themselves in a manner that best reflects the style of behaviour of the Company and the contents of the Code. The main aim of METHANOL SpA is to establish relationships with stakeholders in compliance with the laws and our own system of values, ensuring that the commitments assumed towards them are maintained, respecting their interests and pursuing their objectives.

#### **3.1 Integrity in the respect of Laws and Regulations – Honesty - Fairness**

The company undertakes to make and supply quality products and services and to compete in the market according to the principles of free and fair competition and transparency, maintaining appropriate relationships with all public, governmental and administrative institutions, with citizens and with third party firms.

Everyone is required to operate, in all situations, with integrity, transparency, consistency and fairness, conducting each business relationship with honesty.

The company operates in strict compliance with the law and strives to ensure that all its staff do so as well: people should conduct themselves in a manner that complies with the law, whatever the context and the activities undertaken and the places in which they operate.

This commitment must also apply to consultants, suppliers, clients and anyone who has relations with our organisation.

The company shall not begin nor continue any kind of relationship with anyone who does not intend to comply with this principle.

#### **3.2 Centrality, development and enhancement of human resources**

The company recognises the central role of human resources and believes that the professional contribution of the people who operate there is an essential factor in success and development. The company has always placed professionalism and the contribution of individuals at the heart of its operations, giving continuity to a style of relationship that seeks to acknowledge the work

of each individual as a key element of company and personal development.

Simultaneously, the company also attaches great importance in its everyday operations to dialogue, the exchange of information – at all levels –, the enhancement and professional training of its own co-workers and the creation of a corporate identity and a sense of belonging.

The company places the utmost importance on those who work within its own organisation, contributing to their growth and development since it is through its human resources that the company is able to provide, develop, improve and ensure the excellence of its own services.

Subject to the legal and contractual provisions with regard to the duties of workers, employees are required to display professionalism, dedication to their work, loyalty, a spirit of cooperation, mutual respect, a sense of belonging and morality.

In its management of the contractual relations that imply the establishment of hierarchical relationships, METHANOL SpA undertakes to ensure that authority is exerted with fairness and correctness and that all forms of abuse are avoided: in particular, the company guarantees that authority is not transformed into the exercise of power that might harm the dignity and autonomy of the individual. These values should always be safeguarded in making decisions regarding the organisation of labour.

### 3.3 **Rejection of all forms of discrimination**

METHANOL SpA avoids all forms of discrimination linked to gender, age, state of health, sexuality, race, nationality, political opinions and religious beliefs in decisions that affect its interlocutors, in the choice of its stakeholders and in the relations with them (for example: the choice of clients who require a service, the management of staff or the organisation of labour, the selection and management of suppliers, relationships with shareholders, and relations with the surrounding community and the institutions that represent them).

### 3.4 **Transparency and business ethics**

**The history, identity and values of the organisation are encapsulated in a code of business conduct based on the following principles:**

■ *Reliability*

ensuring the utmost seriousness in the projects that have been launched, and in the transactions and commitments undertaken.

■ *Solidity*

related to an organisation based on a clearly defined asset base, as demonstrated by its lengthy business activity

■ *Transparency*

stemming from the concept of a social role which requires not just respect for principles and ethical work but also the implementation of procedures that enable the relevant community and social stakeholders to have sufficient information to be able to reconstruct the conduct

■ *Fairness in the contractual environment*

to prevent, in existing relationships, anyone operating in the name of or on behalf of the company from trying to take advantage of contractual loopholes or unexpected events in order

to renegotiate the contract for the sole purpose of exploiting the position of dependency or weakness in which the interlocutor finds himself.

■ *Protection of competition*

refraining from collusive or predatory behaviour or from abusing one's position.

### **3.5 Protection of confidential information and personal data**

All forms of information remain the exclusive property of the company and should be considered as strictly confidential.

METHANOL SPA is committed to ensuring the correct application and fair treatment of all the information used to undertake its own business activities. Each item of information, data or document known in the performance of the activity of each individual worker is strictly confidential and cannot be divulged in any way, unless in accordance with company procedures. The Company's database can contain data and information safeguarded by personal data protection legislation and, as such, must be handled with the full respect of the obligations that stem from existing regulations.

### **3.6 Protection of intellectual property and confidentiality requirements**

METHANOL SpA recognises the importance of intellectual property as a key resource of the Company itself and, as such, implements all the measures required to safeguard it.

All internal and external staff of METHANOL SpA, even after the termination of their employment contract, are required to avoid divulging information regarding technical, technological (in particular, know-how of procedures and formulas) and commercial information about the Company, as well as other unpublished data and/or information about the Company, except for cases when the release of such information is legally required or where it is expressly provided for by specific contractual agreements by which the parties undertake to use it for specifically agreed purposes. In particular, it is necessary to treat with due confidentiality and protect the ideas, the models and other forms of intellectual property developed within the context of the Company's working activity.

The Company also undertakes not to carry out projects and/or make products that violate the intellectual property rights of third parties.

### **3.7 Preventing conflicts of interest**

A "conflict of interest" refers to a case when the Recipients of the Code, or the spouse or partner or their blood relatives or in-laws within the second degree of affinity, have interests that diverge from those of the Company.

METHANOL SpA respects the private sphere of the Recipients of this Code of Conduct, including their personal activities in the economic and business world, provided that the aforementioned activities do not conflict with the interests of the Company and with the obligations arising in relation to the type of work or activity involved. Further to this point, all Recipients should avoid situations that might lead to conflicts of interest, since they must not take personal advantage of potential business opportunities linked to the performance of their functions.

In the conduct of its activities METHANOL SpA avoids situations where the parties involved may have conflicts of interest, even when they are consultants or "third parties" with regard to the Company.

Merely by way of example, it is entirely inadmissible to have economic and financial interests

even through relatives, with clients, suppliers, competitors and the Public Administration, to accept or offer money, gifts or favours of any kind, from or to people, companies or organisations which have, or intend to enter into, business relations with the Company, to use one's position within the Company, or information acquired during one's work, in a way that could create a conflict between one's own interests and those of the Company.

Anyone who finds themselves in a conflict of interest is required to inform the Chief Executive Officer (CEO) or other Managing Director or the Board of Directors/Sole Director immediately, refraining from carrying out activities that lead to such conflict. The CEO or other persons shall jointly inform the Supervisory Board of the operational solutions designed to safeguard, in this specific case, the transparency and fairness of conduct when undertaking activities, and the implemented actions, aimed at guaranteeing the execution of activities under normal conditions.

### **3.8 Illegal payments, entertainment expenses, free gifts**

As a general rule, it is not possible to accept, promise or give money, gifts or advantages of other kinds in any capacity as part of the activities of METHANOL SpA conducted with clients, suppliers, officials of the public administration and third parties to enjoy a personal advantage or for the advantage of the Company itself. The only exceptions are gifts and presents which, according to objective criteria, form part of normal commercial practices and acts of courtesy.

Permissible charitable donations of money should always be authorised by those in charge and properly recorded to enable checks to be undertaken.

No member of the company may give money or offer economic advantages or other kinds of benefits to parties in public administration in order to obtain posts or other personal advantages or advantages for the company itself.

### **3.9 Quality, Environment, Health and Safety**

The company hereby undertakes to provide a working environment that can protect the health and safety of its staff, spreading and consolidating a culture of safety, developing awareness of risks and promoting responsible conduct among all its employees.

The company also acts to preserve, especially through preventative actions, the health and safety of its workers.

The main objectives include protecting human resources by making constant efforts to create synergy both within the company and with suppliers, external consultants and clients involved in the company's activities.

All employees are required to respect internal regulations and procedures regarding risk prevention and health and safety protection and promptly report any deficiencies or instances of non-compliance with the relevant legislation.

The company adopts general measures related to health and safety protection in the workplace prescribed by the legislation with specific reference to the provisions of Legislative Decree. 81/08 and successive amendments and modifications. The organisation undertakes to display scrupulous

respect to all the legislation regarding health and safety in the workplace for employees, collaborators and users.

The same approach is adopted towards the environment which is why METHANOL SpA is committed to environmental protection by respecting Italian and EU regulations and legislation.

### 3.10 Transparency of accounting entries

When preparing documents, accounting data, reports or other legally required company statements designed for shareholders or the general public, as well as all forms of administrative recording, internal and external staff should follow the most rigorous principles of transparency, fairness and truthfulness. In particular, all the Recipients requested to perform the aforementioned tasks are required to check - each individual according to their respective field of expertise - the accuracy of the data and information which will be received for the drafting of important documents pursuant to the Decree.

The allocation and provision of financial resources, just like their management and monitoring, must comply with the Company's approval and authorisation procedures.

Each bookkeeping operation must reflect exactly what is written in the accompanying documentation, since it needs to be complete and capable of being checked.

## 4. EXTERNAL RELATIONS

### 4.1 Relations with internal and external staff

#### ■ *Staff selection*

The assessment of staff to be taken on, or who work on a collaborative basis, is carried out according to the profiles of the candidates with regard to the expected profiles and internal needs, respecting equal opportunities for all interested parties. During the selection process, senior management adopts suitable measures designed to avoid favouritism and preferential treatment of any kind and carries out accurate selection procedures based not just on compulsory aspects but also on preferential aspects approached by the Board of Directors.

#### ■ *Establishment of the working relationship*

Staff are taken on with a standard employment contract, a contract for the provision of professional services or an internship contract: no form of illegal labour is acceptable.

#### ■ *Integrity and tutelage of the individual*

With regard to the staff management and development, as is the case during the selection phase, the decisions taken are based on matching expected profiles and the profiles of the candidates and/or on considerations of merit. Access to roles and posts depends on expertise and capacities. Moreover, depending on the general efficiency of work, forms of flexibility in the organisation of work are encouraged which help people during maternity and those who have to take care of children.

### 4.2 Client relations

METHANOL SpA considers client satisfaction to be a primary objective by providing them with high quality products and services on a competitive basis, respecting competition law.

Company staff must not promise or offer payments or goods to promote or facilitate the interests of

the Company or individuals: client satisfaction must stem from the excellent quality of the products and services provided.

The Company provides accurate and exhaustive information about its products and services so that clients can take informed decisions.

The Company undertakes to maintain strict confidentiality about sensitive information about its clients and personal data, and to use the aforementioned information exclusively for professional motives, always requesting explicit authorisation.

Clients are also required to ensure confidentiality, with regard to information, documents and personal data concerning the Company and its internal and external staff.

The Company ensures that its internal and external staff apply the internal procedures for handling relations with clients in order to establish and maintain proper and long-lasting relationships.

#### **4.3 Relations with third parties**

It is strictly forbidden to offer third parties, either directly or indirectly, or to receive from them, presents and/or benefits (money, objects, services, favours or other advantages) with the aim of promoting or facilitating an advantage for the Company, even one of a non-economic nature, that conflicts with the binding legal provisions, regulations and the principles of this Code.

Business courtesies, such as gifts or forms of hospitality, are permitted provided that prior and due authorisation is given by the competent office, if and when they are of modest value<sup>1</sup>, and nevertheless of a value that would not compromise the integrity or the reputation of one of the parties.

#### **4.4 Relations with suppliers**

Considering the key role of suppliers, the selection process for suppliers takes place according to principles of fairness, cost effectiveness, quality and lawfulness on the basis of objective assessments aimed at safeguarding the commercial and industrial interests of the Company and, in all cases, to create the highest added value. Adherence to this Code by these parties, as well as respect for current legislation, with particular regard to Decree 231/2001, is a necessary condition for establishing and continuing this relationship.

METHANOL SpA also adopts specific procedures in order to use objective criteria in assigning orders and in managing relations with suppliers to ensure transparency and fairness in the full respect of explicit commitments and regulated by exhaustive contracts. The Company sets up these contracts in a legal, fair, complete and transparent manner, trying to predict circumstances that could significantly affect the established relationship.

The Company undertakes to maintain strict confidentiality about information regarding its suppliers and to use the aforementioned information exclusively for strictly professional reasons and, in any case, following written authorisation. Payment should be commensurate with the service indicated in the contract and payments cannot be made to a party that differs from the contractual party, nor in a Country other than that of the contractual parties.

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<sup>1</sup> In accordance with article 4 paragraph 5 "Gifts, payments and other benefits" of the "*Regolamento recante codice di comportamento dei dipendenti pubblici*" issued with Decree of the President of the Italian Republic (D.P.R.) no.62/2013 as a consequence of the amendment

brought about by the Anti-Corruption & Bribery Law no. 190/2012 in article 54 of Decree 165/2001 *"Norme generali sull'ordinamento del lavoro alle dipendenze delle amministrazioni pubbliche"*, gifts or other benefits of modest value are defined as being *"of a value generally not exceeding 150 Euros, even in the form of a discount"*.

#### **4.5 Relation with public institutions and Competent Institutions**

For the purposes of the Code, the term "Public Officials" refers to the following: institutions, representatives, agents, exponents, members, employees, consultants, officials of public offices or supervisory bodies or public administrations, public institutions or national and international public organisations and for Representatives of Competent Institutions, officials of specific institutions in the pharmaceutical sector, such as the FDA, third party auditor and systems certifiers.

The conduct of METHANOL SpA is inspired by and adapted to principles of legality, fairness and transparency, in order to prevent the Public Administration and Competent Institutions from violating the principles of impartiality and good conduct to which it is bound.

In compliance with appropriate company procedures, contacts with Public Administration and Competent Institutions are handled by those who are specifically and formally appointed by the Company to deal with, or have contacts with, Public Officials and/or appointed by the Public Service and a member of these administrative bodies.

As part of any business negotiations, a request or relationship with Italian and/or foreign Public Administration, no form of conduct should be adopted designed to unlawfully influence decisions in order to procure an undue or illegal advantage.

It is forbidden to use subsidies, grants or financing obtained from the state or from other public institutions or from the European Union, even of modest value and/or sum, for purposes other than those for which they have been allocated.

METHANOL SpA condemns any form of conduct, on the part of anyone, that involves promises or offering, either directly or indirectly gifts or benefits (money, objects, services, favours or other advantages) to Public Officials and/or appointees of the Italian or foreign Public Service, or their relatives, that may lead to an undue or illegal interest or advantage. Such conduct shall be considered acts of corruption by whomever is responsible. More specifically, it is forbidden to promise or pay money or other goods or to concede other benefits to Public Officials in order to promote or facilitate the interests of the Company, nor even following illegal pressure. It is also forbidden to induce Public Officials/appointees of the Public Service, Italian or foreign, to use their influence on other parties belonging to the Italian or foreign Public Administration.

Lastly, with regard to relations with the Public Administration, the Company cannot be represented by parties who may find themselves in any kind of conflict of interest.

#### **4.6 Relations with Legal Authorities**

METHANOL SpA undertakes to collaborate actively in order to support the requirements of the Legal Authority and shall refrain from adopting, towards the parties involved, any form of conduct that in any way might condition the operations and actions with regard to the Legal Authority itself.

#### **4.7 Regulations regarding relations with Auditors and Mayors**

METHANOL SpA ensures that all relations with Auditors and Mayors shall be conducted to the

highest degree of professionalism, diligence, transparency, collaboration and good will. The Company also acts in full respect of the institutional role of these parties and guarantees the full implementation of the regulations and obligations requested, releasing the necessary information clearly, punctually and exhaustively.

With regard to relations with Auditors and Mayors, the Company guarantees that any form of conflict of interest shall be avoided and undertakes to carry out preventative assessments of appointees that differ from their institutional functions which might prejudice their independence and objectivity.

#### **4.8 Relations with the competition**

METHANOL SpA is willing to ensure the highest degree of competitiveness in the market and their business policy is therefore conducted with full respect of existing legislation and regulations regarding competition.

#### **4.10 Communication and management of information**

##### *Company communications*

METHANOL SpA undertakes to provide all the communications required by the Supervisory Authority (Inland Revenue, Customs and Excise etc.) in a clear, rapid, correct and complete manner. Only individuals specifically appointed by the Company can provide the Supervisory Authority with such communications.

## **5. COMMUNICATIONS AND TRAINING**

#### **5.2 Communications and training**

The Code of Business Conduct is agreed by all those who participate in the Company's mission (both internal and external staff) through suitable forms of communication. To ensure that all co-workers have a correct understanding of the Code, the Management shall undertake to raise awareness of ethical principles and regulations.

The document can be consulted on the website of METHANOL SpA from where it can be freely downloaded.