DYNEX CAPITAL INC
Form SC 13G/A
January 26, 2016

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934

(Amendment No: 1)

DYNEX CAPITAL INC.

(Name of Issuer)

Common Stock

(Title of Class of Securities)

26817Q506

(CUSIP Number)

December 31, 2015

(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

[X] Rule 13d-1(b)
[ ] Rule 13d-1(c)
[ ] Rule 13d-1(d)

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 26817Q506

(1)Names of reporting persons. BlackRock, Inc.

(2) Check the appropriate box if a member of a group
(a) [ ]

(b) [X]

(3) SEC use only

(4) Citizenship or place of organization

Delaware

Number of shares beneficially owned by each reporting person with:

(5) Sole voting power

2477699

(6) Shared voting power

NONE

(7) Sole dispositive power

2483442

(8) Shared dispositive power

NONE

(9) Aggregate amount beneficially owned by each reporting person

2483442

(10) Check if the aggregate amount in Row (9) excludes certain shares

(11) Percent of class represented by amount in Row 9

5.1%

(12) Type of reporting person

HC

Item 1.

Item 1(a) Name of issuer:

DYNEX CAPITAL INC.

Item 1(b) Address of issuer's principal executive offices:

4991 LAKE BROOK DRIVE STE 100
GLEN ALLEN VA 23060

Item 2.

2(a) Name of person filing:

BlackRock, Inc.

2(b) Address or principal business office or, if none, residence:

BlackRock Inc.
55 East 52nd Street
New York, NY 10055

2(c) Citizenship:

See Item 4 of Cover Page

2(d) Title of class of securities:

Common Stock

2(e) CUSIP No.:
See Cover Page

Item 3.

If this statement is filed pursuant to Rules 13d-1(b), or 13d-2(b) or (c), check whether the person filing is a:

[ ] Broker or dealer registered under Section 15 of the Act;
[ ] Bank as defined in Section 3(a)(6) of the Act;
[ ] Insurance company as defined in Section 3(a)(19) of the Act;
[ ] Investment company registered under Section 8 of the Investment Company Act of 1940;
[ ] An investment adviser in accordance with Rule 13d-1(b)(1)(ii)(E);
[ ] An employee benefit plan or endowment fund in accordance with Rule 13d-1(b)(1)(ii)(F);
[X] A parent holding company or control person in accordance with Rule 13d-1(b)(1)(ii)(G);
[ ] A savings associations as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);
[ ] A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940;
[ ] A non-U.S. institution in accordance with Rule 240.13d-1(b)(1)(ii)(J);
[ ] Group, in accordance with Rule 240.13d-1(b)(1)(ii)(K). If filing as a non-U.S. institution in accordance with Rule 240.13d-1(b)(1)(ii)(J), please specify the type of institution:

Item 4. Ownership

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

Amount beneficially owned:

2483442

Percent of class

5.1%

Number of shares as to which such person has:

Sole power to vote or to direct the vote

2477699

Shared power to vote or to direct the vote

NONE

Sole power to dispose or to direct the disposition of

2483442

Shared power to dispose or to direct the disposition of

NONE

Item 5.

Ownership of 5 Percent or Less of a Class. If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than 5 percent of the class of securities, check the following [ ].

Item 6. Ownership of More than 5 Percent on Behalf of Another Person

If any other person is known to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, such securities, a statement to that effect should be included in response to this item and, if such interest relates to more than 5 percent of the class, such person should be identified. A listing of the shareholders of an investment company registered under the Investment Company Act of 1940 or the beneficiaries of employee benefit plan, pension fund or endowment fund is not required.

Various persons have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of the common stock of
DYNEX CAPITAL INC.
No one person's interest in the common stock of
DYNEX CAPITAL INC.
is more than five percent of the total outstanding common shares.

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on by the Parent Holding Company or Control Person.

See Exhibit A

Item 8. Identification and Classification of Members of the Group

If a group has filed this schedule pursuant to Rule 13d-1(b)(ii)(J), so indicate under Item 3(j) and attach an exhibit stating the identity and Item 3 classification of each member of the group. If a group has filed this schedule pursuant to Rule 13d-1(c) or Rule 13d-1(d), attach an exhibit stating the identity of each member of the group.

Item 9. Notice of Dissolution of Group

Notice of dissolution of a group may be furnished as an exhibit stating the date of the dissolution and that all further filings with respect to transactions in the security reported on will be filed, if required, by members of the group, in their individual capacity.

See Item 5.

Item 10. Certifications
By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

Signature.

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: January 21, 2016
BlackRock, Inc.

Signature: Spencer Fleming

Name/Title Attorney-In-Fact

The original statement shall be signed by each person on whose behalf the statement is filed or his authorized representative. If the statement is signed on behalf of a person by his authorized representative other than an executive officer or general partner of the filing person, evidence of the representative's authority to sign on behalf of such person shall be filed with the statement, provided, however, that a power of attorney for this purpose which is already on file with the Commission may be incorporated by reference. The name and any title of each person who signs the statement shall be typed or printed beneath his signature.

Attention: Intentional misstatements or omissions of fact constitute Federal criminal violations (see 18 U.S.C. 1001).

Exhibit A

Subsidiary

BlackRock Advisors, LLC
BlackRock Asset Management Ireland Limited
BlackRock Asset Management Schweiz AG
BlackRock Fund Advisors
BlackRock Institutional Trust Company, N.A.
BlackRock Investment Management (UK) Ltd
BlackRock Investment Management, LLC

*Entity beneficially owns 5% or greater of the outstanding shares of the security class being reported on this Schedule 13G.

Exhibit B

POWER OF ATTORNEY

The undersigned, BLACKROCK, INC., a corporation duly organized under the laws of the State of Delaware, United States (the "Company"), does hereby make, constitute and appoint each of Matthew Mallow, Chris Meade, Howard Surloff, Dan Waltcher, Georgina Fogo, Charles Park, Enda McMahon, Carsten Otto, Con Tzatzakis, Karen Clark, Andrew Crain, Herm Howerton, David Maryles, Daniel Ronnen, John Stelley, John Ardley, Maureen Gleeson and Spencer Fleming acting severally, as its true and lawful attorneys-in-fact, for the purpose of, from time to time, executing in its name and on its behalf, whether the Company is acting individually or as representative of others, any and all documents, certificates, instruments, statements, other filings and amendments to the foregoing (collectively, "documents") determined by such person to be necessary or appropriate to comply with ownership or control-person reporting requirements imposed by any United States or non-United States governmental or regulatory authority, Including without limitation Forms 3, 4, 5, 13D, 13F, 13G and 13H and any amendments to any of the Foregoing as may be required to be filed with the Securities and Exchange Commission, and delivering, furnishing or filing any such documents with the appropriate governmental, regulatory authority or other person, and giving and granting to each such attorney-in-fact power and authority to act in the premises as fully and to all intents and purposes as the Company might or could do if personally present by one of its authorized signatories, hereby ratifying and confirming all that said attorney-in-fact shall lawfully do or cause to be done by virtue hereof. Any such determination by an attorney-in-fact named herein shall be conclusively evidenced by such person's execution, delivery, furnishing or filing of the applicable document.

This power of attorney shall expressly revoke the power of attorney dated 1st day of October, 2015 in respect of the subject matter hereof, shall be valid from the date hereof and shall remain in full force and effect until either revoked in writing by the Company, or, in respect of any attorney-in-fact named herein, until such person ceases to be an employee of the Company or one of its affiliates.

IN WITNESS WHEREOF, the undersigned has caused this power of attorney to be executed as of this 8th day of December, 2015.

BLACKROCK, INC.

By:_ /s/ Chris Jones
Name: Chris Jones
Title: Chief Investment Officer

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Total

116.5
%
Nick Powell
For 2017, Mr. Powell had 50% of his MIP opportunity based on the EMEA Adjusted EBITDA goal, 25% based on the EMEA Average Working Capital goal, and 25% based on the Corporate Adjusted EBITDA goal which resulted in a MIP payment for 2017 of 170.4% of target, as shown below. EMEA Adjusted EBITDA and EMEA Average Working Capital are calculated in the same manner as described above for performance at the corporate level, except that only the performance of EMEA is factored into the calculation.

MIP Metric	2017 Goal	% Goal Achieved	Weight	Payout % Earned
EMEA Adjusted EBITDA	$122.4 million	105.7 %	50 %	192.5 %
EMEA Average Working Capital	16.1%	103.2 %	25 %	200.0 %
Corporate Adjusted EBITDA	$587.8 million	99.7 %	25 %	96.6 %
Total				170.4 %

George J. Fuller

For 2017, Mr. Fuller had 50% of his MIP opportunity based on the U.S. Adjusted EBITDA goal, 25% based on the U.S. Average Working Capital goal, and 25% based on the Corporate Adjusted EBITDA goal, which resulted in a MIP payment for that portion of 2017 of 105.0% of target.

MIP Metric	2017 Goal	% Goal Achieved	Weight	Payout % Earned
U.S. Adjusted EBITDA	$366.1 million	95.9 %	50 %	67.3 %
U.S. Average Working Capital	10.8%	104.9 %	25 %	188.6 %
Corporate Adjusted EBITDA	$587.8 million	99.7 %	25 %	96.6 %
Total				105.0 %

The 2017 results described above resulted in the following MIP payments being made to NEOs:

Executive	Financial Segment	MIP Target % of Base Salary	Payout % of MIP Target	MIP Payout	Payout % of Base Salary
Stephen D. Newlin	Corporate	136%	144.2%	$2,160,825	196.0%
Carl J. Lukach	Corporate	80%	116.5%	$503,280	93.0%
David C. Jukes[(1)]	U.S./Corporate	80%/90%	112.9%	$704,332	98.0%
Nick Powell[(2)]	EMEA	60%	170.4%	$375,273	132.0%
George J. Fuller	U.S.	65%	105.0%	$289,653	68.0%

(1) Each portion of Mr. Jukes' U.S. and corporate bonus payouts was prorated for the time served in each applicable role, as described above.

(2) Mr. Powell's incentive is paid in GBP and is expressed herein in U.S. dollars using a conversion factor of 1.2879 (reflects 2017 monthly average exchange rate).

Long-Term Incentives

The Committee uses long-term incentives (LTI) as a tool to align our NEOs' interests with shareholders and to build meaningful ownership opportunity in the Company. The Committee believes that long-term incentive awards should compensate NEOs in a meaningful way for delivering sustainable long-term value to shareholders. LTI awards for the NEOs, except for the CEO, are recommended by the CEO and approved by the Committee. The LTI award for the CEO is initiated and approved directly by the Committee.

The Company's long-term incentive program has evolved over the last several years to provide a strong sense of ownership and retain key executives while also introducing performance-based equity components (see diagram below). The 2018 long-term incentive award delivered 50% of the long-term incentive grant value to our executive officers in the form of performance-based restricted stock units.

The 2017 long-term incentive award delivered 50% of the grant value in time-based restricted stock units (RSUs) and 50% in stock options, with both awards vesting ratably over a three-year period (except for Mr. Newlin whose 2017 awards vest on a monthly basis over a twenty-four month period).

In addition, the Company granted performance-based restricted stock units (PRSUs) to Mr. Jukes in connection with his promotion effective May 4, 2017 to the role of President and Chief Operating Officer. The PRSUs directly support the objectives of linking realized value to the Company's stock price and the achievement of critical performance objectives. The number of PRSUs earned by Mr. Jukes will vary based on results achieved over a three-year period against predetermined performance goals using an Adjusted EBITDA metric. The FY2017 - FY2019 performance period is January 1, 2017 through December 31, 2019 and consists of four equally weighted measurement periods: three one-year measurement periods and one three-year measurement period. The achievement of annual and cumulative goals ensure that growth and improvement are a constant focus.

Performance Period	Weighting	
2017	25	%
2018	25	%
2019	25	%
Cumulative 2017-2019	25	%

Each performance period has a threshold, target and maximum level of performance corresponding to payout levels. The goals for each of the four discrete performance periods are determined at grant. When the awards have been earned after the end of each performance period, this portion is not vested until the end of the three-year period (except in the event of death, disability, retirement or change-in-control). For the purposes of the PRSUs, Adjusted EBITDA is defined consistent with the MIP except for the inclusion of currency fluctuations and acquisitions.

For the 2017 performance period, based upon the predetermined goals and 2017 results, Mr. Jukes earned 108.6% of the target PRSUs, as detailed in the table below:

PRSU Metric	2017 Threshold ($M) Earns 50% of PRSU Award	2017 Target ($M) Earns 100% of PRSU Award	2017 Maximum ($M) Earns 200% of PRSU Award	2017 Results ($M)	Payout % of Target	Number of Earned PRSUs
Corporate Adjusted EBITDA	$575.0	$600.6	$636.6	$603.7	108.6 %	2,850.75

To recognize his experience, achievements and additional responsibilities as Chairman and CEO, the Board approved a long-term incentive award granted in 2017 comprised of 300,000 time-based restricted stock units and 300,000 stock options. These awards vest on a monthly basis over the 24 months following the date of grant.
Prior to the approval of annual equity awards, the Company presents the Committee with a dilution impact analysis, including a review of the equity grants made under our equity plans against market and peer group benchmarks.
All of the NEOs' outstanding equity awards at December 31, 2017 under the 2017 Equity Plan, 2015 Equity Plan and the 2011 Equity Plan are set forth below in the Outstanding Equity Awards at Fiscal Year End 2017 table.

Employment and Executive Severance Arrangements with Named Executive Officers

The Company has entered into employment or executive severance agreements with each of its NEOs. The agreements include severance benefits and the specific terms are described under "Agreements with our Named Executive Officers." The Company believes that having severance arrangements with its executives is market competitive and beneficial because it provides retentive value and subjects the executives to key restrictive covenants.

Other Benefits

The general employment benefits provided to the NEOs are generally the same as those provided to other nonunion, salaried employees and include medical, dental, basic life insurance, short and long-term disability insurance, and a tax-qualified 401(k) plan.
In addition to the tax-qualified 401(k) plan, certain of the NEOs are eligible to participate in a non-qualified, unfunded supplemental defined contribution plan, the Univar USA Inc. Supplemental Valued Investment Plan, or SVIP. The purpose of the SVIP is to provide eligible management or employees of Univar USA Inc. and certain affiliated companies with a deferred compensation plan benefit for amounts that exceed the limits imposed under the 401(k) plan.
The Company provides limited executive benefits to its executive officers, including an executive physical benefit, and reimbursement of certain financial and tax planning costs. As a condition of Mr. Newlin agreeing to become our CEO, his employment agreement provides for payment of certain travel expenses in connection with his CEO role and the reimbursement for the related income taxes associated with these benefits.
During 2017, Mr. Jukes also received special housing, travel and tax benefits in connection with his secondment to the U.S. business and related localization to the U.S. Also, the Company has provided housing and educational allowances to Mr. Powell to facilitate his continued transition from his expatriate assignment in Dubai prior to his promotion to President, EMEA & APAC; these allowances will cease effective June 2018.

2017 "Say on Pay" Vote Result

At the Company's 2017 Annual Meeting, shareholders overwhelmingly approved management's proposals related to compensation. Of the votes represented at the Company's 2017 Annual Meeting:
•98% supported the Company's executive compensation program;
•96% approved the Univar Inc. 2017 Omnibus Equity Incentive Plan; and
•85% approved the Univar Inc. Executive Annual Bonus Plan
The Compensation Committee believes shareholders prefer a greater portion of executive compensation to be more directly linked to the Company's performance. The Committee believes that 2018 executive compensation further aligns with this preference. The Compensation Committee will continue to consider input from the Company's shareholders as it evaluates, and makes determinations regarding the Company's executive compensation program.

Tax and Accounting Considerations

While the accounting and tax treatment of compensation historically has not been a consideration in determining the amounts of compensation for the Company's executive officers, the Committee and management have taken into account the accounting and tax impact of various program designs to balance the potential cost to the Company with the value to the executive. The Committee has considered the potential future effects of Section 162(m) on the deductibility of executive compensation paid to our NEOs, as applicable, and for 2017 where appropriate, sought to qualify compensation paid to the covered named executive officers for an exemption from the deductibility limitations of Section 162(m) under the transition period applicable to the Company as a new publicly-traded company.

During 2017, the Company received stockholder approval for the Univar Inc. 2017 Omnibus Equity Incentive Plan and the Univar Inc. Executive Annual Bonus Plan, to facilitate the granting of awards and payment of bonuses to our covered named executive officers to qualify as "performance-based compensation" for an exemption from the deductibility limitations of Section 162(m). Our plans were approved in May 2017, so the Company's ability to rely on this exemption in 2017 was limited. Recently enacted legislation makes certain changes to Section 162(m), most notably repealing the exemption for qualified performance-based compensation for taxable years beginning after December 31, 2017 and expanding the scope of persons covered by its limitations on deductibility. Accordingly, compensation paid after 2017 to our covered executive officers in excess of $1 million will not be deductible in the United States unless it qualifies for transition relief applicable to certain arrangements in place as of November 2, 2017. In light of these changes, the Committee expects to authorize compensation payments that do not comply with exemptions under Section 162(m) in order to attract, retain and motivate executive talent.

The expenses associated with executive compensation issued to executive officers and other key associates are reflected in the Company's financial statements. The Company accounts for stock-based programs in accordance with the requirements of ASC 718, Compensation-Stock Compensation, which requires companies to recognize in the income statement the grant date value of equity-based compensation issued to associates over the vesting period of such awards.

Executive Compensation Tables
Summary Compensation Table
The following table sets forth the compensation of our Named Executive Officers (NEOs).

Name and Principal Position	Fiscal Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards[1] ($)	Non-Equity Incentive Plan Compen-sation ($)	Change in Pension Value & Non Qualified Deferred Compen-sation Earnings[2] ($)	All Other Compen-sation[3] ($)	Total ($)
Stephen D. Newlin Chairman and Chief Executive Officer	2017	1,100,000	—	8,964,000	2,469,000	2,160,825	—	551,460	15,245,285
	2016	659,552	157,285	7,097,513	—	1,021,251	—	741,301	9,676,902
Carl J. Lukach Executive Vice President and Chief Financial Officer	2017	518,462	—	487,548	477,932	503,280	—	72,866	2,060,088
	2016	500,000	—	1,258,550	—	194,920	—	44,100	1,997,570
	2015	519,231	—	—	—	100,000	—	151,126	770,357
David C. Jukes President and Chief Operating Officer [4]	2017	662,247	—	765,434[5]	431,373	704,332	24,704	194,808	2,782,898
	2016	454,995	—	936,550	—	206,200	136,893	450,895	2,185,533
	2015	371,309	—		—	337,579	—	88,129	797,017
Nick Powell President, EMEA and APAC [4]	2017	360,600	—	199,961	196,040	375,273	—	165,770	1,297,644
George J. Fuller Senior Vice President, Local Chemical Distribution, USA	2017	417,723	—	187,607	183,788	289,653	—	39,896	1,118,667

(1) The amount reported is valued based on the aggregate grant date fair value computed in accordance with FASB ASC Topic 718, modified to exclude any forfeiture assumptions related to service-based vesting conditions. See note 9, "Stock-Based Compensation," to our audited consolidated financial statements included elsewhere in this prospectus and "Management's Discussion and Analysis of Financial Condition and Results of Operations- Critical Accounting Estimates- Stock-based Compensation" for a discussion of the relevant assumptions used in calculating these amounts.

(2) Pension value represents the year over year compensatory change. The compensatory change for the defined benefit plans includes the service cost for the year and any adjustments to the benefit obligation as a result of salary and bonus changes other than expected. The compensatory changes for the defined benefit plans will differ between years as a result of the discount rate used to calculate the service cost, pay increases other than expected and plan amendments, if any. The 2017 amounts were calculated by using the actual 2017 year-end balance and subtracting the prior year-end balance removing the impact of currency changes year over year.

(3) The amounts set forth in this column represent contributions made by us under our retirement plans in the amounts of $182,283, $57,071, $114,445, $67,693 and $36,246 for Messrs. Newlin, Lukach, Jukes, Powell and Fuller, respectively. In addition, for Mr. Jukes, the amounts set forth in this column reflect $75,363 in relocation costs (including airfare, housing, automobile and related expenses) in connection with his secondment to the U.S. business. Mr. Newlin's amount in this column includes $182,462 for commuting expenses to and from corporate headquarters and other business locations and his residence and a gross-up payment to him of $168,707 for associated taxes. The amounts for Messrs. Newlin, Lukach and Jukes also include financial planning and executive physical benefits.

(4) The amounts reported for Mr. Jukes and Mr. Powell have been converted from GBP using a conversion factor of 1.2879. See "Management's Discussion and Analysis of Financial Condition and Results of Operations-Quantitative and Qualitative Disclosures about Market Risk-Foreign Currency Risk."

(5) For Mr. Jukes' 2017 PRSU award, if the target performance is achieved, the grant value of the award will be $325,290; the actual value of the award varies from $0 to $650,580 depending upon the performance conditions achieved.

Grants of Plan-Based Awards for Fiscal Year 2017

The following table provides information concerning awards granted to the NEOs in the 2017 fiscal year.

Name	Grant Date	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards (1)			Estimated Future Payouts Under Equity Incentive Plan Awards (2)			All Other Stock Awards: Number of Shares of Stock/ Units (#) (3)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards ($)	Grant Date Fair Value of Stock and Option Awards ($) (4)
		Threshold ($)	Target ($)	Maximum ($)	Threshold (#)	Target (#)	Maximum (#)				
Stephen D. Newlin											
MIP		750,000	1,500,000	3,000,000							
2015 Equity Incentive Plan	1/30/2017							300,000			8,964,000
2015 Equity Incentive Plan	2/2/2017								300,000	28.73	2,469,000
Carl J. Lukach											
MIP		216,000	432,000	864,000							
2015 Equity Incentive Plan	2/2/2017							16,970	56,560	28.73	965,480
David Jukes											
MIP		311,868	623,737	1,247,474							
2015 Equity Incentive Plan	2/2/2017							15,320	51,050	28.73	871,516
2017 Equity Incentive Plan	6/7/2017				5,250	10,500	21,000				325,290
Nick Powell											
MIP		115,425	230,850	461,700							
2015 Equity Incentive Plan	2/2/2017	110,115	220,230	444,460				6,960	23,200	28.73	396,001
George J. Fuller											
MIP		137,930	275,860	551,720							
2015 Equity Incentive Plan	2/2/2017							6,530	21,750	28.73	371,394

(1) A discussion of the Management Incentive Plan for fiscal year 2017, including bonus amounts paid based on actual performance, can be found under "Compensation Discussion and Analysis- Determination of Executive Officer Compensation- Annual Cash Incentives." Estimated awards under the MIP for Mr. Powell have been converted from GBP to dollars using a conversion factor of 1.2879.

(2) The PRSUs granted to Mr. Jukes correspond to a three-year performance period, FY2017-FY2019, in which actual earned awards are based upon the attainment of annual and cumulative EBITDA performance; the target award is specified in the table above and attainment can vary from 0% to 200%.

(3) The restricted stock units granted to Mr. Newlin vest in equal monthly installments over 24 months. The restricted stock units for other NEOs vest in three equal installments on each of the first through the three-year anniversaries beginning on March 5, 2017.

(4) The amounts reported in this column are valued based on the aggregate grant date fair value. See Note 9, "Stock-Based Compensation," to the Company's audited consolidated financial statements for the year ended December 31, 2017 included in Univar's Form 10-K filed with the SEC on February 28, 2018 for a discussion of the relevant assumptions used in calculating these amounts.

Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table

Agreements with our Named Executive Officers

The Company has entered into severance or employment agreements with each of its NEOs. The material terms of each agreement are described below.

Newlin Agreement

The agreement with Mr. Newlin provides for employment-at-will, and may be terminated at any time by either party. Pursuant to this agreement, Mr. Newlin is entitled to payment of an annual base salary of $1,100,000 and is eligible for payment of an annual cash bonus, with a target amount equal to $1,500,000 with a maximum equal to 200% of the target bonus amount. In addition, during his employment, the Company provides Mr. Newlin with up to 100 hours of flight time per calendar year for his travel on a private airplane for company business and travel to the Company's corporate headquarters. The Company also agreed to provide him with reasonable housing while he is located at the Company’s corporate headquarters, and to pay him a cash gross-up payment for taxes, at the highest marginal tax rate, relating to any travel or housing benefits or other expense reimbursements or fringe benefits that result in taxable income to him. During his employment and for 18 months following any termination of employment, Mr. Newlin will be subject to non-competition and non-solicitation covenants related to customers, suppliers and employees.

Mr. Newlin’s agreement also provides for one year of base salary and target bonus to be paid as severance upon a termination without “cause” or a resignation for “good reason” (as such terms are defined in the agreement), except if the Company terminates his employment as a result of a succession process undertaken by the Board of Directors (or a committee thereof) that has identified a candidate to succeed him as Chief Executive Officer, subject to certain requirements specified in the agreement. Any severance payments payable pursuant to the agreement are subject to the execution and non-revocation of a release and reaffirmations of covenants related to customers, suppliers and employees. “Cause” and “good reason” are defined in the agreement and summarized below.

Jukes' Agreements

On November 1, 2017, Mr. Jukes entered into an agreement with the Company in connection with his localization as a U.S. employee (the "Localization Agreement"). This agreement provides for employment at-will, and may be terminated at any time by either party. Mr. Jukes is subject to a confidentiality provision, and, during his employment and for the 18 month period following a termination of his employment, non-compete and non-solicitation restrictive covenants. The Localization Agreement does not provide for specific compensation or benefits except as set forth below.

Pursuant to the Localization Agreement, Mr. Jukes is entitled to certain severance benefits as outlined in the following chart:

By the Company without “Cause” or by the Executive for “Good Reason”	Death or Disability
Lump sum payment equal to the sum of annual base salary plus target bonus	Target bonus for the year of termination

Any severance payments payable on a termination by the Company without “cause” or by Mr. Jukes for “good reason” pursuant to the agreement are subject to the execution and non-revocation of a release and reaffirmation of confidentiality, non-competition and non-solicitation covenants. “Cause” and “good reason” are defined in the agreement and summarized below.

From January 1, 2017 through October 31, 2017, Mr. Jukes was party to an agreement with Univar Europe Limited (the "UEL Agreement"). Pursuant to this agreement, Mr. Jukes was entitled to a payment of base salary and an annual cash bonus, with a target amount equal to 80% of base salary payable in accordance with the terms of the Management Incentive Plan, based on the Company’s performance. The UEL Agreement did not provide for any severance payments, other than payments for accrued but unused vacation. However, pursuant to the UEL Agreement, the Company was required to give Mr. Jukes 12 months' notice of a termination of his employment, although the Company has the option to require him to take "garden leave" during all or any portion of this period, in which case he would continue to receive his compensation and benefits for the garden leave period.

In connection with his secondment to the Company's U.S. business in 2016, the Company agreed to provide Mr. Jukes with certain special expatriate benefits, including a monthly housing allowance of $4,000 for the greater of 24 months or his secondment at the U.S. business, use of a Company car and tax equalization benefits. He would also receive severance of lump sum payment equal to the sum of his annual base salary plus his target bonus if he was terminated without "cause" by the Company or he resigned for "good reason" (which would offset any garden leave benefits he was entitled to under the UEL agreement), subject to the execution and non-revocation of a release. If he was terminated for death or disability, Mr. Jukes would be paid his target bonus.

Effective November 1, 2017, Mr. Jukes was localized as a U.S. employee which terminated the UEL Agreement and secondment arrangement.

Lukach Agreement

The agreement with Mr. Lukach provides for employment-at-will, and may be terminated at any time by either party. Mr. Lukach is subject to a confidentiality provision, and during his employment and for the 18-month period following a termination of his employment, non-compete and non-solicitation restrictive covenants. The agreement with Mr. Lukach does not provide for specific compensation or benefits except as set forth below.

Pursuant to the agreement, Mr. Lukach is entitled to certain severance benefits as outlined in the following chart:

By the Company without "Cause" or by the Executive for "Good Reason"	Death or Disability
Lump sum payment equal to the sum of annual base salary plus target bonus	Target bonus for the year of termination

Any severance payments payable pursuant to the agreement are subject to the execution and non-revocation of a release and reaffirmation of confidentiality, non-competition and non-solicitation covenants. "Cause" and "good reason" are defined in the agreement and summarized below.

Powell Employment Agreement

Mr. Powell is party to an agreement with Univar Europe Limited. Pursuant to this agreement, Mr. Powell is entitled to a payment of base salary and is eligible for payment of an annual cash bonus, with a target amount equal to 60% of base salary payable in accordance with the terms of the Management Incentive Plan, based on the Company's and his performance. Mr. Powell's maximum bonus opportunity under the Management Incentive Plan is 120% of his base salary. In addition, during his employment, the Company agreed to provide Mr. Powell the use of a company car or, in lieu thereof, an allowance for a car.

Mr. Powell is subject to a confidentiality provision and, during his employment and for the 12 month period following a termination of his employment (adjusted for any period of garden leave). Mr. Powell is subject to non-competition and non-solicitation restrictive covenants.

Mr. Powell's agreement also provides for one year of base salary and target bonus to be paid as severance upon a termination of employment by the Company, other than due to gross misconduct or a fundamental breach of his contract (a "summary dismissal"). His severance is subject to execution of a separation agreement. In addition, the Company has the option to require him to take "garden leave" during all or any portion of this period, in which case he would continue to receive his compensation and benefits for the garden leave period but not perform work for the Company without authorization.

Fuller Offer Letter

Mr. Fuller is party to an offer letter and a non-competition agreement with the Company. Pursuant to the offer letter, Mr. Fuller was eligible for a base salary and for an annual cash bonus target opportunity equal to 70% of base salary payable in accordance with the terms of the Management Incentive Plan, based on the Company's performance. Mr. Fuller's maximum bonus opportunity under the Management Incentive Plan was 140% of his base salary. In addition, Mr. Fuller was eligible for a car allowance of $1,465 per month.

Under his non-competition agreement, Mr. Fuller is subject to a confidentiality provision and, during his employment and for the 12-month period following a termination of his employment, Mr. Fuller is subject to non-competition and non-solicitation restrictive covenants

In the event of a termination of his employment without "cause" or resignation for "good reason", Mr. Fuller will be eligible for a lump sum payment equal to twelve months' salary plus his target bonus, subject to his execution and non-revocation of a release. He is not entitled to severance in connection with a termination by reason of death or disability.

Definitions of Cause and Good Reason

Each of the individual agreements entered into with Mr. Newlin, Mr. Jukes, Mr. Lukach and Mr. Fuller generally define "cause" and "good reason" in the same manner as follows:

•"Cause" is (i) willful and continued failure to perform material duties, (ii) conviction of or plea nolo contendere to a felony or other crime of moral turpitude, (iii) willful and gross misconduct in connection with employment duties, or (iv) the breach of a non-competition, non-solicitation or confidentiality covenant to which the executive is subject.

•"Good Reason" is (i) a material reduction in base salary or annual incentive compensation opportunity (excluding a reduction applicable to all employees in the same salary grade), or (ii) the failure of a successor to the business to assume the Company's severance obligations under the offer letter, a material diminution in title, duties or responsibilities, (iii) a transfer of primary workplace of 35 miles or more or (iv) the failure of a successor to assume the applicable agreement. Notice and cure provisions apply.

Outstanding Equity Awards at Fiscal Year End 2017

Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock that Have Not Vested (#)[1]	Market Value of Shares or Units that Have Not Vested ($)[2]	Equity Incentive Plan: Number of Unearned Shares, Units or Other Rights that Have Not Vested (#)	Equity Incentive Plan Awards: (Market or Payout Value of Unearned Shares, Units or Other Rights that Have Not Vested ($)[2]
Stephen D. Newlin	137,500	162,500	28.73	2/2/2027	162,500 [3]	5,031,000		
Carl J. Lukach	94,482	31,495 56,560	23.60 28.73	12/8/2024 2/2/2027	81,970	2,537,791		
David C. Jukes	128,103	— 51,050	19.85 28.73	3/28/2021 2/2/2027	2,851 69,953	88,267 2,165,745	7,875 [4]	243,810
Nick Powell	3,750	3,750 23,200	23.43 28.73	8/7/2025 2/2/2027	6,960	215,482		
George J. Fuller	176,367	— 21,750	18.14 28.73	3/29/2023 2/2/2027	23,197	718,179		

(1) Unless noted otherwise, these awards vest in three equal installments on each of the first through third anniversaries of March 5, 2017, subject to continued employment.

(2) Closing price of $30.96 per share of Univar common stock on the NYSE on December 29, 2017.

(3) The award vests in twenty-four equal installments on each of the first through twenty-fourth monthly anniversaries of January 30, 2017.

(4) The PRSUs granted to Mr. Jukes correspond to a three-year performance period, FY2017-FY2019, in which actual earned awards are based upon the attainment of annual and cumulative Adjusted EBITDA performance; the target award is specified in the table above and attainment can vary from 0% to 200%.

Stock Vested Table

The following table contains information concerning the vesting of restricted stock and restricted stock unit awards held by our NEOs during 2017.

Name	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($)[1]
Stephen D. Newlin	241,369	13,525,461
Carl J. Lukach	20,000	647,200
David C. Jukes	17,965	561,254
Nick Powell	—	—

George J. Fuller	8,333	269,656

(1) Reflects the vesting and settlement of a portion of the restricted shares and restricted stock units previously granted. The value was computed by multiplying the number of shares of restricted stock units that have vested by the market value of the underlying shares on the applicable settlement date. The value reported as realized does not indicate that the NEO has actually sold the securities for cash.

Pension Benefits

The following table sets forth certain information for the NEOs who participated in the defined benefit pension plans.

Name	Plan Name	Number of Years Credited Service	Present Value Accumulated Benefits		Payments During Last Fiscal Year ($)
David C. Jukes	Univar Company Pension Scheme (1978)	9.25	$ 735,517	(1)(2)	$0

(1) This figure reflects the estimated present value of Mr. Jukes' pension benefits accrued through December 31, 2017. This figure was calculated using the following assumptions: mortality of zero prior to retirement age, benefit commencement at normal retirement age of 60, all other data, assumptions, methods, and provisions are the same as those used for the ASC715 year-end disclosures for the Univar Company Pension Scheme (1978).

(2) The amount reported for Mr. Jukes has been converted from British pounds using the 2017 average monthly conversion factor of 1.2879.

Mr. Jukes participates in a frozen tax-qualified defined benefit plan that the Company maintains, the Univar Company Pension Scheme (1978). Mr. Jukes was a participating member until August 31, 2000. He is now a deferred member in this plan. Effective November 31, 2010, accrued benefits for all members under the retirement plan were frozen and no further benefits were accrued by any participant after this date. All participants are vested in the retirement plan. Upon normal retirement (age 60 for Mr. Jukes), a participant will receive an accrued benefit in the form of a monthly benefit payable as a single life annuity equal to 2% of their annual compensation (averaged over the highest three consecutive years in the previous ten years if greater) multiplied by the participant’s years of service. Compensation for the purposes of the retirement plan reflects compensation received while a participating employee, including overtime. There is also a 50% survivor annuity and the option of taking cash from the plan in lieu of the single life annuity.

Nonqualified Deferred Compensation for Fiscal Year 2017

The following table sets forth certain information for the NEOs who participated in the Univar USA Inc. Supplemental Valued Investment Plan.

Name	Executive Contributions in Last FY ($) (1)	Registrant Contributions in Last FY ($) (2)	Aggregate Earnings in Last FY ($) (3)	Aggregate Withdrawals/ Distributions ($)	Aggregate Balance at Last FYE ($) (4)
Stephen D. Newlin	130,433	239,266	7,817	—	146,620
Carl J. Lukach	77,769	60,139	14,798	—	142,765
David C. Jukes(5)	—	24,956	—	—	—
George J. Fuller	28,295	34,990	24,138	—	133,550

(1) Amounts in this column include contributions associated with base salary and bonus amounts earned in 2017. These amounts are also included in “Salary”, "Bonus" and/or “Non-Equity Incentive Plan Compensation” for fiscal year 2017 in the Summary Compensation Table.

(2) Amounts in this column are included in “All Other Compensation” for fiscal year 2017 in the Summary Compensation Table. Company contributions associated with the 2016 bonus, paid in 2017, are not included in this column because that bonus was accrued in respect of 2016 service. Contributions associated with the 2017 bonus, paid in 2018, are included because that bonus was accrued in respect of 2017 service.

(3)

The aggregate earnings represent the market value change during fiscal year 2017 of the Deferred Compensation Plan. Because the earnings are not preferential or above-market, they are not included in the Summary Compensation Table.

(4) Amounts in this column represent December 31, 2017 account balances without consideration for 2017 accrued contributions.

(5) Mr. Jukes became eligible for this plan on November 1, 2017, effective with his localization to the U.S.

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Univar’s unfunded, non-qualified deferred compensation plan, the Univar USA Inc. Supplemental Valued Investment Plan (“SVIP”) allows the NEOs, other than Mr. Powell (who is employed outside the U.S.), and other eligible employees to defer up to 75% of eligible earnings that cannot be deferred under the 401(k) plan due to IRS covered compensation limits. Eligible earnings include salary and wages, including bonuses and participant deferrals under the SVIP, but do not include equity awards under the Equity Incentive Plan, relocation expenses, any other deferred compensation, welfare benefits (including severance payments) or other special payments. The SVIP provides an employer match of 100% of participant contributions, up to an aggregate of four percent of eligible compensation contributed by the participant to the Company’s 401(k) plan and SVIP combined. The employer matching contribution is immediately 100% vested. Participants are also eligible to receive additional retirement contributions from Univar equal to an aggregate of four percent of eligible compensation. If the participant exceeds the applicable compensation limit, employer retirement contributions on compensation above the limit are made to the SVIP. This additional contribution “cliff vests” upon the participant’s completion of three years of employment with Univar. The additional retirement contributions to both the 401(k) plan and the SVIP are made on behalf of eligible employees regardless of the employee’s contributions.

The amount of earnings that an SVIP participant receives depends on his or her investment elections for deferrals. Plan accounts are distributed on the first to occur of the participant’s death, permanent disability, or separation from service with the Company in a single lump sum either (i) in the month of January immediately following the calendar year in which the distribution event occurs, or (ii) if the participant has so elected prior to the calendar year in which the distribution event occurs, at a future date specified by the participant not less than five years from the January 31st immediately following the calendar year in which the distribution event occurs.

Potential Payments Upon Termination or Change in Control

The information below describes and quantifies certain compensation that would have become payable to the NEOs under plans and the NEOs’ respective agreements in existence at the end of fiscal year 2017 as if the NEOs’ employment had been terminated on December 31, 2017, given the respective NEO’s compensation and service levels as of such date and, where applicable, based on the fair market value of the Company’s common stock on that date. These benefits are in addition to benefits available generally to salaried employees, such as distributions under the 401(k) savings plans, disability benefits and accrued vacation benefits.

Due to the number of factors that affect the nature and amount of any benefits provided upon the events discussed below, any actual amounts paid or distributed may be different. Factors that could affect these amounts include the timing during the year of any such event, the stock price on the date of the event and the executive’s age.

For our NEOs, pursuant to respective agreements in effect on December 31, 2017, in the event the NEO's employment had been terminated by the Company without “cause” or by the NEO for “good reason”, and in the event of death or disability with respect to the NEOs, in each case occurring on December 31, 2017, our NEOs would have been entitled to the severance payments set forth below except that Mr. Newlin will not be paid severance if we terminate his employment as a result of a succession process (as defined in his employment agreement). Since the termination date is assumed to be December 31, 2017, the prorated target bonus is equal to the target bonus for the full year. For a description of the potential payments upon a termination pursuant to the agreements with these NEOs, see “Agreements with our Named Executive Officers.” For a description of the consequences of a termination of employment or a change in control for the stock options, PRSUs, RSUs and/or restricted stock granted to NEOs under our equity plans, see the disclosure that follows the table below.

Name	Termination due to Death or Disability ($)		Termination Without Cause by the Company or by the NEO for Good Reason ($)		Change in Control ($)	
Stephen D. Newlin						
Cash Severance	1,500,000	(1)	2,600,000	(3)	2,600,000	(3)
Value related to Accelerated Vesting of Equity	5,393,375	(2)	5,393,375	(4)	5,393,375	(2)
Carl J. Lukach						
Cash Severance	432,000	(1)	972,000	(5)	972,000	(5)
Value related to Accelerated Vesting of Equity	2,895,723	(2)	14,607	(6)	2,895,723	(2)
David C. Jukes						
Cash Severance	623,737	(1)	1,343,737	(5)	1,343,737	(5)
Value related to Accelerated Vesting of Equity	2,279,586	(2)	176,851	(6)	2,279,586	(2)
Nick Powell						
Cash Severance[7]	230,850	(1)	615,600	(5)	615,600	(5)
Value related to Accelerated Vesting of Equity	295,455	(2)	—	(6)	295,455	(2)
George J. Fuller						
Cash Severance	275,860	(1)	700,260	(5)	700,260	(5)
Value related to Accelerated Vesting of Equity	766,682	(2)	—	(6)	766,682	(2)

(1) Represents a lump sum cash payment equal to the earned bonus prorated by the number of days worked during the performance period; figure is equal to target bonus amount given that the assumed termination occurred on 12/31/2017.

(2) All unvested equity awards fully vest in the event of termination of employment or service by reason of death or disability; earned performance-based RSU awards vest fully and unearned awards vest at target award levels. We have assumed for purposes of this calculation that the Board determined to accelerate the vesting of awards upon the hypothetical change in control, although the awards are subject to double-trigger vesting in the event of a change in control.

(3) Represents the sum of (i) annual base salary plus (ii) target bonus amount, payable in 12 monthly installments, provided that employment is not terminated as a result of a succession process (as defined in his employment agreement).

(4) All unvested equity awards fully vest in the event of termination of employment or service by reason of termination without cause by the Company or by the NEO for good reason. For Mr. Newlin, all of the restricted stock units and stock options granted in 2017 will vest on an accelerated basis if Mr. Newlin’s employment or board service is terminated by the Company without cause or by Mr. Newlin for good reason. Any vested options will remain exercisable until their expiration date, provided that Mr. Newlin either remains employed or he continues to serve as a Board member for three years following the date of grant.

(5) Represents the sum of (i) annual base salary plus (ii) target bonus amount.

(6) Unvested equity awards granted under the 2011 Equity Plan will vest pro-rata on the date of termination without cause by the Company or by the NEO for good reason. All other unvested equity awards are forfeited; vested stock options expire the earliest of the normal expiration date or 180 days from the effective date of the termination.

(7) Amounts converted from GBP dollars to U.S. dollars at a rate of 1.35.

Treatment of Equity Awards for Termination of Employment

2017 Equity Plan and 2015 Equity Plan

Awards granted under our 2017 Omnibus Equity Incentive Plan and 2015 Omnibus Equity Incentive Plan are subject to double-trigger vesting in the event of a change in control. Upon a future “change in control” (as defined below), unvested awards would be assumed and/or replaced in a change in control having the same or better terms and conditions, and would continue their normal vesting schedules unless the NEO's employment were to be terminated without "cause" or for "good reason" within eighteen (18) months after the change in control or three months preceding the change in control, in which case each unvested award would immediately vest. If our Board of Directors determines that such awards will not be assumed and/or replaced with substitute awards, unvested awards will vest and be canceled for the same per share payment made to the shareholders in the change in control.

Additional information on the treatment of our outstanding equity awards in connection with a termination of employment is contained below for Mr. Newlin and all other NEOs:
Mr. Newlin
Upon termination by reason of death, disability, by the Company without cause or by the employee for Good Reason, any outstanding and unvested awards are fully vested.
Upon any other termination (other than associated with a change in control described above), the outstanding and unvested awards will be forfeited.
Any vested options held by Mr. Newlin on his termination of employment will remain exercisable until their expiration date, provided that Mr. Newlin either remains employed or he continues to serve as a Board member for three years following the date of grant.
All Other NEOs
Upon termination by reason of death or disability, any outstanding and unvested awards are fully vested. For PRSUs, any earned awards will fully vest and any unearned awards will vest at target.
Upon any other termination (other than associated with a change in control), the outstanding and unvested awards will be forfeited.
If employment is terminated without "cause" or for "good reason" within eighteen (18) months after the change in control or three (3) months preceding the change in control, unvested awards would immediately vest, as set forth above.
Any vested options held upon a termination of employment expire on the earliest of the normal expiration date or 180 days from the effective date of the termination.
Under our equity plans, "change in control" is generally defined as:

- any transaction that would result in the beneficial ownership or voting power (or both) of more than 50% of the Company's then outstanding voting securities by one or more persons, entities or groups that are not, immediately prior to such transaction, affiliates of the Company;
- within any 12-month period, the persons who were members of the Board of Directors at the beginning of such period cease to constitute at least a majority of the Board of Directors; or
- the sale, transfer or other disposition of all or substantially all of the assets of the Company to one or more persons or entities that are not, immediately prior to such sale, transfer or other disposition, affiliates of the Company.

Treatment of 2011 Equity Plan Awards upon Change in Control. Under the 2011 Equity Plan, unless provided otherwise in the individual award agreements (as is the case for the stock option grant to Mr. Lukach in 2014), if the Company undergoes a "change in control", as defined below, (i) stock options will generally accelerate and be canceled in exchange for a cash payment equal to the change in control price per share minus the exercise price of the applicable option, unless the Committee elects to provide for alternative awards in lieu of cancellation and payment, and (ii) shares of restricted stock will vest and become non-forfeitable. Under the 2011 Equity Plan, a "change in control" is generally defined as the first to occur of the following events:

- the acquisition by any person, entity or "group" (as defined in Section 13(d) of the Exchange Act, as amended) of 50% or more of the combined voting power of the Company's then outstanding voting securities, other than any such acquisition by the Company, any of its subsidiaries, any associate benefit plan of the Company or any of its subsidiaries, or by CD&R Univar Holdings, L.P. or any of its affiliates, excluding an acquisition immediately following which CD&R Univar Holdings, L.P. owns at least 10% of the outstanding shares of Company stock;

- within any 12-month period, the persons who were members of the Board of Directors at the beginning of such period cease to constitute at least a majority of the Board of Directors; or
- the sale, transfer or other disposition of all or substantially all of the Company's assets to one or more persons or entities that are not, immediately prior to such sale, transfer or other disposition, affiliates of the Company.

Treatment of Non-Qualified Deferred Compensation on Termination

In the event that an NEO's employment with the Company is terminated for any reason, the NEO will receive the balance of his deferred compensation account in accordance with the terms of the SVIP. The balance of each NEO's deferred compensation account as of the end of fiscal year 2017 is set forth in the table above titled "Nonqualified Deferred Compensation for Fiscal Year 2017."

Compensation Committee Report

The Company's Compensation Committee has reviewed the Compensation Discussion and Analysis and discussed it with management and, based on such review and discussions, has recommended to the Board that the Compensation Discussion and Analysis should be included in this Proxy Statement.

This report has been furnished by the members of the Compensation Committee:

Edward J. Mooney, Chairman
Joan Braca
Christopher D. Pappas
Robert L. Wood

This Compensation Committee Report is required by the SEC and, in accordance with the SEC's rules, will not be deemed to be part of or incorporated by reference by any general statement incorporating by reference this proxy statement into any filing under the Securities Act of 1933, as amended, or under the Exchange Act, as amended, except to the extent that the Company specifically incorporates this information by reference, and will not otherwise be deemed "soliciting material" or "filed" under either the Securities Act or the Exchange Act.

2018 Changes to CEO and Executive Chairman Compensation

On February 7, 2018, the Board of Directors of Univar Inc. appointed Mr. Jukes as President and Chief Executive Officer of Univar Inc. effective May 9, 2018. The following chart summarizes the compensation prior and after this date for both Mr. Newlin and Mr. Jukes:

<table>
<tr><td></td><td colspan="2">Mr. Newlin</td><td colspan="2">Mr. Jukes</td></tr>
<tr><td>Effective Dates</td><td>January 1, 2018 - May 8, 2018</td><td>Effective May 9, 2018</td><td>January 1, 2018 - May 8, 2018</td><td>Effective May 9, 2018</td></tr>
<tr><td>Job Title</td><td>Chairman and Chief Executive Officer</td><td>Executive Chairman</td><td>President and COO</td><td>President and Chief Executive Officer</td></tr>
<tr><td>Annual Base Salary</td><td>$1,100,000</td><td>$800,000</td><td>$720,000</td><td>$900,000</td></tr>
<tr><td>Target Annual Bonus Opportunity</td><td>$1.5 million (136% of base salary)</td><td>100% of base salary</td><td>90% of base salary</td><td>100% of base salary</td></tr>
<tr><td>Grant Value of 2018 Long-Term Incentives</td><td>$5.4 million in grant value granted as follows:</td><td>No further equity awards in 2018</td><td>$1.4 million in grant value granted as follows:</td><td>$1.8 million in grant value granted as follows:</td></tr>
<tr><td>Long-Term Incentives: Award Components</td><td colspan="4">• 50% of the value delivered in performance-based restricted stock units which will vest in 2021 based on the achievement of performance goals over the three-year performance period ending December 31, 2020;
• 25% of the value delivered in time-based restricted stock units that vest ratably over three years on each anniversary of the grant date; and
• 25% of the value delivered in stock options that vest ratably over three years on each anniversary of the grant date.</td></tr>
<tr><td>Stock Ownership Requirements</td><td>5X base salary</td><td>5X base salary</td><td>3X base salary</td><td>5X base salary</td></tr>
</table>

Mr. Jukes’ current severance agreement will continue in effect.

CEO Pay Ratio

The SEC’s pay ratio disclosure rules permit the use of estimates, assumptions, and adjustments, and the SEC has acknowledged that pay ratio disclosures may involve a degree of imprecision. We believe that the foregoing pay ratio is a reasonable estimate calculated in a manner consistent with the SEC’s pay ratio disclosure rules.

To determine the pay ratio, we included our entire global employee population as of October 1, 2017. We then used base salary during 2017 as the form of compensation to determine our median employee. For employees paid on an hourly basis, we calculated a reasonable estimate of hours worked during 2017 and we annualized pay for those employees who commenced work during 2017. We calculated the median base salary and determined that person’s Summary Compensation Table (SCT) total compensation was $60,904 in 2017. As a result, the reasonable estimated ratio of CEO pay to median employee pay, calculated in a manner consistent with Item 402(u) of Regulation S-K, is 250 : 1.

The resulting 2017 pay ratio is within the upper half of the typical range due to several important factors:

- in calculating the pay ratio, we believe it is important to include our total global workforce and have not excluded up to 5% of non-U.S. employees as permitted by the regulations;
- as described in "Long-term Incentives", Mr. Newlin received a special stock award in 2017 to recognize his level of experience as a Chief Executive Officer and to continue to retain him until a successor is in place;
- we are committed to providing fair and market competitive levels of total compensation and benefits in the geographies in which we operate, balanced with ensuring the compensation of our senior leaders is appropriately and sufficiently aligned with shareholders.

ADDITIONAL INFORMATION

What is “Householding” of proxy materials?

The SEC has adopted rules that permit companies and intermediaries such as brokers to satisfy delivery requirements for proxy statements with respect to two or more shareholders sharing the same address by delivering a single proxy statement addressed to those shareholders. This process, which is commonly referred to as “householding,” potentially provides extra convenience for shareholders and cost savings for companies. The Company and some brokers household proxy materials, delivering a single proxy statement to multiple shareholders sharing an address, unless contrary instructions have been received from the affected shareholders. Once you have received notice from your broker or the Company that they or the Company will be sending householding materials to your address, householding will continue until you are notified otherwise or until you revoke your consent. If, at any time, you no longer wish to participate in householding and would prefer to receive a separate proxy statement, or if you are receiving multiple copies of the proxy statement and wish to receive only one, please notify your broker if your shares are held in a brokerage account or the Company if you hold registered shares. You can notify the Company by sending a written request to Univar Inc., Investor Relations, 3075 Highland Parkway, Suite 200, Downers Grove, Illinois, 60515.

May I propose actions for consideration at next year’s Annual Meeting of shareholders?

Shareholder Proposals for the Proxy. Under the rules of the SEC, shareholders who intend to present proposals for consideration at the 2019 Annual Meeting of Shareholders, and who wish to have their proposals included in Univar’s proxy statement and proxy card for that meeting, must be certain that their proposals are received at the Company’s principal executive offices in Downers Grove, Illinois on or before November 20, 2018. Proposals should be sent to: Secretary, Univar Inc., 3075 Highland Parkway, Suite 200, Downers Grove, Illinois 60515.

Bylaw Provisions. Any shareholder who desires to submit a proposal of business to be considered by shareholders at the 2019 Annual Meeting must submit the recommendation in writing to the Secretary, c/o Univar Inc., 3075 Highland Parkway, Suite 200, Downers Grove, Illinois 60515 with proper notice, as provided in the Bylaws, as amended, not less than 90 and no more than 120 days prior to the first anniversary of the previous year’s Annual Meeting. For the 2019 Annual Meeting, the Secretary must receive this notice on or after January 4, 2019, and on or before February 3, 2019, unless the Annual Meeting in 2019 is more than 30 days before, or more than 70 days after, such anniversary date, then notice by the shareholder to be timely must be delivered not earlier than the close of business on the 120th day prior to such Annual Meeting and not later than the close of business on the later of the 90th day prior to such Annual Meeting or the tenth day following the day on which public announcement of the date of such meeting is first made. You may contact Univar’s Secretary at the address mentioned above for a copy of the relevant Bylaw provisions regarding the requirements for making shareholder proposals.

All proposals must also comply with the applicable requirements of the federal securities laws and the Company’s Bylaws in order to be included in the proxy statement and proxy card for the 2019 Annual Meeting.

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