

Annual financial statement and combined management report as at December 31, 2024

Brenntag SE Essen

2024

2 Management Report

of the Brenntag Group and Brenntag SE

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Preamble

The German Corporate Governance Code (“GCGC”) provides for disclosures on the internal control and risk management system that go beyond the legal requirements for the management report. The disclosures are excluded from the statutory auditor’s audit of the management report content (“disclosures not typically part of the management report”). In the following, these disclosures are allocated thematically to the main elements of the internal control/risk management system; they have also been set apart from the disclosures required to be audited by placing them in separate paragraphs and labeled accordingly.

For the first time, the management report contains a corporate governance statement pursuant to Sections 289f and 315d of the German Commercial Code (HGB) which reflects the recommendations of the German Corporate Governance Code (GCGC). At the same time, the content of the corporate governance statement is an integral part of the management report. In accordance with Section 317, para. 2, sentence 6 of the German Commercial Code, the disclosures in the corporate governance statement are not included in the financial statements audit. Some sections of the corporate governance statement contain disclosure requirements under European Sustainability Reporting Standards (ESRSs) in relation to the Group sustainability statement and in this context were subjected to a limited assurance audit.

Group overview

Business activities and Group structure¹⁾

Brenntag’s growth opportunities and business model are based not only on complete geographic coverage, a wide product portfolio and a comprehensive offering of value-added services, but especially on high diversity across its suppliers, customers and industries and the targeted use of the potential offered by outsourcing on the part of suppliers.

Brenntag is a partner to chemical manufacturers (its suppliers) on the one hand and chemical users (its customers) on the other. As the global market leader in chemical and ingredients distribution, Brenntag has the vision of shaping the future of the industry.

Brenntag purchases large-scale quantities of industrial and specialty chemicals and ingredients from a large number of suppliers. This enables it to achieve economies of scale and offer a comprehensive range of products and value-added services. The products it purchases are stored in distribution facilities, packed into quantities the customers require and delivered, typically in less-than-truckloads. Overall, Brenntag supplies a broad product range comprising around 20,000 chemicals²⁾ and ingredients, and offers extensive value-added services such as just-in-time delivery, product mixing, repackaging, inventory management and drum return handling.

Among other things, Brenntag also offers tailor-made application, marketing and supply chain solutions, technical and formulation support, comprehensive regulatory know-how and digital solutions such as digital sales channels and product platforms.

To enable it to best respond to its customers’ and suppliers’ diverse and changing requirements, Brenntag manages its business through two global divisions, Brenntag Specialties and Brenntag Essentials. Brenntag Specialties focuses on selling ingredients and value-added services, and is managed globally through the Life Science, Material Science and Specialties Other segments. Brenntag Essentials markets a broad portfolio of process chemicals across a wide range of industries and applications, and is managed through the geographical segments EMEA, North America, Latin America and APAC. In addition, a further reportable segment, “Transregional”, was introduced in the Brenntag Essentials division in order to manage the international operations of BRENNTAG International Chemicals GmbH (BIC), which buys and sells chemicals in bulk on an international scale without regional boundaries (previously shown under “All other Segments”).

The two divisions are supported by “Group and Regional Services”, which mainly include the central functions for the entire Group, the regional service functions and the activities with regard to the digitalization of Brenntag’s business.

As at December 31, 2024, the scope of consolidation comprised Brenntag SE and in addition 25 (Dec. 31, 2023: 27) domestic and 216 (Dec. 31, 2023: 195) foreign consolidated subsidiaries including structured entities. Four (Dec. 31, 2023: four) associates were accounted for using the equity method.

¹⁾ The disclosures in this section also meet disclosure requirements under ESRS 2 (SBM1 - Strategy, business model and value chain).

²⁾ Chemical substances, including the quality grade and concentration level (in the case of diluted products) or the product form (in the case of solid substances), are recorded as chemicals.

Objectives and strategy

In the coming years, Brenntag aims to strengthen and further expand its position as the global market leader in chemical and ingredients distribution in a changing global market environment.

In financial year 2024, Brenntag worked systematically to drive the execution of its “Strategy to Win” presented in November 2022. Firstly, the core elements comprised **differentiated strategies for the two divisions** Brenntag Specialties and Brenntag Essentials, which will be further developed through the “Advanced Operating Model” from January 2024 onwards.

Brenntag Essentials’ strategy is based on local (last-mile) delivery services, regional provision and supply chain services, and global sourcing and interregional optimization. Through this triple business model, Brenntag Essentials plans to accelerate its growth in the highly attractive, globally expanding market for the distribution of commodity and industrial chemicals.

Brenntag Specialties is placing emphasis on price and margin management, cost and efficiency improvements, portfolio management and strategic portfolio decisions, and value-added services. With its global industry segments, Brenntag Specialties is implementing dedicated industry strategies and plans to extend its focus on very attractive market segments and further increase Life Science’s share of the portfolio.

Secondly, in addition to the dedicated strategies, Brenntag is pursuing a **sustainability agenda** with the aim of assuming a leading role in the responsible distribution of sustainable chemicals and ingredients. This includes using 100% environmentally-friendly energy by 2025 and achieving net-zero emissions by 2045, for example.

Thirdly, Brenntag aims to drive market consolidation through value-creating **M&A activity**. Its focus here is on expanding its position in emerging markets in both divisions, improving strategic capabilities and market positions, adding to the existing portfolio and improving technical capabilities.

Fourthly, it is transforming itself into a **data- and technology-driven** company (Digital.Data.Excellence initiative (DiDEX)).

At the same time as pursuing the aforementioned “Strategy to Win” with its four core elements, Brenntag continues to develop its organizational structure. This includes the further separation of Brenntag Specialties and Brenntag Essentials into two divisions with differentiated operations and management, honed profiles and optimized portfolios, supported by a joint, efficient corporate center. In separating the two divisions, Brenntag is concentrating on those units which offer the greatest potential for value creation and differentiation in the market. A quick and complete disentanglement, as presented at the Capital Markets Day in December 2023, is being modified in favor of a gradual disentanglement over an extended period of time with a strong focus on improving current operating performance. More specifically, as communicated in November 2024, the sales and sourcing organizations continue to be separated with a view to supporting the divisions’ differentiated management. At the same time, the two divisions’ supply chains are being mapped out in detail and the legal structures in individual countries cost-effectively prepared for future separation. In addition, as communicated at the Capital Markets Day in 2023, a EUR 300 million cost reduction program was put in place with a view to enhancing efficiency and offsetting inflation-driven increases in costs. This also includes the reduction in costs from the DiDEX program.

Management systems

Financial performance indicators

The Brenntag Group's financial management system is based on the key performance indicators operating gross profit, operating EBITA, working capital turnover and free cash flow. Brenntag also measures return on capital and sets strict requirements for the performance of investment projects and acquisitions.

In the following, the performance indicators used to measure the Group's financial performance are explained. They also include alternative performance indicators not defined under IFRSs (operating EBITA, working capital turnover and free cash flow), as a result of which these terms may be defined differently by other companies. These alternative performance indicators are calculated continuously using a uniform approach, which ensures that metrics from different financial years can be compared. Brenntag sometimes also adjusts for acquisition effects, in which case it talks about organic growth.

Most significant financial performance indicators

For Brenntag as a chemical distributor, **operating gross profit** is an important factor for increasing enterprise value over the long term. Operating gross profit is defined as the difference between external sales and cost of materials, adjusted for certain items. The goal is for the growth in operating gross profit to exceed macroeconomic benchmarks such as industrial production and the Global Manufacturing Purchasing Managers' Index (PMI). In order to ensure that measurement of performance at Group or regional level is meaningful, the growth in operating gross profit is adjusted for currency translation effects.

Operating EBITA is the key performance indicator in the Brenntag Group. This is the operating profit as recorded in the consolidated income statement, plus amortization and impairment of intangible assets and depreciation and impairment of investment property, adjusted for certain items.

Brenntag adjusts operating EBITA for income and expenses arising from special items, and at segment level for holding charges, so as to improve comparability in presenting the performance of its business operations over multiple reporting periods and explain it more appropriately. Holding charges are certain costs charged between holding companies and operating companies. At Group level, these effects net to zero. Special items are income and expenses outside ordinary activities that have a special and material effect on the results of operations.

In its efforts to generate increasing cash flow, Brenntag analyzes **working capital turnover**. This is defined as:

$$\text{working capital turnover} = \frac{\text{sales}}{\text{average working capital}}$$

Working capital is defined as trade receivables plus inventories less trade payables.

Average working capital for a particular year is defined as the arithmetic average of working capital at each of the following five dates: the beginning of the year, the end of each of the first, second and third quarters, and the end of the year.

To measure cash generation, Brenntag uses the performance indicator **free cash flow**. Free cash flow is an important performance indicator for Brenntag, as it shows what level of cash is generated from operating activities and will therefore be available for growth through acquisitions as well as for lenders, shareholders and tax payments.

Free cash flow is defined as follows:

$$\begin{aligned} & \text{Operating EBITDA} \\ - & \text{ payments to acquire intangible assets} \\ & \text{and property, plant and equipment} \\ + / - & \text{ changes in working capital} \\ - & \text{ principal and interest payments on lease liabilities} \\ = & \text{ free cash flow} \end{aligned}$$

Additional financial performance indicators

In addition to the aforementioned most significant financial performance indicators, Brenntag uses several other metrics to assess the economic success of its business activities.

In the Brenntag Group, return on capital is measured using the indicator return on capital employed (ROCE). ROCE is defined as:

$$\text{ROCE} = \frac{\text{Operating EBITA}}{\text{(average carrying amount of equity} \\ + \text{ average carrying amount of financial} \\ \text{and lease liabilities} \\ - \text{ average carrying amount of cash} \\ \text{and cash equivalents)}}$$

The average carrying amounts in the denominator are defined for a particular year as the arithmetic average of the amounts at each of the following five dates: the beginning of the year, the end of each of the first, second and third quarters, and the end of the year.

The conversion ratio is an indicator calculated in order to measure the efficiency of a segment or the Group, more specifically by expressing operating EBITA for a given period as a percentage of operating gross profit for the same period. The indicator is used primarily to assess longer-term trends and less so to analyze short-term fluctuations between quarters.

To determine whether a particular investment project is expected to generate value for Brenntag, it takes the modified internal rate of return (MIRR) and the payback period as measures of the risk involved in the project. An investment project is generally only approved if the MIRR is above the hurdle rate and the combination of return and payback seems attractive. The hurdle rate for the MIRR varies according to the risk involved in the project and depends, among other factors, on the respective country risk.

In addition to these metrics, Brenntag has also set strategic objectives as well as financial hurdle rates that generally have to be considered when an acquisition is carried out. In particular, potential acquisitions must be able to satisfy the hurdle rate of return in the form of free cash flow on capital employed. Again, the hurdle rate of return depends, among other factors, on the country risk of the acquisition.

Further performance indicators such as tax rate, earnings per share (EPS) and net debt leverage are only used at Group level. They are not used to measure the performance of Brenntag's divisions and segments since factors such as interest or tax are less a reflection of the operating performance of the segments, but are above all based on central decisions.

Net debt leverage is used to continuously review the adequacy of the company's capital structure. In this case, the difference between financial and lease liabilities and cash and cash equivalents is expressed relative to operating EBITDA.

Adjustments for exchange rate effects

For Group accounting, the results of all Group companies are translated into the Group currency, the euro. The results are generally translated at the average rate for the reporting period or, for Group companies in hyperinflationary economies, at the closing rate.

Therefore, the results and in particular the change between reporting periods may not only be affected by changes in operating performance, but also by effects of translation from functional currencies into the Group currency, the euro (translation effects). As Brenntag considers it important to assess the operating performance of the Group companies and in particular the change in operating performance between reporting periods free of distortions from translation effects, it also reports the changes adjusted for these effects.

Exchange rate-adjusted financial metrics are not to be seen as substitutes or as more meaningful financial indicators, but always as additional information on sales, operating expenses, earnings or other metrics.

Non-financial performance indicators

The Brenntag Group's non-financial performance indicators are not regarded as among the most significant performance indicators. However, Brenntag believes that non-financial objectives also have a supporting role to play in the company's success. A sustainability strategy has been developed with a view to strengthening sustainable governance.

Climate change mitigation plays a particularly important role within Brenntag's sustainability strategy, as the entire value chain is affected. Not only do Brenntag's own activities produce CO₂ emissions; the products that the company buys have also emitted greenhouse gases during their manufacture. Moreover, climate change mitigation is important to many of Brenntag's customers. In financial year 2024, Brenntag fully reviewed and adapted its climate change mitigation targets, which now cover Scope 1, Scope 2 and Scope 3 emissions. This change was necessary in order to meet the requirements of the Science Based Targets initiative (SBTi). All targets were successfully validated by the SBTi at the beginning of 2025. For Scope 1 and 2 greenhouse gas emissions, the Brenntag Group has set several targets so that it contributes to the 1.5°C target: to reduce Scope 1 and 2 emissions by 58.8% between base year 2023¹⁾ and 2034, and over the long term to be net zero in accordance with the Paris Agreement²⁾ by 2045. Targets have also been set with regard to Scope 3 emissions: Brenntag has undertaken to reduce its absolute Scope 3 emissions by 35% by 2034, starting from base year 2023, and to reach net-zero greenhouse gas emissions across the value chain by 2050. **Scope 1 emissions** are all direct emissions from sources that are owned or controlled by a company itself, e.g. emissions from fuels and coolants at the company's own site or from the company's own vehicle fleet. **Scope 2 emissions** are indirect emissions from the generation of purchased energy, e.g. electricity or district heating from an energy provider. The market-based method is taken as the basis for setting targets. Under this method, the calculation uses the emission factors of the energy supplier or an individual electricity product. Using the market-based method enables company-specific purchases of energy from renewable sources to be presented in a transparent manner. **Scope 3 emissions** are other indirect emissions occurring in the value chain for upstream and downstream activities. These emissions can only be cut in cooperation with Brenntag's suppliers and customers. Scope 3 emissions are calculated in accordance with the method set out in the Greenhouse Gas Protocol (GHG Protocol) Corporate Value Chain (Scope 3) Accounting and Reporting Standard. In doing so, different approaches are used for the individual categories, depending on the availability of the data required for the calculation. Further

information on this can be found in the section Climate change, under Targets and metrics.

To improve health and safety in the workplace, training sessions, safety projects and dedicated campaigns are carried out so as to continuously raise employee awareness of health and occupational safety, particularly the safe handling of chemicals. The **Total Recordable Injury Rate (TRIR)** is used as a performance indicator. This shows the number of injured people who receive medical treatment beyond first aid per one million work hours.

For Brenntag as a company with operations worldwide, the diversity of its workforce is another factor in its success. Brenntag strives for diversity at all levels of the company. The aim by 2030 is to increase the **percentage of women at all levels of management** below the Group Board of Management to at least 30%.

¹⁾ The target boundary includes land-related emissions and removals from bioenergy feedstocks. The previous target, to reduce Scope 1 and Scope 2 emissions by 40% by 2023, was therefore adapted such that all acquisitions are now also included in the scope.

²⁾ The Paris Agreement is a legally binding international treaty on climate change. It was adopted by 196 parties at COP 21 in Paris on December 12, 2015 and entered into force on November 4, 2016. Its goal is to limit global warming to well below 2, preferably to 1.5 degrees Celsius, compared with pre-industrial levels.

Report on economic position

Economic and sector-specific environment

In 2024, global economic performance was shaped by a mix of growth drivers and impediments. Some economies recorded moderate growth rates, while others were confronted with recessionary trends. As in previous years, Brenntag's market environment was made difficult again by geopolitical conflicts such as the war in Ukraine and the Middle East conflict. These tensions affected business activities across various sectors. The US presidential elections in November 2024 brought additional uncertainty over future US trade policy. Europe and the US neighboring countries Canada and Mexico in particular fear higher tariffs and worsening trade relations. To stimulate the economy, the ECB cut its deposit rate to 3.0% most recently in the second half of the year, partly in light of normalizing inflation in 2024. In the USA, the Federal Reserve maintained its relatively cautious stance and cut key interest rates only slightly to a still-high level in an effort to further contain inflation.

Overall, global industrial production rose at a somewhat faster pace than in 2023, expanding by 2.3% year on year over the course of financial year 2024.¹⁾ Building on that, the Global Manufacturing Purchasing Managers' Index (PMI) stood at 50.0 and therefore at the 50 neutral mark again for the first time in two years.

Europe experienced another difficult economic year in 2024, marked by weak growth, geopolitical uncertainty and structural challenges. Macroeconomic measures such as interest rate cuts from the ECB failed to fully stabilize the situation, while geopolitical conflicts and weak global demand held the upturn in check. Industrial production fell by 1.3% year on year.

Economic performance in North America was stable overall in 2024, as consumer spending remained robust. However, the second half of the year was impacted by high sovereign debt, high interest rates and political uncertainty. Industrial production nevertheless grew by 1.6% year on year in 2024.

In Latin America, economic performance remained mixed. Overall, the Latin American economy expanded year on year in 2024, with industrial production increasing by around 0.7%.

The emerging economies of Asia (excluding China and Japan) also achieved growth in 2024, with production expanding by 4.2% compared with the prior-year figure. Overall, the Asia Pacific region remained one of the main sources of global growth, driven by growing consumption and rising capital spending.

Although China continues to make an important contribution to global growth, the Chinese economy is still battling weak domestic demand and sluggish exports. Nevertheless, industrial production grew by 5.3%, a stronger rate than in the previous two years.

Along these global trend lines, performance across the global chemical industry also varied from region to region. The global chemical industry showed a noticeable contraction of 5.5%, driven by sharply falling prices compared with the previous year (-8.6%) in combination with moderate growth in the volumes produced (+3.4%). In Europe, production recovered only slightly following a weak 2023, rising by 1.0%. In North America, chemical production dropped slightly, contracting by 0.4%. In Asia, on the other hand, chemical production grew by 5.1%, making the region the chemical industry's main growth driver again in 2024.

¹⁾ All data in this section on the growth in industrial production were taken from the Oxford Economics global industry databank.

Business performance

Major events impacting on business in 2024

In February 2024, Brenntag acquired all shares in Rental Service Specialty LLC (RSS) based in Broussard, Louisiana, USA. RSS is a provider of specialty rental equipment for the midstream and downstream oil and gas industry. The acquisition increases Brenntag Essentials' market presence in the important North American energy sector. RSS reported annual sales of USD ~10 million in 2023.

Also in February 2024, Brenntag acquired the chemical logistics site of Chimica D'Agostino in Bari, Italy. The site enhances Brenntag's presence in the southern Italian market and optimizes the site network in the region. This acquisition extends Brenntag Essentials' local services and logistics offering and adds specific functions to the hub and transshipment point.

At the end of March 2024, Brenntag announced the acquisition of Lawrence Industries Ltd. based in Tamworth, UK. The company supplies high-quality additives, minerals and catalysts to a wide range of markets across the UK and Ireland. This acquisition strengthens Brenntag Specialties' position in Material Science in the Coatings, Adhesives, Sealants and Elastomers (CASE), Construction, Polymer and Rubber industries. In financial year 2023, Lawrence Industries generated sales of around EUR 34 million.

The share buyback program initiated in the previous year was completed in the first quarter of 2024. In the course of the second tranche, 3,068,465 Brenntag SE shares were acquired on the stock market at a total purchase price of around EUR 250 million and subsequently canceled.

In April 2024, Brenntag successfully placed two bonds totaling one billion euros on the European capital market. Brenntag Finance B.V. issued the two EUR 500 million bonds with a maturity of four and eight years and carrying a coupon of 3.750% and 3.875%. The bonds were issued at 99.781% and 99.192% of par, respectively.

At the beginning of May 2024, Brenntag signed an agreement to acquire 100% of the shares in Química Delta S.A. de C.V. based in Teoloyucan, Mexico. The company is a leading distributor of industrial chemicals and has a dense service network in central Mexico with access to tollgate infrastructure in Mexico. In 2023, the company reported annual sales of USD 368 million. The acquisition supports Brenntag Essentials' positioning in the rapidly-growing Mexican chemicals market.

At the beginning of June 2024, Brenntag closed the acquisition of the Solventis Group, which had been announced in December 2023. Solventis is a glycols and solvents distributor based in Belgium and the UK. The state-of-the-art site in Antwerp, Belgium, will extend Brenntag's regional access and warehousing capacity, while opening up the potential for interregional optimization. As ships and barges are used to deliver and transport products, the acquiree also helps to improve Brenntag Essentials' sustainability profile and is thus an excellent fit with the Group's strategy.

At the beginning of July 2024, Brenntag Essentials acquired the site and business operations of Industrial Chemicals Corporation (ICC) in Denver, Colorado, USA. ICC operates a major, centrally located chemical distribution facility and a transport hub. In 2023, ICC posted annual sales of USD 40 million. The transaction strengthens strategically important capacity for last-mile service operations in North America, especially in the Colorado area.

At the beginning of August 2024, Brenntag Essentials acquired Monarch Chemicals, one of the UK's leading distributors of commodity and agricultural chemicals with its own liquid and powder blending facilities. The transaction includes two sites in the southeast of England and Scotland and expands Brenntag's local service offering in the UK. In 2023, the Monarch Group posted annual sales of GBP 35 million.

As part of the steps to develop the portfolios of Brenntag's global divisions and focus them on their respective core competencies, Brenntag Essentials initiated the sale of Indian company Raj Petro Specialties Pvt. Ltd. and its subsidiary Raj Petro Specialties DMCC based in Dubai (Raj Petro). Raj Petro had belonged to Brenntag in a joint venture since 2018. By acquiring the remaining shares in 2023, Brenntag simplified the ownership structure and enabled the strategic flexibility for the current clear and uncomplicated transaction structure. Raj Petro is a manufacturer of finished lubricants and petroleum-based product blends. The cyclical and recently rather low-margin business does not fit with Brenntag Essentials' triple strategy of focusing on core activities in industrial chemical distribution. The disposal will lead to an overall loss of approximately EUR 63 million, of which EUR 53.4 million had already been recognized in the past financial year.

REPORT ON ECONOMIC POSITION

On October 9, 2024, Brenntag SE celebrated 150 years in existence. The anniversary year featured the publication of a company study, global employee events on the day of the company's founding and a ceremony at the company's headquarters in Essen attended by numerous business partners and honorary guests from the political and business world, including Germany's Federal Chancellor, Olaf Scholz.

At the end of October, Brenntag acquired PIC Química e Farmacêutica Ltda. (PIC) and PharmaSpecial Especialidades Químicas e Farmacêuticas Ltda. (PharmaSpecial) in Brazil. This acquisition expands Brenntag Specialties' position in Brazil's growing life science market significantly.

Dr. Kristin Neumann, Chief Financial Officer of Brenntag SE, has not extended her contract for personal reasons and will leave the company when the contract expires on March 31, 2025.

The Supervisory Board of Brenntag SE appointed Thomas Reisten to serve as Chief Financial Officer on Brenntag SE's Board of Management with effect from April 1, 2025. In his role, he will be responsible for Accounting, Controlling, Investor Relations, Legal, Shared Services, Indirect Procurement, Tax, Treasury, Insurance and Regional Finance. His contract runs until March 31, 2028.

Dr. Christian Kohlpaintner, Chief Executive Officer of Brenntag SE, informed the Supervisory Board of Brenntag SE of his decision not to extend his contract, which runs until December 31, 2025, for reasons related to personal life planning. The orderly process to appoint a successor is already under way.

Statement by the Board of Management on the situation and business performance in 2024

The Brenntag Group achieved operating EBITA of EUR 1,101.9 million in financial year 2024, a decrease of 12.9% compared with the previous year. On a constant currency basis, this represents a decline of 12.5%. The results achieved in the past financial year remain below expectations, but are acceptable bearing in mind the challenging economic environment marked by geopolitical uncertainty.

In 2024, Brenntag continued to operate in a difficult macroeconomic environment. Features of particular note here include falling global economic demand, continuing and resurgent inflation, the war in Ukraine and other geopolitical tensions. In light of these challenging conditions, Brenntag was able to continue to invest in the modernization of its sites, supply its customers with the required products and offer its employees a safe working environment due primarily to its solid financial position and its business model. As market leader, Brenntag plays an important role in global distribution markets and enjoys a high level of trust among its business partners, also in times of major uncertainty. In particular, Brenntag's broad and globally diversified customer and product portfolio and its close relationships with suppliers paid off again.

Contrary to expectations, both divisions, Brenntag Specialties and Brenntag Essentials, posted a year-on-year decline in earnings. At Brenntag Specialties, a combination of volumes roughly in line with the prior-year period, and weaker operating gross profit per unit resulted in a lower absolute operating gross profit compared with the previous year. Here, strong competition in particular led to increased price pressures, resulting in lower average sales prices. The rise in costs this year was influenced by inflation-driven increases in costs for fixed salaries, insurance premiums and lease expenses. Together with lower operating gross profit, the overall result was a substantial decline in operating earnings. Despite a rise in volumes, earnings in the Brenntag Essentials division also remained below the prior-year figure. While volumes were higher, absolute operating gross profit held steady year on year due to the meaningful decline in operating gross profit per unit, meaning that the increase in costs was not offset.

Due to the difficult market environment in the course of the year, Brenntag successfully took various measures to reduce the Group's operating costs and counteract the volume- and inflation-driven increases in costs - including organically reducing the headcount by 226 since the end of 2023 and making extensive improvements to the site network. Compared with the previous year, the Group's personnel costs rose only slightly overall on an organic basis. This change is due especially to a fall in variable personnel costs, which were influenced mainly by lower bonus forecasts.

Working capital was above the prior-year figure in financial year 2024. This is due in particular to higher volumes and the related inventory. Annualized working capital turnover increased year on year and demonstrates the more efficient use of working capital.

At EUR 342.2 million in financial year 2024, the total cash outflow for investments was above the prior-year figure (2023: EUR 321.1 million). Investments were made in the global site network in particular.

Brenntag generated free cash flow of EUR 892.6 million in financial year 2024 (Dec. 31, 2023: EUR 1,712.0 million), a significant decrease on the prior-year figure. While the previous year's free cash flow was influenced by a significant inflow from working capital, this year's free cash flow included a slight outflow to working capital.

Based on the operating results, Brenntag posted significantly lower profit after tax of EUR 543.7 million in financial year 2024 (Dec. 31, 2023: EUR 721.1 million).

Due to its long-standing relationships with its suppliers and customers, its broad range of products and services, and the organization's ability to adapt to changing market requirements, Brenntag believes it is very well positioned for future success and an active role in shaping the industry.

Results of operations

Business performance of the Brenntag Group

in EUR m	2024	2023	Change	
			in %	in % (fx. adj.) ¹⁾
Sales	16,237.4	16,815.1	- 3.4	- 3.2
Operating gross profit ²⁾	4,025.4	4,041.8	- 0.4	- 0.2
Operating expenses	- 2,568.6	- 2,457.2	4.5	4.7
Operating EBITDA	1,456.8	1,584.6	- 8.1	- 7.8
Adjusted depreciation and impairment of property, plant and equipment and right-of-use assets	- 354.9	- 319.6	11.0	11.0
Operating EBITA	1,101.9	1,265.0	- 12.9	- 12.5
Net expense from special items	- 111.4	- 78.3	-	-
EBITA	990.5	1,186.7	-	-
Amortization of intangible assets	- 75.1	- 64.0	-	-
Net finance costs	- 172.8	- 119.9	-	-
Profit before tax	742.6	1,002.8	-	-
Income tax expense	- 198.9	- 281.7	-	-
Profit after tax	543.7	721.1	-	-

2.01 Business performance of the Brenntag Group

¹⁾ Change in % (fx. adj.) is the percentage change on a constant currency basis.

²⁾ Gross profit was adjusted by EUR 21.6 million in the prior-year period due to the loss of inventories during major fires at sites in Canada and Turkey in the Brenntag Specialties division.

The Brenntag Group generated **sales** of EUR 16,237.4 million in financial year 2024, a year-on-year decline of 3.4%. On a constant currency basis, sales were down by 3.2% on the prior-year figure. The decline is the result of a fall in sales prices and was not offset by higher volumes. Both divisions contributed to this performance.

The Brenntag Group generated **operating gross profit** of EUR 4,025.4 million in financial year 2024, a decrease of 0.4% compared with the previous year. On a constant currency basis, operating gross profit was in line with the prior-year figure. The Brenntag Specialties division posted a slight decline in earnings due to a fall in operating gross profit per unit. Despite a meaningful increase in volumes, operating gross profit in the Brenntag Essentials division was roughly in line with the prior-year figure. This result is likewise due to a meaningful decline in operating gross profit per unit compared with a strong comparative period in this regard.

The Brenntag Group's **operating expenses** amounted to EUR 2,568.6 million in financial year 2024, a meaningful increase of 4.5% year on year (on a constant currency basis: 4.7%). On an organic basis, the Brenntag Group recorded a slight increase in costs compared with the previous year. This was due primarily to volume-driven increases in transport costs, increased costs for IT implementations in connection with the DiDEX initiative and inflation-driven general cost increases, which were not fully offset by the

measures initiated under the cost-reduction program and lower variable personnel costs.

Adjusted depreciation and impairment of property, plant and equipment and right-of-use assets rose by EUR 35.3 million year on year to EUR 354.9 million in financial year 2024. This represents a rise of 11.0% compared with the previous year, or 11.0% on a constant currency basis. The acquisitions account for around a third of this.

The Brenntag Group's **operating EBITA** came to EUR 1,101.9 million in financial year 2024, a decrease of 12.9%. On a constant currency basis, this represents a decline in earnings of 12.5% compared with the prior-year figure. This significant decline in earnings stemmed from both divisions in financial year 2024 and in both divisions was driven by the fall in operating gross profit per unit in combination with cost increases.

Amortization of intangible assets amounted to EUR 75.1 million. Compared with financial year 2023, Brenntag recorded an increase of EUR 11.1 million.

REPORT ON ECONOMIC POSITION

Net expense from special items breaks down as follows:

in EUR m	2024	2023
Loss on the initiated sale of Raj Petro	- 42.1	-
Expenses for strategy projects	- 49.7	- 10.5
Expenses for legal risks	- 42.6	- 31.4
Reversal of provisions for excise duties	10.6	- 1.2
Major fires at warehouse sites in Canada and Turkey	15.4	- 29.4
Other special items	- 3.0	- 5.8
Net expense from special items	- 111.4	- 78.3

2.02 Net expense from special items

A loss of EUR 53.4 million was recognized due to the initiated sale of Raj Petro. Of this amount, an impairment loss on property, plant and equipment and net working capital accounts for EUR 42.1 million recognized within net expense from special items, and an impairment loss on intangible assets for EUR 11.3 million.

Expenses for strategy projects amounted to EUR 49.7 million in financial year 2024. They mainly include severance and advisory expenses which will help to achieve the cost-reduction targets and which support the planning for the legal and operational disentanglement of the two divisions, Brenntag Specialties and Brenntag Essentials.

In financial year 2024, expenses of EUR 42.6 million were recognized for legal risks arising from the sale of talc and similar products in North America due to the number of actions brought.

Tax returns were submitted in connection to provisions recognized in 2023 for excise duty risks in Sweden. These led to a lower-than-expected tax liability. The reversal of the relevant provisions resulted in other operating income of EUR 10.6 million in financial year 2024.

For expenses in connection with the major fires at warehouse sites in Canada and Turkey in financial year 2023, income of EUR 15.4 million arose in financial year 2024 due predominantly to insurance payouts.

The other special items relate to expenses in connection with social security charges paid in previous years in Brazil.

Net finance costs came to EUR 172.8 million in financial year 2024 (2023: EUR 119.9 million), with the year-on-year change attributable mainly to four effects. Firstly, net interest expense widened year on year to EUR 133.7 million (2023: EUR 103.9 million) due mainly to higher debt. In addition, the change in purchase price obligations relating to the acquisition of non-controlling interests resulted in an expense of EUR 14.0 million in the period under review (2023: income of EUR 26.4 million). On the other hand, the expense arising on the translation of foreign currency receivables and liabilities in financial year 2024 was lower than in the previous year. Moreover, in financial year 2024, the classification of Turkey as a hyperinflationary economy in financial year 2022 increased net finance costs to much less of an extent than it did in the previous year.

Income tax expense fell by EUR 82.8 million year on year to EUR 198.9 million in financial year 2024. In addition to the fall in income tax expense due to the results, an improvement in the tax rate also contributed to lower income tax expense. This improvement is the result of the first-time recognition of deferred tax assets for loss carryforwards of the German consolidated tax group.

Profit after tax stood at EUR 543.7 million in financial year 2024 (2023: EUR 721.1 million).

REPORT ON ECONOMIC POSITION

in EUR m	2024	2023	Change	
			abs.	in %
Operating EBITA	1,101.9	1,265.0	- 163.1	- 12.9
Average carrying amount of equity	4,499.1	4,499.5	- 0.4	- 0.1
Average carrying amount of financial and lease liabilities	3,211.1	2,921.8	289.3	9.9
Average carrying amount of cash and cash equivalents	- 648.4	- 727.7	79.3	- 10.9
ROCE	15.6%	18.9%	-	-
ROCE after special items	14.0%	17.7%	-	-

2.03 Return on capital employed (ROCE)

The Brenntag Group posted **ROCE** of 15.6% in financial year 2024, a fall of 3.3 percentage points compared with the previous year. This change is due mainly to the significant reduction in operating EBITA. Unadjusted for special items, ROCE fell to 14.0% in financial year 2024 (2023: 17.7%).

Business performance in the divisions

in EUR m	Brenntag Specialties	Brenntag Essentials	Group and Regional Services	Brenntag Group
Operating gross profit¹⁾				
2024	1,173.2	2,852.2	-	4,025.4
Change versus 2023 in %	- 2.1	0.3	-	- 0.4
fx. adj. change versus 2023 in %	- 1.2	0.2	-	- 0.2
Operating EBITA				
2024	446.9	780.7	- 125.7	1,101.9
Change versus 2023 in %	- 13.1	- 13.9	- 19.6	- 12.9
fx. adj. change versus 2023 in %	- 11.9	- 14.1	- 19.6	- 12.5

2.04 Business performance in the divisions

¹⁾ Gross profit was adjusted by EUR 21.6 million in the prior-year period due to the loss of inventories during major fires at sites in Canada and Turkey in the Brenntag Specialties division.

REPORT ON ECONOMIC POSITION

Brenntag Specialties

in EUR m	Life Science	Material Science	Specialties Other	Brenntag Specialties
Operating gross profit¹⁾				
2024	829.9	325.4	17.9	1,173.2
Change versus 2023 in %	- 1.6	- 1.0	- 30.9	- 2.1
fx. adj. change versus 2023 in %	- 0.7	- 0.6	- 27.8	- 1.2
Operating EBITA²⁾				
2024	340.7	115.5	- 1.8	446.9
Change versus 2023 in %	- 10.2	- 9.0	- 118.9	- 13.1
fx. adj. change versus 2023 in %	- 9.0	- 8.4	- 121.4	- 11.9

2.05 Business performance in the segments / Brenntag Specialties

¹⁾ Gross profit was adjusted by EUR 21.6 million in the prior-year period due to the loss of inventories during major fires at sites in Canada and Turkey.

²⁾ The difference between the sum total of the reportable segments and a particular division is the result of central activities which are part of the division but not directly attributable to any one segment.

Operating gross profit in the Brenntag Specialties division came to EUR 1,173.2 million in financial year 2024, a decrease of 2.1% on the prior-year figure. On a constant currency basis, operating gross profit was slightly lower year on year. This change is attributable to a fall in sales prices, while volumes were in line with the prior-year figure. Operating gross profit per unit has shown a sequential improvement since the second quarter of financial year 2024, but for the year as a whole this indicator remained below the prior-year figure.

Operating EBITA in the Brenntag Specialties division came to EUR 446.9 million in financial year 2024, a decrease of 13.1% on the prior-year figure. On a constant currency basis, this represents a decline of 11.9%. All segments of the Brenntag Specialties division contributed to this result. Besides the decrease in operating gross profit, the decline in operating EBITA was due especially to much higher costs. Around a third of the rise in costs is attributable to the acquisitions made. Added to this is the inflation-driven increase in personnel costs and other operating costs. In addition, further costs in connection with the DiDEX initiative were allocated internally by "Group and Regional Services". These are costs from previous years which had previously remained in "Group and Regional Services" and were only charged on in 2024 when various services were introduced.

REPORT ON ECONOMIC POSITION

Brenntag Essentials

in EUR m	EMEA	North America	Latin America	APAC	Trans-regional	Brenntag Essentials
Operating gross profit						
2024	994.7	1,536.8	166.6	141.6	12.5	2,852.2
Change versus 2023 in %	0.8	0.3	2.5	6.1	- 56.3	0.3
fx. adj. change versus 2023 in %	0.1	0.5	3.0	7.7	- 56.3	0.2
Operating EBITA¹⁾						
2024	276.5	469.3	14.1	17.3	6.4	780.7
Change versus 2023 in %	- 11.7	- 10.2	- 52.4	- 13.5	- 70.2	- 13.9
fx. adj. change versus 2023 in %	- 12.6	- 10.0	- 53.0	- 12.2	- 70.2	- 14.1

2.06 Business performance in the segments / Brenntag Essentials

¹⁾ The difference between the sum total of the reportable segments and a particular division is the result of central activities which are part of the division but not directly attributable to any one segment.

Operating gross profit in the Brenntag Essentials division increased by 0.3% year on year to EUR 2,852.2 million in financial year 2024. On a constant currency basis, operating gross profit was in line with the prior-year figure. With the exception of the Transregional segment, all other segments achieved an increase in volumes both on an organic basis and including the new acquisitions. Higher volumes offset the fall in operating gross profit per unit.

Operating EBITA in the Brenntag Essentials division dropped by 13.9% year on year to EUR 780.7 million in financial year 2024. On a constant currency basis, it showed a decrease of 14.1%. This was due to increased costs. Over half of the increase in costs is attributable to the acquisitions made. Moreover, higher volumes led to an increase in transport costs in all segments. In addition, costs in connection with the DiDEX initiative were allocated internally from "Group and Regional Services". These are costs from previous years which had previously remained in "Group and Regional Services" and were only charged on this year when various services were introduced.

Group and Regional Services

In addition to the central functions for the entire Group, "Group and Regional Services" also include the regional service functions and the activities with regard to the digitalization of Brenntag's business. In financial year 2024, Brenntag recorded a significant year-on-year reduction in costs. This was due mainly to the higher allocations of costs for the DiDEX initiative to the two divisions Brenntag Specialties and Brenntag Essentials. These are costs from previous years which had previously remained in "Group and Regional Services" and were only charged on to the two divisions this year when various services were introduced. Even adjusted for these cost allocations, the result in "Group and Regional Services" showed a substantial improvement compared with the previous year. This positive performance was achieved, among other factors, as a result of lower variable personnel costs, which were below the prior-year figure due to lower bonus forecasts.

Overall, the **operating EBITA** of "All other Segments" came to EUR -125.7 million in financial year 2024, a decrease of 19.6% year on year (on a constant currency basis: 19.6%).

Forecast/Actual comparison

In financial year 2024, the chemical markets served by Brenntag experienced a longer-than-expected trough in the industry cycle that was marked by strong competition and pressure on average sales prices. Given macroeconomic conditions and the global impact of the war in Ukraine, the resulting high energy prices and the development of inflation rates, the operating EBITA performance is acceptable. Forecast earnings include the contribution from acquisitions closed and exclude foreign currency translation effects arising after the date of the forecast's preparation. The year-end results were at the lower end of the forecast range communicated at the time of the publication of the half-year results. For financial year 2024, Brenntag had forecast operating EBITA of between EUR 1,230.0 million and EUR 1,430.0 million. In the first quarter of 2024, Brenntag guided towards the lower end of the communicated range. At the time of the publication of the half-year results, the guidance was again lowered to between EUR 1,100 million and EUR 1,200 million in light of the trends and forecasts in the chemical industry. The guidance adjustments were based on the performance in the past quarters of 2024, the trend in earnings in the current quarter and the outlook for the rest of the year. One factor particularly worthy of mention here is the lack of a recovery in average sales prices, which led to the original forecast for operating gross profit being missed despite a year-on-year increase in volumes. The forecast also reflected expectations for future market conditions. The forecasts were based on the assumption at the date of their publication that exchange rates would remain stable. Most recently, when the financial results for the third quarter were published, the revised earnings forecast was confirmed. At year-end the Brenntag Group achieved operating EBITA of EUR 1,101.9 million and therefore failed to reach the range initially communicated. However, operating EBITDA was at the lower end of the range given in August 2024.

The Brenntag Group forecast a moderate rise in operating EBITA in both divisions in financial year 2024, with the relative rise for the Brenntag Essentials division expected to be lower than for the Brenntag Specialties division. For Brenntag Essentials, operating EBITA was down by 14.1% on the prior-year figure. For Brenntag Specialties, operating EBITA fell by 11.9%. Therefore, the forecast issued at the beginning of the year could not be confirmed.

Moreover, the Brenntag Group anticipated a meaningful rise in operating gross profit slightly above that in operating EBITA. It expected the rise in operating gross profit to be attributable to both divisions and assumed that the relative rise at Brenntag Specialties and Brenntag Essentials would be of a similar magnitude. Overall in financial year 2024, the Brenntag Group generated operating gross profit of EUR 4,025.4 million, a year-on-year decrease of 0.2% on a constant currency basis. Operating gross profit showed a year-on-year rise of 0.2% for Brenntag Essentials and a year-on-year fall of 1.2% for Brenntag Specialties on a constant currency basis. The forecasts for operating gross profit were therefore missed. Due to the continuing pressure on operating gross profit per unit as a result of low sales prices, absolute operating gross profit remained below expectations despite a rise in volumes.

At the beginning of financial year 2024, Brenntag anticipated a moderate improvement in working capital turnover compared with the reported averages for the previous financial year. Combined with meaningful sales growth, Brenntag expected a moderate increase in average working capital. Contrary to expectations, external sales for the current year were lower than in the previous year. Nevertheless, the positive change in average working capital resulted in a rise in annualized working capital turnover of 0.3x. Overall in financial year 2024, Brenntag achieved a meaningful reduction in average working capital of more than EUR 150 million compared with the previous year.

Brenntag expected a significant reduction in free cash flow in financial year 2024. This forecast was due in particular to the price-related working capital effect from the previous year, which resulted in a very high free cash flow and could not be budgeted again for 2024. With free cash flow at EUR 892.6 million (2023: EUR 1,712.0 million), this forecast was confirmed.

Financial position

Capital structure

Brenntag's capital structure strategy ensures financial resilience, maintaining flexibility to meet investment needs and strategic expansion. This gives Brenntag a high degree of independence, security and flexibility. Our liquidity, interest rate and currency risks are largely managed on a Group-wide basis. Derivative financial instruments are only used to hedge the above-mentioned risks from underlying transactions and not for speculative purposes. A Group-wide Finance Guideline ensures the implementation of these policies and standard processes throughout the Group.

The most important component in Brenntag's financing structure is the Group-wide syndicated loan agreement. As at December 31, 2024, this totaled the equivalent of EUR 1.5 billion. The syndicated loan originally had a term running until February 2028, which at the beginning of 2024 was initially extended until February 2029 and at the end of 2024 was ultimately extended until February 2030 through two extension options. It is based on variable interest rates with margins depending on the credit rating, and is divided into two revolving credit facilities - one credit facility in the amount of EUR 1 billion and a USD credit facility in the amount of USD 525.0 million (equivalent in euros as at Dec. 31, 2024: EUR 505.3 million). The margin is also linked to the achievement of certain Brenntag Group sustainability targets.

As at December 31, 2024, Brenntag had no outstanding liabilities under the syndicated loan (before offsetting of transaction costs). Only a very small amount of the EUR 1 billion credit facility had been drawn down for bank guarantees. The USD credit facility, on the other hand, was entirely unutilized as at December 31, 2024. Both credit facilities are available for further drawdowns at any time. The syndicated loan is guaranteed by Brenntag SE.

In addition, the Brenntag Group's financing consists of the following instruments (in ascending order according to maturity):

- a EUR 600.0 million bond (**Bond 2025**) maturing in 2025 and carrying an annual coupon of 1.125%.
- promissory notes totaling EUR 330.0 million and USD 180.0 million (equivalent in euros as at Dec. 31, 2024: EUR 173.3 million) (**Promissory Notes 2027/2029**). The promissory notes were issued in a total of seven tranches maturing in 2025, 2027 and 2029 and carrying both floating and fixed interest rates. In 2024, Brenntag repaid the two floating-rate tranches in the amount of EUR 60.0 million and USD 70.0 million (equivalent in euros at the repayment date: EUR 64.5 million) maturing in 2025 ahead of schedule, as a result of which the outstanding EUR tranches decreased from the original amount of EUR 390.0 million to the above-stated EUR 330.0 million, the outstanding USD tranches decreased from the original amount of USD 250.0 million to the above-stated USD 180.0 million and the total number of outstanding tranches was reduced from seven to five.
- a EUR 500.0 million bond issued in April 2024 (**Bond 2028**) maturing in 2028 and carrying an annual coupon of 3.750%.
- a EUR 500.0 million bond (**Bond 2029**) maturing in 2029 and carrying an annual coupon of 0.500%. Most of the proceeds from the Bond 2029 were swapped for US dollars by way of a long-dated derivative (cross-currency interest rate swap).
- a EUR 500.0 million bond also issued in April 2024 (**Bond 2032**) maturing in 2032 and carrying an annual coupon of 3.875%.

The three latter bonds (Bond 2028, Bond 2029 and Bond 2032) were issued under the debt issuance program newly established in 2021.

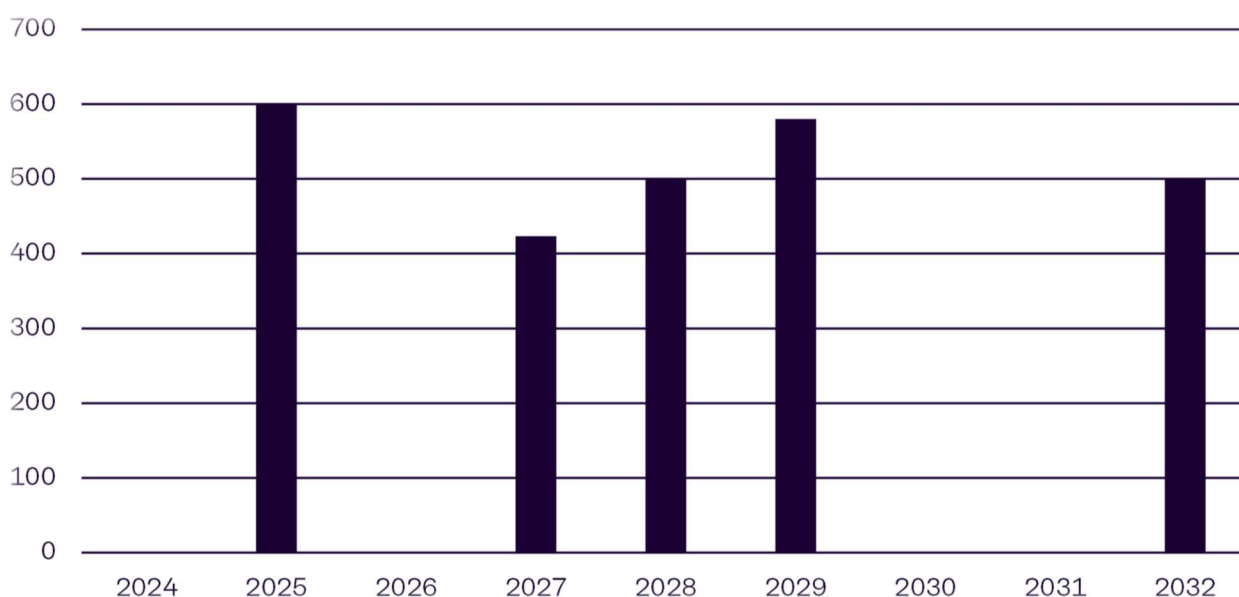
The Bonds 2028 and 2032 issued in April 2024 mainly facilitate the early refinancing of the Bond 2025 and the tranches of the promissory notes falling due in 2025. As mentioned above, the latter were repaid ahead of schedule in 2024 using the funds from the new bonds.

In addition to the above-mentioned financing instruments, some Group companies make use of credit lines with local banks in consultation with Group Treasury.

REPORT ON ECONOMIC POSITION

Due to the four fixed-rate bonds and the partly fixed-rate promissory notes, approximately 80% of the Brenntag Group's financial liabilities were hedged against the risk of interest rate increases as at December 31, 2024.

According to its short- and mid-term financial planning, Brenntag expects the capital requirements for operating activities, planned investments and projects, and dividends and acquisitions on the assumed scale to be covered by the cash provided by operating activities. To cover short-term liquidity requirements and for general corporate purposes, it likewise has the aforementioned credit facilities under the syndicated loan.



2.07 Maturity profile of our credit portfolio¹⁾ as at December 31, 2024 in EUR m

¹⁾ Bond 2025, Promissory Notes 2027/2029, Bond 2028, Bond 2029 and Bond 2032, each excluding accrued interest and transaction costs. As explained above, there were no financial liabilities (before offsetting of transaction costs) under the syndicated loan (maturing in 2030) as at December 31, 2024.

Investments

In financial year 2024, investments in property, plant and equipment and intangible assets (excluding additions from acquisitions) led to a total cash outflow of EUR 342.2 million (2023: EUR 321.1 million).

Brenntag regularly invests in the maintenance, replacement and extension of the Group infrastructure necessary to perform its services, such as warehouses, offices, trucks, field service vehicles and IT hardware for various systems.

Investments in intangible assets amounted to EUR 18.8 million in financial year 2024 (2023: EUR 15.5 million) and related mainly to digitalization.

Investments are usually funded from cash flow and/or available cash from the respective Group companies. With larger investment projects which cannot be covered by local funds, financing is provided by the Group.

REPORT ON ECONOMIC POSITION

Cash flow

in EUR m	2024	2023
Net cash provided by operating activities	906.6	1,663.9
Net cash used in investing activities	- 749.0	- 558.3
of which payments to acquire consolidated subsidiaries, other business units and other financial assets	- 436.4	- 277.3
of which payments to acquire intangible assets and property, plant and equipment	- 342.2	- 321.1
of which proceeds from divestments	29.6	40.1
Net cash provided by / used in financing activities	23.0	- 1,553.8
of which dividends paid to Brenntag shareholders	- 303.2	- 304.7
of which bonds issued	994.9	-
of which repayments of / proceeds from borrowings	- 338.4	- 738.1
of which payments to acquire treasury shares	- 250.1	- 496.2
of which other financing activities	- 80.2	- 14.8
Change in cash and cash equivalents	180.6	- 448.2

2.08 Cash flow

Brenntag generated EUR 906.6 million in operating cash flow, down from EUR 1,663.9 million in 2023, primarily due to a EUR 45.8 million increase in working capital (2023: decrease of EUR 608.7 million).

Free cash flow

in EUR m	2024	2023	Change	
			abs.	in %
Operating EBITDA	1,456.8	1,584.6	- 127.8	- 8.1
Payments to acquire intangible assets and property, plant and equipment	- 342.2	- 321.1	- 21.1	6.6
Change in working capital	- 45.8	608.7	- 654.5	- 107.5
Principal and interest payments on lease liabilities	- 176.2	- 160.2	- 16.0	10.0
Free cash flow	892.6	1,712.0	- 819.4	- 47.9

2.09 Free cash flow

The Brenntag Group's free cash flow amounted to EUR 892.6 million in financial year 2024, a decrease of 47.9% on the previous year.

Of the net cash of EUR 749.0 million used in investing activities (2023: EUR 558.3 million), EUR 342.2 million (2023: EUR 321.1 million) comprised payments to acquire intangible assets and property, plant and equipment. Payments to acquire consolidated subsidiaries and other business units, in the amount of EUR 436.4 million, consisted mainly of payments to acquire all shares in the Solventis Group based in Belgium and the UK, Química Delta S.A. de C.V based in Teoloyucan, Mexico, Lawrence Industries Ltd. headquartered in Tamworth, UK, Monarch Chemicals with two sites in the southeast of England and Scotland, and the site and business operations of Industrial Chemicals Corporation (ICC) in Denver, Colorado, USA.

The main driver of the net cash of EUR 23.0 million provided by financing activities (2023: net cash of EUR 1,553.8 million used in financing activities) were the total cash inflows of EUR 1.0 billion from the bonds issued. In addition to bank loans taken out and repaid as well as lease liabilities repaid, EUR 250.1 million were used to acquire treasury shares and a further EUR 303.2 million for the dividend payment to Brenntag shareholders.

This is due mainly to the year-on-year change in working capital. In the previous year, the change in working capital was shaped especially by price effects. Capital expenditure to expand the Group's infrastructure was up by 6.6% on the prior-year figure.

REPORT ON ECONOMIC POSITION

Net assets

in EUR m	Dec. 31, 2024		Dec. 31, 2023	
	abs.	in %	abs.	in %
Assets				
Current assets	5,088.9	43.6	4,612.6	44.6
of which trade receivables	2,282.5	19.6	2,263.1	21.9
of which inventories	1,518.4	13.0	1,376.4	13.3
Non-current assets	6,579.1	56.4	5,725.2	55.4
of which goodwill	3,446.0	29.5	3,210.8	31.1
Total assets	11,668.0	100.0	10,337.8	100.0
Liabilities and equity				
Current liabilities	3,478.2	29.8	3,021.0	29.2
of which trade payables	1,661.6	14.2	1,633.7	15.8
of which financial and lease liabilities	949.4	8.1	562.7	5.4
Equity and non-current liabilities	8,189.8	70.2	7,316.8	70.8
of which financial and lease liabilities	2,606.9	22.3	2,201.0	21.3
of which equity	4,762.0	40.8	4,356.7	42.1
Total liabilities and equity	11,668.0	100.0	10,337.8	100.0

2.10 Net assets

As at December 31, 2024, total assets had increased by EUR 1,330.2 million compared with the end of the previous year to EUR 11,668.0 million (Dec. 31, 2023: EUR 10,337.8 million). This rise is due mainly to the Bonds 2028 and 2032 issued in 2024 and exchange rate effects.

At 7.6, annualized working capital turnover was above the prior-year figure (7.3).

The Brenntag Group's non-current assets rose by EUR 853.9 million year on year to EUR 6,579.1 million (Dec. 31, 2023: EUR 5,725.2 million). Acquisitions account for EUR 552.6 million of the rise.

Upon completion of the second tranche of the share buyback program launched in January 2024, the subscribed capital was reduced by a nominal amount of around EUR 3.1 million by canceling the shares in March 2024 and the excess amount of EUR 247.0 million was eliminated against additional paid-in capital. The subscribed capital now amounts to around EUR 144.4 million.

Cash and cash equivalents increased by EUR 186.4 million compared with the 2023 year-end figure to EUR 763.3 million (Dec. 31, 2023: EUR 576.9 million). The main items set against net cash provided by operating activities and by the placement of the Bonds 2028 and 2032 were the payments of EUR 250.1 million for the aforementioned share buybacks,

Brenntag SE's dividend payment of EUR 303.2 million in the second quarter of 2024 and the net cash used in investing and acquisition activities and to repay the 2025 tranches of the promissory notes ahead of schedule.

Overall, net financial liabilities changed as follows compared with the end of the previous year:

in EUR m	Dec. 31, 2024	Dec. 31, 2023
Liabilities under syndicated loan	-	45.6
Other liabilities to banks	132.8	182.1
Promissory notes (Schuldschein)	508.1	622.5
Bond 2025	601.1	600.1
Bond 2028	510.4	-
Bond 2029	498.4	498.0
Bond 2032	507.8	-
Derivative financial instruments	44.4	29.0
Liabilities relating to the acquisition of treasury shares	-	250.0
Other financial liabilities	136.0	86.6
Total	2,939.0	2,313.9
Lease liabilities	617.3	449.8
Cash and cash equivalents	763.3	576.9
Net financial liabilities	2,793.0	2,186.8

2.11 Net financial liabilities

Annual financial statements of Brenntag SE

General information

Brenntag SE is the parent and the strategic management holding company of the Brenntag Group. The key management functions at overall Group level are the responsibility of the Board of Management. These primarily include setting the Group strategy and deciding on the allocation of resources, as well as executive development and financial management.

The annual financial statements of Brenntag SE have been prepared in accordance with the provisions of the German Commercial Code (HGB) and the German Stock Corporation Act (AktG). Brenntag SE has its registered office at Messeallee 11, 45131 Essen and is entered in the commercial register at the Essen Local Court under commercial register number HRB 31943.

The full annual financial statements of Brenntag SE are submitted to and published in the Company Register in electronic format.

Business performance

The net assets, financial position and results of operations of Brenntag SE are determined mainly by the business success of the Brenntag Group's investees. The section "Business performance" in the Report on economic position reports in detail on the performance and success of the Group and the divisions.

At EUR 312.4 million, the net income achieved in financial year 2024 was well above the prior-year figure, as expected (2023: EUR 120.6 million). This performance was supported by higher profit distributions from subsidiaries and second-tier subsidiaries.

Results of operations of Brenntag SE

in EUR m	2024	2023
Sales	298.5	226.7
Other own work capitalized	0.6	-
Other operating income	114.1	115.8
Cost of materials	- 277.4	- 194.7
Personnel expenses	- 55.5	- 62.4
Amortization and write-downs of intangible assets and depreciation and write-downs of property, plant and equipment	- 10.3	- 4.0
Other operating expenses	- 218.1	- 240.3
Net finance income	471.6	288.2
Profit before tax	323.6	129.3
Taxes on income	- 11.2	- 8.7
Profit after tax/net income for the financial year	312.4	120.6
Retained profits brought forward	-	4.3
Appropriation to retained earnings	- 9.2	- 4.3
Withdrawal from retained earnings	-	203.9
Distributable profit	303.2	324.5

2.12 Brenntag SE / Income statement in accordance with the German Commercial Code (HGB)

Sales resulted exclusively from sales to affiliated companies. Of the total, revenues from the provision of services to affiliated companies, which resulted mainly from IT services and other management services provided, accounted for EUR 294.8 million (2023: EUR 222.8 million). The year-on-year rise in sales in financial year 2024 is due to the increased volume of intra-Group services.

Other operating income decreased by EUR 1.7 million to EUR 114.1 million. The decrease is attributable mainly to a decline in income from foreign currency hedges.

Cost of materials of EUR 277.4 million (2023: EUR 194.7 million) consisted solely of the cost of purchased services. Cost of materials rose due to the increased volume of intra-Group service agreements.

The EUR 6.9 million decrease in personnel expenses to EUR 55.5 million is due predominantly to a fall in variable remuneration.

Other operating expenses amounted to EUR 218.1 million (2023: EUR 240.3 million). Derivative financial instruments, advisory expenses, primarily in IT and other strategic projects, and lease expenses were the main contributors to expenses. The reduction was due to the EUR 21.1 million

decline in expenses from derivative financial instruments to EUR 48.8 million.

Only depreciation and amortization charges were recognized in financial year 2024.

As in the previous year, net finance income consisted mainly of income from profits transferred by Brenntag Holding GmbH, Essen. For 2024, this stood at EUR 487.3 million (2023: EUR 276.5 million). Net interest expense in the amount of EUR 15.7 million (2023: net interest income of EUR 11.7 million) was driven mainly by intra-Group financing activities.

As at December 31, 2024, temporary differences – both Brenntag SE's own and those at companies in the consolidated tax group and German partnerships – gave rise to a future tax receivable, as deferred tax assets exceeded deferred tax liabilities. Applying the option under Section 274, para. 1, sentence 2 of the German Commercial Code, a deferred tax asset was not recognized for the excess of deferred tax assets over deferred tax liabilities.

Financial position and net assets of Brenntag SE

in EUR m	Dec. 31, 2024	Dec. 31, 2023
Fixed assets	2,629.1	2,567.8
Current assets including prepaid expenses	1,818.0	1,686.8
Total assets	4,447.1	4,254.6
Equity	1,871.5	2,112.4
Provisions	92.7	90.4
Liabilities	2,482.9	2,051.8
Total equity and liabilities	4,447.1	4,254.6

2.13 Brenntag SE / Balance sheet in accordance with the German Commercial Code (HGB) – condensed version

The net assets of Brenntag SE reflect the company's holding function and its activity as the Group's central financing company. Fixed assets in the amount of EUR 2,629.1 million (Dec. 31, 2023: EUR 2,567.8 million) consisted almost exclusively of financial assets. These comprise the investment in Brenntag Holding GmbH, an intermediate holding company with further subsidiaries and second-tier subsidiaries.

Current assets including prepaid expenses rose by EUR 131.2 million to EUR 1,818.0 million. The rise related, firstly, to receivables due from affiliated companies, which amounted to EUR 1,687.7 million (Dec. 31, 2023: EUR 1,569.9 million), and consist mainly of finance receivables and, secondly, to cash at bank and in hand, which amounted to EUR 85.8 million (Dec. 31, 2023: EUR 45.5 million). It is important to

bear in mind here that the amount for the reporting period includes invested funds from the placement of the Bonds 2028 and 2032.

The equity of Brenntag SE decreased by EUR 240.9 million to EUR 1,871.5 million. In addition to the dividend of EUR 303.2 million paid for financial year 2023, this decrease is due in particular to the cancelation of EUR 250.1 million of treasury shares under the share buyback program explained below.

On March 7, 2023, the Board of Management of Brenntag SE resolved on a share buyback program of up to EUR 750 million with the approval of the Supervisory Board and exercising the authorization granted at the Annual General Meeting held on June 9, 2022. In the course of the second tranche in the period to March 6, 2024, Brenntag SE acquired 3,068,465 no-par value shares, each with a notional value of EUR 1.00 (EUR 249,999,944.46 in total). The shares were acquired on the electronic trading platform of the Frankfurt Stock Exchange (Xetra). Exercising the above-mentioned authorization to cancel treasury shares acquired pursuant to Section 71, para. 1, no. 8 of the German Stock Corporation Act, the company's share capital was reduced from EUR 147,453,837.00 – by EUR 3,068,465 – by canceling 3,068,465 no-par value registered shares, each with a notional value of EUR 1.00, which the company acquired in the period to March 6, 2024. The 3,068,465 no-par value shares held by the company and acquired under the share buyback program were canceled. The subscribed capital therefore amounted to EUR 144.4 million in total as at December 31, 2024 (Dec. 31, 2023: EUR 147.5 million) and is divided into 144,385,372 (Dec. 31, 2023: 147,453,837) no-par value registered shares.

Provisions amounted to EUR 92.7 million in total (Dec. 31, 2023: EUR 90.4 million) and consisted mainly of provisions for pensions and similar obligations, provisions for taxes, provisions for outstanding invoices and provisions for other personnel expenses. Provisions for taxes increased by EUR 7.4 million to EUR 11.1 million. Provisions for other personnel expenses decreased by EUR 9.7 million to EUR 13.6 million.

Liabilities of EUR 2,482.9 million (Dec. 31, 2023: EUR 2,051.8 million) related mainly to liabilities to affiliated companies, which rose by EUR 612.6 million year on year to EUR 1,960.6 million.

Expected development, opportunities and risks of Brenntag SE

In line with its function as a holding company, Brenntag SE's future results mainly depend on the receipt of dividends from companies in the Group and therefore also on the business performance of subsidiaries and decisions on dividend distributions. Thus, Brenntag SE's expected performance in financial year 2025 and the risk situation also depend to a significant extent on the performance of the Group as a whole and its opportunities and risk situation. This is covered in the Report on expected developments, opportunities and risks in the Brenntag Group's combined management report. In this respect, the statements made there regarding the expected performance and the risk position of the Group also apply to the future performance and the risk position of Brenntag SE. In addition, the risk management tools and methods for the financial instruments of Brenntag SE are explained in the report on opportunities and risks.

Brenntag SE's most significant financial performance indicator is the net income for the financial year recognized in the financial statements prepared in accordance with German commercial law. Due to the potential for distributions of retained profits at subsidiaries and the profit and loss transfer agreements entered into, we expect to generate net income for financial year 2025 that is on a par with that of the previous year. At Brenntag, intra-Group profits are distributed taking local financing requirements and further constraints into consideration. Even if no intra-Group dividends are distributed to Brenntag SE in a financial year, there are sufficient reserves to pay an appropriate dividend to the Brenntag shareholders.

Appropriation of distributable profit of Brenntag SE

The net income of Brenntag SE as at December 31, 2024 was EUR 312,402,022.08. After allowing for the transfer of EUR 9,192,740.88 to retained earnings, the distributable profit is EUR 303,209,281.20.

At the Annual General Meeting on May 22, 2025, the Board of Management and the Supervisory Board will propose that the distributable profit of Brenntag SE amounting to EUR 303,209,281.20 be used to pay a dividend of EUR 2.10 per no-par value share entitled to a dividend; that is EUR 303,209,281.20 in total.

Employees

As at December 31, 2024, Brenntag had 18,122 employees worldwide, including the 639 employees of the companies newly acquired in 2024. 90.6% of the workforce work outside Germany. The total number of employees is determined on the basis of headcount, i.e. part-time employees are fully included. Excluding the new acquisitions, the total number of people employed in the Brenntag Group declined by 226, or 1.3%, compared with the previous year. Voluntary employee turnover was 7.5% on average across the Group (2023: 7.8%).

Headcount	Dec. 31, 2024		Dec. 31, 2023 ¹⁾	
	abs.	in %	abs.	in %
Brenntag Specialties	3,594	19.8	3,614	20.4
Brenntag Essentials	12,237	67.5	11,866	67.0
Group and Regional Services	2,291	12.7	2,229	12.6
Brenntag Group	18,122	100.0	17,709	100.0

2.14 Employees per division

¹⁾ The prior-year figures were adjusted to reflect the current portfolio allocation.

Report on expected developments, opportunities and risks

Report on expected developments

The Brenntag Group expects 2025 to be another financial year shaped by subdued global economic demand, geopolitical tensions such as the ongoing war in Ukraine and the uncertainty in the Middle East, and sustained moderate inflationary pressures. Moreover, at the time of preparation of the report on expected developments, it is still completely unclear what impact the election result in the United States will have on the most important sales markets. This continues to result in a still greater-than-average degree of uncertainty over growth expectations for the global economy. Oxford Economics currently predicts that the global economy, measured in terms of industrial production (IP), will grow only slightly again in 2025: Weighted by the sales generated by Brenntag in the individual countries, this results in a forecast average real IP growth rate of +2.2% in 2025, slightly above the forecast for 2024.

In light of the continuing economic uncertainty and the fact that global economic growth is expected to remain subdued, Brenntag expects the Group's operating EBITA for financial year 2025 to be between EUR 1,100 million and EUR 1,300 million. This forecast takes into account the contributions to earnings from acquisitions already closed and assumes that exchange rates will remain stable compared with those at the time of the forecast.

After the Brenntag Specialties and Brenntag Essentials divisions recorded a decline in operating EBITA in 2024, the Brenntag Group expects a meaningful rise in operating EBITA in both divisions in 2025. It is expected that Brenntag Essentials will report a slightly higher relative rise in operating EBITA. This is due in particular to the acquisition of Química Delta S.A. de C.V. and the Solventis Group, which in 2025 will contribute to an improvement in earnings throughout the entire year.

The meaningful increase in operating EBITA is higher than the moderate increase expected in operating gross profit. Here, the Brenntag Group is assuming a slight rise in operating gross profit per unit and a moderate increase in volumes. The rise in operating gross profit will be driven by a rise in operating gross profit in both divisions. In this case, it is anticipated that the relative rise at Brenntag Specialties and Brenntag Essentials will be of a similar magnitude. Lastly, it is expected that the relative increase in EBITA will be higher than the increase in operating gross profit due to the cost-reduction program in combination with management of the anticipated effects of inflation and personnel costs.

Following an increase in working capital turnover in the past financial year, Brenntag anticipates that, in 2025, it will once again be able to achieve a moderate improvement in working capital turnover compared with the reported averages for the past financial year. Overall, however, Brenntag expects the planned business activity and the improvement in working capital turnover to result in a slight increase in working capital.

Assuming that exchange rates remain stable, Brenntag expects free cash flow in 2025 to be significantly higher than in the previous year. This takes into account capital expenditure of around EUR 300 million in financial year 2025, including expenditure to optimize the global site network. Brenntag is also investing more in safety and sustainability at the sites. It is intended to use this free cash flow to continue to ensure Brenntag's acquisition strategy and dividend policy and fund the expenses expected in 2025 in connection with the implementation of the company's transformation and growth strategy. At the same time, it is intended to maintain liquidity at an adequate level.

Main elements of the internal control / risk management system¹⁾

It is essential to Brenntag's long-term success that opportunities and risks are identified at an early stage and leveraged or managed. The aim of risk management is to identify, monitor and mitigate emerging risks at an early stage or to prevent them completely. The risk management system consists of risk reporting (an early detection system), controlling, an internal monitoring system and individual measures to identify new risks at an early stage and limit any known risks. The planning, controlling and reporting processes of the Brenntag Group are integral parts of the risk management systems of all operational and legal units as well as the central functions.

The risk management system is continuously further developed in accordance with the requirements of Section 91, para. 2 of the German Stock Corporation Act (AktG). In the reporting period, the risk management software underwent further technical development to improve transparency in the capture process. By building a risk management hub, we are promoting knowledge transfer in risk management for everyone involved in the process.

The Risk Management and Internal Control Committee continuously monitors, coordinates and improves risk management and internal control functions and activities. It reviews risk management-related strategies and guidelines and monitors their implementation, maintenance and approval. It also deals with the process-related review in that it tracks countermeasures and checks their plausibility.

The risk-bearing capacity concept is based on a combined equity and liquidity approach.

To determine the entities included in the risk capture process, risk-related materiality thresholds are derived from Brenntag's risk appetite, with the respective EBITA serving as the key metric. Material qualitative risk factors such as business model complexity, the maturity of governance, risk and compliance functions, specific local regulatory requirements and an entity's significance are also considered.

To take into account early risk detection, the risks for the following two years are also captured.

Measures to effectively reduce a potential or real risk are assigned a specific mitigation strategy and a status. If the measure is to be implemented in the future, a partial completion rate or an implementation date must be given.

Risk reporting (early detection system)

Brenntag continually identifies and analyzes risks at the Group companies and constantly improves internal workflows and the IT systems used throughout the Group.

Responsibility for risks at the entities included in the risk capture process lies initially with the legal units in the Brenntag Group. This includes identifying risks and estimating their effects. It must also be ensured that there are suitable measures in place to reduce risks.

The biannual risk inventories are one important tool for global risk management. These are performed at the Group companies and at the highest Group level with system support and documented by the system. In addition, all units have been instructed to immediately report any significant risks emerging (ad hoc reporting) to Group headquarters. Risks are captured using a system-supported tool.

The risk inventories gather estimations on existing risks. Standardized risk catalogs giving examples of the typical risks for the Brenntag Group are used as a system for gathering this information. In doing so, thematically related risks are grouped into risk categories. Any risks which are identified are assessed with regard to the possible extent of damage and their probability of occurrence, in each case on a five-level scale.

First, the gross risk is assessed. The gross risk is the maximum damage if no counteraction is taken. If a risk can be reliably counteracted by effective action, these measures have to be shown in risk profiles and assessed with regard to their effectiveness. The residual risk (net risk) is then the gross risk less the effect of measures taken to reduce the risk. These measures are supplemented with the mitigation strategy applied and the status of implementation.

¹⁾ The disclosures in this paragraph also meet disclosure requirements under ESRB 2 (GOV-5 - Risk management and internal controls over sustainability reporting).

REPORT ON EXPECTED DEVELOPMENTS, OPPORTUNITIES AND RISKS

Brenntag classifies net risks as “critical”, “high”, “medium” or “low” according to the estimated probability of occurrence and the possible extent of damage, i.e. the negative impact on the results of operations, the financial position and cash flow. The extent of damage is classified by inferring percentages with respect to Group EBITA. As at December 31, 2024, this gives the following risk matrix for the 2025 analysis period:

Possible extent of damage			Probability of occurrence				
			Highly improbable	Improbable	Possible	Probable	Highly probable
Qualitative	in EUR m	in EUR m (old)	< 6 %	6-25 %	26-50 %	51-70 %	> 70 %
Critical	> 267	> 283	Medium	High (Medium)	High	Critical (High)	Critical (High)
High	> 107-267	> 113-283	Low (Medium)	Medium	High (Medium)	High	Critical (High)
Medium	> 53-107	> 57-113	Low	Medium	Medium	High (Medium)	High
Low	> 11-53	> 11-57	Low	Low	Medium	Medium	High (Medium)
Insignificant	≤ 11	≤ 11	Low	Low	Low	Low (Medium)	Medium

2.15 Risk assessment matrix

The individual risks reported are consolidated at regional level and for the Group and then presented to the Risk Management and Internal Control Committee, the Board of Management and the Supervisory Board.

A Monte Carlo simulation is used to assess and aggregate the risks. The resulting value at risk (VaR 95) is compared against risk-bearing capacity in order to ensure the stability and sustainability of business activities from a risk perspective as well.

Risk capture at local level includes risks only, not opportunities. In addition, the risks identified are evaluated and opportunities assessed by the function heads at the level of Brenntag SE (top-down review). The estimate of the risks per risk category and the opportunities and risks are explained in detail in the section “Report on opportunities and risks”.

The process for systematically identifying and assessing risks for the Group companies is regularly audited by Internal Audit Brenntag Group. In addition, the statutory auditor, as an independent, external party, assesses the general suitability of the risk early detection system in the course of its audit of the annual financial statements.

Controlling

The Corporate Controlling department immediately processes the information gained from the monthly and quarterly reports and can thus identify and communicate risks and opportunities. This also includes an analysis of the reasons for any deviations from planned figures. On the basis of any identified deviations from planned figures, the Corporate Controlling department regularly examines the achievability of targets in forecasts, indicating the associated opportunities and risks. The financial performance indicators examined are described mainly in the section “Financial management system”, first and foremost operating EBITA.

The ongoing evaluation of opportunity and risk potential in all segments is also an elementary part of Brenntag’s strategy, which is described in detail in the section “Objectives and strategy”. As part of regular strategy development, Brenntag analyzes the market opportunity and risk situation in each Brenntag segment and, on this basis, establishes goals and value-enhancing measures designed to mitigate risks and exploit opportunities. Finally, the situation analysis and business operation plans are regularly reviewed in discussions on business performance.

Internal monitoring system

Another important part of risk management in the Brenntag Group is the internal monitoring system consisting of the organizational security measures, internal controls and internal audit.

The internal control system comprises all central and decentralized policies and regulations adopted by the Board of Management and the regional and local management teams with the aim of ensuring

- the effectiveness and efficiency of the workflows and processes,
- the completeness, correctness and reliability of internal and external financial reporting as well as
- the Group-wide observance of applicable laws and regulations (compliance).

Both the efficiency of the workflows and processes and the effectiveness of the internal control systems set up in the decentralized units as well as the reliability of the systems used are regularly examined by Internal Audit Brenntag Group. The results of these audits are reported immediately. Thus, Brenntag ensures that the Board of Management and the Audit Committee are kept continuously informed of any weaknesses and any resulting risks, along with the appropriate recommendations to eliminate the weaknesses. Moreover, in 2024 measures were implemented to further develop the internal control system. These aim to extend the control environment and further enhance the quality and transparency of internal controls. In the reporting period, a regular and extensive ICS self-evaluation process was introduced to systematically review and continuously refine the design and effectiveness of the existing internal controls.

Internal control system related to the (Group) accounting process (report in accordance with Section 289, para. 4 and Section 315, para. 4 of the German Commercial Code (HGB))

The Group accounting process is managed by the Corporate Accounting department. A major element of the internal control system related to the (Group) accounting process is an IFRS accounting manual applicable throughout the Group which specifies accounting and measurement policies for all companies included in the consolidated financial statements. Preparation of the consolidated financial statements is supported by the use of uniform, standardized reporting and consolidation software (SAP SEM-BCS) containing comprehensive testing and validation routines. The services of external experts are used for special areas of accounting, e.g. the annual goodwill impairment test as well as environmental and pension actuarial reports to determine the relevant provisions.

There are also other Group-wide guidelines which have concrete effects on accounting. The management of the local units confirm compliance with these guidelines by issuing a management certificate. Particularly notable examples include the "Internal Control Guideline", which contains requirements on the performance of monitoring routines as well as the separation of functions, the dual control principle and access authorizations, the "Transfer Pricing Guideline" and the "Finance Guideline".

In addition, Internal Audit Brenntag Group regularly checks compliance with these Group guidelines at the subsidiaries.

Summary assessment of the internal control and risk management system¹⁾

In continually addressing internal control and risk management in financial year 2024, the Board of Management identified the potential for improvement in some areas. It responded to any risks detected by initiating immediate measures and organizational changes. In summary, bearing in mind these initiatives, the Board of Management has no indications that the internal control and risk management system is not appropriate and effective.

¹⁾ The disclosures in this paragraph are disclosures not typically part of the management report as defined in the preamble to this management report.

Report on opportunities and risks

Brenntag's strategy is geared to steadily improving the efficiency and underlying profitability of the business. The Brenntag Group companies are exposed to a number of risks arising from their business activities in the field of chemical distribution and related areas. At the same time, these business activities also give rise to numerous opportunities to safeguard and nurture the company's competitiveness and growth.

Projects, in particular the strategic initiatives (see the section "Objectives and strategy"), are regularly implemented to maintain and strengthen the Group's profitability. These projects focus on exploiting opportunities to increase operating gross profit and on optimizing costs.

To limit or entirely eliminate possible financial consequences of risks that may occur, Brenntag has, insofar as is possible, taken out appropriate insurance for the size of its businesses to cover damage and liability risks. The following sections describe the risks and opportunities which could influence the business performance, financial position and results of operations of the Brenntag Group. Similar, organizationally or functionally related risks have been systematically grouped in risk categories. The estimates made per risk category relate to the net risk. Unless stated otherwise or obvious from the context, the following statements on risks and opportunities refer to all Brenntag segments.

As part of Group risk management, Brenntag also analyzes environmental, social and governance-related (ESG) aspects, such as environmental matters, employee matters, human rights, anti-corruption and bribery matters and their respective risk aspects. The risks are transferred into the Group sustainability statement if they were identified as material in the course of the double materiality analysis.¹⁾

The process of aggregation into risk categories includes risks only and does not offset risks against opportunities. In the further explanations of the risk categories, possible opportunities are considered individually and described separately and independently of the risks. Possible changes, if any, in the risk categories' overall risk are discussed separately in the relevant paragraphs. The assessment of corporate risks for financial year 2024 in the 2025 analysis period (as at Dec. 31, 2024) and the prior-year comparative assessment are as follows:²⁾

¹⁾ The disclosures in this paragraph also meet disclosure requirements under ESRS 2 (GOV-5 - Risk management and internal controls over sustainability reporting).

²⁾ The disclosures in this paragraph also meet disclosure requirements under ESRS 2 (GOV-5 - Risk management and internal controls over sustainability reporting).

Risk category	Possible extent of damage	Probability of occurrence	Overall risk	
			Dec. 31, 2024	Dec. 31, 2023
Economic environment and political stability	High	Possible	High	High
Market risks	Critical	Possible	High	High
Strategic risks	High	Possible	High	High
IT risks	High	Possible	High	High
Legal risks	High	Possible	High	Medium
Tax risks	High	Possible	High	High
Personnel risks	High	Improbable	Medium	Medium
Financial risks	High	Improbable	Medium	Low
Operational risks	High	Improbable	Medium	Medium
Environmental protection, health and safety	High	Improbable	Medium	Medium
Compliance risks	Medium	Possible	Medium	Medium
ESG risks	Medium	Possible	Medium	Medium
Acquisition risks	Medium	Possible	Medium	Medium
Quality assurance risks	Low	Improbable	Low	Low

2.16 Overview of corporate risks

■ Economic environment and political stability:

Due to the international nature of its business, Brenntag is exposed to a number of economic, political and other risks, and the possibility that negative developments in individual regions or countries might have an adverse effect on its business or financial position cannot be entirely ruled out. For example, natural disasters, pandemics or the instability of the economic and political situation in regions or countries in which Brenntag operates may have a negative impact on its business and its operating result. Countries and regions with an unstable economic and political situation are often emerging markets, which offer great opportunities due to above-average growth. Overall, the international nature and related diversification of the business balances out the risks. Moreover, a large percentage of business is conducted in stable economies.

Economic downturns may also have a negative impact on Brenntag's sales and operating gross profit. In addition to sales risks arising from rising unemployment in certain countries, high levels of public debt and moderate inflationary pressures, a pronounced economic downturn in our core markets in particular, an increase in protectionist tendencies as a result of the election result in the United States and the possible escalation of global, geopolitical tensions may lead to falling demand. Global supply chains have remained very strained and the trend in energy prices poses an additional challenge for international trade. The significant factors influencing the outlook include further developments and effects attributable to higher energy and supply costs in Europe, the trend in inflation in the USA and Europe, and the economic trend in China. Brenntag has drawn up lists of measures for various scenarios, depending on possible political and economic developments.

The constant dialog with customers and suppliers in the region also enables Brenntag to identify any impact on its business and supply chains at an early stage and respond accordingly. In a recession, lower profitability on the part of customers could lead to higher bad debt losses. We counter this risk through a high level of diversification - by geography, customer industries, suppliers, products and customers - and, where appropriate, by using credit insurance and credit reference agencies.

The increase in geopolitical risks could lead to more supply chain bottlenecks and therefore require rapid adaptability and flexibility in sourcing goods. In addition, difficult-to-predict processes of industrial change have accelerated. Due to its broad geographical footprint, close supplier relationships, diversified product portfolio, and global supplier and customer relationships, Brenntag is well able to balance out and overcome bottlenecks in the supply chain. However, any strain on global supply chains harbors the risk of further increases in raw materials prices as well as the risk that these additional costs cannot be fully passed on to customers. In order to ensure a supply of raw materials at the best possible price, Brenntag continuously analyzes supply chains and occasionally stockpiles inventories as a safety cushion. This, in turn, raises the risk that, if the situation in the raw materials market were suddenly to ease, the inventories could be too expensive and have to be sold at less than their value. This risk is countered by Brenntag's business model due to a high level of inventory turnover. There is a further risk that customers could start substituting products with cheaper alternatives, especially in the case of commodity chemicals.

Brenntag continuously analyzes all risks relevant to its business and promptly takes all the necessary and possible measures to counter them.¹⁾

On the sales side, risks may arise from political measures, more specifically from tighter standards and increasing regulation, which frequently, however, represent an opportunity for advantage over many medium-sized competitors. Based on its global expertise, such as in the field of regulation, and its broad portfolio of products and services, as a result of which alternative procurement channels can frequently be used, Brenntag is superbly positioned to be able to serve its customers' requirements at all times. This was seen especially during the COVID-19 pandemic and the container shortage, for example.

■ Market risks and opportunities:²⁾

Geopolitical developments may disrupt sales markets.

Brenntag's strategic development is geared to the current global, regional and local market growth drivers.

¹⁾ The disclosures in this paragraph also meet disclosure requirements under ESRS 2 (GOV-5 - Risk management and internal controls over sustainability reporting).

²⁾ The disclosures in this paragraph also meet disclosure requirements under ESRS 2 (GOV-5 - Risk management and internal controls over sustainability reporting).

REPORT ON EXPECTED DEVELOPMENTS, OPPORTUNITIES AND RISKS

Brenntag's business is managed through two global divisions focused on customer and supplier needs: Brenntag Specialties and Brenntag Essentials. Based on this, there are major sales opportunities of strategic significance for Brenntag in the flexible and efficient marketing of process chemicals and in the large, globally relevant focus industries served by Brenntag Specialties, namely Life Science (Nutrition, Pharma and Beauty & Care) and Material Science.

In addition, its global network and comprehensive portfolio of products and services places Brenntag in a unique position to meet customers' increasing requirements for pan-regional and global end-to-end solutions. The growing demand for customer-specific solutions, blending and services and alternative sales channels also open up further growth opportunities.

As an international Group, Brenntag sees opportunities in all regional markets to extend its market lead. The continuous expansion of its geographic presence in emerging markets, particularly in the Asia Pacific region, offers above-average growth opportunities. Brenntag intends to continue to optimally exploit the opportunities presented by company acquisitions and the active consolidation of the fragmented chemical distribution market.

In terms of product sourcing, Brenntag's operating model enables it to achieve economies of scale. The optimization of the local product portfolios through sales partnership agreements with chemical producers for new products or product categories offers further potential. In addition, Brenntag intends to continue to actively realize the potential that arises as a result of chemical producers outsourcing supply chain and sales activities. The global distribution network and the experienced professional organization at all levels of the Brenntag Group are key elements for tapping this potential.

Through the "Advanced Operating Model", Brenntag is optimizing the differentiated management of the two divisions Brenntag Specialties and Brenntag Essentials with a view to making optimum use of the opportunities outlined (please also see the section "Objectives and strategy"). The plans for the operational and legal separation of the two divisions were modified in the reporting period. In separating the two divisions, Brenntag will concentrate on those units which offer the greatest potential for value creation and differentiation. More specifically, the sales and sourcing organizations will be separated with a view to supporting the divisions' differentiated management and improving business performance.

Brenntag plans to leverage customers' increasing need for sustainable solutions and products to strengthen its position as market leader through the pioneering role it aims to play in responsible and sustainable chemical distribution. Through its transformation into a data- and technology-driven company which began some years ago, it also intends to fully exploit the potential of digital solutions in all Brenntag business models while at the same time enabling more efficient and reliable supply chains. Moreover, through continuing M&A activities, Brenntag wishes to leverage growth opportunities in attractive market segments.

At local level, Brenntag creates the right conditions through its operating activities to effectively and efficiently exploit the opportunities which the markets offer.

In some local markets Brenntag serves, competition from other chemical distributors is growing. This stronger competition, which is partly due to the increasing pan-regional activities and consolidation among competitors as well as the development of new sales channels, some of them digital, is a risk that might negatively impact sales and earnings. Brenntag therefore works continually to improve its product and service portfolio and build its own digital sales channels and tools. The local business might also be impacted by customers relocating to low-cost countries. However, Brenntag sees its extensive global presence as a key factor in balancing out these local risks.

As far as possible, the sourcing risk related to the supply of strategically important raw materials is offset through long-term contracts and/or partnerships with different suppliers and alternative supply sources. However, the purchase prices can vary considerably depending on the market situation and impact on cost structures. To safeguard its competitiveness, Brenntag counteracts these risks by adjusting sales prices, through international procurement and through strict cost management.

In the course of the central review process, the estimate of probability of occurrence resulting from aggregation was changed from "improbable" to "possible" on the basis of the current market assessment.

The risk arising from future market developments is counteracted by constantly monitoring markets and competitors as well as by holding regular strategy meetings.

Strategic risks:

Strategic opportunities and risks for the Brenntag Group stem primarily from the ongoing transformation efforts and their successful or delayed implementation. Opportunities to increase EBITA through the two divisions' differentiated strategies, through the further transformation into independent and autonomous divisions, and through the DiDEX initiatives contrast with the risk that these efforts will be delayed or ultimately fail.

Emerging or widening geopolitical risks, for example as a result of the war between Russia and Ukraine, in Northeast Asia, in the Middle East or through increased protectionist measures as a consequence of the US elections, could adversely affect the Brenntag Group's regional business performance. Due to its global footprint, however, Brenntag is well positioned to offset the effects in a region.

The allocation of the business portfolio to the two divisions reflects the different market requirements of Essentials and Specialties in the industrial and specialty chemical markets, and positions the divisions such that they are able to better leverage the profitable growth in their respective business environment. However, this allocation also harbors a risk of lost business as a result of temporary coordination problems, for example.

Intensifying competition as a result of competitors' transformative M&A activities may lead to an increased risk of falling behind the growth rates of other competitors in the trend toward consolidation in chemical distribution markets regionally and globally. However, Brenntag intends to carefully analyze such inorganic growth opportunities and actively participate if the risk/reward profile is judged to be positive for Brenntag.

IT risks and opportunities:

IT and cyber risks result, on the one hand, from the dependency of business processes on digital technologies and the centralization of business workflows, and on the other from external cybersecurity risks, such as the increasing cyber threat posed by malicious actors (e.g. manipulation and theft of data through hacker attacks and the use of leading-edge technologies). These risks could result in a partial or complete interruption to business operations; data could be manipulated, stolen or destroyed.

Brenntag counters these risks through regular employee training delivered in the course of campaigns to raise awareness of digital security, by designing and implementing organizational and technical measures, such as cyber risk management and threat defense, by immediately detecting, investigating, containing and resolving incidents through continuous investment in technologies to reduce risk, such as vulnerability

management, endpoint security, firewall systems, data security measures, identity and access management systems, systems to prevent the loss of data, systems to manage security events and by introducing information security guidelines.

These risk management measures in relation to information security are monitored using Group-wide information security principles, standards and directives. The increasing use of IT systems and data analytics technologies results in increased risks due to greater dependency on the availability of those systems. Opportunities stem from improved operational efficiency, the reconfiguration of processes and improved collaboration between all parties involved. In addition, IT-managed systems generally improve the quality and reliability of internal controls and data protection.

Brenntag believes that using leading-edge technologies to achieve its strategic objectives is a necessity and a business imperative. The company therefore invests continuously in the further development and reliability of its digital landscape, in particular but not exclusively in the confidentiality, integrity, availability and resilience of the ERP systems, the digital platforms and the supply chain ecosystem.

Legal risks:

Brenntag SE and individual subsidiaries have been named as defendants in various legal actions and proceedings arising in connection with their activities as a global group. Sometimes, Brenntag is also the subject of investigations by the authorities. Brenntag cooperates with the relevant authorities and, where appropriate, conducts internal investigations regarding alleged wrongdoings with the assistance of in-house and external counsel.

The decision issued by the French Competition Authority in 2013 in relation to the allocation of customers and coordination of prices was set aside by a court of appeal due to procedural errors at the request of our French subsidiary BRENNTAG SA in February 2017. In December 2020, the court imposed a fine of EUR 47 million, which was payable immediately. BRENNTAG SA lodged an appeal against the decision, whereupon the paid fine was reimbursed in November 2023 and the proceedings referred back by the Cour de cassation (Court of cassation) for a further decision. With further steps expected to be taken by the French authorities responsible, a provision was recognized in the amount of the EUR 47 million reimbursement. Regarding the investigation also ongoing at the French Competition Authority concerning whether BRENNTAG SA has illegally made use of its market position, a decision by the Authority is still pending. Based on current knowledge, Brenntag

assumes that claims for civil liability arising from the above-mentioned proceedings are not sufficiently substantiated.

Given the number of legal disputes and other proceedings that Brenntag is involved in, it is possible that a ruling may be made against Brenntag in some of these proceedings. The company contests actions and proceedings where it considers it appropriate. Provisions are established for ongoing legal disputes on the basis of the estimated risk and, if necessary, with the help of external consultants. It is very difficult to predict the outcome of such matters, particularly in cases in which claimants seek indeterminate compensation. Any adverse decisions rendered in such cases may have material effects on Brenntag's net assets, financial position and results of operations for a reporting period. However, Brenntag currently does not expect its net assets, financial position and results of operations to be materially affected.

In connection with the sale of talc and similar products, actions have been brought against our North American subsidiaries, against which the Brenntag Group is actively defending itself. The number of actions brought increased significantly compared with the previous year, although the pace slowed over the course of 2024. Taking into account legal advisory costs, the expense amounted to approximately EUR 43 million. In addition, Brenntag has taken measures to mitigate any risks and is asserting claims for compensation from third parties. Nevertheless, the possibility that these legal disputes will result in significant adverse effects on the results of operations cannot be ruled out.

In the course of the central review, the estimate of the effect was changed from "medium" to "high" bearing in mind experience over the course of the year, as a result of which the overall risk increased from "medium" to "high".

■ Tax risks:

As a global company, Brenntag has to comply with the country-specific tax laws and regulations in each jurisdiction. Tax exposures could result in particular from current and future tax audits of German and foreign subsidiaries. We counter the risks by continuously improving the tax compliance management system bearing in mind auditing standard IDW PS 980 and gradually rolling out this system to other Group companies in Germany and abroad. These risks are generally reflected in the balance sheet by recognizing provisions. We currently see nothing to indicate that we should expect significant new findings from the tax authorities or customs authorities that could lead to additional tax expenses.

■ Personnel risks and opportunities:¹⁾

Personnel risks result mainly from the steadily increasing skills shortage, particularly in sales, logistics and IT, as a result of which Brenntag may lose high performers and staff in key positions or be unable to find a sufficient number of qualified staff to fill vacancies within the Group. The strategic measures that have been initiated, including the cost structure measures, also result in an increased risk of employees leaving the company. Moreover, there is a risk that qualified Brenntag employees will be headhunted by competitors. Brenntag counters these risks by positioning itself globally as the preferred employer in chemical distribution and through measures aimed at long-term employee retention. It also limits these risks through Brenntag's global employer brand and through globally uniform HR programs and measures that allow the Brenntag companies to take into account country-specific legislation and circumstances. Information on Brenntag's HR strategies and tools is provided in the "Social" section of the Group sustainability statement for 2024. Combining these with other early warning indicators, Brenntag is able to promptly identify possible changes in employees' attachment to the company and initiate appropriate management measures where necessary.

¹⁾ The disclosures in this paragraph also meet disclosure requirements under ESRS 2 (GOV-5 - Risk management and internal controls over sustainability reporting).

Financial risks and opportunities:

Brenntag's business is generally exposed to exchange rate, interest rate, credit and price risks. Due to the fact that Brenntag conducts business in different currency areas, changes in exchange rates may have positive or negative translation effects on the results of the Group. In particular, any change in the euro/US dollar exchange rate may have a substantial impact as a large proportion of business is conducted in the US dollar area. Brenntag has decided not to hedge exchange rate differences resulting from the translation of financial statements of subsidiaries whose functional currency is not the euro (translation risks). On the other hand, transaction exposures resulting from the translation of foreign currency receivables and liabilities into the functional currency of a subsidiary are hedged insofar as is possible and where it makes economic sense to do so. This is based on a Group-wide Finance Guideline that sets out basic requirements and objectives, threshold values and hedging instruments to be used. The Finance Guideline requires Group companies to offset the risks of open net foreign currency exposure using suitable instruments such as forward and swap contracts or to keep them within certain limits. Any exceptions exceeding the above limits must be agreed on a case-by-case basis with the Treasury department.

Unfavorable political developments and fiscal policy decisions in specific countries may have a particularly negative impact in this context.

Risks related to cash investments are limited by only doing business with banks and business partners considered to be of good credit standing. Payments are also handled through such banks. The credit facility under the syndicated loan is made available by a large number of international banks, meaning that availability is ensured through high diversity. Uncollectibility risk is reduced by continually monitoring customers' credit ratings and payment behavior and setting appropriate credit limits. The risk is limited by the large number of customers the company has in different countries; even the largest key account customer only accounts for a very small single-digit percentage of Group sales. In some cases, credit insurance is also taken out in order to limit risks.

The Brenntag Group is partly financed with debt capital. Brenntag is confident that the loan agreements and credit lines, the bonds issued and the liquid funds available are adequate to cover the Group's future liquidity needs, even if requirements should increase unexpectedly. Like comparable loan agreements, the syndicated loan contains a number of customary provisions. In the event of a severe breach of the provisions of the loan agreement, the facility agent appointed by the lenders may call in the loans if he deems this move necessary to safeguard the lenders' interests. As the Group's main financing instruments (syndicated loan, four bonds and promissory notes) all contain cross-default clauses, any breach of contract or calling due of outstanding amounts in respect to one financing instrument could also have a negative impact on the others.

The terms and conditions of the financing instruments are also influenced by the Group's credit rating. A change in the rating that the international rating agencies Standard & Poor's and Moody's assign to Brenntag may impact on the Group's financing terms. The rating may have a positive or a negative impact. Both rating agencies continue to assign an investment grade rating, thereby confirming Brenntag's high credit standing. Moody's currently rates Brenntag at "Baa2" with a stable outlook, while Standard & Poor's has given Brenntag a rating of "BBB+" with a stable outlook.

Some of Brenntag's financing is based on variable interest rates which are subject to fluctuations in market interest rates. This means that Brenntag has both the opportunity to participate in falling market interest rates but also the risk of incurring higher interest cost as a result of rising market interest rates. The split between variable and fixed interest rates is determined as part of interest risk management. Derivative instruments such as foreign exchange forwards, interest rate and currency swaps or combined instruments may be used to hedge risks from financing. Interest rate-related financial risks are mainly managed by the Treasury department at Group headquarters. If individual companies hedge financial risks from operating activities themselves, this is done in consultation with and under the supervision of Group headquarters. This permits a balancing of risks throughout the Group.

The Brenntag Group has obligations to current and former employees as a result of pension commitments. Some of the pension obligations are covered by plan assets. The plan assets are subject to capital market risks, as a portion of them is invested in funds and equities. Any changes in relevant inputs, such as an increase in life expectancy or salaries, may lead to higher cash outflows and higher present values of the defined benefit obligation. To some extent regionally, contributions are also paid into defined benefit pension plans maintained by more than one employer (termed multi-employer plans). If other participating employers do not meet their payment obligations, Brenntag may be liable for the obligations of those employers.

The above-mentioned financial risks are also relevant mainly for the single-entity financial statements of Brenntag SE prepared in accordance with German commercial law. In addition, the company is exposed to impairment risk on the equity investments it holds. The continuous monitoring of the investments in subsidiaries is an integral part of our risk management, meaning that potential impairments are identified at an early stage and, if necessary, countermeasures can be taken to stabilize or improve the subsidiaries' profitability.

The year-on-year increase in the overall risk from "low" to "medium" is attributable to the fact that, in this reporting period, the foreign currency risks in the Group increased in jurisdictions where hedging instruments cannot be used.

■ Operational risks:

Brenntag's business is subject to operational risks. As a chemical distributor, Brenntag is exposed to the risk of interruptions to business, quality problems or unexpected technical difficulties, for example as a result of the incorrect handling of chemicals or machinery and equipment on site and during transportation. Disruptions and outages at its warehouse sites or during transportation may lead to delivery delays and falling sales revenues. Brenntag counters this risk through extensive safety measures at its sites and regionally standardized quality and safety manuals, by specifically training employees in how to handle chemicals correctly and through safety campaigns across the sites. In addition, Brenntag has taken out appropriate business interruption insurance for sites where any disruption might pose the threat of interruptions to business due to the local geographical site structure and/or portfolio structure, as well as increased cost of working cover for all sites. As Brenntag frequently uses the sites of external providers as well as its own sites, it is possible that it may (partly) relocate to different external sites in the event of an interruption to business so that it can continue to ensure that customers are supplied.

Risks may also arise if the products purchased and delivered to customers do not meet the specified and agreed quality, the wrong products are delivered or if, in specific cases, their sale is subject to restrictions. The distribution of certain products may result in particular liability risks. However, the procedures that have been established guarantee a good level of assurance that products are procured from reliable sources and that they are the right ones, meet the required standard of quality and are sold on in accordance with the law. In addition, there is product liability insurance, including extended product liability cover, to cover the above-mentioned losses.

■ Quality management, safety, health, environmental protection and ESG:¹⁾

The safety, health and environmental risks associated with chemical distribution are managed through rigorous safety measures at the sites and are an integral part of Brenntag's QSHE (Quality, Safety, Health, Environment) strategy. The QSHE strategy is based on central pillars that place a culture of safety front and center, supported by a team that fosters shared responsibility at all levels. A robust management system provides for clear guidelines, directives and proven practices, and ensures that these are adapted in line with regional requirements. Active training, communication and strict monitoring by way of self-assessments, audits and action plans foster continuous improvements.

As a chemical distributor, Brenntag generally operates in a complex regulatory environment. Cross-country teams of product regulation specialists are deployed to ensure that operating and business processes are in compliance with the relevant requirements. Here too, Brenntag sees itself in a good position due to its scale, its central systems and its expertise.

As an important player in the chemicals industry, Brenntag is aware of its responsibility as regards social standards. Respect for international human rights is embedded in the Group through a human rights risk management system that is monitored by the Human Rights Officer. Among other things, the system includes risk analyses that are conducted both in Brenntag's own operations and at suppliers. Further information on human rights and the supply chain is published in the sustainability statement. The monitoring of human rights compliance and environmental, health and safety risks is part of the sustainability strategy. The Board of Management sets the ESG targets at the beginning of the year and is informed about the achievement of targets once a quarter.

¹⁾ The disclosures in this paragraph also meet disclosure requirements under ESRS 2 (GOV-5 - Risk management and internal controls over sustainability reporting).

Environmental protection and climate change mitigation play an important role at Brenntag. Brenntag's goal worldwide is to conserve resources, make optimum use of them and minimize the impact of its business activities on the environment. Climate change may give rise to a range of different risks for Brenntag, but also to opportunities. Brenntag has sites all over the world and acute risks are increasingly expected as a result of extreme weather events such as hurricanes and flooding. In order to better prepare the Brenntag sites for such climatic changes, Brenntag analyzed the threat to its sites posed by physical risks in three global warming scenarios. In addition, extensive precautionary measures are set out for foreseeable critical weather conditions. In particular, these include removing or securing sensitive products and equipment from storage areas that are particularly under threat. Plans are drawn up to ensure that customers will be supplied from other sites in the Brenntag network should sites be temporarily out of operation following such events. In addition, the global fight against climate change will lead to structural, regulatory and technological changes in the market on the one hand, but also to increased costs as a result of preventive technologies or government carbon taxes on the other.

Reducing CO₂ emissions (Scope 1 and 2) to net zero by 2045 and reaching net-zero emissions across the value chain (Scope 3) by 2050 are important ESG targets. For Brenntag's product portfolio too, sustainability is an important metric that ensures that Brenntag is well positioned with regard to possible market changes.

In the course of the central review process, the estimate of probability of occurrence resulting from aggregation for ESG risks was changed from "improbable" to "possible" on the basis of the current assessment, and that of the possible extent of damage from "high" to "medium". This does not affect the overall risk estimate for ESG risks.

■ **Compliance and data protection risks and opportunities:¹⁾**

As a global company, Brenntag is subject to a large number of laws and provisions in each country in which it operates. Brenntag sees compliance and data protection as strategic success factors that help to reduce the risks to the company, while at the same time creating added value for its partners.

For Brenntag to be able to cooperate with its business partners as a reliable partner of integrity, it is essential to comply with the applicable laws and regulations, as this ensures a working relationship of trust with partners based on shared fundamental beliefs. Among other things, Brenntag has introduced a compliance management system to minimize the risk of unethical business conduct. This is constantly further developed so as to meet current requirements and developments. Compliance involves conducting business in accordance with the relevant regulations. In particular, any form of corruption, bribery or fraud is forbidden at Brenntag. Other focal points of the compliance activities at Brenntag include working toward compliance with antitrust, foreign trade and data protection requirements.

As the global market leader in chemical distribution and as a company with operations around the globe, Brenntag conducts business worldwide. In a rapidly changing environment, Brenntag's business may be impacted by export control regulations, embargoes or other types of trade restriction, among other things. Brenntag must comply with all the foreign trade laws applicable to it, such as restrictions on exports and imports of particular goods, services and technologies to or from countries subject to sanctions or embargoes. Internal regulations set out further specifications for employees in foreign trade.

Identifying sanctioned companies and persons, and the related task of ensuring compliance with various sanctions provisions are other duties performed in compliance work at Brenntag. For this, Brenntag uses an automated, IT-based solution, among other things. With the help of a special software application, regular checks are carried out against the sanction lists issued by the United Nations, the European Union, the USA and various other countries.

¹⁾ The disclosures in this paragraph also meet disclosure requirements under ESR 2 (GOV-5 - Risk management and internal controls over sustainability reporting).

The binding rules requiring all employees to treat one another and business partners fairly are set out in particular in Brenntag's Code of Business Conduct and Ethics and in other internal guidelines. Failure to observe those rules can give rise to risks and this is counteracted primarily through various controls and checks as well as through regular audits. Brenntag employees are required to familiarize themselves with the content of the Code of Business Conduct and Ethics and comply with its provisions.

Brenntag has established processes to receive and handle internal and external complaints and compliance notifications throughout the company. Reports of possible compliance violations are received, among other means, through an electronic whistleblowing system. All incoming reports are taken seriously and investigated. If an investigation of the underlying circumstances confirms the suspicion, measures are taken to punish a violation and further develop relevant processes.

As a company with operations worldwide, Brenntag is also subject to laws and regulations relating to data protection. Breaches of data protection regulations may lead to large penalties and substantial reputational damage. Brenntag has introduced a data protection management system to mitigate these risks. A global data protection unit has been established, which works together with regional and local data protection coordinators to continuously ensure compliance with relevant data protection requirements and further develop the data protection management system.

Employees are made aware of compliance and data protection issues through various communication measures, such as newsletters and information campaigns, and through comprehensive training measures, among other things.

The introduction of compliance and data protection management systems and regular employee training play an essential role in establishing a corporate culture characterized by integrity and a sense of responsibility. This not only strengthens internal collaboration, but also enhances the company's market position and reputation over the long term. Brenntag responds flexibly and with foresight to regulatory changes and, accordingly, continuously further develops the management systems taking into account local requirements. This enables potential risks to be identified at an early stage and helps to foster innovative approaches.

■ Acquisition risks and opportunities:

In the Brenntag Group, every decision to acquire is linked to minimum requirements on the internal rate of return of the particular investment. The company valuations incorporating the findings of due diligence work performed are of central importance in acquisitions. Therefore, all significant risks and opportunities are systematically recorded and an appropriate purchase price determined. Company acquisitions always involve risks surrounding the integration of employees and business operations. Particularly when acquiring small companies, there is often a particular dependency on a handful of key employees. Significant integration risks mainly include the loss of the acquiree's key employees and the loss of business relationships with suppliers and customers. Achieving the planned growth in the acquired business and realizing the planned synergies from the transaction are other significant areas of risk. Brenntag strives to limit these risks with adequate transaction structures, by conducting opportunity and risk analyses at an early stage in the approval process, with the support of external consultants and with specific contract structures (e.g. incentive, warranty and retention clauses). In the past, M&A activities focused on Europe, North America and Asia, while in 2024 Latin America was a focal point. In the case of acquisitions in emerging markets in Asia and Latin America, purchase prices are sometimes higher and the risks are also higher (e.g. compliance risks, higher working capital funding requirements, integration risks, foreign currency risks). On the other hand, however, there are also much greater opportunities due to higher expected growth rates. Strong market fragmentation regularly gives rise to acquisition opportunities for Brenntag (multitude of acquisition opportunities). Brenntag can selectively pursue acquisition targets with the most suitable target entities and a number of opportunities arise to support strategic objectives through acquisitions. Systematic use of a practiced acquisition and integration process helps to minimize risks and exploit potential. We counter integration risk with an updated version of the post-merger integration manual. The current market dynamics in chemical distribution, with falling price levels in some cases and possibly lower share prices or transaction multiples, may result in more favorable M&A opportunities, but at the same time pose a risk of the company itself becoming an acquisition target. In the course of the central review process, the estimate of probability of occurrence resulting from aggregation was changed from "improbable" to "possible" on the basis of the current assessment, and that of the possible extent of damage from "high" to "medium". This does not affect the overall risk estimate.

Summary of the opportunities and risk situation

During the past financial year, the executive directors once again continuously updated and assessed the risk situation for the Brenntag Group. The Group's risk position did not change significantly during that period. In our opinion, the risks described in the section "Report on opportunities and risks" do not jeopardize the continued existence of the company, either individually or collectively, and do not exceed its risk-bearing capacity. It can be concluded, therefore, that none of the risks, either in isolation or in aggregate, compromises the going concern principle from an equity or liquidity standpoint. Additional risks and opportunities that are not yet known or risks that are currently considered immaterial may also have a negative impact on our business operations. Brenntag is convinced that the challenges arising from the risks described above can continue to be mastered successfully.

Explanatory report on information required under Sections 289a and 315a of the German Commercial Code (HGB)

Composition of the subscribed capital

As at December 31, 2024, the subscribed capital of Brenntag SE totaled EUR 144,385,372. The share capital is divided into 144,385,372 no-par value registered shares, each with a notional value of EUR 1.00.

According to article 7, para. 3 of the Articles of Association of Brenntag SE, any right of shareholders to certification of their shares is excluded to the extent permitted by law and that certification is not required under the rules of any stock exchange on which the share is admitted to trading. The company is entitled to issue share certificates embodying several shares (consolidated certificates). Pursuant to Section 67, para. 2 of the German Stock Corporation Act (AktG) in conjunction with Article 9, para. 1 (c) (ii) of Council Regulation (EC) No 2157/2001 on the Statute for a European company ("the SE Regulation"), only those persons recorded in the company's share register will be recognized as shareholders of Brenntag SE. For purposes of recording the shares in the company's share register, shareholders are required to submit to Brenntag SE the number of shares held by them, and, in the case of individuals, their name, address and date of birth, or in the case of legal entities, their company name, business address and registered offices. All shares confer the same rights and obligations. At the Annual General Meeting, each share has one vote and accounts for the shareholders' proportionate share in the net income of Brenntag SE. Excepted from this rule are any treasury shares held by Brenntag SE that do not entitle Brenntag SE to any membership rights. Brenntag SE does not currently have any treasury shares. The shareholders' rights and obligations are governed by the provisions of the German Stock Corporation Act (which apply to an SE as a European stock corporation by way of the reference to other relevant provisions contained in Article 9 of the SE Regulation), in particular by Sections 12, 53a ff., 118 ff. and 186 of the German Stock Corporation Act.

Restrictions on voting rights or transfer of shares

The Board of Management of Brenntag SE is not aware of any agreements relating to restrictions on voting rights or on the transfer of shares.

Direct or indirect interests in the capital of the company exceeding 10% of the voting rights

As at December 31, 2024, the company was aware of two direct or indirect interests in the capital of the company that exceeded 10% of the voting rights. Section 33 of the German Securities Trading Act (WpHG) requires that any investor whose percentage of voting rights in Brenntag SE reaches, exceeds or falls below certain thresholds as a result of purchases, disposals or otherwise must notify Brenntag SE and the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht). On November 15, 2024, Brenntag was informed pursuant to Section 33 of the German Securities Trading Act that Kühne Holding AG's share of the voting rights exceeded 15%. On November 19, 2024, Artisan Partners Limited Partnership provided notification that its share of the voting rights exceeded 10%. Other voting right notifications in accordance with Section 33 of the German Securities Trading Act received by Brenntag SE in the reporting period concern shares of the voting rights in excess of the 3% and 5% thresholds.

Shares with special rights conferring powers of control

There are no shares with special rights conferring powers of control.

System of control of any employee participation scheme where the control rights are not exercised directly by the employees

Brenntag SE does not have a general employee participation scheme.

Legislation and provisions of the Articles of Association applicable to the appointment and removal of the members of the Board of Management and governing amendments to the Articles of Association

The appointment and removal of members of the Board of Management are subject to the provisions of Sections 84 and 85 of the German Stock Corporation Act. The Supervisory Board appoints the members of the Board of Management for a maximum term of five years. Their appointment may be resolved according to article 13, para. 4 of the Articles of Association of Brenntag SE by simple majority of votes. In the event of a tie, the Chair of the Supervisory Board has the casting vote. According to article 9, para. 1 of the Articles of Association of Brenntag SE, the Board of Management consists of one or more persons. The specific number of members of the Board of Management is determined by the Supervisory Board. As at December 31, 2024, the Board of Management of Brenntag SE consisted of four members.

Contrary to Sections 133, para. 1 and 179, para. 2, sentence 1 of the German Stock Corporation Act, article 20 of the Articles of Association of Brenntag SE stipulates that in cases that require the majority of the share capital represented when the resolution is passed, the simple majority of the capital represented is sufficient. However, this does not apply to changes to the object of the company, as Section 179, para. 2, sentence 2 of the German Stock Corporation Act only permits amendments to a company's Articles of Association regarding the object of the company to be adopted with larger majorities than three-quarters of the capital represented when the resolution is passed. The authority to adopt purely formal amendments to the Articles of Association is transferred to the Supervisory Board under article 14, para. 2 of the Articles of Association of Brenntag SE. In addition, by resolution of the Annual General Meeting on June 9, 2022, the Supervisory Board was authorized to amend the Articles of Association of Brenntag SE in connection with the creation of new authorized capital after implementation of each capital increase and after expiry of the authorization period without use of the authorized capital.

Powers of the Board of Management to issue or repurchase shares

Authorization to create authorized capital

By resolution of the Annual General Meeting on June 9, 2022, the Board of Management was authorized, with the approval of the Supervisory Board, to increase the share

capital of Brenntag SE on one or more occasions in the period to June 8, 2027 by a total of up to EUR 35,000,000 by issuing up to 35,000,000 new registered ordinary shares in return for cash contributions or contributions in kind. The shareholders shall generally be granted a subscription right. However, in certain cases the Board of Management is authorized, with the approval of the Supervisory Board, to exclude the shareholders' statutory subscription rights for one or more capital increases under the authorized capital. This shall apply, for example, if the capital increase is effected against cash contributions and the issue price of the new shares is not significantly lower than the stock market price of the shares of the same class and carrying the same rights already traded on the stock market at the time of final determination of the issue price within the meaning of Section 203, para. 1 and para. 2 and Section 186, para. 3, sentence 4 of the German Stock Corporation Act and the total pro rata amount of registered share capital represented by the new shares issued in accordance with this paragraph with exclusion of subscription rights pursuant to Section 186, para. 3, sentence 4 of the German Stock Corporation Act is not less than 10% of the registered share capital (simplified exclusion of subscription rights). The 10% threshold will be determined based on the share capital at the time the authorization becomes effective. If the share capital is lower at the time this authorization is exercised, that lower amount will apply.

The Board of Management shall decide on the further content of the share rights and the conditions of the issuance of shares with the approval of the Supervisory Board.

Authorization to acquire and use treasury shares in accordance with Section 71, para. 1, no. 8 of the German Stock Corporation Act

By resolution of the Annual General Meeting on May 23, 2024, the Board of Management was authorized, with the approval of the Supervisory Board, to acquire treasury shares up to a total of 10% of the share capital. The shares acquired on the basis of this authorization, together with other shares in the company which Brenntag SE has already acquired and still holds, may at no time account for more than 10% of the respective registered share capital. The authorization may be exercised in whole or in part, once or several times. It took effect at the close of the Annual General Meeting on May 23, 2024 and shall be valid until May 22, 2029. If the shares are purchased on the stock exchange or through a multilateral trading facility within the meaning of Section 2, para. 6 of the German Stock Exchange Act (MTF), the purchase price (excluding incidental costs) may not be more than 10% higher or lower than the arithmetic mean of the share prices (closing auction prices of Brenntag SE shares in Xetra trading or a comparable successor

system) on the Frankfurt Stock Exchange on the last five trading days prior to the purchase or the entering into an obligation to purchase. In the case of acquisition by means of a public purchase offer, Brenntag SE may either publish a formal offer or issue a public invitation to submit offers for sale. The purchase price offered (excluding incidental costs) or the limits of the purchase price range per share determined by Brenntag SE (excluding incidental costs) may not exceed or fall below the arithmetic mean of the share prices on the Frankfurt Stock Exchange on the last five trading days prior to the publication of the purchase offer or the invitation to submit offers by more than 10%. The authorization may be exercised for any purpose permitted by law. The Board of Management was authorized, with the approval of the Supervisory Board, to cancel the treasury shares acquired on the basis of the authorization pursuant to Section 71, para. 1, no. 8 of the German Stock Corporation Act without any further resolution by the Annual General Meeting. The cancellation may be limited to a portion of the shares acquired. The authorization to cancel shares may be exercised more than once. The cancellation of shares generally leads to a reduction in registered share capital. In derogation of this, the Board of Management may determine that the registered share capital shall remain unchanged and that instead the cancellation shall increase the proportion of the registered share capital represented by the remaining shares in accordance with Section 8, para. 3 of the German Stock Corporation Act. In this case, the Board of Management is authorized to adjust the indication of the corresponding number in the Articles of Association. Treasury shares may, under certain circumstances, also be used subject to exclusion of the shareholders' subscription rights existing in principle and in particular by way of simplified exclusion of subscription rights as specified above.

On March 7, 2023, the Board of Management of Brenntag SE resolved on a share buyback program of up to EUR 750 million with the approval of the Supervisory Board and exercising the authorization granted at the Annual General Meeting held on June 9, 2022. In the course of the second tranche in the period to March 6, 2024, Brenntag SE acquired 3,068,465 no-par value shares, each with a notional value of EUR 1.00 (EUR 249,999,944.46 in total). The shares were acquired on the electronic trading platform of the Frankfurt Stock Exchange (Xetra). Exercising the above-mentioned authorization to cancel treasury shares acquired pursuant to Section 71, para. 1, no. 8 of the German Stock Corporation Act, the company's share capital was reduced from EUR 147,453,837.00 – by EUR 3,068,465 – by canceling 3,068,465 no-par value registered shares, each with a notional value of EUR 1.00, which the company acquired in the period to March 6, 2024. The 3,068,465 no-par value shares held by the company and acquired under the share buyback program were canceled.

Authorization to issue bonds and to create conditional capital

By resolution of the Annual General Meeting on June 9, 2022, the Board of Management was authorized ("Authorization 2022"), with the approval of the Supervisory Board, to issue holder or registered convertible bonds or bonds with warrants as well as profit participation rights or profit participating bonds with option or conversion rights on one or more occasions up to June 8, 2027 for a total nominal amount of up to EUR 2,000,000,000 with or without limited term ("Bonds") and to grant the holders or creditors of the Bonds option or conversion rights to up to 15,450,000 new Brenntag SE shares with a pro rata total amount of the registered share capital of up to EUR 15,450,000 in accordance with the respective option or convertible bond conditions or profit participation right or participating bond conditions ("Conditions") to be determined by the Board of Management. In order to grant shares to the holders or creditors of Bonds, the registered share capital was conditionally increased at the Annual General Meeting on June 9, 2022 by up to 15,450,000 no-par value registered shares conferring profit-sharing rights from the beginning of the financial year in which they were issued ("Conditional Capital 2022"); this equates to an increase in the registered share capital of up to EUR 15,450,000. The Bonds may, in addition to euros, also be issued in a foreign legal currency, subject to a limit of the corresponding equivalent value in euros, and by companies dependent on Brenntag SE or in which it holds a majority interest; in this case, the Board of Management was authorized, with the approval of the Supervisory Board, to assume the guarantee for the Bonds on behalf of Brenntag SE and to grant the holders of such Bonds option or conversion rights to Brenntag SE shares and to make other declarations and take other actions necessary for a successful issue. The issues of Bonds may be divided into partial Bonds each having equal rights. Bonds may only be issued against contribution in kind, provided that the value of the contribution in kind corresponds to the issue price and that this price is not significantly lower than the theoretical market value of the Bonds determined in accordance with recognized methods of financial mathematics. The Board of Management is authorized, under certain circumstances and with the approval of the Supervisory Board, to exclude shareholders' subscription rights to the Bonds. However, with regard to the exclusion of subscription rights against cash payment, this authorization shall apply only provided that the shares issued to fulfil the option or conversion rights and/or in the case of fulfilment of the conversion obligation represent no more than 10% of the registered share capital (simplified exclusion of subscription rights). The 10% threshold will be determined based on the share capital at the time the authorization becomes effective. If the share capital is lower at the time this authorization is exercised, that lower amount will apply.

When convertible bonds, profit participation rights or profit participating bonds with conversion rights are issued, the holders are granted the right to exchange their Bonds for new Brenntag SE shares in accordance with the more detailed Conditions.

When bonds with warrants, profit participation rights or profit participating bonds with option rights are issued, one or more warrants shall be attached to each partial bond or each profit participation right or each participating bond, entitling the holder to subscribe for Brenntag SE shares in accordance with the more detailed Conditions.

New shares are issued at the option or conversion price to be set in accordance with the aforementioned resolution granting authorization.

Significant agreements which take effect, alter or terminate upon a change of control of the company following a takeover bid

As at the reporting date, the most important component in Brenntag's financing structure is the Group-wide loan agreement concluded with a consortium of international banks. The total loan volume is described in the section "Capital structure". The main conditions are laid down in a syndicated facilities agreement entered into in February 2023. Under this agreement, individual lenders have the right to terminate the agreement if any person or group of persons acting in concert acquire directly or indirectly more than 50% of the shares issued or the voting rights in Brenntag SE. The right to terminate in the event of a change of control is preceded by a 30-day negotiating period on the continuation of the loan agreements. If the parties involved cannot reach agreement on the continuation of the loan agreements in this period, each lender can within ten days terminate his involvement as a lender in the agreement by giving notice of at least another 30 days and request payment of the outstanding loan amounts.

Section 5 of the conditions of issue relating to the Bond 2025 in the amount of EUR 600.0 million issued by Brenntag Finance B.V. in September 2017 also contains provisions governing a change of control, under which bondholders may request that the bond be repaid early if the rating is downgraded within a certain period of a change of control (in each case as defined in the conditions of issue).

Furthermore, section 5 of the conditions of issue relating to the Bond 2029 in the amount of EUR 500.0 million placed by Brenntag Finance B.V. in September 2021 and paid out in October 2021 (first issue under the newly established debt issuance program) also contains a provision governing a

change of control, under which bondholders may likewise request that the bond be repaid early if the rating is downgraded within a certain period of a change of control (in each case as defined in the conditions of issue).

Section 5 of the loan agreement relating to the promissory note transaction placed by Brenntag SE in August 2022 for around EUR 640 million also contains provisions governing a change of control. In this case too, the lenders may request that the notes be repaid early if the rating is downgraded within a certain period of a change of control (as defined in the loan agreement).

The conditions of issue relating to the Bonds 2028 and 2032 placed by Brenntag Finance B.V. in April 2024, in each case in the amount of EUR 500.0 million, also contain the same provision governing a request for early repayment in the event of a change of control and a rating downgrade. In addition, the lenders may request early repayment if there is a change in the ownership structure (as defined in the conditions of issue) of a division of Brenntag SE as a result of an M&A transaction, a stock market flotation or a transaction with a similar effect. For this, the division or a part of it must make up at least 20% of the Brenntag Group's consolidated operating gross profit. For this right to be exercised, the rating must also be downgraded as a result (as defined in the conditions of issue).

Compensation agreements with members of the Board of Management or employees in the event of a takeover bid

There are no compensation agreements with members of the Board of Management or employees in the event of a takeover bid.

Corporate governance statement

Brenntag has always attached great importance to good corporate governance. As a globally operating DAX 40-listed company, we are particularly aware of our responsibility and our obligations in this area. The Board of Management and Supervisory Board jointly issue the corporate governance statement pursuant to Sections 289f and 315d of the German Commercial Code (HGB) and report on the principles of responsible corporate governance at Brenntag, each being responsible for the parts of the report that relate to them. In accordance with Principle 23 of the German Corporate Governance Code in its current version of April 28, 2022, the corporate governance statement is the central instrument of corporate governance reporting.

Corporate Governance

Commitment to responsible corporate governance

As in previous years, in this reporting year the Board of Management and the Supervisory Board thoroughly examined corporate governance and the requirements of the German Corporate Governance Code ("GCGC"). On the basis of these deliberations, they issued, on December 17, 2024, the following declaration of conformity with the recommendations of the GCGC of April 28, 2022:

"Declaration of Conformity by the Board of Management and the Supervisory Board of Brenntag SE in accordance with Article 9, para. 1 lit. c) ii) SE-VO in conjunction with Section 161 of the German Stock Corporation Act (Aktiengesetz)

The Board of Management and the Supervisory Board of Brenntag SE are obliged to resolve a Declaration of Conformity in accordance with Article 9, para. 1 lit. c) ii) SE-VO in conjunction with Section 161 of the German Stock Corporation Act. This declaration was last resolved on December 14, 2023. The Board of Management and Supervisory Board declare that since the last declaration was resolved, all recommendations of the Government Commission on the German Corporate Governance Code in the version dated April 28, 2022 (GCGC 2022) published by the Federal Ministry of Justice in the official section of the Federal Gazette have been complied with and that the recommendations of the GCGC 2022 will continue to be complied with in the future.

Declaration on the suggestions made in the GCGC

Brenntag complies with all suggestions made in the GCGC 2022.

Brenntag publishes an overview of implementation of the GCGC's suggestions on its corporate website at <https://corporate.brenntag.com/en/about/corporate-governance/corporate-governance-code/>.

Disclosures on corporate governance practice

In line with responsible, prudent and sustainability-focused corporate governance, Brenntag aims to observe legal requirements and voluntary internal codes of conduct (compliance) so it always acts honestly and fairly. To ensure this, the management makes use of various internal control and risk management systems. Furthermore, a compliance organization has been established in the company. Every Brenntag employee is personally responsible for complying with all applicable laws, directives, policies and regulations. The information on corporate governance practice is also published on the website at <https://corporate.brenntag.com/en/about/compliance/>.

Compliance management and organization: The compliance organization of Brenntag SE is headed by the Board of Management and, within the Board, by the Chairman. The Senior Vice President (SVP) Compliance Brenntag Group of Brenntag SE provides the Board of Management and the Supervisory Board with information on compliance matters every quarter. Reports on compliance and whistleblowing cases and the development of the Group-wide compliance management system are also given in the regular Audit and Compliance Committee meetings of the Supervisory Board. Internal reporting was developed further in the reporting year. Now the CEOs of the two divisions Specialties and Essentials also receive reports as the compliance and whistleblowing cases are differentiated according to the respective division. The compliance management system will continue to be developed in 2025 to keep it in line with the organizational developments in the company. Regional compliance managers ensure coordination of the compliance management system at regional level. They are supported in their work by local compliance contacts. The regional compliance managers are responsible for implementing the Compliance Management System in their respective regions and are the people to contact with regard to compliance matters in their region. They regularly exchange information

CORPORATE GOVERNANCE STATEMENT

and experience with SVP Compliance Brenntag Group. This ensures the close networking of compliance management with Brenntag's business activities at regional and local levels.

Code of conduct and company guidelines: As a global company, Brenntag is subject to a large number of laws, directives, regulations and ordinances. In addition to compliance with rules and regulations, honesty and integrity are a particular priority at Brenntag. A comprehensive Code of Business Conduct and Ethics summarizes all fundamental company values, ethical principles, compliance with laws, rules and regulations as well as the relevant guidelines and procedures which are of key significance for Brenntag and its reputation. The Code of Business Conduct and Ethics contains in particular the standards and rules Brenntag applies in the areas of health, safety and the environment, human rights and working conditions, dealings with business partners and public institutions, combating bribery and corruption, competition and antitrust law, avoidance of conflicts of interest as well as data privacy and information security. The Code of Business Conduct and Ethics has been published both on the external website of the Brenntag Group and on the Intranet and is available in various languages. It applies to all employees at all levels of the company. Its aim is to give guidance in the legal and ethical challenges of their daily work and to encourage correct and compliant conduct. Every infringement of this code of conduct may lead to disciplinary action and have further consequences under employment law and even criminal law for employees committing an infringement. In addition to the Code of Business Conduct and Ethics, there are further Group guidelines detailing compliance requirements, such as the Anti-corruption Guideline and the Corporate Guideline on Foreign Trade Compliance. In addition to the Code of Business Conduct and Ethics, all Group-wide guidelines can be accessed by all employees on the Group-wide Intranet.

Monitoring: The compliance processes and their implementation are regularly monitored both centrally and decentrally, in particular by the compliance organization. Appropriate measures are developed and implemented to counteract any weaknesses that are identified. Internal Audit Brenntag Group regularly reviews the internal control and compliance management system of the Brenntag Group companies. If weaknesses regarding compliance are identified during the audits, the Compliance department is informed accordingly. Compliance develops and implements measures to eliminate the weaknesses and further develop the compliance management system.

Training: Adherence to the Code of Conduct, the antitrust requirements as well as the prevention of corruption are particular focal points of the compliance program. Brenntag employees receive regular training on these topics - either at in-person events or through e-learning systems worldwide. The aim is to keep all employees' knowledge up to date, avoid any illegal actions as well as to protect the environment and employees from harm. Regular participation in compliance training, in particular on the Code of Business Conduct and Ethics, is mandatory for employees. In addition, there are in-depth compliance training courses at global, regional and local levels, particularly on the topics of bribery and corruption, fraud prevention, anti-trust law and data privacy. In the reporting year, all members of the Board of Management also received training on corruption and bribery in mandatory compliance training sessions. The training included e-learning modules on the Code of Business Conduct and Ethics and on anti-corruption.¹⁾

Whistleblowing: Brenntag has set up procedures for receiving and handling internal and external complaints and reports of compliance issues throughout the Group. Employees can either make such reports to their direct supervisor or the regional compliance manager, or alternatively submit them through central or regional whistleblowing channels and whistleblowing systems. It is also possible to make an anonymous report using the whistleblowing system in particular. Persons outside the company can submit complaints and report infringements by using the whistleblowing channel on the website of Brenntag SE. The information received is always treated in strict confidence. Any reports received are reviewed internally and at the meetings of the Audit and Compliance Committee. Appropriate counteraction is taken if a compliance infringement has occurred.

¹⁾ The disclosures in this paragraph are disclosures required by ESRS 2 (GOV-1 - The role of the administrative, management and supervisory bodies) as specified in the preamble to this management report.

Embedding sustainability in corporate governance:

Sustainability is of key importance to the corporate strategy of the Brenntag Group and is firmly anchored in the organizational and management system. The Supervisory Board of Brenntag SE has set up a separate Transformation and ESG Committee to oversee implementation and pursuance of the corporate and sustainability strategies, including the sustainability targets, at the highest corporate level. The Board of Management of Brenntag SE makes all strategic decisions regarding sustainability topics. In the reporting year, a particular focus was on the impacts, risks and opportunities related to climate change, occupational health and safety, and workers in the value chain. The Sustainability Council was established in 2022 to advise and support the Board of Management. The Sustainability Council is made up of members of the Global Leadership Team from different departments, regions and functions and is chaired by the CEO. It met four times in the reporting year and is particularly focusing on the carbon management system, the ESG framework and the current status of progress in achieving the annual targets through an internal scorecard. These elements are used to monitor impacts, risks and opportunities. Appropriate measures are discussed and initiated if there is a possibility that the targets will not be met. The ESG scorecard is also submitted quarterly to the Board of Management and the Transformation and ESG Committee for monitoring purposes. The Sustainability Brenntag Group department, headed by the Vice President Sustainability, supports the CEO in driving forward and implementing the sustainability strategy. It manages sustainability topics throughout the company. The department works closely with the sustainability teams of the two divisions, Brenntag Specialties and Brenntag Essentials. Both divisions have set up their own sustainability teams. A Sustainability Community was established in the Brenntag Group in July 2024 to further promote and raise awareness of sustainability topics. Here, representatives from different departments, divisions, regions and functions can find out about current topics and projects and get involved.¹⁾

Working practices of the Board of Management and Supervisory Board as well as the composition and working practices of their committees

Brenntag SE has a two-tier management system consisting of the Board of Management and the Supervisory Board in accordance with the legal requirements of Article 9, para. 1, number (c) (ii) of Regulation (EC) no. 2157/2001 on the Statute for a European company (SE) ("SE Regulation") and the German Stock Corporation Act. The management of business by the Board of Management and supervision by the Supervisory Board are therefore clearly separated. The Board of Management and the Supervisory Board are guided by the applicable legislation, the principles of the GCGC 2022, the company's Articles of Association as well as their respective rules of procedure. The working practices of both bodies are geared to responsible corporate governance, which is characterized by open discussions and transparency.

¹⁾ The disclosures in this paragraph are disclosures required by ESRS 2 (GOV-1 – The role of the administrative, management and supervisory bodies and GOV-2 Information provided to and sustainability matters addressed by Brenntag's administrative, management and supervisory bodies) as specified in the preamble to this management report.

BOARD OF MANAGEMENT



Ewout van Jarwaarde

Chief Executive Officer
Brenntag Essentials

Dr. Christian Kohlpaintner

Chief Executive Officer
Chairman of the Board of Management

Dr. Kristin Neumann

Chief Financial Officer

Michael Friede

Chief Executive Officer
Brenntag Specialties

Board of Management

Since August 1, 2023, the Board of Management of Brenntag SE has consisted of four members: the Chairman of the Board of Management (CEO) of Brenntag SE, Dr. Christian Kohlpaintner, the Chief Financial Officer (CFO), Dr. Kristin Neumann, and the divisional CEOs of the two divisions, Michael Friede (Specialties) and Ewout van Jarwaarde (Essentials).¹⁾

Dr. Kristin Neumann has decided not to extend her contract, which ends on March 31, 2025, for personal reasons. She is succeeded by Thomas Reisten, who, in accordance with the GCGC 2022, was appointed with effect from April 1, 2025 initially for a period of three years.

Dr. Christian Kohlpaintner also informed the Supervisory Board at an early juncture that he would not be extending his contract, which ends on December 31, 2025. The Supervisory Board has begun a structured process to appoint a successor.

Further information on the members of the Board of Management can be found on the website at <https://corporate.brenntag.com/en/about/corporate-governance/board-of-management/>. Information on the remuneration of the Board of Management can be found in the Remuneration Report.

¹⁾ The disclosures in this paragraph are disclosures required by ESRS 2 (GOV-1 – The role of the administrative, management and supervisory bodies) as specified in the preamble to this management report.

CORPORATE GOVERNANCE STATEMENT

Members of the Board of Management

The members of the Board of Management hold the following offices on statutory supervisory boards and comparable supervisory bodies of business enterprises.

	Dr. Christian Kohlpaintner	Dr. Kristin Neumann
Position	CEO	CFO
First appointed	January 1, 2020	April 1, 2022
Responsibilities	<ul style="list-style-type: none"> - Corporate Board Office - Global Human Resources - Corporate Planning, Strategy & M&A Brenntag Group - Global Communications - Global Marketing - Internal Audit Brenntag Group - Compliance & Privacy Brenntag Group - QSHE Brenntag Group - Sustainability Brenntag Group - Brenntag Excellence 	<ul style="list-style-type: none"> - Corporate Controlling - Accounting Brenntag Group - Legal Brenntag Group - Tax Brenntag Group - Treasury Brenntag Group - Corporate Investor Relations - Corporate Insurance Management - Shared Services Brenntag Group - Regional Finance Brenntag - Indirect Procurement
External positions	Evonik Industries AG, Essen, Germany (listed) (Member of the Supervisory Board)	Zeppelin GmbH, Friedrichshafen, Germany (Member of the Supervisory Board)
Group company positions		
	Michael Friede	Ewout van Jarwaarde
Position	CEO Brenntag Specialties	CEO Brenntag Essentials
First appointed	April 1, 2023	January 1, 2021
Responsibilities	<ul style="list-style-type: none"> - Brenntag Life Science - Brenntag Material Science - Supplier & Customer Excellence - Supply Chain & Customer Services BSP - Business Development BSP - Controlling BSP 	<ul style="list-style-type: none"> - Brenntag Essentials - Digital, Data & Technology - Customer & Supplier Excellence BES - Supply Chain BES - Business Development BES - Controlling BES
External positions	Pearl Polyurethanes LLC, Dubai, United Arab Emirates (Member of the Advisory Board)	
Group company positions	Brenntag (Shanghai) Enterprise Management Co., Ltd.	

2.17 Position and membership of statutory supervisory boards and comparable German and foreign supervisory bodies of business enterprises

Working practices of the Board of Management

The Board of Management is responsible for managing the company with the aim of creating sustainable value. It develops the company's strategy, taking due account of the environmental and social impacts of the company's activities.¹⁾ The members of the Board of Management bear joint responsibility for the entire management of the company's business. They work together in a spirit of collective responsibility and keep one another informed about all significant business transactions and other important transactions and measures adopted in their respective areas of responsibility. Notwithstanding the joint responsibility of all Board of Management members for the conduct of Brenntag SE's business, each Board member is individually responsible for the areas assigned to him under the business responsibility plan or through other resolutions of the Board of Management.

The Board of Management manages the business of Brenntag SE independently. In doing so, it must act in the company's best interest, and therefore in the interest of the shareholders, employees and other stakeholders. The Board of Management operates in accordance with the applicable laws and the provisions of the individual service agreements of its members as well as the company's Articles of Association, its rules of procedure and the business responsibility plan.

The Board of Management has set up a sustainable risk management and risk monitoring system that also covers sustainability goals and includes processes and systems for collecting and processing sustainability-related data.²⁾ Furthermore, the Board of Management develops the strategy of the Brenntag Group in cooperation with the Supervisory Board and discusses the current status of its implementation with the Supervisory Board at regular intervals.

Board of Management meetings are to take place every two weeks but at least once a month. The Board of Management has a quorum if all its members have received invitations to the meeting and at least half of its members participate in adopting resolutions. Resolutions may be adopted outside meetings either by circulating the documents or in another form, for example by video conference. The Board of Management must do everything in its power to ensure that its resolutions are adopted unanimously. Insofar as other majorities are not prescribed by law or by the Articles of Association of Brenntag SE, the Board of Management is to adopt resolutions with a simple majority of the members of the Board participating in the vote. In the event of a tie, the Chair of the Board of Management has a second vote.

The Board of Management has currently not set up any committees.³⁾ The transactions for which a resolution adopted by the Board of Management is required by law, the Articles of Association or the rules of procedure for the Board of Management of Brenntag SE include but are not limited to the following measures:

- Board of Management's reports to the Supervisory Board,
- fundamental organizational measures, such as the conclusion of company agreements, transformation measures within the meaning of the German Transformation of Companies Act or acquisitions, carve-outs or the sale of material parts of the company as well as strategy and business planning issues,
- measures related to the implementation and controlling of a monitoring system,
- issuance of the declaration of conformity with the German Corporate Governance Code,
- preparation of the annual financial statements and the management report,
- convening of the Annual General Meeting as well as the Board of Management's requests and proposals for resolutions to be dealt with and voted on at the Annual General Meeting,
- matters with respect to which the Chair of the Board of Management or any two members have requested a resolution by the Board of Management.

Furthermore, internal guidelines applicable throughout the Group have been implemented which also require a resolution passed by the entire Board of Management or by individual members of the Board of Management for certain matters.

The Board of Management must regularly inform the Supervisory Board, in due time and comprehensively, of all issues of Brenntag SE and its subsidiaries with regard to strategy, corporate governance, the business policy it plans and other fundamental questions of corporate planning, the company's profitability, business performance and current position, risk management and compliance. The Board of Management addresses in particular any departures of business performance from the plans made or targets agreed, stating the reasons for such departures. In addition,

¹⁾ The disclosures in this paragraph are disclosures required by ESRS 2 (GOV-1 - The role of the administrative, management and supervisory bodies) as specified in the preamble to this management report.

²⁾ The disclosures in this paragraph are disclosures required by ESRS 2 (GOV-2 - Information provided to and sustainability matters addressed by Brenntag's administrative, management and supervisory bodies) as specified in the preamble to this management report.

³⁾ The disclosures in this paragraph are disclosures required by ESRS 2 (GOV-1 - The role of the administrative, management and supervisory bodies) as specified in the preamble to this management report.

the Board of Management requires the prior consent of the Supervisory Board for certain major matters which are described in detail in the section “Supervisory Board”.

Supervisory Board

As in the previous year, the Supervisory Board of Brenntag SE consisted of six members. There are no employee representatives on the Supervisory Board of Brenntag SE as the German One-Third Employee Participation Act (Drittelbeteiligungsgesetz) and the German Codetermination Act (Mitbestimmungsgesetz) are not applicable. The members of the Supervisory Board mentioned by name below are therefore all shareholders' representatives.¹⁾

The Supervisory Board intends to propose to the 2025 Annual General Meeting of Brenntag SE that the Supervisory Board be expanded to include two additional members, thus increasing the total number of members to eight.

Members of the Supervisory Board

The members of the Supervisory Board hold the following offices on statutory supervisory boards and comparable supervisory bodies of business enterprises.²⁾

¹⁾ The disclosures in this paragraph are disclosures required by ESRS 2 (GOV-1 – The role of the administrative, management and supervisory bodies) as specified in the preamble to this management report.

²⁾ The disclosures in this paragraph are disclosures required by ESRS 2 (GOV-1 – The role of the administrative, management and supervisory bodies) as specified in the preamble to this management report.

CORPORATE GOVERNANCE STATEMENT

	Richard Ridinger	Dr. Andreas Rittstieg
Position	Chair	Deputy Chair
Member from	June 10, 2020	March 19, 2010
Profession	Independent Management Consultant	Lawyer
Group company positions	- Nomination and Remuneration Committee - Transformation and ESG Committee	- Nomination and Remuneration Committee
Membership of statutory supervisory boards and comparable German and foreign supervisory bodies of business enterprises (as at December 31, 2024)	- DSM-Firmenich AG, Kaiseraugust, Switzerland (listed) (Non-executive Member of the Board of Directors) - Roar HoldCo AB, Stockholm, Sweden (not listed) (Non-executive Member and Chair of the Board of Directors) and - Recipharm AB, Stockholm, Sweden (Group company, shares held by Roar HoldCo AB, not listed) (Non-executive Member and Chair of the Board of Directors)	- Hapag Lloyd AG, Hamburg, Germany (listed) (Member of the Supervisory Board) - Hubert Burda Media Holding Geschäftsführung SE, Offenburg, Germany (not listed) (Member of the Administrative Board) - Huesker Holding GmbH, Gescher, Germany (not listed) (Member of the Advisory Committee) - Kühne Holding AG, Schindellegi, Schweiz (not listed) (Member of the Administrative Board)
	Stefanie Berlinger	Sujatha Chandrasekaran
Position	Member	Member
Member from	June 9, 2015	June 15, 2023
Profession	Managing Director Lilja & Co. GmbH	Independent Management Consultant
Group company positions	- Audit and Compliance Committee	- Audit and Compliance Committee
Membership of statutory supervisory boards and comparable German and foreign supervisory bodies of business enterprises (as at December 31, 2024)		- American Eagle Outfitters Inc., Pittsburgh, PA, USA (listed) (Non-executive Member of the Board of Directors) - Agendia Inc., Irvine, CA, USA (not listed) (Non-executive Member of the Board of Directors) - Atos SE, Bezons, France (listed) (Non-executive Member of the Board of Directors) - Pando.AI, Chicago, Illinois, USA (not listed) (Non-executive Member of the Board of Directors)
	Wijnand P. Donkers	Ulrich M. Harnacke
Position	Member	Member
Member from	June 8, 2017	June 8, 2017
Profession	Independent Management Consultant	Chartered Accountant and Independent Business Consultant
Group company positions	- Nomination and Remuneration Committee - Transformation and ESG Committee	- Audit and Compliance Committee - Transformation and ESG Committee
Membership of statutory supervisory boards and comparable German and foreign supervisory bodies of business enterprises (as at December 31, 2024)		- Vossloh AG, Werdol, Germany (listed) (Member of the Supervisory Board) - Thüga Group (until April 30, 2025): Contigas Deutsche Energie-AG, Thüga AG and Thüga Holding GmbH & Co. KGaA, Munich, Germany (Member of the Supervisory Board or ... Shareholders' Committee) - Zentis GmbH & Co. KG, Aachen, Germany (not listed) (Member of the Advisory Board)

2.18 Membership of committees and statutory supervisory boards and comparable German and foreign supervisory bodies of business enterprises

Working practices of the Supervisory Board

As the second governing body of a stock corporation (Aktiengesellschaft), the Supervisory Board has the task of monitoring the management of the company by the Board of Management as well as advising the Board of Management on the management of the company. The Supervisory Board also appoints and dismisses the members of the Board of Management.¹⁾ The Supervisory Board bases the composition of the Board of Management on the company's strategy, the requirements of the recommendations of the Government Commission "German Corporate Governance Code" and on the internal diversity policy. The Supervisory Board regularly discusses the company's strategy with the Board of Management and the progress made in its implementation. Furthermore, the Board of Management regularly informs the Supervisory Board of all issues with regard to planning, business development, the risk situation and risk management of the company in compliance with Section 90 of the German Stock Corporation Act (AktG).

Furthermore, the prior consent of the Supervisory Board is required for some major Board of Management decisions, including the business responsibility plan of the Managements, major changes in the business strategy of the Brenntag Group, the acquisition or sale of major plots of land, companies or business operations, the conclusion of agreements in connection with the granting or raising of loans or the assumption of guarantees, the amount of which exceeds certain thresholds.

The Supervisory Board has adopted rules of procedure and, according to these rules, holds at least two meetings in the first two quarters and at least two meetings in the last two quarters of each calendar year. If necessary and on a case-by-case basis, additional meetings are held or circular resolutions are passed outside Supervisory Board meetings. The Supervisory Board has a quorum when at least three members participate in the voting. Insofar as other majorities are not prescribed by law, resolutions are passed by a simple majority. In the event of a tie, the Chair has the casting vote. He/she is also authorized to make any declarations on behalf of the Supervisory Board which are necessary to implement its resolutions.

The Supervisory Board members are in principle elected for a period up to the close of the Annual General Meeting which resolves on the formal discharge of the Supervisory Board for the fourth financial year after commencement of the respective term of office. The financial year in which the term of office starts is not counted for this purpose. The Annual General Meeting can determine a shorter term of office for the Supervisory Board members. Members of the Supervisory Board may be re-elected. All members of the Supervisory Board are bound by the company's best interests and must immediately inform the Supervisory Board of any conflicts of interest. In line with recommendation D. 11 of the GCGC 2022, new members of the Supervisory Board are given a comprehensive introduction to their office in a set onboarding process and already receive targeted information material prior to taking up office in order to prepare them for their work. The resignation of Supervisory Board members is accompanied by a structured offboarding process to ensure that data and documents are deleted or returned and access is blocked.

Brenntag SE also complies with recommendation D. 11 of the GCGC by providing the Supervisory Board with sufficient support during training and professional development measures. In the reporting year, all members of the Supervisory Board took part in an information security training course. In 2024, they also received training and professional development sessions specially tailored to their requirements. They attended conferences and specialized events, e.g. on the implementation of the CSRD, AI risk management and governance, current developments in the European chemical industry, corporate governance, sustainability, reporting, compliance and risk management. They were also actively involved in industry associations and networks, such as the German Audit Committee Network, the Financial Experts Association e.V. or Deutsche Schutzvereinigung für Wertpapierbesitz.²⁾

Information on the remuneration of the Supervisory Board members can be found in the section "Remuneration Report"; this information can also be found on the website.

¹⁾ The disclosures in this paragraph are disclosures required by ESRS 2 (GOV-1 – The role of the administrative, management and supervisory bodies) as specified in the preamble to this management report.

²⁾ The disclosures in this paragraph are disclosures required by ESRS 2 (GOV-1 – The role of the administrative, management and supervisory bodies) and ESRS G1-3 (Prevention and detection of corruption and bribery) as specified in the preamble to this management report.

Good corporate governance also involves a regular assessment of how effectively the Supervisory Board as a body as a whole and its committees as such are fulfilling their duties. The Supervisory Board performs an assessment of its activities on a regular basis. On the basis of the Supervisory Board's self-assessment of its efficiency in 2023, the Supervisory Board conducted a follow-up assessment in December 2024 with the support of an external consultant. The assessment focused on the meeting structure, internal coordination of the committees with the Supervisory Board and the profile of skills and expertise. To ensure that the qualification matrix is validated objectively, the external consultant also examined the classification of skills and expertise.¹⁾ The next self-assessment is scheduled for 2025.

The Supervisory Board has set up three committees, namely the Nomination and Remuneration Committee, the Audit and Compliance Committee, and the Transformation and ESG Committee. The members of the committees are appointed for the entire period of office as members of the Supervisory Board. Each chair reports regularly to the Supervisory Board on the committee's activities.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee established by the Supervisory Board of Brenntag SE is made up of Dr. Andreas Rittstieg, Richard Ridinger and Wijnand P. Donkers. The Committee makes proposals regarding the appointment and removal of members of the Board of Management, the terms of the Board of Management service agreements within the framework of the remuneration system structure adopted by the Supervisory Board as well as any application to reduce the remuneration of a Board of Management member, and regularly provides the Supervisory Board with information for reviewing the remuneration system as a whole. It ensures long-term succession planning and sets the necessary qualifications of the Board of Management members. In this connection, the Nomination and Remuneration Committee works closely with the Board of Management. Furthermore, it prepares a diversity concept for the Board of Management and Supervisory Board. In addition, the Committee represents Brenntag SE vis-à-vis former members of the Board of Management in accordance with Section 112 of the German Stock Corporation Act, consents to sideline activities of Board of Management members in accordance with Section 88 of the German Stock Corporation Act and grants loans to the persons named in Sections 89 and 115 of the German Stock Corporation Act. In addition, the Committee approves contracts with Supervisory Board members in accordance with Section 114 of the German Stock Corporation Act and proposes suitable candidates as Supervisory Board members to the Annual General Meeting in case of the

election of Supervisory Board members, taking into account the concrete objectives for the composition of the Supervisory Board and the profile of skills and expertise for the Supervisory Board as a whole.

Audit and Compliance Committee

The Supervisory Board of Brenntag SE has set up an Audit and Compliance Committee, which meets at least four times in each calendar year and in particular monitors the accounting process and the quality of the audit of the annual financial statements. The Audit and Compliance Committee has three members who were appointed by the Supervisory Board. As in the previous year, the committee is made up of Ulrich Harnacke as its Chair, Stefanie Berlinger and Sujatha Chandrasekaran. Thanks to the many years he has spent working as a chartered accountant and tax consultant, the Chair of the Audit and Compliance Committee, Ulrich Harnacke, has expertise in financial statement auditing and special knowledge and experience of applying accounting principles and internal control procedures. Furthermore, he is not a former member of the company's Board of Management. Stefanie Berlinger has special expertise in the field of financial statement auditing, which she has acquired through her many years of experience as a finance expert and managing director as well as her years of service on the Audit Committee. The expertise of both also refers to sustainability reporting and auditing. Both qualify as finance experts within the meaning of Section 100, para. 5 German Stock Corporation Act and the recommendation of D.3 GCGC. Suja Chandrasekaran has additional expertise in cybersecurity, data protection, enterprise risk management, compliance and artificial intelligence risk assessment. In addition, she has years of service in listed company board of directors and serving on other listed company audit committees.

The Chair reports regularly to the Supervisory Board about the activities of the Committee. The Audit and Compliance Committee prepares the resolutions of the Supervisory Board on the auditing and adoption of the annual financial statements as well as the approval of the consolidated financial statements, the proposal for the appropriation of profit and the Group sustainability statement. Furthermore, the Audit and Compliance Committee prepares the Supervisory Board's proposal to the Annual General Meeting on the election of the auditors for the statutory financial statements of Brenntag SE and consolidated financial statements and the auditors for the half-year and quarterly financial reports, insofar as the latter are audited or

¹⁾ The disclosures in this paragraph are disclosures required by ESRS 2 (GOV-1 - The role of the administrative, management and supervisory bodies) as specified in the preamble to this management report.

reviewed by auditors. For this purpose, the Audit and Compliance Committee pre-reviews the documentation relating to the consolidated and annual financial statements, the combined group management report and the management report, the Group sustainability statement within sustainability reporting as well as the proposal for the appropriation of profit. The Audit and Compliance Committee discusses the audit reports with the auditor. The Committee deals with accounting issues on behalf of the Supervisory Board, in particular the treatment of subjects of fundamental importance, such as the application of new accounting standards and the monitoring of the accounting process. It deals with half-year and quarterly financial reports or quarterly statements as well as their audit or review. Furthermore, it reviews the adequacy and effectiveness of the company's internal control system, risk management system and internal audit system.

The Committee also reviews observance of and compliance with the statutory provisions and internal company policies as well as compliance with the relevant rules of the German Corporate Governance Code. On behalf of the Supervisory Board, the Committee also monitors in particular the quality of the audit and the auditors' independence, including compliance with statutory requirements regarding the tendering process, proper awarding of non-audit services, compliance with the upper limit for permissible non-audit services and observance of requirements to rotate the statutory auditor. In addition, the Committee engages the auditors to conduct the audit of the annual financial statements and, if necessary, a review of the half-year and quarterly financial reports. Furthermore, it discusses the scope and main points of the audit as well as cooperation between the statutory auditor and Internal Audit Brenntag Group and other departments involved in risk management. On behalf of the Supervisory Board, the Committee authorizes the auditors' fee. In addition, the Audit and Compliance Committee discusses the financial, investment and liquidity plans with the Board of Management, including the plans with respect to the observance of financial covenants and the adequacy of interest hedging for the Group as well as deviations of the actual development from targets previously reported. The Audit and Compliance

Committee is responsible for the receipt and handling of complaints by employees and third parties about the accounting, the internal company control system, risk management, the audit of the financial statements and other accounting-related issues (whistleblowing). The Audit and Compliance Committee may assume other tasks which the Supervisory Board assigns to it. It obtains regular reports about the work of the Corporate Internal Audit department, in particular about that department's audit focuses and audit findings. The same applies to risk management, the monitoring of compliance and cyber security.

Transformation and ESG Committee

The Supervisory Board has also set up a Transformation and ESG Committee. The Committee reports to the Supervisory Board and prepares the consultations and resolutions of the Supervisory Board in the fields of strategy and sustainability. To this end, it reviews and monitors the corporate strategy and the optimization of company structures as well as the sustainability and digitalization strategies. Wijnand Donkers chairs the Transformation and ESG Committee due to his experience and expertise in the fields of Environment, Social and Governance. The other members of the Transformation and ESG Committee are Richard Ridinger and Ulrich Harnacke.¹⁾

Shares held by the Board of Management and Supervisory Board members

On December 31, 2024, no member of the Board of Management or the Supervisory Board held share packages of Brenntag SE or financial instruments relating to such shares, which in each case exceed 1% of the shares issued by Brenntag SE either directly or indirectly. At that date, the total number of shares held by all members of the Board of Management and Supervisory Board together also did not exceed 1% of the shares issued by the company.

¹⁾ The disclosures in this paragraph are disclosures required by ESRS 2 (GOV-1 – The role of the administrative, management and supervisory bodies) as specified in the preamble to this management report.

Avoidance of conflicts of interest on the Board of Management and the Supervisory Board

In the reporting year, there were no conflicts of interest of Board of Management or Supervisory Board members which are to be reported immediately to the Supervisory Board owing to the duty of loyalty to the company. Furthermore, as was also the case in the previous years, in the reporting year there were no advisory or other service agreements and contracts for work between a member of the Supervisory Board and the company or the other consolidated subsidiaries. No member of the Board of Management has accepted more than a total of three offices in non-Group listed companies or on supervisory bodies of non-Group entities that make similar requirements. A detailed list of the offices held by the members of the Supervisory Board on supervisory boards to be established by law or on comparable German and foreign supervisory bodies of business enterprises is given in the section "Members of the Supervisory Board".

Reportable securities transactions of Board of Management and Supervisory Board members

Pursuant to Section 26, para. 2 of the German Securities Trading Act (WpHG) in conjunction with Article 19 of the Regulation (EU) No. 596/2014, termed the Market Abuse Regulation, any persons working in a management capacity for an issuer of securities and any persons closely associated with persons named are obliged to report transactions involving shares of Brenntag SE or related financial instruments if the value of the transactions which they have made in one calendar year reaches or exceeds EUR 20,000. Transactions reported in financial year 2024 were duly published and are available on Brenntag's website at <https://corporate.brenntag.com/en/investor-relations/brenntag-share/managers-transactions/>.

Transactions in previous reporting periods were also duly published and can also be accessed at any time on the website.

D&O insurance deductible

For details on the D&O insurance (Directors & Officers insurance, liability insurance against financial losses), we refer you to the information given in the section "Remuneration Report".

Appropriate control and risk management

An effective risk management and control system is a prerequisite for the Board of Management and Supervisory Board of Brenntag SE to ensure that opportunities and risks arising from the business activities of Brenntag SE and its subsidiaries are handled appropriately. One particular focus remains the financial risks, in particular the liquidity and credit default risks. Systematic risk management enables potential uncertainties to be identified and assessed at an early stage and risk positions optimized. The Board of Management reports regularly to the Supervisory Board on any existing risks and their development. The Audit and Compliance Committee of the Supervisory Board is responsible for monitoring the accounting process, effectiveness and efficiency of the company's internal controls, risk management and the internal audit system. The Audit and Compliance Committee's work is described in detail in the previous section "Audit and Compliance Committee". Brenntag SE's controlling, risk management and audit systems are continually refined and regularly adapted to changing conditions. Details on the internal control and risk management system including the adequacy and effectiveness of the systems can be found in the section "Main elements of the internal control/risk management system" in the combined management report.

Transparency and equal treatment through comprehensive information

Brenntag SE aims to ensure that communications with the capital market are as transparent as possible and that all market participants are treated equally. Hereby, it is ensured that all market participants receive information continuously, promptly and comprehensively. For Brenntag SE, constant dialogue with its shareholders and potential investors is a matter of course. Communications with the capital market are handled by the Board of Management and the Investor Relations team. The company maintained its dialogue with capital market participants at a high level in 2024. An overview of the various activities in this area can be found in the section "Brenntag on the Stock Market". In addition, the Chair of the Supervisory Board is, if required, available to discuss specific topics that fall within the scope of the Supervisory Board. Brenntag SE regards corporate governance as an integral part of communications with the capital market and its investor relations activities. In February and November 2024, in-depth discussions were held between the Chair of the Supervisory Board, Richard Ridinger and selected investors as part of multi-day corporate governance roadshows. The discussions covered topics such as the governance role of the Supervisory Board on Brenntag's transformation and growth path, ESG at Brenntag and the further development of corporate governance as well as the composition and long-term

succession planning of the Supervisory Board. In this context, the plan to expand the Supervisory Board by two seats was presented to the investors. Furthermore, it was announced that the Supervisory Board intends to propose to the Annual General Meeting in May 2025 that the Chairman of the Management Board of Kühne Holding AG, Dominik de Daniel, be elected to succeed a member of the Supervisory Board who is not standing for re-election. In this context, the requirements to be met by the candidates for the two vacant positions and their qualifications were presented. Richard Ridinger also had numerous one-to-one talks with various major investors.

In line with its transparent communications policy, Brenntag SE makes all material new information available to shareholders on its corporate website without delay, including, in particular, financial reports, investor presentations, financial news, ad-hoc news, the Articles of Association as well as details on the Annual General Meeting and the financial calendar. The financial calendar contains important event and publication dates and can also be found at the end of this annual report.

Shareholders and Annual General Meeting

The shareholders exercise their membership rights at the Annual General Meeting and, as shareholders, express the collective will of the company. As provided for by law and in the Articles of Association, the shareholders of Brenntag SE exercise their rights before or during the Annual General Meeting and, in this respect, may also exercise their voting rights. Each share of Brenntag SE carries one vote in the Annual General Meeting. The Annual General Meeting resolves, among other things, on the appropriation of profit, the discharge of the Board of Management and of the Supervisory Board and on the election of the auditors. As a rule, the Chair of the Supervisory Board presides over the Annual General Meeting. The Annual General Meeting takes place once a year. Shareholders who are registered with the share register of the company and whose application for attendance is received by the company in good time before the Annual General Meeting are entitled to participate in the Annual General Meeting and exercise their voting rights. Shareholders may exercise their right to vote in the Annual General Meeting either personally or through a representative of their choice, or by a company-appointed proxy acting on their instructions.

As was also the case in the previous year, shareholders were offered the option of exercising their right to vote at the 2024 Annual General Meeting in writing by electronic postal vote, without appointing a person to represent them. It is also planned to offer the option of electronic postal voting for the 2025 Annual General Meeting. To provide information for the shareholders, Brenntag SE posts the annual report on the

past financial year on its website promptly after the Supervisory Board meeting at which the annual financial statements are adopted. As was also the case in the previous year, notice of the 2025 Annual General Meeting will be given at least 36 days before the date on which it is to be held. The invitation to attend will include a list of items on the agenda as well as an explanation of conditions for attendance and the rights of the shareholders. All documents and information on the forthcoming Annual General Meeting are also available in good time for downloading from the website of Brenntag SE. After the Annual General Meeting, Brenntag SE also publishes attendance and the results of votes on the Internet.

The Annual General Meeting, which took place on May 23, 2024, was held as a virtual annual general meeting without the physical presence of the shareholders. In accordance with the new provisions of the German Stock Corporation Act on virtual annual general meetings, shareholders connected electronically had the opportunity to speak by means of video communication. All questions were answered at the Annual General Meeting.

Accounting and financial statement auditing

The consolidated financial statements of Brenntag SE are prepared in accordance with the International Financial Reporting Standards (IFRSs), as adopted by the European Union. The financial statements of Brenntag SE, on which the dividend payment is based, are drawn up in accordance with the German Commercial Code and the German Stock Corporation Act. The single-entity and consolidated financial statements of Brenntag SE for financial year 2024 are being audited by Deloitte GmbH Wirtschaftsprüfungsgesellschaft. As for financial year 2023, the audit is being managed centrally by the Deloitte branch in Düsseldorf. The undersigned statutory auditors are André Bedenbecker (consolidated financial statements), Christian Siepe (both for the single-entity and consolidated financial statements) and Michael Habenicht (for the single-entity financial statements). The statutory requirements and the obligations to rotate pursuant to Sections 319 and 319a of the German Commercial Code (HGB) are met. For financial year 2024, it was again agreed with the statutory auditors that the Chair of the Audit and Compliance Committee would be informed immediately of any possible grounds for exclusion or bias arising during the audit insofar as they are not immediately eliminated, and that the auditors would report immediately on any findings or occurrences during the audit which have a significant bearing on the duties of the Supervisory Board. It was also agreed that the auditors would inform the Supervisory Board or make a note in the audit report of any facts ascertained during their examination that conflict with the declaration of conformity with the recommendations of the Government Commission

“German Corporate Governance Code”; this declaration was issued by the Board of Management and Supervisory Board pursuant to Section 161 of the German Stock Corporation Act.

Information on targets for the percentage of women and diversity

In accordance with Section 111, para. 5 of the German Stock Corporation Act, Brenntag SE is required to set targets for the share of women on the Supervisory Board, Board of Management and, in accordance with Section 76, para. 4 of the German Stock Corporation Act, on the first two management levels below the Board of Management. The Supervisory Board last set new targets for the share of women in 2021. In each case, the deadline for implementing the target is January 31, 2026. It set the target for the share of women on the Supervisory Board at 33.3% and the target for the share of women on the Board of Management at 20%. For the Supervisory Board, this corresponds to two women; for the Board of Management one woman.

The Board of Management last set new targets for the share of women on the two management levels in the company below the Board of Management in February 2022. The Board of Management aims to achieve a target of at least 30% for both levels by January 31, 2026. Taking into account the current structure and staffing of these management levels, a target of six women has been set for the first management level. A target of eight women has been set for the second management level. Naturally, the aforementioned targets do not rule out the possibility that the share of women will increase more than that. Before the above-mentioned deadline for implementation expires, the Supervisory Board and Board of Management will pass a resolution setting new targets.

In Sujatha Chandrasekaran and Stefanie Berlinger, the Supervisory Board has two female members so the share of women on the Supervisory Board was 33.3% in the reporting period and remains so. With Dr. Kristin Neumann as Chief Financial Officer, we again achieved the 20% target for the percentage of women on the Board of Management in 2024¹⁾.

As at December 31, 2024 the percentage of women on the first management level below the Board of Management was 42.1%, which corresponds to eight women. The share of women on the second management level below the Board of Management was 33.3%, which corresponds to 13 women.

The advancement of young female talent is a major priority of Brenntag. The positive change in the percentage of women on the second management level below the Board of Management at Brenntag SE is a sign that the internal measures implemented are a success. The percentage of women in management roles is also to be further improved by their participation in external programs. We are confident that this will enable us to set the targets higher in the long term and keep them higher.

Apart from Brenntag SE, Brenntag GmbH is the only Group company pursuant to Section 36 and Section 52 of the German Limited Liability Companies Act (GmbHG) required to set targets for the percentage of women on the Supervisory Board, in the managing director team and on the two management levels below the managing directors. Brenntag GmbH is not required to disclose a management report because it has applied the exemption provisions pursuant to Section 264, para. 3 HGB. In accordance with Section 289a, para. 4, sentence 2 in conjunction with para. 1, sentence 2 HGB, Brenntag GmbH publishes its declaration with the specifications and disclosures in accordance with Section 289a, para. 2, No. 4 HGB on its website at <https://www.brenntag.com/en-de/compliance/proportion-of-women-in-management-positions/>.

¹⁾ The disclosures in this paragraph are disclosures required by ESRS 2 (GOV-1 – The role of the administrative, management and supervisory bodies) as specified in the preamble to this management report.

Information on the diversity policy

With respect to the composition of the Board of Management and Supervisory Board, Brenntag has a diversity policy in place that is designed to ensure diversity with regard to age, gender, training, educational and professional background as well as experience gained abroad. Brenntag promotes an informal and open-minded work culture with the greatest possible diversity (“Explore variety”). The diversity policy for the Board of Management and the Supervisory Board ensures that this approach is also reflected in these bodies. Brenntag is convinced that a holistic approach to diversity will strengthen the company in the long term by taking into account different perspectives, experiences and backgrounds, and it will create added value for Brenntag’s customers and suppliers as well as its employees.

Diversity policy for the Board of Management

The diversity policy for the Board of Management is based on a holistic approach to ensure successful, long-term succession planning:

- The age limit for membership of the Board of Management is 65.
- The aim is to achieve the target and timeframe set for the percentage of women on the Board of Management. The target set for the share of women on the Board of Management is 20% by January 31, 2026.
- The Board of Management members shall collectively have particularly extensive experience gained abroad.
- The Board of Management members must collectively have multiple years of management experience.¹⁾
- The Board of Management members must collectively be familiar with the field of chemical distribution. At least one Board of Management member shall have special knowledge or professional experience in the chemical industry or the distribution sector.²⁾
- At least one Board of Management member shall have demonstrated knowledge of financial reporting and accounting.³⁾

The Supervisory Board takes these requirements into consideration when appointing new Board of Management members. Together with the Board of Management, the Supervisory Board ensures long-term succession planning that is geared to the company’s interests. Alongside the diversity policy, long-term succession planning takes into account the requirements of the German Stock Corporation Act, the German Corporate Governance Code, the Supervisory Board’s rules of procedure and the targets for the percentage of women on the Board of Management set by the Supervisory Board. Internal and external candidates for Board of Management positions are discussed on a regular basis. For this purpose, potential candidates are divided into the categories immediate, medium-term and long-term succession candidates. Furthermore, the Chair of the Board of Management regularly reports to the Nomination and Remuneration Committee on any developments regarding the members of the internal talent pool. If necessary, external consultants provide support in identifying suitable external succession candidates.

The Nomination and Remuneration Committee took account of the above-mentioned criteria in appointing the new member of the Board of Management effective April 1, 2025. With the appointment of Thomas Reisten as the successor of Dr. Kristin Neumann, a male candidate was chosen as the new CFO. The decision made during the selection process was based both on the specific profile requirements for this position and on the pool of candidates available.

Brenntag firmly believes that gender diversity in management positions contributes significantly to the company’s success and remains committed to achieving gender representation on the Board of Management in line with the targets it has set itself.

¹⁾ The disclosures in this paragraph are disclosures required by ESRS 2 (GOV-1 – The role of the administrative, management and supervisory bodies) as specified in the preamble to this management report.

²⁾ The disclosures in this paragraph are disclosures required by ESRS 2 (GOV-1 – The role of the administrative, management and supervisory bodies) as specified in the preamble to this management report.

³⁾ The disclosures in this paragraph are disclosures required by ESRS 2 (GOV-1 – The role of the administrative, management and supervisory bodies) as specified in the preamble to this management report.

Diversity policy for the Supervisory Board / Targets for its composition / Profile of skills and expertise

The composition of the Supervisory Board shall ensure that it can effectively monitor and advise the Board of Management and can perform its duties prescribed by law and by the Articles of Association in the best-possible way. The Supervisory Board's diversity policy follows the following requirements with regard to its composition:

- No member of the Supervisory Board shall continue to hold office beyond the close of the Annual General Meeting following his/her 70th birthday. Moreover, election proposals by the Supervisory Board shall consider that the members of the Supervisory Board shall generally not serve of the Supervisory Board for more than twelve years.
- At least 33.3% of the seats on the Supervisory Board shall be filled by women by January 31, 2026.
- At least 50% of the members of the Supervisory Board shall have particularly extensive experience gained abroad. This requirement for extensive expertise gained abroad is met if the respective member had regular employment abroad for at least 18 months or worked in an international working environment for more than five years.
- The Supervisory Board shall take account of the different educational and/or professional backgrounds of its members, giving due consideration to their knowledge, skills and experience when describing the goals for the composition of the Supervisory Board.

The current composition of the Supervisory Board satisfies all aspects of the diversity policy.

In addition to the diversity policy, the Supervisory Board has defined specific goals for its composition as a whole and taken qualitative criteria on company-specific requirements into account:

- The Supervisory Board shall collectively have suitable knowledge, skills and experience in the following areas:
 - corporate governance, compliance and risk management,
 - the chemical industry, distribution, supply chain management and B2B services,
 - strategy, portfolio management and M&A
 - change management and HR,
 - the fields of accounting and financial reporting (in accordance with Section 100, para. 5 of the German Stock Corporation Act),
 - capital markets,
 - digital transformation and IT,
 - ESG, sustainability, CSR and security.¹⁾
- The Supervisory Board shall collectively have experience abroad.
- The Supervisory Board shall – in its own estimation – have an adequate number of independent members, more than half of the members being independent. When assessing independence, the Supervisory Board shall take all aspects mentioned in C.6 and C.7 of the German Corporate Governance Code into account.
- The Supervisory Board shall ensure that all Supervisory Board members have sufficient time to perform their duties.
- The Supervisory Board takes all aspects of the diversity policy into account as goals for the composition of the Supervisory Board.

¹⁾ The disclosures in this paragraph are disclosures required by ESRS 2 (GOV-1 – The role of the administrative, management and supervisory bodies) as specified in the preamble to this management report.

CORPORATE GOVERNANCE STATEMENT

The profile of skills and expertise for the entire Board specifies the skills and expertise considered important by the Supervisory Board and sets the specific requirements, in particular with regard to educational and professional background:

- The members of the Supervisory Board in the aggregate shall have several years of executive leadership and CEO.
- The members of the Supervisory Board in the aggregate shall be familiar with chemical distribution sector. At least one member of Supervisory Board shall have educational or professional expertise in the chemical industry or the distribution.
- At least one member of the Supervisory Board shall have expertise in the field of accounting and at least one other member of Supervisory Board member shall have expertise in the field of auditing.
- At least one member of the Supervisory Board shall be familiar with digital transformation
- At least one member of the Supervisory Board shall be familiar with sustainability, in particular ESG.

The Supervisory Board aims to continually improve its composition so as to meet the needs of the company and

new business developments and ensure a composition suitable for the effective supervision and monitoring of the company, taking into account management experience and specific expertise in various fields such as accounting, auditing, digitalization and sustainability.

The Supervisory Board pursues these objectives and the implementation of the diversity policy as a whole in its proposals to the Annual General Meeting for the election of Supervisory Board members, last for the re-election of Richard Ridinger and the election of Sujatha Chandrasekaran at the Annual General Meeting 2023.

The current composition of the Supervisory Board is in line with its self-imposed objectives and the profile of skills and expertise. The members of the Supervisory Board of Brenntag SE have been chosen for their professional qualifications, their knowledge and their particular experience. The members of the Supervisory Board as a whole are familiar with the business sector in which Brenntag operates and have the required experience.

CORPORATE GOVERNANCE STATEMENT

	Stefanie Berlinger	Sujatha Chandrasekaran	Wijnand Donkers	Ulrich Hamacke	Dr. Andreas Rittstiegl	Richard Ridinger
Member since	June 2015	June 2023	June 2017	June 2017	March 2010	June 2020
Independence (in accordance with GCGC)	Yes	Yes	Yes	Yes	Yes	Yes
No overboarding (in accordance with GCGC)	Yes	Yes	Yes	Yes	Yes	Yes
Gender	Female	Female	Male	Male	Male	Male
Year of birth	1973	1967	1962	1957	1956	1958
Nationality	German	American, Australian, Indian	Dutch	German	German	German
International expertise	Yes	Yes	Yes	Yes	Yes	Yes
Profession	Business economist	Electrical Engineer, Software and Data Engineer	Business economist	Business economist	Lawyer	Chemical Engineer

Expert Qualification	Stefanie Berlinger	Sujatha Chandrasekaran	Wijnand Donkers	Ulrich Hamacke	Dr. Andreas Rittstiegl	Richard Ridinger
Safety / Corporate Social Responsibility / ESG expertise relevant to Brenntag	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Management / C-Level experience	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Corporate Governance / compliance	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Chemical industry	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Distribution / Supply Chain Management / B2B Services industry	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Strategy, Portfolio Management, M&A	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Change Management / HR	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Financial Expert: (in accordance with section 100 (5) AktG)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Capital Markets	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Digital transformation / IT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

2.19 Qualification matrix of the Supervisory Board

An overview of the current qualifications and expertise of the Supervisory Board members meeting the profile of skills and expertise is published on our website at <https://corporate.brenntag.com/en/about/corporate-governance/supervisory-board/>.

Independence

In the Supervisory Board's opinion, a suitable number of independent members is at least three. The Supervisory Board believes that all current members are to be regarded as independent as defined by the GCGC so the share of independent members is 100%.¹⁾ When arriving at this assessment, the Supervisory Board took into consideration that, as of March 2024, Dr. Andreas Rittstieg has been a member of the Supervisory Board for more than 15 years. However, other indicators for a lack of independence as set out in the GCGC do not apply. The length of tenure indicator does not conflict with overall independence.

Dr. Andreas Rittstieg considers himself to be independent. In his consulting and monitoring duties, he demonstrates the necessary distance to the Board of Management along with the capacity for objective judgment, especially since the composition of the Board of Management has changed several times during his term of office. The Supervisory Board feels that it is important to have at least one long-serving member in order to maintain a minimum level of consistency in the advice provided to and supervision of the Board of Management given the daunting challenges the chemical industry is facing, in particular digitalization and sustainability.

The manner in which he has performed his duties to date gives the company no indication of possible conflicts of interest that could influence his judgment. Due to his professional experience and expertise, he also demonstrates the critical distance from the company and the Board of Management that is necessary for the proper performance of his supervisory and advisory function.

A further aspect considered in the assessment of independence was that Dr. Andreas Rittstieg does not represent any shareholder on the Supervisory Board. Dr. Andreas Rittstieg also has other duties and holds other offices and no business relations exist between him and the company.

At the 2024 Annual General Meeting, the Supervisory Board was discharged by 99.98% of the votes cast, which the Supervisory Board sees as confirmation that, in addition to its own assessment, the shareholders also have sufficient confidence that the Supervisory Board maintains its independence when performing its duties.

Dr. Andreas Rittstieg's current term of office ends at the close of the 2025 Annual General Meeting. He will not stand for re-election.

Further information on the members of the Supervisory Board can be found on the website at <https://corporate.brenntag.com/en/about/corporate-governance/supervisory-board/>.

¹⁾ The disclosures in this paragraph are disclosures required by ESRS 2 (GOV-1 – The role of the administrative, management and supervisory bodies) as specified in the preamble to this management report.

Group sustainability statement

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General disclosures

About this Group sustainability statement

General basis for preparation of the Group sustainability statement

This Group sustainability statement for the 2024 reporting period (January 1, 2024 to December 31, 2024) informs Brenntag's stakeholders about its sustainability activities. It was prepared on a consolidated basis, with the scope of consolidation the same as for the financial reporting. It incorporates both Brenntag SE, which is included in the consolidated financial statements, and the consolidated subsidiaries, which are also included along with structured entities. No subsidiary was excluded from the scope of consolidation. Detailed information on the scope of consolidation and consolidation method is provided in the Notes to the consolidated financial statements, sub-section Scope of consolidation.

The Group sustainability statement was prepared in accordance with Sections 289c to 289e in conjunction with Section 315c of the German Commercial Code (HGB) and meets both the legal requirements of the HGB and the statutory provisions under Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (EU Taxonomy Regulation). The non-financial reporting is prepared by fully applying the first set of European Sustainability Reporting Standards (ESRS) as a framework in accordance with Section 289d of the HGB.

In this context, the following table illustrates how the mandatory aspects listed in Section 289c, para. 2 in conjunction with para. 3 of the HGB are fulfilled in the reporting prepared in accordance with ESRS as the applicable framework. Further information on the identification of material topics can be found in the section Double materiality assessment.

Material topics pursuant to Section 289c, para. 2 in conjunction with para. 3 of the HGB

Aspects	Topics according to ESRS
Environmental matters	E1 - Climate change E2 - Pollution E3 - Water E5 - Resource use and circular economy
Employee matters	S1 - Own employees
Social matters	Non-material (according to ESRS)
Respect for human rights	S1 - Own employees S2 - Workers in the value chain
Anti-corruption and bribery matters	G1 - Business conduct

2.20 Material topics pursuant to Section 289c, para. 2 in conjunction with para. 3 of the HGB

Social matters were identified as being not material to Brenntag within the meaning of the law and were therefore not included in the Group sustainability statement applying a global policy. However, Brenntag reports on local activities, social activities and employees' involvement outside the Group sustainability statement.

Due to the initial application of ESRS, the consistency principle is overridden in reporting, as these place new and more specific requirements on the recognition, presentation and disclosure of sustainability information. The switch is justified, however, as ESRS are aimed at creating more consistent, more detailed and more comparable sustainability reports that meet the increased requirements of stakeholders and regulatory provisions.

In this Group sustainability statement, Brenntag publishes the content required to be reported and refers to Brenntag's Annual Report 2024 for further disclosures ('incorporation by reference'). To enhance understanding, some information is not reported in this section, but can instead be found in other parts of the management report, such as the section Group overview, the Report on expected developments, opportunities and risks or the Corporate governance statement. A detailed overview can be found in the Appendix. No information corresponding to intellectual property, know-how or the results of innovation is omitted. Neither is use made of the exemptions in connection with Directive 2013/34/EU (Accounting Directive).

In identifying and presenting material impacts, risks and opportunities, Brenntag considered both its own operations and the Group's upstream and downstream value chain. Matters that relate solely to its own operations are expressly disclosed. Policies, actions and targets include the upstream and downstream value chain, depending on topical relevance.

A description of Brenntag's value chain can be found in the section Business model and value chain below and in the section of the management report entitled Business activities and Group structure.

External assurance

Brenntag's consolidated Group sustainability statement was subjected to a limited assurance audit by Deloitte GmbH Wirtschaftsprüfungsgesellschaft (Deloitte). For three metrics, an audit to obtain reasonable assurance was conducted on a voluntary basis. The Practitioner's Report can be found in the relevant section of the Appendix. Unless stated otherwise, no metrics are validated by other external bodies.

Disclosures in relation to specific circumstances

The reporting is based on short-, medium- and long-term time horizons that Brenntag has defined and applied in accordance with ESRS 1, paragraph 6.4. Unless stated otherwise: In line with Brenntag's financial reporting, short-term matters relate to a time horizon of one year. The medium-term time horizon covers periods of one to five years, while long-term time horizons exceed five years. In identifying the material impacts, risks and opportunities, Brenntag defined an additional time horizon that is designated constant. This category denotes that certain impacts, risks and opportunities are ongoing or occur continuously.

The different accounting principles applied to the disclosed metrics in the topic-specific sections provide detailed information on the underlying data. This specifies to what extent the upstream and downstream value chain is taken into account and to what extent estimation is used. In the environment-related sections in particular, a large number of data are being reported for the first time and this entails more uncertainty. This applies to the metrics on Scope 3 emissions, substances of (very high) concern, water consumption, circular products and circular packaging, and waste. In particular in the case of the metrics mentioned, repeated collection, validation and adaptation of the methodology will reduce this uncertainty in the future. Over the coming reporting periods, the learning effects arising in the process will be used to continuously improve data quality.

In the 2024 reporting period – in contrast to the previous year – a comprehensive inventory of CO₂e emissions was prepared, with the collection of Scope 3 emissions in particular being adapted and extended.¹⁾ This change was necessary in order to meet the requirements of the Science Based Targets initiative (SBTi). Based on the data collected, Brenntag set updated climate change mitigation targets that now cover Scope 1, Scope 2 and Scope 3 emissions.²⁾ In preparation for the targets' submission to the SBTi and their validation, a data audit was carried out, resulting in an adjustment to the market-based Scope 2 emissions.³⁾ The data audit also detected an inaccuracy in the conversion of some fuel consumption data into MWh.⁴⁾ These values were also adjusted for 2023.

¹⁾ Scope 3 emissions are calculated in accordance with the method set out in the Greenhouse Gas Protocol (GHG Protocol) Corporate Value Chain (Scope 3) Accounting and Reporting Standard. In doing so, different approaches are used for the individual categories, depending on the availability of the data required for the calculation. Further information on this can be found in the section Climate change, sub-section Targets and metrics.

²⁾ Further information on this can be found in the section Climate change, sub-section Targets and metrics.

³⁾ Old value: 10,248 t CO₂e, new value: 12,530 t CO₂e.

⁴⁾ Bioethanol: old value – 555 MWh, new value – 441 MWh; other fuels (except diesel, biodiesel, bioethanol and petrol): old value – 36,199 MWh, new value – 34,264 MWh.

In addition, the headcounts for 2023 were adjusted in that employees on leave and in unpaid employment are now also included in the human resources metrics in accordance with ESRS. Further information on this can be found in the section Own workforce. This also contains an overview of the headcount broken down by region.

The role of the management and supervisory bodies

Brenntag SE has a two-tier management system consisting of the Board of Management and the Supervisory Board in accordance with the legal requirements of Article 9, (1,) (c) ii) of Council Regulation (EC) No 2157/2001 on the Statute for a European company (SE) ("SE Regulation") and the German Stock Corporation Act. The management of business by the Board of Management and supervision by the Supervisory Board are therefore clearly separated. Detailed information on the role of the management and supervisory bodies, including the sustainability and business conduct matters addressed by them, is provided in the Corporate governance statement. An overview of the core elements of due diligence can be found in the Appendix to this Group sustainability statement.

Integration of sustainability-related performance in incentive schemes

In order to strengthen its commitment to sustainable business conduct, Brenntag set a target before 2023 to adapt the Board of Management remuneration system for 2024 by explicitly implementing ESG targets. This target was achieved as early as 2023. Following its approval at the 2023 Annual General Meeting, a revised Board of Management remuneration system became effective with retrospective effect from January 1, 2023, through which the Supervisory Board integrated ESG targets into long-term variable remuneration.

Long-term variable remuneration is awarded in the form of virtual shares. The number of virtual shares may increase or decrease, depending on Brenntag's long-term performance measured over a four-year performance period using specified performance criteria. The number of virtual shares finally awarded to the Board of Management member is linked to two financial performance criteria and, via an ESG multiplier, to ESG targets.

On the basis of Brenntag's sustainability strategy, the Supervisory Board selects up to three performance criteria and sets targets, which are to be achieved at the end of the performance period of the respective tranche and result in a multiplier of between 0.8 and 1.2 for each ESG target. The multipliers for each ESG target are weighted equally, resulting in an overall ESG multiplier of between 0.8 and 1.2.

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The specific ESG targets for the 2023–2026, 2024–2027 and 2025–2028 tranches of long-term variable Board remuneration are:

- Reduction in greenhouse gas emissions (Scope 1 and Scope 2 emissions)
- Further increase in occupational safety (reduction in the Total Recordable Injury Rate; TRIR)
- Increase in the percentage of female employees at different levels of management

The target values, including the threshold and stretch value for the ESG targets, are in each case set by the Supervisory Board together with target values for the financial targets for variable remuneration in the financial year ending before a tranche is awarded. The target values relate to the last year of the performance period of the respective tranche. The target values and the achievement of each ESG target are in each case disclosed together with the achievement of the financial targets after the performance period of the respective tranche has ended. Taking the 2024 tranche as an example, this means that the target values were set in the December of financial year 2023, relate to a measurement in 2027 and will therefore be disclosed in the remuneration report for 2027.

For the 2023–2026, 2024–2027 and 2025–2028 tranches, the target values for the TRIR and the increase in the percentage of female employees are aligned with the ESG targets for a syndicated credit facility. For the 2023–2026 and 2024–2027 tranches, the target values for the reduction in greenhouse gas emissions (Scope 1 and Scope 2) are likewise aligned with the ESG targets for a syndicated credit facility. For the 2025–2028 tranche, the target values for the reduction in greenhouse gas emissions (Scope 1 and Scope 2) are aligned with the Group-wide reduction targets. These were successfully validated by the SBTi at the beginning of 2025.

Due to the use of multiplicative linking, the percentage of variable remuneration accounted for by the ESG targets can only be shown for the specific target amounts of variable remuneration depending on the total payout factors and as the extent of the influence of the multiplier. Assuming total payout factors for variable remuneration of 100% for the Chief Executive Officer, the percentage influence of the ESG targets is between - 11.3% and + 11.3%. As the three ESG targets are weighted equally, the influence of the reduction in greenhouse gas emissions (Scope 1 and 2 emissions) is a third of the stated influence. With regard to the total remuneration awarded or due to the Board of Management in 2024, the long-term variable remuneration from 2021 is taken into

account, meaning that the specified ESG targets remain unconsidered. As a result, the impact of the emissions reduction target on the total remuneration awarded or due to the Board of Management in 2024 is 0%.¹⁾

In line with Board of Management remuneration, the three aforementioned ESG targets were also integrated into the long-term variable remuneration of the most senior management level (Global Leadership Team).

Risk management and internal controls over sustainability reporting

In the course of the materiality assessment implemented in 2024, Brenntag conducted assessments of sustainability-related risks and opportunities. The risks and opportunities identified as material are also covered in the Group-wide risk management system. For example, risks in relation to business conduct are recorded under risk category compliance risk while risks in relation to pollution are recorded under environmental protection, health and safety. Detailed information on this and on the internal control system can be found in the section Report on expected developments, opportunities and risks.

Business model, value chain and strategy

Business model and value chain

As a chemical distributor, Brenntag connects several thousand chemical and ingredients manufacturers with customers from the chemical processing industry and other branches of industry. The Group purchases large-scale quantities of industrial and specialty chemicals and ingredients from a large number of suppliers, which, for their part, purchase raw materials from a large number of upstream suppliers. This enables the Group to achieve economies of scale in procurement and offer a comprehensive range of products and value-added services. The products it purchases are stored in distribution facilities, packed into quantities according to customer requirements and delivered, typically in less-than-truckloads. Efficient logistics and transport management is essential to ensuring that items are stored safely and transported safely. To secure its inputs, Brenntag relies on close supplier relationships and diversification across the product portfolio and the global supplier and customer relationships. Brenntag complies with the various regional legislative requirements that govern and, in some cases, prohibit the sale of chemicals.

Overall, Brenntag's customers benefit from a broad product range comprising more than 20,000 different chemicals and

¹⁾ Further information on the design of the variable remuneration can be found in the remuneration report.

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ingredients as well as extensive value-added services, including just-in-time delivery, product mixing, repackaging, inventory management and drum return handling. The Group also provides tailor-made solutions, such as application, marketing and supply chain solutions, including recycling solutions, technical and formulation support, in-depth regulatory know-how and digital services such as online sales channels and product platforms. In addition, by offering more sustainable products and solutions, Brenntag helps its customers to meet their own sustainability targets. This also opens up further business opportunities for the Group, particularly in the area of the more sustainable product portfolio.¹⁾

Strategy

Brenntag aims to fulfill its responsibility as global market leader and actively shape the future of the industry. The company supports its partners within its networks and promotes collaboration and shared success.

Sustainability has been an integral part of Brenntag's corporate strategy for many years now. As far back as 2014, the company became a member of the UN Global Compact and committed to its principles for human rights, labor standards, environmental protection and fighting corruption. In the same year, Brenntag joined Together for Sustainability (TfS), an industry initiative that works to enhance sustainability in the supply chain, and in 2016 it became the first chemical distributor to obtain full membership. In 2020, the CEO signed the Global Compact Statement from Business Leaders for Renewed Global Cooperation together with over 1,000 CEOs of other companies from more than 100 countries. In 2021, Brenntag joined the global RE100 initiative and thus pledged to source 100% of the required power from renewable sources by 2025. In 2022, Brenntag signed up to the Science Based Targets initiative (SBTi), thereby committing to have its climate targets validated by the end of 2024 at the latest. The process to validate the new climate targets started in September 2024 when they were submitted to the SBTi and was completed at the end of January 2025.

Also in 2022, the Group developed its sustainability vision Future Sustainable Brenntag and formulated an ESG strategy. The vision describes Brenntag's overarching set of long-term objectives and the Group's basic direction. The strategy sets out this approach in greater detail and states the actions taken to achieve this objective. The strategy breaks down into six central focus areas:

- Portfolio and investment steering
- Climate change mitigation and reduction of CO₂e emissions
- Resource efficiency and circular economy
- Fair and safe employer
- Responsible partner for suppliers and communities
- Management structures for business ethics

Brenntag has set clear medium-term targets and some long-term targets for each focus area. In order to achieve these, it has also defined short-term targets, the progress toward which must be measured on a yearly basis. Details of the topic-specific targets and the current status of implementation are explained in further detail in the following topic-specific sections. In addition, further information on the Group's overarching objectives and its strategy, including significant groups of products and services offered, can be found in the section Group overview in the sub-section Business activities and Group structure and in the sub-section Objectives and strategy.

¹⁾ Further information on the business model and the value chain can be found in the section Group overview, sub-section Business activities and Group structure.

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Targets

Focus area	Targets 2025-2030	Targets 2030-2050	(Interim) target achievement 2024
General			
Portfolio and investment steering	Assess at least 60% of the product portfolio (sales in EUR) for sustainability (2024)		At least 91% of the product portfolio (sales in EUR) assessed for sustainability
	100% portfolio steering toward sustainability (2025)		31% portfolio steering toward sustainability
	Develop strategies to support technological advancement in important industry segments (e.g. automotive) (2025)		Business development for battery materials established
Environmental			
Climate change	100% electricity consumption from renewable sources (2025)		87.4% electricity consumption from renewable sources
		58.8% reduction in CO ₂ e emissions (Scope 1, 2) (2034, base year 2023)	6.4% reduction in CO ₂ e emissions (Scope 1 & 2)
		35% reduction in CO ₂ e emissions (Scope 3) ¹⁾ (2034, base year 2023)	4.8% reduction in CO ₂ e emissions (Scope 3)
		90% reduction in CO ₂ e emissions (Scope 1, 2) (2045, base year 2023)	
	90% reduction in CO ₂ e emissions (Scope 3) (2050, base year 2023)		
Pollution		25% reduction in process spillages (2030, base year 2023)	47% increase in process spillages
Resource use and circular economy	Ten circular businesses, each generating > EUR 1 million a year (2025)		Ten circular businesses identified and started to be implemented
Social			
Own workforce		Total Recordable Injury Rate (TRIR) < 2.0 (2030)	TRIR 2.6
			Global organizational diversity, equity and inclusion structure set up (2024)
	Develop and conduct mandatory training to raise awareness of unconscious bias for leaders, managers and HR officers (as of 2025)	Female representation of at least 30% across the entire management below the Board of Management (2030)	Female representation across management levels in percent: L 1 ≥ 36.6%; L 2 ≥ 33.9%; L 3 ≥ 38.8%; L 4 ≥ 37.4%; L 5+ ≥ 26.1%
			Unconscious bias training conducted
	Annual global employee engagement survey, including action planning and monitoring (as of 2024)		eNPS was implemented in 2024
Workers in the value chain	All suppliers are covered by risk management (as of 2024)		100% of relevant suppliers were covered by risk management.
Governance			
Business conduct	Refine the regular reporting to regional, divisional and global management on the development of the compliance management system (2027)		In particular, the compliance and whistleblowing cases reported on a regular basis were distinguished by division

■ achieved
 ■ partially achieved
 ■ not achieved

2.21 Targets

¹⁾ The target boundary includes land-related emissions and removals from bioenergy feedstocks.

Sustainable product portfolio and investment steering

Portfolio steering

The product portfolio's focus on innovative and sustainable products is a central element of the sustainability vision Future Sustainable Brenntag. Along the value chain, these contribute to greater efficiency, reduced resource consumption and a smaller impact on people and the environment. Developing a sustainable product portfolio is therefore a fundamental part of Brenntag's business model integrating both social and environmental matters.

Brenntag's aim by the end of 2025 is to use sustainability criteria to steer 100% of the product portfolio and to increase the proportion of products that make a particularly positive contribution to sustainability. Among others, this includes products with a reduced product carbon footprint (PCF), circular products and safer products.¹⁾ The target was developed by Brenntag Group Sustainability in close consultation with the Brenntag Specialties and Brenntag Essentials divisions and finalized with the involvement of the Board of Management and the management. Target achievement is tracked using the ESG scorecard.

To facilitate this approach, Brenntag relies on the company's own Step4Change initiative. This is supported by a team of 50 sustainability ambassadors with operational roles who support all operating units in an advisory capacity, providing expertise, tools and practical tips relating to more sustainable products. In the reporting period, further distribution agreements were entered into with customers and agreements signed on the joint market development of sustainable products.

In 2024, around 91% of the entire product portfolio was fully segmented in terms of its sustainability on the basis of established methods such as the Framework for Portfolio Sustainability Assessments of the World Business Council for Sustainable Development (WBCSD). In doing so, each product is

classified with regard to its sustainability performance, from products that make a particular contribution to sustainability ('accelerator') through products that meet standard market sustainability requirements ('sustainable standard') to products with (significant) sustainability deficiencies ('conversion' and 'challenged'). The business units label products in accordance with these four sustainability categories. Key material data and product performance data are captured by regional ERP systems and consolidated in a master data file. These data serve as the basis for extracting commercial metrics and carrying out analyses.

In financial year 2024, Brenntag generated sales of EUR 16,237.4 million in total.²⁾

Investment steering

When it comes to assessing investments, ESG factors have been an integral part of the cross-departmental due diligence on mergers and acquisitions since 2022. Brenntag prepares sustainability appraisals in which it determines how the company in question fits its own ESG strategy. The assessment criteria here include energy consumption, energy sources and the products offered by the company under analysis that are classified as sustainable. Portfolio risks relating to sustainability are also examined and incorporated into the investment assessment. Seven assessments were prepared for mergers and acquisitions in the reporting period (2023: eleven assessments).

Since 2022, Group Sustainability has also played a key role in investments with a sustainability dimension. For example, the department assesses investments in buildings or means of transport such as heavy goods vehicles and forklift trucks. It is determined what impact the investment will have on the Group's carbon footprint and the achievement of the CO₂ targets, and, if applicable, how this needs to be counteracted from a sustainability perspective.

¹⁾ Further information on this can be found in the sections Climate change, sub-section Scope 3 emissions, Pollution, sub-section Safe products and substitution of substances of (very high) concern, and Resource use and circular economy, sub-section Circular product portfolio.

²⁾ Further information on sales can be found in the Report on economic position, sub-section Results of operations.

Interests and views of stakeholders

Brenntag maintains regular dialog with its various stakeholders with a view to understanding their interests and views, and also establishing a mutual understanding of challenges or longer-term perspectives. The insights from the dialog inform the Group's strategic decisions, and the interaction is part of the Group-wide due diligence processes.¹⁾ Significant issues are discussed at the meetings of the Supervisory Board's Transformation and ESG Committee.

The key stakeholder groups include employees, customers, suppliers, other business partners, investors and other representatives of society. In the course of the 2024 materiality assessment, the list of stakeholders was categorized in accordance with ESRS. Brenntag distinguishes between internal and external stakeholders who are or could in future be affected by the impacts of Brenntag's business activities and those of the Group's value chain, and users of the Group sustainability statement. This view results in the following overview, including different dialog formats:

Stakeholders	Internal or external	Affected stakeholders/users/both	Dialog formats
Own employees, works councils, external employees	Internal	Affected stakeholders	Employee surveys, town halls including question and answer sessions, intranet, newsletters, Sustainability Community, various training options, Safety Week
(Potential) employees	External	Both	Company websites, job fairs, social media
Management and leadership (Level L1)	Internal	Affected stakeholders	Sustainability Council, Board of Management meetings, ESG scorecard
Customers	External	Both	Direct dialog between key account managers and customers, self-assessment questionnaires, audits, conferences, Brenntag Sustainability Survey
Suppliers and business partners	External	Both	Direct interaction, audits, EcoVadis assessments, grievance mechanism
Investors	External	Users	Press releases, annual general meeting, investor conferences, roadshows, Capital Markets Day, ratings
Industry associations/association representatives	External	Users	Active member of industry and sector associations

2.22 Stakeholder engagement

The Brenntag Sustainability Survey mentioned in the table has also helped to take into account the interests and views of stakeholders, especially customers, in assessing material impacts, risks and opportunities related to climate change, pollution, water, the circular economy and resource use.

operations on people and the environment on the Y axis (inside-out perspective). This comparison enabled Brenntag to identify its strategic focus areas and align the sustainability strategy accordingly.

Double materiality assessment

Material impacts, risks and opportunities and their interaction with strategy and business model

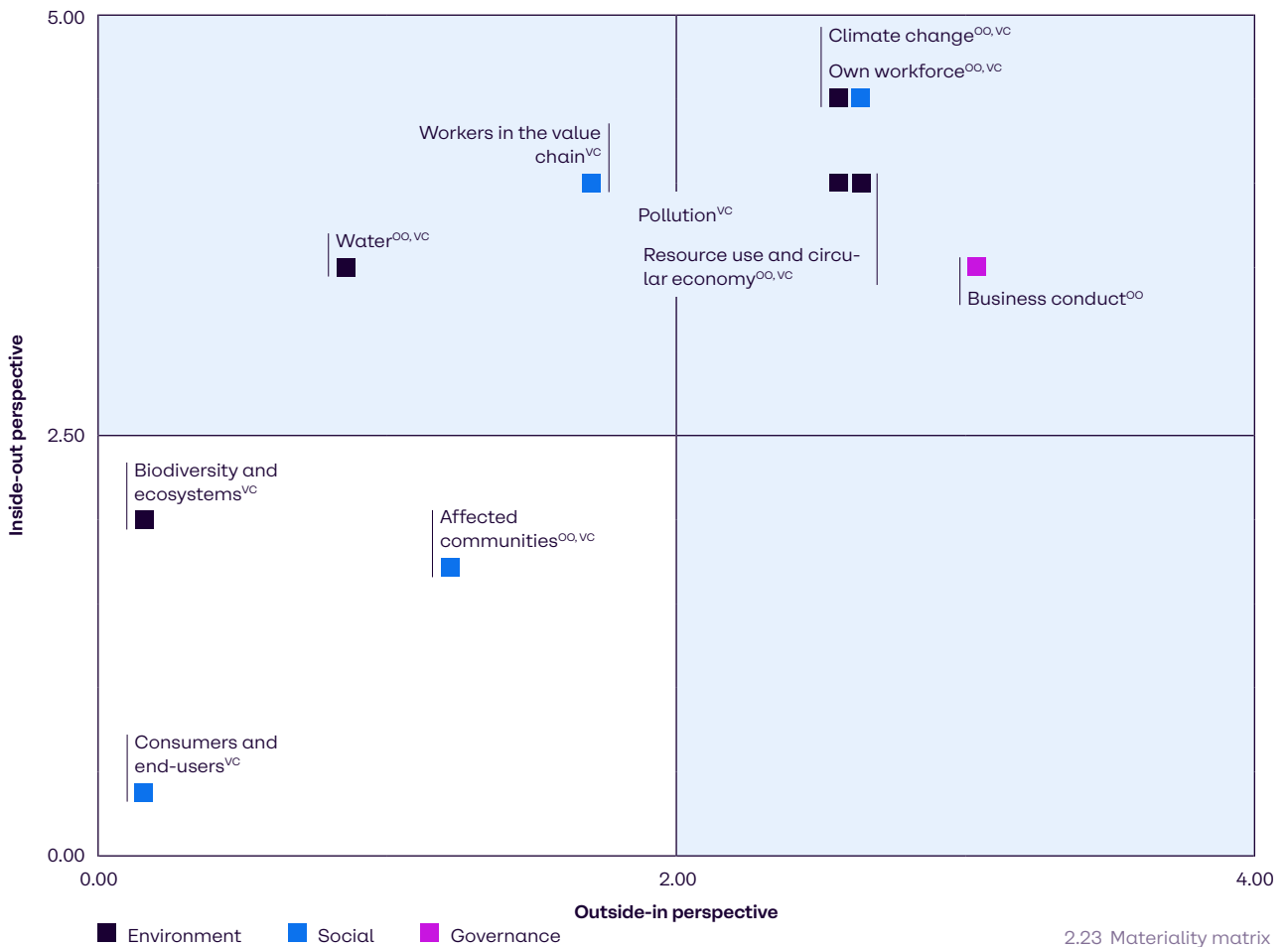
Brenntag's operations have material societal, social, economic and environmental impacts. The following matrix provides an overview of the results of the double materiality assessment performed by Brenntag in 2024. In doing so, Brenntag applied the new ESRS requirements. The matrix shows the material risks and opportunities or the financial materiality of the topics for Brenntag on the X axis (outside-in perspective) and the materiality of the impacts of Brenntag's

Details of the individual material impacts, risks and opportunities are contained in the sections on the topical standards. These provide detailed information on how Brenntag manages those impacts and addresses the risks and opportunities in the context of the Group's own sustainability strategy. Further information on the preceding materiality assessment process can be found in the chapters on material environmental topics as well as business conduct. In addition, a qualitative assessment of Brenntag's strategy and business model was conducted in the course of a workshop with Brenntag sustainability experts. This showed that the Group has the resilience to address the material impacts and risks and take advantage of the opportunities. For example, material impacts, risks and opportunities are addressed within the sustainability strategy and/or in functions and departments explicitly put in place for the purpose.

¹⁾ Further information on this can be found in the statement on due diligence in the Appendix.

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Materiality matrix



2.23 Materiality matrix

Process to identify and assess material impacts, risks and opportunities

The following steps were taken to identify and assess the material impacts, risks and opportunities. In doing so, all Group activities and the core elements of due diligence set out in the Appendix were taken into consideration:

1. Stakeholder identification and engagement

First, the results of the 2022 stakeholder survey were used as a starting point. In 2024, the stakeholder membership was extended and, as described above in the section on the interests and views of stakeholders, also categorized into 'affected stakeholders' and 'users of the Group sustainability statement' in accordance with ESRS.

2. Preparation of a list of (potentially) relevant sustainability topics

An initial list of material topics was based on the topics identified by Brenntag back in 2022. This was made more granular by further dividing the topics into sub-topics and sub-sub-topics in accordance with ESRS. An additional peer group analysis ensured the completeness of the topics and resulted in an initial list of possible material topics (long list).

3. Definition of impacts, risks and opportunities

In further steps, the sustainability matters were classified as an actual or potential impact, risk or opportunity. Internal Brenntag stakeholders and sustainability experts were consulted for the purposes of this assessment. These are able to assess the external stakeholder perspective either because they are in direct and regular contact with stakeholders (e.g. customer advisors) or because they, as experts, possess specialist knowledge (e.g. with regard to human rights in the supply chain). Direct consultations with affected communities were not conducted as part of the identification of impacts, risks and opportunities in connection with the environmental topics.

4. Assessment of impacts

In accordance with the approach set out in ESRS 1, (actual and potential) negative and positive impacts were assessed with Brenntag's assessment based on the situation before the effects of policies, actions and targets (assessment on a gross basis).

Brenntag assessed actual negative impacts on the basis of severity, while likelihood was in each case added as an assessment criterion in the case of potential negative impacts. However, in accordance with ESRS, likelihood was excluded from the assessment of potential negative impacts on human rights in order to give the severity of the impacts precedence.

For severity, it considered the scale, scope and irremediable character of the impact. Scale refers to how grave (in the case of a negative impact) or how beneficial (in the case of a positive impact) the impact is. Its scope is how widespread the impact is. Irremediable character refers to the extent to which the affected environment or people can be restored to their original state.

In assessing positive impacts, Brenntag considered scale and scope (actual impacts) or scale, scope and likelihood (potential impacts).

The assessment was performed on the basis of close, cross-departmental collaboration with both internal analyses, such as a climate risk assessment, threat assessments or supplier assessments, and external studies, e.g. IPCC, UN Global Compact or sector analyses, playing a role. Consideration was also given to regulatory requirements, such as the EU Taxonomy or the Corporate Sustainability Due Diligence Directive (CSDDD).

5. Assessment of risks and opportunities

For the purposes of assessing financial materiality, Brenntag evaluated the risks and opportunities from sustainability matters with regard to whether they may affect, or could reasonably be expected to affect, Brenntag's financial position, financial performance or cash flows over the short-, medium- or long-term. No financial effects of Brenntag's material risks and opportunities on its financial position, financial performance or cash flows were identified for the reporting period.

The cross-departmental assessment of risks and opportunities was supported by financial reports, risk analyses and scenario analyses. Market data, such as carbon prices or regulatory costs, and studies on market- and climate-related risks are also important sources of information. Dependencies and interdependencies between these risks and opportunities and the impacts identified were also considered. The thresholds taken as a basis and the risks thus identified are aligned with and managed as part of Brenntag's general internal risk management. No sustainability risks were given priority over other risks. Further information on risk management can be found in the Report on expected developments, opportunities and risks.

6. Validation of the results

The results of the double materiality assessment were validated again with internal stakeholders and then submitted to and approved by the Board of Management.

As a result of the process described above, the topic of biodiversity and ecosystems was assessed as being not material. However, ESRS require data points to be disclosed on the upstream materiality assessment process for the environment-specific topics regardless of their materiality. Accordingly, Brenntag considered potential impacts on ecosystems such as those arising from the use of its vehicle fleet on roads, as well as possible dependencies that could result from its product portfolio. For example, components of Brenntag's product portfolio could rely on biodiversity and ecosystems or be linked to their loss. A detailed assessment of individual sites, regardless of whether they might be located in or near biodiversity-sensitive areas, was not conducted, as the potential impacts are general rather than site-specific. Brenntag also concluded that it is not necessary to implement any biodiversity mitigation measures. Aspects such as potential local pollution, which could have a minor impact on biodiversity, are covered in more detail in the section on pollution. Systemic, transition, or physical risks were not included in the assessment of the topic biodiversity and ecosystems.

Environment

Climate change

Material climate change-related impacts, risks and opportunities

Climate change mitigation plays a particularly important role in the sustainability vision Future Sustainable Brenntag, and the climate strategy is derived directly from it. It is based on two different and equally important components. Firstly,

the focus is on minimizing the carbon footprint. At the same time, Brenntag strives to increase its positive contribution and leverage opportunities, such as by developing environmentally friendly and environmentally compatible products and solutions. In the course of the materiality assessment, Brenntag identified the following material climate change-related impacts, risks and opportunities:¹⁾

Material topic	Impacts, risks or opportunities	Value chain	Time horizon	Description
Climate change mitigation	Impact (negative)	Own operations	Constant	Contribution to climate change through Scope 1 and Scope 2 emissions
	Impact (negative)	Upstream and downstream	Constant	Contribution to climate change through Scope 3 emissions
	Impact (positive)	Along the value chain	Constant	Possible impact on the distribution market as an influential market player (Scope 1 and Scope 2 emissions)
	Opportunity	n/a	Constant	Sales opportunities as a result of the potential for differentiation offered by a lower-carbon product portfolio
Energy	Impact (positive)	Downstream	Constant	Possible positive impact on customers in relation to energy consumption and energy efficiency
	Impact (positive)	Upstream	Constant	Possible positive impact on suppliers in relation to energy consumption and energy efficiency
Climate change adaptation	Risk	n/a	Long-term	Physical risks due to potential damage at Brenntag sites/supply chains as a result of extreme weather conditions

2.24 Material climate change-related impacts, risks and opportunities

Transition plan

In 2022, Brenntag joined the Science Based Targets initiative (SBTi) in order to address climate change-related impacts, risks and opportunities in a focused manner and align its strategy with the latest scientific findings. Under the SBTi, Brenntag aligned its targets for Scope 1 and Scope 2 emissions with the 1.5°C target under the Paris Agreement and its targets for Scope 3 emissions with the goal of limiting global warming to well below 2°C (WB2C). The targets were submitted to the SBTi for validation in the reporting period and reviewed and confirmed in January 2025.

Brenntag has introduced and continued two key actions in relation to Scope 1 and Scope 2 emissions in order to meet the targets set. These include the carbon management program and the C.E.R.O. (Carbon Emission Reduction in Operations) project. In the course of these two projects, various decarbonization pathways have been identified and analyzed. Examples of derived actions include implementing energy efficiency measures, developing a more sustainable vehicle fleet through the use of biofuels, fitting installations with lower-emission technologies, replacing gas heating systems with heat pumps, and training and raising awareness among the Group's employees.

¹⁾ Further information on this is contained in the section General disclosures, sub-section Double materiality assessment.

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The largest lever for reducing Scope 3 emissions lies in Brenntag's product portfolio. The Group therefore aims to systematically steer this in line with the climate strategy by offering and actively marketing products with a reduced product carbon footprint (PCF).

The climate strategy is the responsibility of Brenntag's CEO as part of his direct responsibility for Sustainability Brenntag Group, which has functional management responsibility for all climate change mitigation-related matters. As a result, the CEO is responsible, among other things, for developing CO₂e reduction targets, monitoring target achievement, driving forward actions to achieve targets and promoting climate-related issues in different areas of the company. In addition, the individual parts of the transition plan were approved by the entire Board of Management.

Carbon management program

Each Brenntag company is held accountable for the Scope 1 and Scope 2 emissions it causes through a set internal price of EUR 30 per tonne of CO₂e. The resulting amount is paid virtually into an internal climate protection fund. Each company or site can apply for this budget by submitting emissions-saving projects. Brenntag is relying on the inventiveness of its employees to propose innovative projects that best fit the local conditions and needs. At the end of each year, the emissions caused are compared against the Group's desired emissions reduction target. The internal carbon price is set based on the emissions reductions achieved, global carbon taxes, emissions certificates, renewable energy costs and voluntary offsetting. Putting a price on the emissions emitted creates a stronger incentive to reduce emissions while the proceeds are used to support projects with a sustainability dimension. The Sustainability Council sets the internal price and selects the projects that are to receive support.

C.E.R.O project

In 2024, the C.E.R.O (Carbon Emission Reduction in Operations) project was launched with a view to achieving further reductions in emissions. The global project is intended to enable Brenntag to reduce its Scope 1 and Scope 2 emissions in line with its set climate targets through regional and local implementation measures. Building on a detailed analysis of regional energy consumption and the resulting emissions, the company began to establish a technical development roadmap for reducing emissions in the individual regions. The initial focus here is on the North America and EMEA (Europe, Middle East, Africa) regions, as this is where Brenntag operates the most sites and therefore emits the largest amount of CO₂e.

The Sustainability Council discusses the implementation of the climate strategy and cross-function actions, and tracks implementation using the ESG scorecard. Moreover, the Vice President Sustainability Brenntag Group is involved in all important investment decisions as well as decisions regarding mergers and acquisitions so that alignment with the climate strategy is ensured in these areas, too.¹⁾ Brenntag is not excluded from the EU Paris-aligned Benchmarks.

Policies and actions

Brenntag does not yet have an integrated climate policy at company-wide level, but instead follows decentralized approaches in relation to climate change mitigation, climate change adaptation, energy efficiency and renewable energy. The Brenntag Code of Business Conduct and Ethics, for example, requires all employees to contribute to climate protection. The QSHE environmental management guideline (QSHE: quality, safety, health, environment) calls for a reduction in the carbon footprint at all Brenntag sites and an increase in energy efficiency with a view to meeting the climate targets set. To this end, the related QSHE manual suggests participating in the carbon management program, for example. In addition, the CO₂e Emission & Reporting Methodology specifies how to capture energy and climate data so that targeted actions to mitigate and adapt to climate change and increase energy efficiency can be developed and implemented by building on those data. The Renewable Electricity Policy, meanwhile, governs the procurement of renewable energy. All the aforementioned guidelines and procedural instructions were adopted by the Board of Management and are available on the intranet. The Brenntag Code of Busi-

¹⁾ Due to Brenntag's business model, no locked-in CO₂e emissions were identified from our assets and products.

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ness Conduct and Ethics can also be downloaded from the company website.

In the reporting period, Brenntag implemented a diverse range of actions in relation to Scope 1, Scope 2 and Scope 3 emissions with a view to achieving the policies' central goal – to reduce CO₂e emissions.

Scope 1 and Scope 2 emissions

Procuring electricity from renewable energy sources is a major lever for reducing Scope 2 emissions and something that Brenntag continued to drive forward in 2024. In doing so, Brenntag relies on a combination of on-site generation, direct supply contracts and purchases of guarantees of origin, with the share of renewable electricity totaling 87.4% in the reporting period (2023: 82.2%). Around 52,397 tonnes of Scope 2 emissions were thus avoided. It is intended to install solar panels at sites where this is technically feasible (e.g. there must be no storage of flammable liquids) and economically worthwhile. At the Brenntag site in Querétaro (Mexico), for example, 441 solar panels were installed, which can produce around 393 MWh of electricity a year. These supplement the existing installations on Brenntag warehouses and offices in Añelo and Zarate (Argentina), Kandrzin-Cosel (Poland), Padua (Italy), Singapore, Bangkok (Thailand), Gurugram (India), Santa Fe Springs (USA) and other sites.

Various project ideas were submitted and implemented under the carbon management program (budget: around EUR 6.6 million³¹) in 2024 and are to save a total of around 507 tonnes of Scope 1 emissions annually as of 2025. The carbon management program projects implemented in 2023 reduced Scope 1 emissions by around 1,521 tonnes and

Scope 2 emissions by around 594 tonnes. The projects include, for example, electric heavy goods vehicles, including the necessary charging stations, and electric forklift trucks in the USA, replacing gas heating systems with heat pumps in Belgium and the USA, and adding batteries to a solar installation in Argentina.

Moreover, Brenntag uses efficient transport logistics to plan the vehicle fleet's trips such that fuel consumption, CO₂e emissions and harmful emissions are minimized. Using freight quotations for intermodal transportation enables the use of more environmentally-friendly modes of transport on suitable routes. Further savings were achieved by switching partly to biofuels for company cars and trucks. Biofuels (biodiesel and bioethanol) accounted for 0.7% of total fuel consumption in 2024 (2023: 0.5%). This saved around 922 tonnes of Scope 1 emissions.

Not least of all, Brenntag offset some of the Scope 1 and Scope 2 emissions with the help of certified projects in 2024 (131,126 t CO₂e). In the reporting period, around 67.7% (2023: 44.1%) were offset in this way. Two different carbon offset projects were selected that cover additional sustainability targets: producing green energy in Indonesia and supplying the population with clean drinking water in Uganda. Both offset projects take place in countries where Brenntag itself has sites, and meet the certified emission reduction (CER) quality standard. The Ulubelu geothermal power plant in South Sumatra is expected to produce 867,000 MWh of renewable energy a year and thus save a total of around 581,000 t of CO₂e. The drinking water project in Uganda not only reduces greenhouse gas emissions; it also serves the health of over a million people, as it improves their standard of living and protects forests by dispensing with the need for firewood to boil drinking water.

CO₂e certificates

CO₂e certificates canceled in the reporting period

	2024	2023
Total (t CO₂e)	131,126	91,249
Share from removal projects (%)	0	0
Share from reduction projects (%)	100	100
Clean Development Mechanism	100	100
Share from projects within the EU (%)	0	0
Share of CO ₂ e certificates that qualify as corresponding adjustments (%)	0	0
CO₂e certificates planned to be canceled in the future	41,181 (by the end of 2025)	

2.25 CO₂e certificates

³¹ The funds for the carbon management program cannot be linked directly to items in the financial report, as those funds are disbursed after a lag of one year. This results in a delay that makes it difficult to allocate them directly.

Scope 3 emissions

The largest lever for reducing Scope 3 emissions lies in Brenntag's products. One action to optimize the portfolio involves building a portfolio of products with a reduced product carbon footprint (PCF) that offer customers an alternative to fossil-based products. This is made possible by a globally valid ISCC+ certificate for mass-balance products and the Brenntag LowCarb product range, among other things. The first project successes can now be seen in EMEA, for example, where the offering includes sodium hydroxide produced using 100% renewable energy. The more sustainable sodium hydroxide has a carbon-saving potential of around 65% compared with conventional sodium hydroxide.¹⁾

CO₂Xplorer

CO₂Xplorer uses various product data to calculate cradle-to-customer-gate CO₂e emissions. Carbon footprints from external data providers are used in addition to suppliers' primary data. In the reporting period, PCF (product carbon footprint) data were available for more than 2,100 chemical products. Supply chain CO₂e emissions for different means of transport and CO₂e emissions from warehousing are also taken into account. Emissions data for different product packaging, such as IBCs and drums, complete the comprehensive CO₂e emissions calculation.

CO₂Xplorer Core can be accessed by Brenntag-internal users. The tool enables them to easily calculate PCFs for mixes, blends, solutions and products with multiple sources of supply, for example. Measuring the relevant CO₂e-emitting inputs – product, logistics, warehousing and product packaging – also allows different alternatives to be compared. Conventional products can thus be directly compared with more sustainable products, as can different transportation options, e.g. road-based versus rail-based transportation, or single-use versus reusable packaging.

CO₂Xplorer on-demand is a fee-based Brenntag customer service that enables business partners to independently establish CO₂e transparency for their purchased products on the basis of Brenntag's operational reference data and for selected supplier locations. They receive a CO₂e-centered product passport that offers complete emissions transparency. In the reporting period, the service was offered only in the EMEA region. It is scheduled to become available globally as of 2025.

Moreover, Brenntag's CO₂Xplorer provides support in developing new lines of business with lower-carbon products and creates more transparency over Scope 3 emissions along the chemical value chain. Since December 2022, Brenntag has been providing its customers with detailed product carbon footprint (PCF) data for the products they purchase from Brenntag if they so request. The calculation option has been continuously further developed over the last two reporting periods, culminating in the CO₂Xplorer core and the CO₂Xplorer on-demand in 2024. These user-friendly tools enable the CO₂e emissions of chemical products to be calculated throughout their lifecycle.

The aim is to increase transparency over CO₂e emissions and thus drive the reduction of emissions throughout the supply chain. In 2023, the calculation method used for CO₂Xplorer was certified by the independent external testing service provider TÜV Rheinland following a systematic review. The certification confirms that Brenntag's PCF methodology meets the requirements of the internationally recognized ISO 14067:2018 standard and the Together for Sustainability (TfS) PCF Guideline. Moreover, in the reporting period, the tool received the ICIS award for the best digital innovation.

Resilience analysis

In the reporting period, Brenntag also conducted a resilience analysis of its sustainability strategy and business model in the context of climate change. The resilience analysis incorporated the findings of the double materiality assessment.²⁾ It also examined climate-related transition events, i.e. economic, regulatory, technological and societal changes that may occur during the transition to a low-carbon and sustainable economy. For Brenntag as a distribution company, topics such as increased carbon pricing³⁾, the development of low-emission technologies and changes in consumer behavior are of key importance in this context. These factors may affect the value chain through rising transport costs or changes in demand for more sustainable products, for example. Against this background, assumptions were developed for long-term scenarios that shed light on the possible implications for Brenntag. It was then assessed to what extent Brenntag's climate strategy is geared to addressing all opportunities and risks identified as material – over the short-, medium- and long-term. Ultimately, Brenntag believes that it

¹⁾ As the Scope 3 emissions inventory was not prepared in full until this reporting period and products with a reduced PCF still have to hold their ground in the market, there is no robust dataset on which to base a detailed quantification of the Scope 3 emission reductions achieved.

²⁾ Further explanatory notes on the double materiality assessment and the definition of the assessment time horizons can be found in the section General disclosures, sub-section Double materiality assessment.

³⁾ For the purposes of assessing carbon pricing, consideration was given to external sources and the price range recommended by the High-Level Commission for 2030 in order to keep the rise in temperatures below 2°C.

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is resilient to the challenges of climate change identified due to its strong market position and its strategic alignment with the 1.5°C target.¹⁾

Nevertheless, the uncertainties that Brenntag faces must also be examined. For example, Brenntag's long-term decarbonization options in relation to Scope 1 and Scope 2 emissions depend on the further development of low-emission technologies and the regional availability of sustainable fuels. Therefore, Brenntag will first drive the decarbonization of the truck fleet over the short- and medium-term through the use of biofuels before making a more extensive switch to electric and hydrogen vehicles over the long term. Reducing Brenntag's Scope 3 emissions requires close cooperation with suppliers and targeted steering of the product portfolio toward more sustainable products. To best leverage this opportunity, Brenntag continuously analyzes the specific requirements and potential of different industries with a view to making advances in decarbonizing the chemical value chain together with partners.

In the course of the resilience analysis, Brenntag also incorporated the results of a pilot project launched in 2022 that assessed climate-related physical risks, such as rising sea levels or exceptional heatwaves, at the company's sites around the world. Together with an external service provider, it conducted a qualitative analysis of the long-term threat

from climate risks for three global warming scenarios (RCP2.6, RCP4.5 and RCP8.5) for 2050. The three scenarios selected represent different global warming trends – an optimistic (RCP 2.6), a moderate (RCP 4.5) and a pessimistic estimate (RCP 8.5). This gives Brenntag a thorough understanding of the range of possible future developments, which can be embedded into strategic planning. Consideration was given to the likelihood, scale and duration of the risks and the geographical coordinates. Brenntag sites were thus assessed in terms of their exposure to such risks on a scale from 0 (very low risk) to 1 (very high risk). The results show that physical damage due to climate change may be a material risk over the long term.²⁾ The assessment also highlighted that exposure and sensitivity can vary considerably, depending on geographical location and climate scenario. For example, coastal regions are at greater risk from storm surges and sea level rise, whereas interior regions may be more affected by droughts or heatwaves, depending on the scenario selected. The analysis is intended to help strengthen resilience to climate change on an ongoing basis.

The threat of physical risks is also captured and systematically assessed as part of the Group-wide risk reporting. Detailed information on the risk management process is contained in the section Report on expected developments, opportunities and risks.

¹⁾ No assets or business activities were identified that are incompatible with or need significant efforts to be compatible with the transition to a climate-neutral economy.

²⁾ The assessment perspective is also used in analyzing potential impacts of climate-related physical risks on net assets, financial position and results of operations.

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Targets and metrics

In the reporting period, Brenntag fully reviewed and adapted its climate targets in connection with their validation by the multi-stakeholder initiative SBTi. The following, science-based CO₂e reduction targets intended to limit global warming to 1.5°C were approved by the Board of Management and were validated by the SBTi at the end of January 2025.

Medium-term targets:

- Brenntag commits to reduce absolute Scope 1 and Scope 2 greenhouse gas (GHG) emissions by 58.8% by 2034 from a 2023 base year.¹⁾
- Brenntag commits to reduce absolute Scope 3 GHG emissions by 35% by 2034 from a 2023 base year.¹⁾

The Scope 1, Scope 2 and Scope 3 emission reduction targets are gross targets and were developed on the basis of the relevant SBTi methodology, i.e. the SBTi Corporate Near-Term Criteria (version 5.2) for medium-term targets and the SBTi Corporate Net-Zero Standard (version 1.2) for net-zero targets. In doing so, the absolute contraction approach was selected, which requires a linear reduction in emissions, irrespective of the sector.

The previous target, to reduce Scope 1 and Scope 2 emissions by 40% in each case by 2030, was therefore adapted such that all acquisitions are now also included in the scope. In addition, the shift in the base year from 2020 to 2023 enables the best possible data quality to be used for Scope 1 and 2 emissions and the base year to be brought into line with that for Scope 3 emissions. 2023 is also a representative base year due to the stable nature of Brenntag's business activities. The adapted climate targets are more ambitious than before and progress toward them has already been measured.

Net-zero targets

- Brenntag commits to reach net-zero GHG emissions across the value chain by 2050.
- Brenntag commits to reduce absolute Scope 1 and Scope 2 GHG emissions by 90% by 2045 from a 2023 base year.¹⁾
- Brenntag commits to reduce absolute Scope 3 GHG emissions by 90% by 2050 from a 2023 base year.¹⁾

Brenntag expects to be able to reduce Scope 1 and Scope 2 emissions almost completely by 2045. The remaining emissions are to be offset through carbon credits available and permitted from 2045. For Scope 3 emissions, Brenntag relies on the actions of its suppliers, which either offset their emissions or will use authorized emissions-removal methods through to 2050.

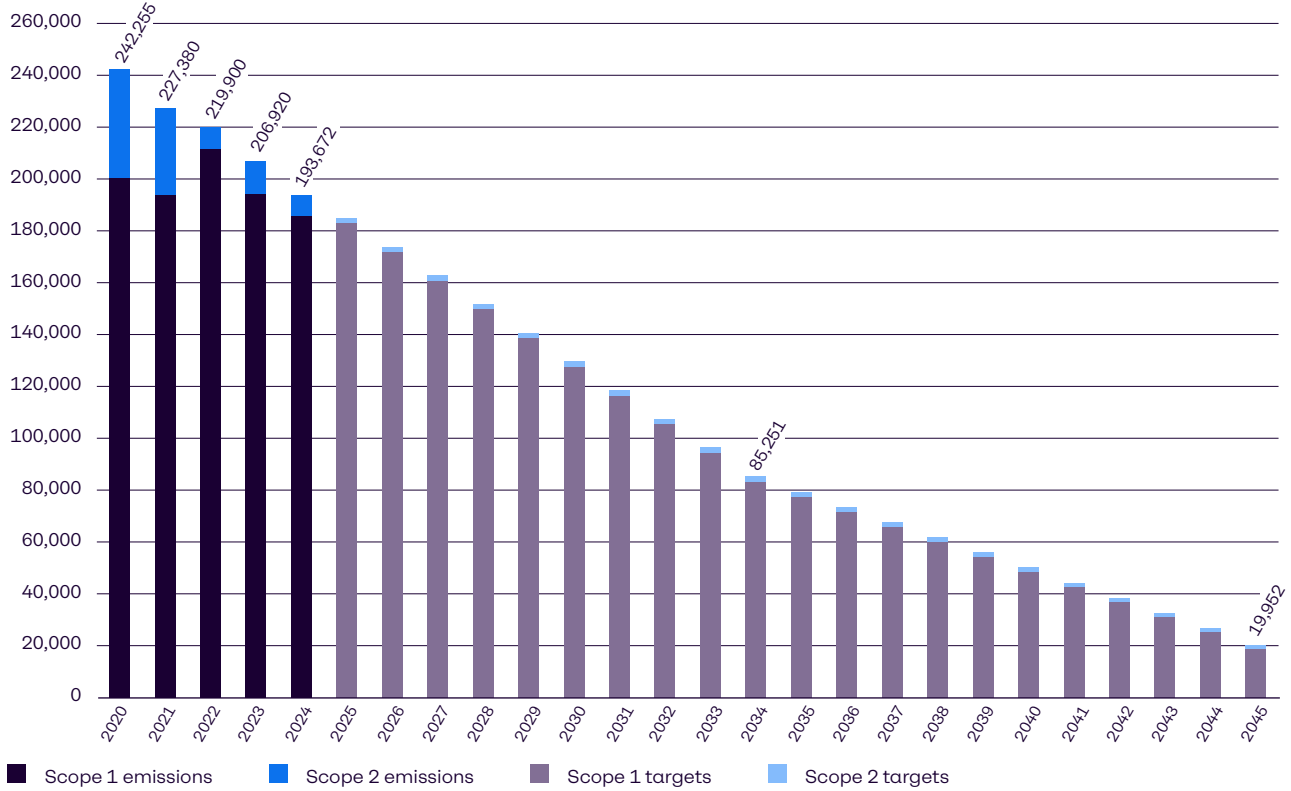
Linear progression is used to set annual interim targets. The other annual sub-targets are shown in the two graphics below, as are the emission reductions achieved since 2020. In 2024, for example, a 6.4% (2023: 5.9%) reduction was achieved in Scope 1 and Scope 2 emissions. Scope 3 emissions were reduced by 4.8%.

The targets cover all Brenntag business units and the upstream and downstream value chain, with the exception of emissions from the processing of sold products (GHG Protocol category 3.10) and some emissions from the use of sold products (GHG Protocol category 3.11), as these cannot be calculated due to the large number of customers and applications. This approach is in line with the requirements of both the GHG Protocol and the SBTi Chemicals Sector Guidance.

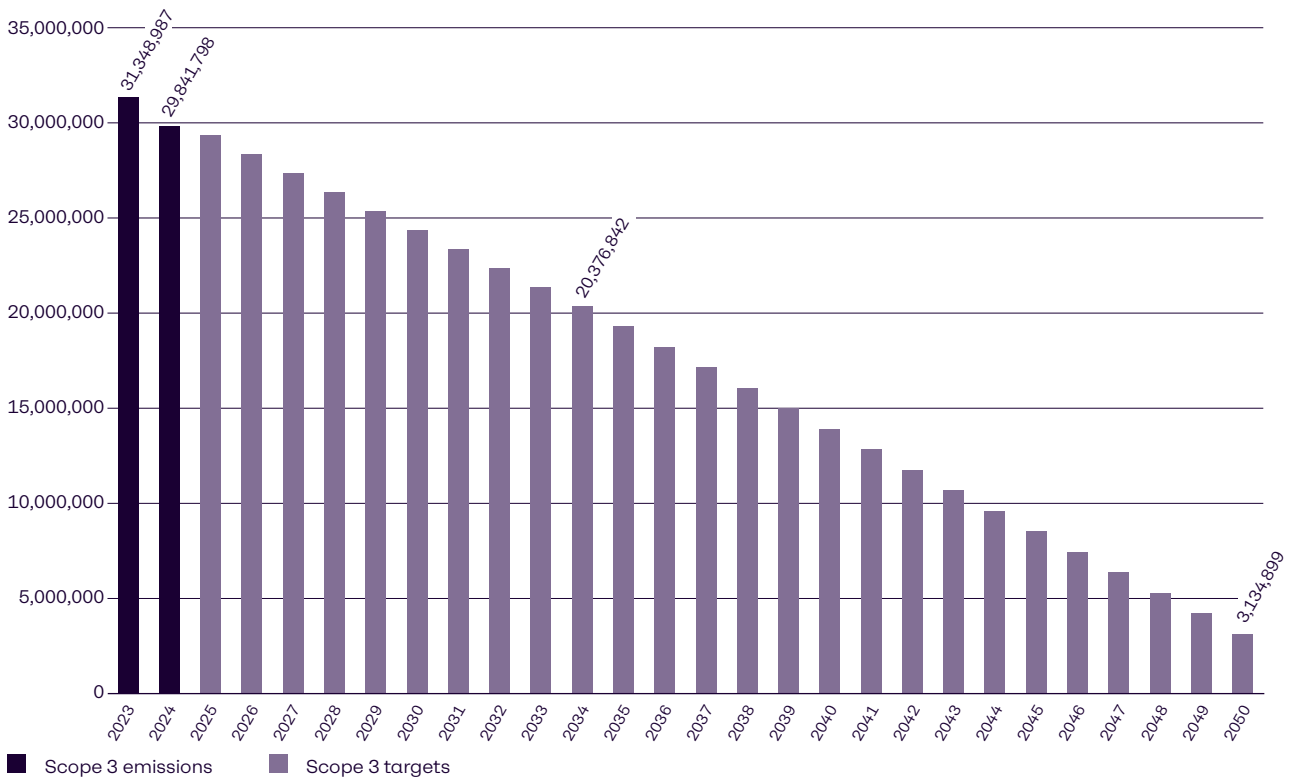
¹⁾ The target boundary includes land-related emissions and removals from bioenergy feedstocks.

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Scope 1 and 2 emissions - market-based (t CO₂e)



Scope 3 emissions (t CO₂e)



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The following decarbonization levers and their overall quantitative contribution to the achievement of the CO₂e emission reduction targets by 2030 were identified:

- Use of electricity from renewable energy sources: 5%
- Switching to heat pumps and e-boilers: 6%
- Decarbonization of the truck fleet: 21%
- Decarbonization of the company car fleet: 4%
- Electrification of forklift trucks: <0.5%
- Gradual withdrawal from distributing very carbon-intensive products: approx. 5%
- Expansion of the product portfolio of low-carbon products: approx. 7%
- Sustainability criteria in the product procurement process: approx. 9%

As neither the SBTi nor the ESRS Standard accepts the use of offsets to achieve targets, the goal of offsetting 100% of the remaining Scope 1 and 2 emissions by 2025 is no longer being pursued. The resources this has freed up will instead be used for direct decarbonization projects.

The goal of sourcing 100% renewable electricity worldwide by 2025 remains in place. It is in accordance with Brenntag's Green Electricity Policy in line with the RE100 initiative¹⁾ and its standards.

Progress in achieving climate and energy targets is reviewed by the Board of Management on a quarterly basis using an ESG scorecard.

Energy consumption and mix

Energy consumption and mix	2024	2023
Fuel consumption from coal and coal products (MWh)	0	0
Fuel consumption from crude oil and petroleum products (MWh)	632,205	636,351
Fuel consumption from natural gas (MWh)	147,946	185,153
Fuel consumption from other fossil sources (MWh)	0	0
Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources (MWh)	26,005	35,322
Total fossil energy consumption (MWh)	806,156	856,826
Share of fossil sources in total energy consumption (%)	85.8%	87.4%
Consumption from nuclear sources (MWh)	0	0
Share of consumption from nuclear sources in total energy consumption (%)	0%	0%
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	3,296	2,843
Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources (MWh)	127,707	117,016
Consumption of self-generated non-fuel renewable energy (MWh)	2,890	3,158
Total renewable energy consumption (MWh)¹⁾	133,892	123,017
Share of renewable sources in total energy consumption (%)	14.2%	12.6%
Total energy consumption (MWh)	940,048	979,843

2.26 Energy consumption and mix

¹⁾ Of the total amount of renewable electricity, 2.2% of the electricity comes from on-site generation, 20.9% from direct supply contracts and 76.9% from purchases of guarantees of origin.

Energy intensity per net revenue²⁾

Energy intensity per net revenue	2024	2023	Δ %
Total energy consumption per net revenue (MWh/EUR)	0.0000579	0.0000583	-0.6%

2.27 / Energy intensity per net revenue

²⁾ In financial year 2024, Brenntag generated sales of EUR 16,237.4 million. All of Brenntag's business activities are in high climate-impact sectors. Further information on sales can be found in the Report on economic position, sub-section Results of operations.

¹⁾ RE100 provides a global guideline where businesses pledge to source 100% renewable electricity over the medium term.

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	Retrospective			Milestones and target years			Annual % target / Base year ¹⁾
	2024	2023 (base year)	Δ %	2025	2030	2050	
Scope 1 GHG emissions							
Scope 1 GHG emissions (t CO ₂ e)	185,546	194,390	-4.5%	182,805	127,501	18,699	
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (in %)	0	0	0%				
Scope 2 GHG emissions							
Location-based Scope 2 GHG emissions (t CO ₂ e)	48,317	49,017	-1.4%				
Market-based Scope 2 GHG emissions (t CO ₂ e)	8,127	12,530	-35.1%	1,933	1,933	1,933	
Scope 1 and Scope 2 GHG emissions							
Location-based Scope 1 and Scope 2 GHG emissions (t CO ₂ e)	233,863	243,407	-3.9%				
Market-based Scope 1 and Scope 2 GHG emissions (t CO ₂ e)	193,672	206,920	-6.4%	184,798	129,494	20,692	5.3%
Significant Scope 3 GHG emissions							
Scope 3 GHG emissions (t CO ₂ e)	29,841,798	31,348,987	-4.8%	29,354,052	24,366,713	3,134,899	3.2%
1. Purchased goods and services	25,796,193	27,193,880	-5.1%				
2. Capital goods	148,070	28,513	419.3%				
3. Fuel- and energy-related activities (not included in Scope 1 or Scope 2) ²⁾	47,643	50,522	-5.7%				
4. Upstream transportation and distribution	741,915	755,684	-1.8%				
5. Waste generated in operations	23,222	117,007	-80.2%				
6. Business travel	20,370	23,247	-12.4%				
7. Employee commuting	12,464	12,608	-1.1%				
8. Upstream leased assets	141	93	51.9%				
9. Downstream transportation	40,635	34,353	18.3%				
10. Processing of sold products							
11. Use of sold products	1,252,283	1,342,416	-6.7%				
12. End-of-life treatment of sold products	1,741,850	1,765,867	-1.4%				
13. Downstream leased assets							
14. Franchises							
15. Investments	17,013	24,798	-31.4%				
Total GHG emissions							
Total GHG emissions (location-based) (t CO₂e)	30,075,661	31,592,394	-4.8%				
Total GHG emissions (market-based) (t CO₂e)	30,035,471	31,555,908	-4.8%	29,538,850	24,496,207	3,155,591	
Out-of-Scope emissions	812	680	19.4%				

2.28 CO₂e emissions¹⁾ Annual reduction in percentages from the baseline year 2023 required to reach the 2034 target.²⁾ This value includes upstream emissions from biofuels (147 t CO₂e (2023) and 184 t (2024)).

Of this amount, 22.7% of the Scope 1 and Scope 2 emissions are emitted in the EMEA region (2023: 22.6%), 69.6% in North America (2023: 69.8%), 4.7% in Asia Pacific (2023: 4.8%) and 3.0% in Latin America (2023: 2.8%).

GROUP SUSTAINABILITY
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	2024	2023	Δ %
Total CO ₂ e emissions (location-based) per net revenue (t CO ₂ e/EUR)	0.001852	0.001879	-1.4%
Total CO ₂ e emissions (market-based) per net revenue (t CO ₂ e/EUR)	0.001850	0.001877	-1.4%

2.29 Carbon intensity per net revenue

¹⁾ In financial year 2024, Brenntag generated revenue of EUR 16,237.4 million. All of Brenntag's business activities are in high climate-impact sectors. Further information on revenue can be found in the Report on economic position, sub-section Results of operations.

Accounting principles

Brenntag follows the operational control approach and reports its energy consumption and its CO₂e emissions in accordance with the principles and requirements of the Greenhouse Gas (GHG) Protocol.

Since not all energy consumption could be reported at the time of the audit, extrapolations were made. In the reporting period, the extrapolated emissions for 2023 (for the 2023 report) were compared against the real values determined in the course of Q1 2024. This resulted in only minimal changes (0.54%), as a result of which only low-level uncertainty can be assumed for this year's extrapolations.

The emissions are calculated using emission factors from the UK Department for Business, Energy & Industrial Strategy (DBEIS). The calculation for district heating was carried out using the factor according to UBA (2018).

To increase transparency over Scope 2 emissions, Brenntag has calculated these emissions using the market-based method in addition to the location-based method since 2020. In the case of the location-based method, average emission factors in the respective regions and IEA emission factors are used for the reporting period. In the case of the market-based method, the emission factors of the respective

country electricity mix (excluding renewable sources) are used if available. Using the market-based method enables company-specific purchases of energy from renewable sources to be presented in a more transparent manner. It therefore also serves as the basis for setting targets. The calculations under the location-based method merely enable better comparability with earlier reports.

Scope 3 emissions are quantified by applying the equation set out in the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard:

greenhouse gas emissions = activity data * emission factor.

As listed in the table below, different approaches were selected for the various GHG Protocol categories, depending on the data available for the calculation. The reporting on Scope 3 emissions includes emissions related to Brenntag's business activities in the current financial year. This approach therefore also includes emissions that were emitted outside the period under analysis, but were caused by business activities carried out in the reporting period.

Emissions category	Methodology
3.1 Purchased goods and services – chemical products	Activity data: mass-based method, of which 2% primary data
3.1 Purchased goods and services	Spend-based method, of which 0% primary data
3.2 Capital goods	Spend-based method, of which 0% primary data
3.3 Fuel- and energy-related activities (not included in Scope 1 or 2)	Fuel-based method: direct allocation based on Scope 1 and 2 emissions data, of which 100% primary data
3.4 Transportation and distribution (upstream)	Hybrid approach: average data-, spend-based, distance-based method, depending on the data available in each region, of which 0% primary data
3.5 Waste generated (in own operations)	Activity data-based method: waste-type-specific method, of which 99.3% primary data
3.6 Business travel	Spend-based method, of which 0% primary data
3.7 Employee commuting	Countries, number of employees and number of working days as inputs for the calculation, of which 0% primary data
3.8 Leased assets (upstream)	Average energy intensity method, of which 0% primary data
3.9 Transportation and distribution (downstream)	Hybrid approach: activity data- and spend-based method, of which 0% primary data
3.10 Processing of sold products	Not calculated due to complexity (permitted under the GHG Protocol and SBTi Chemicals Sector Guidance)
3.11 Use of sold products	Only calculated for refrigerants operations, in accordance with comment on 3.10, of which 0% primary data
3.12 End-of-life treatment of sold products	Activity data: mass-based method, of which 0% primary data
3.13 Leased assets (downstream)	Not relevant with regard to Brenntag's business activities
3.14. Franchises	Not relevant with regard to Brenntag's business activities
3.15 Investments	Method based on the investee's sales, of which 0% primary data

2.30 Scope 3 emissions calculation method

Pollution

Material pollution-related impacts, risks and opportunities

As a distributor, Brenntag bears particular responsibility, as the processing and use of chemicals and chemical products may cause significant environmental damage in the event of an accidental release or improper use. The safe handling of

chemicals is therefore of paramount importance to Brenntag in all respects. As part of the materiality assessment, any historical pollution at individual sites and the consultations held with individual stakeholders in this context were taken into account. The following table summarizes the material impacts and risks of Brenntag's business activities on the environment:¹⁾

Material topic	Impacts, risks or opportunities	Value chain	Time horizon	Description
Pollution of water and soil, pollution of living organisms and food resources (accidental releases)	Impact (negative)	Along the value chain	Constant	The accidental release of chemicals may lead to the contamination of/harm to (ground)water and soil, flora and fauna.
	Risk	n/a	Constant	Remediation, restoration or rehabilitation costs due to accidental releases
Substances of concern, substances of very high concern; pollution of living organisms and food resources	Impact (negative)	Downstream	Constant	Possible degradation of the environment/living organisms due to the use of products containing substances of (very high) concern
Pollution of water	Impact (positive)	Downstream	Constant	Improving the water quality of polluted bodies of water through the use of the water treatment and water purification product portfolio ²⁾

2.31 Material pollution-related impacts and risks

²⁾ Further information on this impact can be found in the section Water, sub-section Water treatment/water purification product portfolio.

Accidental releases

Policies and actions

During the transportation, handling and warehousing of chemicals along Brenntag's value chain, there is generally a risk of an accidental release that may potentially lead to water and soil pollution. Therefore, there is also a potential risk to living organisms and food resources. The Global QSHE Policy (QSHE: quality, safety, health, environment) combines the Group's objectives and standards for quality, health, safety and the environment. Brenntag strives for process safety, occupational health and safety, customer satisfaction, respect for the environment and continuous improvement at all times. The Group undertakes to provide the resources required for this.

The QSHE management system is a central pillar in this policy's implementation and is supported by the QSHE manual and the guidelines, procedures and responsibilities contained in it. The system is aimed at ensuring that Brenntag's sites are operated safely, its products are transported safely and its customers are supplied safely, thereby preventing any negative environmental impacts. The QSHE Policy and the related guidelines were developed by the functional department, which gave particular consideration to the handling of hazardous products. The policies and guidelines were approved by the Board of Management, which also has overall responsibility for their implementation. They apply to all Brenntag companies worldwide and are available through the QSHE management platform on the intranet.³⁾

¹⁾ Further information on this is contained in the section General disclosures, sub-section Double materiality assessment.

³⁾ Further information on the Global QSHE Policy and the QSHE management system is provided in the section Own workforce, sub-section Occupational health and safety.

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The actions that build on the guidelines follow a three-step approach to preventing environmental damage as a result of spillages: prevention, retention, elimination.

The task, first of all, is to generally prevent releases. This includes measures such as structural requirements and operational specifications for storage facilities or loading and unloading points. There are also specific requirements for products with increased risk exposure. The intention is to prevent the risk of a release due to overfilling, incorrect filling and other incidents, for example.

Secondly, in case product releases nevertheless occur, Brenntag has installed various internal retention systems at its sites to collect spilled products and prevent them from entering the environment. These structural measures are complemented by easily accessible mobile materials and measures that enable leaked chemicals to be collected or absorbed quickly.

Thirdly, if, in exceptional cases, releases into the environment nevertheless occur – whether at the sites or during transportation – Brenntag takes all the actions necessary to clean up and restore the affected areas. Where necessary, these actions are taken in close consultation with the authorities responsible.

In addition, the safe handling of loose, unpackaged chemicals, termed bulk goods, requires facilities and processes designed specifically for this. Brenntag has therefore established a process safety management (PSM) at all sites worldwide that work with such bulk goods. At intervals of one to two years, the sites conduct a self-assessment using a questionnaire (SAQ) based on the internationally recognized CCPS model (CCPS: Center for Chemical Process Safety). Using a risk-based approach, a structured system is also applied under which the sites concerned undergo a PSM assessment at least once every three years. The schedule also stipulates whether the assessments are led by a global, regional or local PSM expert.

Brenntag expanded its PSM program considerably in the reporting period. As additional processes and products were included, the number of PSM focus sites rose from 237 to 363. The number of assessments carried out was increased from 77 in 2023 to 139 in the reporting period.

Brenntag also simplified the PSM self-assessment questionnaire. Finally, Brenntag enhanced its PSM expertise by recruiting new members of staff and providing rigorous training. In September, for example, 31 PSM experts from the EMEA organization attended an intensive four-day CCPS boot camp delivered by instructors from the American Institute of Chemical Engineers (AIChE).

Also in September of the reporting period, Brenntag launched a global initiative aimed at preventing product releases, which is based on the findings of an analysis of release incidents over the past few years. As part of this initiative, a seminar took place for leaders from HSE, production and management. Compact information formats, such as 'Safety Moments' on specific topics, were also provided. The initiative is to be continued with further actions in 2025.

Not least of all, safety- and environment-related events are classified, analyzed and reported in accordance with uniform criteria.

Targets and metrics

Building on the policies and actions described above, Brenntag aims to reduce the rate of process spillages by at least 25% by 2030, starting from 1.88 cases per one million tonnes of outgoing products from warehouse sites in 2023. Ultimately, this general reduction is also intended to further reduce the relatively low number of releases into the environment, thereby preventing potential water and soil pollution. This includes releases of chemicals containing substances of (very high) concern. The target was developed by specialists in the QSHE department in close collaboration with the Sustainability department and finalized with the involvement of the Board of Management. It is voluntary and is not based on any specific scientific findings. Target achievement is monitored at Board of Management level using a quarterly ESG scorecard.

28 process spillages were reported in the reporting period. The resulting rate was 2.76 cases per one million tonnes of outgoing products from warehouse sites and therefore above the interim target of 1.81. In response, Brenntag launched the aforementioned initiative to prevent product releases. However, all releases were collected in full by the retention systems installed, with one exception. At the end of 2024, it was noticed that a leak had developed in an underground section of a pipe at a site in Brazil. An extrapolation after comparing target and actual levels showed that no relevant amounts of pollutants were released into the soil and water. No other rel-

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evant releases of pollutants into soil or water were reported in the reporting period.¹⁾ There were operating expenses of EUR 4.8 million in connection with a fire that broke out in 2023 at a warehouse site in Canada and the related extensive clean-up and remediation measures.²⁾ Further costs will be incurred in subsequent years due to environmental monitoring measures, which are currently planned in coordination with the authorities for the period to 2027.

Accidental releases from process facilities are termed process safety events (PSEs). PSE-1 events are higher-category events as defined by the CCPS. In 2024, there were a total of eleven PSE-1 events at Brenntag sites: three product releases from processes that were classed according to CCPS criteria as a PSE-1 event due to the quantity of product released. In two cases, the released product was collected in full by the retention systems, as a result of which nothing entered the environment. In addition, there were eight further events where the release of smaller quantities of product resulted in lost time injuries, which is why these were also classed as a PSE-1 event.

Accounting principles

Spillages/releases are defined as a loss of primary containment (LOPC). At Brenntag, all spillages in excess of 200 liters that may stem from liquid and solid products classified as dangerous goods in accordance with the international UN transport regulations and are released from processes (according to the CCPS definition) at Brenntag sites are included in the process spillage rate. The number of these releases is expressed in relation to outgoing products from warehouse sites in millions of tonnes. In the assessment of relevance for significant environmental impacts according to Regulation (EC) No. 166/2006, releases of pollutants smaller than 200 liters were also considered if they entered soil or water. Relevance is considered individually in each case depending on the chemical released. This applies to releases at Brenntag sites or during transportation.

Safe products and substitution of substances of (very high) concern**Policies and actions**

Brenntag aims to make its product portfolio more sustainable. The aim, first of all, is to identify products in the portfolio that make a positive contribution to sustainability, increase their share and market them more strongly. At the same time, it is intended to reduce products in the portfolio that could pose a risk to health and the environment if used improperly. In optimizing the portfolio, Brenntag is guided by the guide-

lines issued by the World Business Council for Sustainable Development. A product offering that meets safety standards above and beyond regional regulations is a sustainable distinguishing feature. Due to different statutory provisions in the various regions around the globe, certain products carrying potential health or environmental risks are still permitted there, even though their use is already restricted in the EU under the REACH regulation³⁾.

Back in 2023, the Global Safe Product Policy was introduced with a view to ensuring that the most stringent statutory provisions and the highest safety standards are adhered to at Brenntag worldwide. This guideline is aimed at gradually reducing the sale of substances of very high concern (SVHCs) in products at a concentration above 0.1% not just in the EU, but worldwide as well. The focus here is on SVHCs on the EU-REACH authorization list (Annex XIV) and the EU-REACH candidate list. For substances on the SVHC candidate list, Brenntag aims to gradually offer safer alternatives that have smaller environmental impacts, improved product labeling and a reduced toxicity profile compared with the industry standard.

The guideline was adopted by the Board of Management and applies globally. It is available to all Brenntag employees on the intranet. External stakeholders are informed about the guideline on the company website.

In implementing the Global Safe Product Policy, Brenntag benefits from its global presence, an extensive supplier network and in-depth application and product expertise, especially in heavily regulated markets. This knowledge is also leveraged in less regulated markets so as to proactively offer appropriate products to customers wishing to comply with safety standards that go beyond regional regulations.

As it works closely together with suppliers and customers, Brenntag has a deep understanding of the technical functions a particular chemical product must fulfill and is able to offer the customer a selection of safer alternative products. In 2023, the Business Development Sustainable Products function was established in the Brenntag Essentials division with a view to expanding the range of sustainable alternative products and solutions. This serves to foster internal dialog with regard to alternative solutions and products so that the

¹⁾ Relevant releases are reported in accordance with the substances listed in Annex II to Regulation (EC) No 166/2006 of the European Parliament and of the Council (European Pollutant Release and Transfer Register, E-PRTR).

²⁾ Further information on this can be found in the section Report on economic position, sub-section Results of operations of the Brenntag Group (net expense from special items).

³⁾ REACH is a regulation concerning the registration, evaluation, authorization and restriction of chemicals in the EU.

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learning effects from different areas of application can be applied throughout the Group. In addition, Brenntag delivered targeted training in order to inform employees – particularly in product management and sales – about the Global Safe Product Policy and its effects. Special video training courses are used to train sales employees on this topic for meetings with customers. It is continuously available on the intranet.

The Group's own Step4Change initiative also plays a key role here. It combines a team of over 50 sustainability ambassadors from various Group operating units and functions who advise Brenntag operating units by providing expertise, tools and practical tips relating to safe and sustainable product alternatives.

Targets and metrics

The Global Safe Product Policy is aimed at reducing the sale of substances of very high concern (SVHCs) by offering alternative products. To this end, data are collected on which substances of concern and substances of very high concern (SVHCs) are sold at Brenntag. In 2025, targets for portfolio steering are to be developed based on an analysis of those data and items of information.

Substances of (very high) concern

In the 2024 reporting period, Brenntag is for the first time publishing figures on the production, use, distribution, sale, import and export of substances of concern and very high concern.

Accounting principles

The published data include substances that are classified as 'substances of very high concern' pursuant to the REACH Regulation or fall under the ESRS definition as 'substances of concern'. According to this definition, 'substances of concern' are substances that meet the criteria laid down in Article 57 and were identified in accordance with Article 59(1) of Regulation (EC) No 1907/2006 of the European Parliament and of the Council and are classified in Part 3 of Annex VI to Regulation (EC) No 1272/2008 of the European Parliament and of the Council in the hazard categories named in the ESRS. Substances are also regarded as of concern if they negatively affect the reuse and recycling of materials in the product in which they are present. Substances of very high concern are substances that meet the criteria laid down in Article 57 of Regulation (EC) No 1907/2006 (REACH) and were identified in accordance with Article 59(1) of that Regulation. In capturing the reported data, it is assumed that the total materials inflow is equal to the total materials outflow. The total weight of the products is determined on the basis of sales data. In calculating the weights, only substances at a concentration of over 0.1% are taken into account. For products where the substance is only one of multiple components, the weight is based on the substance, not the weight of the product as a whole. The data were generated from the global and local ERP systems. Unavailable data was extrapolated. Any lack of data is due either to a lack of tracking in the case of products outside the scope of REACH (outside the EU) or a lack of information from suppliers due to trade secrets. If concentration ranges were available, the respective mean values were used. A substance may be named multiple times if it is classified into multiple hazardous classes. Substances will gradually be classified according to the following hazard classes as of financial year 2025. As the ECHA has granted a transitional period through to November 1, 2026 for mandatory labeling of hazard classes, report quality will depend on the data available.

- Endocrine disruption for human health
- Endocrine disruption for the environment
- Persistent, mobile and toxic properties or very persistent, very mobile properties
- Persistent, bioaccumulative and toxic properties or very persistent, very bioaccumulative properties

Substances of (very high) concern	2024	
	Substances of concern ³⁾	Substances of very high concern ³⁾
Respiratory sensitization (t)	7,805	2,396
Skin sensitization (t)	49,494	2,943
Germ cell mutagenicity (t)	120,243	1,083
Carcinogenicity (t)	456,321	1,685
Reproductive toxicity (t)	169,261	33,804
Specific target organ toxicity (single exposure) (t)	213,511	485
Specific target organ toxicity (repeated exposure) (t)	361,718	5
Hazard to the aquatic environment long term (t)	231,678	10,400
Hazardous to the ozone layer (t)	0	0
In total (t)	1,610,031	52,800

2.32 Substances of (very high) concern

³⁾ The substances are defined in the accounting principles.

Water

Material water resources-related impacts, risks and opportunities

Brenntag uses water in many areas of its business operations, for example to produce solutions, to clean pipe systems and

to cool or heat chemicals and tank facilities. At the same time, Brenntag leverages its product portfolio and expertise to improve water quality and optimize water treatment processes for its customers. The following table shows the material impacts of Brenntag's business activities on water resources identified in the course of the materiality assessment:¹⁾

Material sub-(sub-)topic	Impacts, risks or opportunities	Value chain	Time horizon	Description
Water	Impact (negative)	Own operations	Constant	Contribution to water scarcity through water consumption
	Impact (positive)	Downstream	Constant	Improving the water quality of polluted bodies of water through the use of the water treatment and water purification product portfolio

2.33 Material water resources-related impacts

Water consumption

Policies and actions

Water management at the Brenntag sites is carried out as part of the management system of the QSHE (Quality, Safety, Health and Environment) department. The global QSHE Policy sets out the Group's overarching objectives and standards. Building on this, the QSHE environmental management guideline requires all Brenntag sites to implement an efficient water and wastewater management system in accordance with local statutory provisions. The implementation of this requirement is tracked globally. The environmental management guideline applies to all Brenntag companies and can be viewed through the QSHE management platform on the intranet. The decision to implement the guideline is the responsibility of the Board of Management.²⁾

Brenntag obtains the majority of its water from the public water supply network. In addition, some sites use alternative sources of water, such as rainwater or their own wells. One example is the site in Zarate (Argentina), where rainwater is captured, treated and used for industrial purposes. Based on data from the World Resources Institute (Aqueduct Water

Risk Atlas tool), a water-risk analysis was carried out for the Brenntag sites that use water in the mixing and blending (M&B) processes. This analysis identified 100 sites in areas at water risk, including areas of high-water stress. The results of the analysis provide a sound basis for assessing whether a global water policy and other risk-mitigation actions at the affected sites are necessary. As a next step, potential actions for operations in high- and extremely high-water stress areas will also be evaluated to mitigate impacts and improve water management.

Targets and metrics

In the context of water management, Brenntag has produced a global data collection protocol that is intended to ensure standardized monitoring of water consumption. The aim is to derive suitable actions to optimize water management on the basis of those data. In the reporting period, an analysis of the global data capture processes was initially carried out, followed by the introduction of appropriate reporting functions for water management. No further targets are currently set in accordance with ESRS.

¹⁾ Further information on this is contained in the section General disclosures, sub-section Double materiality assessment.

²⁾ Detailed information on water pollution can be found in the section Pollution, sub-section Accidental releases.

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	2024
Total water consumption (m ³)	1,069,511
Total water consumption in areas at water risk, including areas of high-water stress (m ³)	303,597
Total water consumption per net revenue (m ³ /EUR)	0.0000659

2.34 Water consumption

Accounting principles

Water consumption is defined as the amount of water withdrawn within a company or facility that is not discharged back into the water environment or to a third party over the course of the reporting period. Brenntag collects data on water consumption specifically related to mixing and blending (M&B) processes. The water consumption data is obtained directly from operational sites. Some sites collect this information from water bills, others extract data from local product databases, and some estimate consumption based on average percentages of water added to products during M&B processes. For example, a site may assume that 40% of the total chemicals produced for M&B consist of added water and subtract this percentage from the total production volume.

Water treatment product portfolio**Policies and actions**

Brenntag is not only committed to sustainable water management at its own sites; it also offers a comprehensive product portfolio for water treatment and environmental applications in a variety of sectors. The range of treatment chemicals and technologies covers the entire water cycle – from raw water pretreatment to sludge dewatering and every stage in between – and therefore meets the complex challenges of water management.

Thanks to its extensive application expertise and its global centers of excellence for water treatment, Brenntag is driving the introduction of leading-edge technologies. These increase water efficiency, reduce consumption and optimize reuse while at the same time minimizing negative environmental impacts. In response to the increasing scarcity of water and changing legal requirements, Brenntag promotes water reuse and circular economy models. Beyond these approaches, no specific policy to improve the water quality of polluted bodies of water using Brenntag chemicals has been developed and approved in accordance with ESRS.

In the reporting period, Brenntag supported customers in the water treatment, industrial and environmental sectors in particular through the following targeted actions that enabled them to reduce water consumption and also comply with stringent environmental regulations:

- Assisting with the recycling and reuse of treated water in order to reduce fresh water consumption
- Providing effective technologies to remove heavy metals from wastewater, enabling safe discharge and reliable compliance with environmental regulations
- Providing activated carbon-based solutions for the treatment and remediation of contaminated groundwater and soils in order to tackle the pollution caused by PFAS
- Implementing purification technologies to remove newly occurring micropollutants, such as pharmaceutical residues, from wastewater in order to ensure clean discharge and protect ecosystems from harmful substances

Beyond these actions, customers benefit from a broad range of value-added services, including laboratory testing and just-in-time delivery. Customer-specific mixes for the development of new formulas also support customers' sustainability targets.

Brenntag plans to further expand the offering through its global network of regional innovation and application centers and local water treatment labs. In these centers of excellence, specialists with in-depth product and process knowledge develop tailor-made solutions to meet the growing requirements of water treatment. Beyond that, Brenntag has not formulated any targets in accordance with ESRS.

Resource use and circular economy

Material resource use and circular economy-related impacts, risks and opportunities

Brenntag recognizes the importance of a circular economy model as a key action for managing environmental challenges

and fostering responsible resource management. In the course of the materiality assessment, the following material resource use and circular economy-related impacts and opportunities were identified in the context of Brenntag's business activities:¹⁾

Material sub-(sub-)topic	Impacts, risks or opportunities	Value chain	Time horizon	Description
Resource inflows, including resource use; resource outflows related to products and services	Impact (positive)	Upstream and downstream	Constant	By proactively distributing a circular product portfolio and circular packaging, Brenntag helps to promote the circular economy and has a positive market impact (suppliers and customers).
Resource outflows related to products and services	Opportunity	n/a	Constant	Sales opportunities as a result of the potential for differentiation offered by a circular product portfolio and circular packaging
Waste	Impact (negative)	Own operations	Constant	Waste partly disposed of in landfill

2.35 Material resource use and circular economy-related impacts and opportunities

Circular product portfolio

Policies and actions

Resource efficiency and the circular economy are elements of the sustainability vision Future Sustainable Brenntag, even though a specific circular economy policy has not yet been adopted in accordance with ESRS.

In the context of the ESRS, the following graphic illustrates the materiality of the two key categories for the global and continuous promotion of the circular economy: circular procurement and circular services.

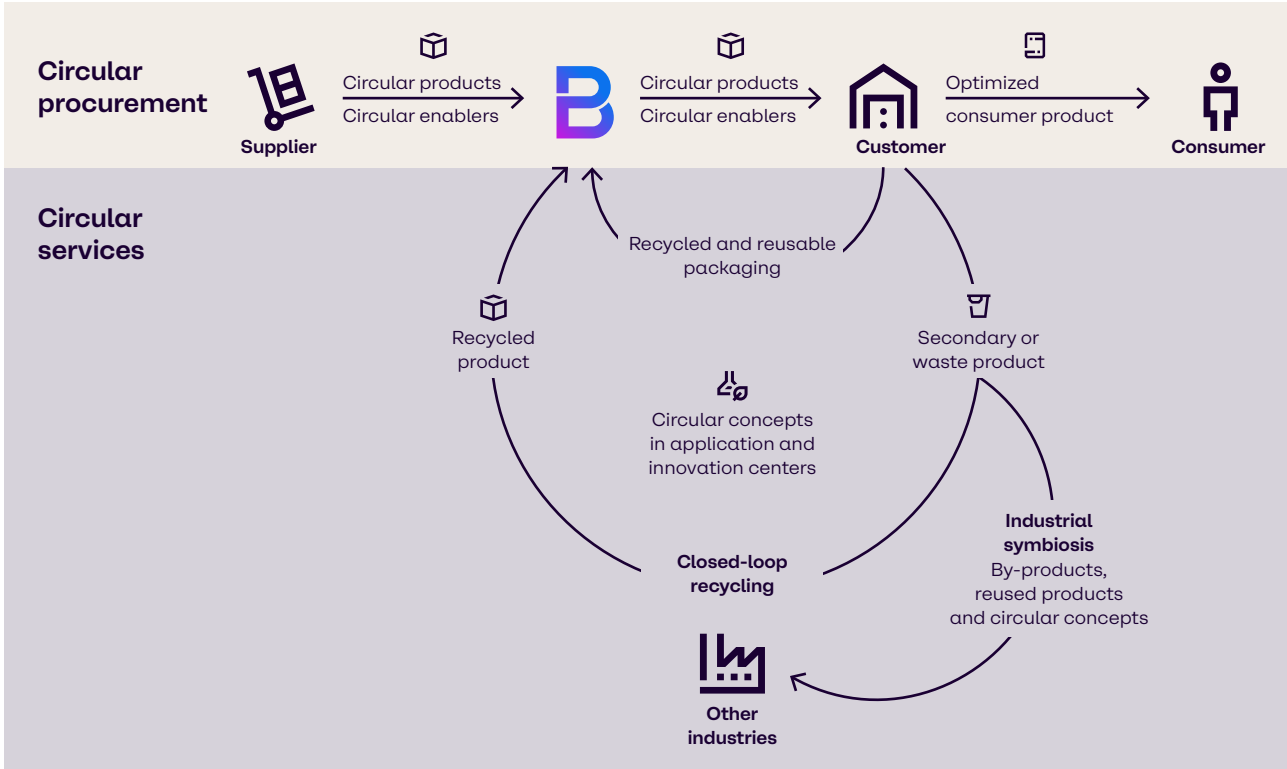
Aided by circular procurement, Brenntag is selectively extending its product portfolio to include products of circular origin and products that enable circular production. These products are actively promoted among customers and serve as a distinguishing feature of the Group.

In circular services, the focus is on fostering industrial symbiosis. As a leading merchant with close links with the chemical industry, Brenntag assumes an intermediary role with a view to connecting different industrial stakeholders and establishing new, cross-sector product flows. The aim is to continuously optimize the resource efficiency of by-products and recycled products. Moreover, Brenntag supports closed loop systems by developing processes to treat secondary flows and waste generated on a customer's site. These treated materials can then be reused as base materials in the same customer's processes.

Leveraging the expertise of the global application and innovation centers, Brenntag also develops innovative circular economy concepts and formulations, referred to as enablers, from which customers benefit directly. This includes developing tailor-made formulations and advisory services to optimize product use and handling.

¹⁾ Further information on this is contained in the section General disclosures, sub-section Double materiality assessment.

Circular products



Targets and metrics

On the basis of the circular economy model described, Brenntag aims to establish ten business models based on the circular economy principle by the end of 2025, each generating sales of more than EUR 1 million a year. Consideration is given to projects from all Brenntag divisions and regions. In the reporting period, the first circular projects were identified and prepared for further implementation. Examples include:

- A strategic partnership with TraceGrow, a company that offers products made from recycled batteries
- The Brenntag plant in Lohn becoming a specialist in the collection and reuse of used solvents
- A service to reactivate activated carbon, in particular for use in water treatment
- Actively supplying customers with recycled, high-quality polymers in order to reduce the use of virgin resources

- Developing special additives to improve the recyclability of polymers
- Using specific ingredients to extend the shelf life of foods
- Jointly developing food solution concepts with customers and suppliers in order to curb food waste

Brenntag has set up a suitable project tracking system to efficiently track progress. Target achievement is tracked at Board of Management level using an ESG scorecard that assesses progress on a quarterly basis. The target described is voluntary and is not based on any specific scientific evidence.

Information on the products and materials marketed during the reporting period is shown in the following table. This also includes the distribution of products and services that take account of the features of the circular economy. Further information on the business activities and Group structure can be found in the relevant section of the management report.

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Circular products	2024
Total weight of products (t)	14,262,914
Share of biological products (%)	5.9%
Weight of secondary reused or recycled products (t)	25,746
Share of secondary reused or recycled products (%)	0.2%
Weight of circular products (t)	51,136
Share of circular products (%)	0.4%

2.36 Circular products

Accounting principles

As a chemical distributor, Brenntag's products leave the sites in the chemical state in which they were delivered. This means that the total material inflow corresponds to the total material outflow. The total weight of the chemicals and ingredients is determined on the basis of sales data. The share of biological products is estimated using different factors: In the Brenntag Specialties division, the sales volumes of the Food & Nutrition unit are taken into account. For the Brenntag Essentials division, the principal bio-based product categories are used, such as bioethanol and glycerin. Of the biological products, 0% are sustainably sourced, since there are no sustainability certifications for the majority of these products yet. In determining the weight and the share of secondary reused or recycled products, products clearly labeled as 'accelerator' bearing the distinguishing feature 'recycled' or 'upcycled' are taken into account so that double counting is excluded. The weight and the share of circular products are calculated on the basis of the circular economy model described above, bearing in mind the following categories: circular products (e.g. recycled products, by-products), products for direct reuse, circular enablers, products related to industrial symbiosis and closed circular economy model services. Thus, the secondary reused or recycled products are also included in the circular products category. If, for certain data, information is only available for the EMEA region, those data are extrapolated to the rest of the world.

Circular packaging**Policies and actions**

A global policy for the standardization and use of packaging is currently being planned with a view to consolidating the existing worldwide initiatives. Brenntag currently manages its packaging on a local basis. Brenntag EMEA, for example, has introduced a guideline on the use of refurbished intermediate bulk containers (IBCs). This is aimed at promoting the reuse of IBCs and minimizing the use of new goods while at the same time cutting costs. It contains a binding list of product groups where the use of refurbished light duty (LD) IBCs is

prescribed. The guideline was approved by the CEO of Brenntag EMEA and can be downloaded on the intranet.

Similarly, the Brenntag North America Poly and Stainless Steel IBC Use Protocol specifies the maximum lifespan of various IBC types for hazardous and non-hazardous products while ensuring compliance with safety standards. This supports the safe and resource-efficient use of IBCs. The guideline was approved by the Senior Director of Operations North America and is available to the Brenntag companies operating in the North America region.

In collaboration with suppliers and customers, Brenntag endeavors to ensure its packaging materials' further use and reuse worldwide. In 2024, Brenntag's template for a framework supply agreement for packaging was updated and extended to include a sustainability clause. This is intended to improve transparency with regard to packaging data. The clause is expected to require global suppliers to provide Brenntag with information on the packaging specifications of each item from 2025 onwards, including information on whether the packaging is new or reused. Information on the percentage weight of recycled packaging materials and a report on the packaging's product carbon footprint (PCF) are also required.

Brenntag is continuously involved globally in taking back and reusing IBCs. These can be directly reused, provided they are continuously filled with the same chemical ('product-related container') and no cleaning is therefore required. In addition, rinsing, washing and drying facilities are available at selected Brenntag sites so that IBCs can be cleaned internally. Alternatively, cleaning can be outsourced to external service providers. After cleaning, the IBCs can be flexibly reused for different products. IBCs and other packaging are reused worldwide and this reuse is adapted in line with specific customer requirements and product specifications.

Targets and metrics

Brenntag is still in the process of setting up a global system for capturing packaging data in order to optimize transparency with regard to reusability and recyclability. For this reason, no targets in relation to packaging have yet been set in accordance with ESRS.

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The following table contains an overview of the packaging used during the reporting period, including packaging in conformity with circular economy principles.

	Circular packaging	2024
Total weight of used packaging (t)		59,048
Weight of reused or recycled packaging parts (t)		23,006
Share of reused or recycled packaging parts (%)		39.0%
Recyclable content of packaging		99.9%

2.37 Circular packaging

Accounting principles

The data given relate only to the purchased packaging types 'IBC's and 'drums'. They come from the local ERP systems or were collected in supplier surveys. As Brenntag does not have complete transparency over the share of recycled packaging and the associated weight of the packaging, which also vary from country to country, the company is reliant on the relevant information from suppliers. Averages were used in cases where there were no data available or no data reported. Any missing volume information was supplemented by extrapolating, taking into account a global tender conducted in 2023.

Waste**Policies and actions**

Waste management at Brenntag is carried out as part of the management system of the QSHE (Quality, Safety, Health and Environment) department. The global QSHE Policy specifies the Group's overarching objectives and standards. Building on this, the QSHE environmental management guideline sets out the specifications for an efficient waste management system in compliance with local statutory requirements at all Brenntag sites. Chemical waste is monitored and tracked worldwide. The environmental management guideline applies to all Brenntag companies, was approved by the Board of Management and can be viewed through the QSHE management platform on the intranet.

The global Brenntag sites have implemented processes for the handling of waste that are appropriate to the requirements and scale of their business. Where possible, individual business units engage in dialog with national umbrella associations of chemical dealers with a view to continuously improving waste management. The common goal is to reduce the volume of waste in the industry and increase recycling rates.

In order to avoid waste from the outset and minimize waste generation, Brenntag requires the employees concerned to undertake regular training on the handling of chemical products, including their storage and transportation. In some cases, Brenntag also goes beyond local statutory requirements in order to reduce the environmental impacts of waste. All sites in the Latin America region, for example, are required to systematically separate waste.

As part of its waste management, Brenntag has also produced a global data collection protocol that is aimed at standardizing and improving waste monitoring at global level. Improved waste management processes can be established on this basis. This underscores Brenntag's commitment to end-to-end waste management. In the reporting period, an analysis of the existing data capture processes across all global regions was carried out and reporting functions for waste management were established.

Targets and metrics

As Brenntag is currently working to improve and build a system for recording waste streams, no targets have yet been set for waste in accordance with ESRS.

Waste generated

Waste generated	2024
Total amount of non-hazardous waste (t)	36,415
Total amount of hazardous waste (t)	20,232
Total amount of waste generated (t)	56,647
Disposal operation	2024
Recycling - non-hazardous waste (t)	4,773
Recycling - hazardous waste (t)	5,369
Incineration - non-hazardous waste (t)	24,052
Incineration - hazardous waste (t)	2,769
Landfill - non-hazardous waste (t)	7,589
Landfill - hazardous waste (t)	317
Other disposal operation - non-hazardous waste (t)	0
Other disposal operation - hazardous waste (t)	11,777
Total amount of non-recycled waste	46,504
Share of non-recycled waste (%)	82.1%

2.38 Waste generated

GROUP SUSTAINABILITY
STATEMENT**Accounting principles**

As a chemical distributor, Brenntag distinguishes between hazardous and non-hazardous waste, depending on the type of waste generated. Non-hazardous waste is mainly comprises plastics, wood and paper. Hazardous waste is defined by ESRS E5 as waste which displays one or more of the hazardous properties listed in Annex III to EU Directive 2008/98/EC. The waste data capture and validation process is carried out in accordance with the global protocol governing the capture and validation of waste and water data, which sets out guidelines for the local companies on recording waste management at local level in accordance with local reporting requirements. This protocol includes the dual control principle during the data capture process.

Data on waste generation from operational sites were collected using different methods. Some sites obtained this information from invoices and waste manifests, others from product databases, while some estimated waste generation by calculating an average weight per full waste container (e.g. 200 kg per container) and multiplying it by the total number of containers. Additional similar assumptions were also applied. For the majority of the sites in the USA, there are no data available on the disposal operation for hazardous waste. For this reason, information on disposal at other sites in North America was used as an estimate. The amount of hazardous waste directed to incineration was estimated by deducting the amounts recycled and placed in landfill from the total amount of non-hazardous waste. In the case of non-hazardous waste, it was therefore assumed that no waste falls into the 'Other disposal operation' category. The amount of hazardous waste disposed of in landfill was estimated on the basis of reports from ten of the 382 (3%) sites that said they place hazardous waste in landfill. Accordingly, it was assumed that 3% of the hazardous waste remaining after deduction of the recycled and incinerated amounts was taken to landfill sites, while the remaining 97% was categorized as 'Other disposal operation'.

It is important to note that the use of assumptions and estimates is an inherent part of the disclosed information.

EU Taxonomy

The disclosures on the environmental objectives set out in the Taxonomy Regulation are presented together in the section EU Taxonomy in accordance with ESRS.

Background to and scope of the reporting

By adopting the Action Plan on Financing Sustainable Growth, the European Union took a decisive step to extend its commitment to climate protection and sustainable business practice on the financial markets. One tool in the action plan presented in March 2018 is the EU Taxonomy Regulation (EU Taxonomy). This uniform and legally binding classification system sets out which economic activities are regarded as environmentally sustainable in accordance with the EU Taxonomy and how they should be reported. The aim is to steer financial flows toward green investments. Investors should thus be able to decide whether they wish to contribute to the EU's goals through their investments. All companies that are required to provide non-financial reporting pursuant to Section 315b et seq. of the German Commercial Code (HGB) have been obliged to disclose information on the implementation of the EU Taxonomy since financial year 2021.

Against this background, in the following section, Brenntag SE as a parent company presents the proportion of its consolidated turnover, capital expenditure (CapEx) and operating expenditure (OpEx) for the 2024 reporting period that is associated with Taxonomy-eligible economic activities in relation to all six environmental objectives pursuant to Art. 8 of the EU Taxonomy. The scope of consolidation of the Brenntag Group comprises only non-financial subsidiaries.

Brenntag's Taxonomy-eligible economic activities

Brenntag, as a distributor, generates external turnover through the sale of chemicals and ingredients as well as the provision of services. The review of the economic activities in accordance with the Regulations relating to the EU Taxonomy (see Delegated Regulations (EU) 2023/2486 (Environmental Delegated Act), (EU) 2021/2178), and (EU) 2023/2485 and (EU) 2021/2139) (Climate Delegated Act)) revealed that only Annex II to Delegated Regulation (EU) 2023/2486 (transition to a circular economy) is relevant for Brenntag. More specifically, this means that a small portion of the turnover is attributable to certain chemicals named in the Regulation which Brenntag recycles itself (which, in the context of the Regulation, is regarded as the "treatment of hazardous waste"). That means Brenntag receives hazardous waste and reprocesses it such that it can be reused by the business partners in question. Brenntag therefore presents both the turnover attributable to this Taxonomy-eligible and the capital and operating expenditure related to assets or processes that are associated with this activity ("category a" acc. to Section 1.1.2.2 of Annex I to the Art. 8 Delegated Act).

Description of the Brenntag activity	Annex II to the Environmental Delegated Act
Recycling of hazardous waste	2.4. Treatment of hazardous waste

2.39 Relevant Brenntag activity and corresponding economic activity in the EU Taxonomy

Brenntag also discloses capital and operating expenditure related to the purchase of output from Taxonomy-eligible economic activities and certain individual measures to improve energy efficiency. These are economic activities and individual measures listed in Annex I to the Climate Delegated Act and in Annexes I to IV to the Environmental Delegated Act ("category c" Section 1.1.2.2. of Annex I to the Art. 8 Delegated Act). Brenntag has identified the following purchase of output and the following individual measures that correspond to economic activities pursuant to the EU Taxonomy and therefore result in Taxonomy-eligible CapEx/OpEx:

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Description of the Brenntag activity	Corresponding economic activity in the EU Taxonomy	
	Annex I to the Climate Delegated Act	Annexes I to III to the Environmental Delegated Act
Motor vehicles		
Purchase and leasing of heavy goods vehicles for freight transport	Freight transport services by road (CCM 6.6.)	
Purchase, leasing, repair and maintenance of industrial trucks	Manufacture of other low-carbon technologies (CCM 3.6.)	
Purchase and leasing of passenger cars as company vehicles	Transport by motorbikes, passenger cars and light commercial vehicles (CCM 6.5.)	
Renewable energy technologies		
Purchase, leasing and maintenance of renewable energy technologies for electricity and heat generation at Brenntag sites, e.g. solar panels, heat pumps and wind turbines	Installation, maintenance and repair of renewable energy technologies (CCM 7.6.)	
Buildings		
Construction of new buildings	Construction of new buildings (CCM 7.1.)	Construction of new buildings (CE 3.1.)
Acquisition and leasing of existing buildings	Acquisition and ownership of buildings (CCM 7.7.)	
Installation, maintenance and repair of energy efficiency equipment	Installation, maintenance and repair of energy efficiency equipment (CCM 7.3.)	
Installation and maintenance of charging stations for electric vehicles	Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) (CCM 7.4.)	
Equipment		
Installation and maintenance of water treatment facilities		Urban waste water treatment (WTR 2.2.)
Environmental remediation		
Environmental remediation		Remediation of contaminated sites and areas (PPC 2.4.)

2.40 Relevant Brenntag activity and corresponding economic activity in the EU Taxonomy

For the allocation of turnover, CapEx and OpEx, Brenntag identified the relevant sales, purchases and measures, and then allocated to these the related economic activity in the Climate Delegated Act and the Environmental Delegated Act. In this way, Brenntag ensures that no turnover, CapEx or OpEx is included more than once. The turnover, CapEx or OpEx thus identified forms the numerator of the performance indicators reported below.

Brenntag's Taxonomy-aligned economic activities

The review for Taxonomy-alignment consists of multiple steps that must be followed individually, with the results documented by the Group companies. In addition to the economic

activity's substantial contribution to one of the two climate-related environmental objectives, the criteria on avoiding significant harm to one or more of the six environmental objectives, referred to as the 'do no significant harm' (DNSH) criteria, and compliance with the minimum requirements regarding human rights, anti-corruption, taxation and fair competition must also be checked. With regard to compliance with the minimum requirements, the review must also be carried out for Brenntag SE without reference to a specific economic activity.

Brenntag does not meet the minimum safeguards, as so far only direct suppliers have been taken into account to fulfilling of human rights due diligence obligations. As all of the

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above-mentioned criteria must be met, no Taxonomy-aligned turnover, CapEx or OpEx can be presented.

Brenntag therefore reports the following metrics.

Metrics

Turnover KPI

Financial year 2024

Substantial contribution criteria

	Code (2)	Turnover (3)	Proportion of turnover, year 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)
Economic activities (1)									
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
none									
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		EUR 0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Treatment of hazardous waste	CE 2.4.	EUR 255,146	0.00%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
Treatment of hazardous waste	PPC 2.2.	EUR 3,439,180	0.02%	N/EL	N/EL	N/EL	EL	N/EL	N/EL
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		EUR 3,694,326	0.02%	0.00%	0.00%	0.00%	0.02%	0.00%	0.00%
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		EUR 3,694,326	0.02%	0.00%	0.00%	0.00%	0.02%	0.00%	0.00%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
Turnover of Taxonomy-non-eligible activities		EUR 16,233,711,264	99.98%						
Total		EUR 16,237,405,590	100.00%						

2.41 Turnover KPI

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Financial year 2024	DNSH criteria (Does not significantly harm)									
	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) turnover, year 2023 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
Economic activities (1)										
A. TAXONOMY-ELIGIBLE ACTIVITIES										
A.1 Environmentally sustainable activities (Taxonomy-aligned)										
none										
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)	N	N	N	N	N	N	N	0.00%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)										
Treatment of hazardous waste								0.00%		
Treatment of hazardous waste								0.03%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)								0.03%		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)								0.03%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES										
Turnover of Taxonomy-non-eligible activities										
Total										

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

2.42 Turnover KPI

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CapEx KPI

Financial year 2024

Substantial contribution criteria

Economic activities (1)	Code (2)	CapEx (3)	Proportion of CapEx, year 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
none									
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		EUR 0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Freight transport services by road	CCM 6.6.	EUR 5,844,256	0.59%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Manufacture of other low-carbon technologies	CCM 3.6.	EUR 6,121,847	0.62%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5.	EUR 34,130,822	3.45%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies	CCM 7.6.	EUR 2,301,418	0.23%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Construction of new buildings	CCM 7.1.	EUR 5,861,425	0.59%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Construction of new buildings	CE 3.1.	EUR 58,900	0.01%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
Acquisition and ownership of buildings	CCM 7.7.	EUR 159,100,478	16.07%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3.	EUR 4,401,269	0.44%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4.	EUR 114,863	0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Urban waste water treatment	WTR 2.2.	EUR 1,276,918	0.13%	N/EL	N/EL	EL	N/EL	N/EL	N/EL
Treatment of hazardous waste	CE 2.4.	EUR 0	0.00%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
Treatment of hazardous waste	PPC 2.2.	EUR 905,055	0.09%	N/EL	N/EL	N/EL	EL	N/EL	N/EL
Remediation of contaminated sites and areas	PPC 2.4.	EUR 0	0.00%	N/EL	N/EL	N/EL	EL	N/EL	N/EL
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		EUR 220,117,251	22.23%	22.00%	0.00%	0.13%	0.09%	0.01%	0.00%
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		EUR 220,117,251	22.23%	22.00%	0.00%	0.13%	0.09%	0.01%	0.00%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
CapEx of Taxonomy-non-eligible activities		EUR 769,943,495	77.77%						
Total		EUR 990,060,745	100.00%						

2.43 CapEx KPI¹⁾

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Financial year 2024	DNSH criteria (Does not significantly harm)									
	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) CapEx, year 2023 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
Economic activities (1)										
A. Taxonomy-eligible activities										
A.1 Environmentally sustainable activities (Taxonomy-aligned)										
none										
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	N	N	N	N	N	N	N	0.00%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)										
Freight transport services by road								3.18%		
Manufacture of other low-carbon technologies								0.88%		
Transport by motorbikes, passenger cars and light commercial vehicles								5.09%		
Installation, maintenance and repair of renewable energy technologies								0.34%		
Construction of new buildings								2.80%		
Construction of new buildings								0.00%		
Acquisition and ownership of buildings								21.07%		
Installation, maintenance and repair of energy efficiency equipment								0.67%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)								0.06%		
Urban waste water treatment								0.06%		
Treatment of hazardous waste								0.00%		
Treatment of hazardous waste								0.03%		
Remediation of contaminated sites and areas								0.01%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)								34.19%		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)								34.19%		
B. Taxonomy-non-eligible activities										
CapEx of Taxonomy-non-eligible activities										
Total										

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2024

2.44 CapEx KPI³⁾

³⁾ The rise in CapEx - for both Taxonomy-eligible and Taxonomy-non-eligible economic activities - is attributable to a higher level of additions from acquisitions.

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OpEx KPI

Financial year 2024

Substantial contribution criteria

	Code (2)	OpEx(3)	Proportion of OpEx, year 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)
Economic activities (1)									
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
none									
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)									
		EUR 0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Freight transport services by road	CCM 6.6.	EUR 3,480,145	1.88%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Manufacture of other low-carbon technologies	CCM 3.6.	EUR 795,026	0.43%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5.	EUR 3,937,688	2.13%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies	CCM 7.6.	EUR 8,358	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Construction of new buildings	CCM 7.1.	EUR 3,857,894	2.09%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Construction of new buildings	CE 3.1.	EUR 0	0.00%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
Acquisition and ownership of buildings	CCM 7.7.	EUR 13,976,685	7.57%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3.	EUR 1,526,338	0.83%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4.	EUR 12,916	0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Urban waste water treatment	WTR 2.2.	EUR 30,349	0.02%	N/EL	N/EL	EL	N/EL	N/EL	N/EL
Treatment of hazardous waste	CE 2.4.	EUR 175	0.00%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
Treatment of hazardous waste	PPC 2.2.	EUR 1,659	0.00%	N/EL	N/EL	N/EL	EL	N/EL	N/EL
Remediation of contaminated sites and areas	PPC 2.4.	EUR 9,992,636	5.41%	N/EL	N/EL	N/EL	EL	N/EL	N/EL
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)									
		EUR 37,619,870	20.36%	14.94%	0.00%	0.02%	5.41%	0.00%	0.00%
A. OpEx of Taxonomy-eligible activities (A.1+A.2)									
		EUR 37,619,870	20.36%	14.94%	0.00%	0.02%	5.41%	0.00%	0.00%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
OpEx of Taxonomy-non-eligible activities									
		EUR 147,113,388	79.64%						
Total									
		EUR 184,733,258	100.00%						

2.45 OpEx KPI¹⁾

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Financial year 2024	DNSH criteria (Does not significantly harm)									
	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OpEx, year 2023 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
Economic activities (1)										
A. Taxonomy-eligible activities										
A.1 Environmentally sustainable activities (Taxonomy-aligned)										
none										
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	N	N	N	N	N	N	N	0.00%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)										
Freight transport services by road								2.26%		
Manufacture of other low carbon technologies								0.71%		
Transport by motorbikes, passenger cars and light commercial vehicles								1.89%		
Installation, maintenance and repair of renewable energy technologies								0.05%		
Construction of new buildings								0.07%		
Construction of new buildings								0.00%		
Acquisition and ownership of buildings								4.41%		
Installation, maintenance and repair of energy efficiency equipment								0.06%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)								0.00%		
Urban waste water treatment								0.01%		
Treatment of hazardous waste								0.00%		
Treatment of hazardous waste								0.00%		
Remediation of contaminated sites and areas								13.67%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)								23.12%		
A. OpEx of Taxonomy-eligible activities (A.1+A.2)								23.12%		
B. Taxonomy-non-eligible activities										
OpEx of Taxonomy-non-eligible activities										
Total										

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2024

2.46 OpEx KPI³⁾

³⁾ Brenntag does not carry out any nuclear power and gas activities and therefore does not disclose the specific tables relating to these activities. The decrease in OpEx for Taxonomy-eligible economic activities is due mainly to lower expenses for the remediation of contaminated sites and areas.

GROUP SUSTAINABILITY
STATEMENT**Accounting principles**

Brenntag determines the Taxonomy KPIs in accordance with the legal requirements, including Annex I to the Art. 8 Delegated Act, and describes its accounting principles in this regard as follows:

Turnover KPI

The proportion of Taxonomy-eligible economic activities in the total turnover has been calculated as the part of net turnover derived from products and services associated with Taxonomy-eligible economic activities (numerator) divided by the net turnover (denominator). The denominator of the turnover KPI is based on the company's consolidated net turnover in accordance with International Accounting Standard (IAS) 1.82(a), which can be taken from the consolidated financial statements; see section Consolidated income statement. Further details on Brenntag's accounting principles for consolidated net turnover can be found in the section Accounting and measurement policies.

With regard to the numerator, the company refers to the explanations above ("Brenntag's Taxonomy-eligible economic activities" section).

CapEx KPI

The CapEx KPI is defined as Taxonomy-eligible CapEx (numerator) divided by total CapEx (denominator) as specified in the EU Taxonomy. Total CapEx consists of additions to tangible and intangible fixed assets during the financial year, before depreciation, amortization and any remeasurements, including those resulting from revaluations and impairments, and excluding fair value changes.

It includes additions to property, plant and equipment (IAS 16), intangible assets (IAS 38) and right-of-use assets (International Financial Reporting Standards, IFRS 16). Additions resulting from business combinations are also included. Goodwill is not included in CapEx because it is not defined as an intangible asset in accordance with IAS 38. Further details on the accounting principles with regard to the company's CapEx can be found in the sections Property, plant and equipment, Intangible assets, and Leases.

Brenntag's total CapEx can be derived from the consolidated financial statements from the statements of changes in property, plant and equipment, intangible assets (excluding goodwill) and right-of-use assets (see table 3.50 Property, plant and equipment, table 3.51 Intangible assets and table 3.58 Right-of-use assets). It is the sum total of the following transaction types:

- business combinations and
- other additions

for property, plant and equipment, intangible assets (excluding goodwill) and right-of-use assets.

With regard to the numerator, Brenntag refers to the explanations above ("Brenntag's Taxonomy-eligible economic activities" section).

OpEx KPI

The OpEx KPI is defined as Taxonomy-eligible OpEx (numerator) divided by total OpEx (denominator).

Total OpEx consists of direct uncapitalized costs that relate to research and development, building renovation measures, short-term leases, maintenance and repair, remediation and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment.

For the Brenntag Group, the following aspects must be taken into account in this regard:

- The Brenntag Group does not incur any research and development expenses.
- The volume of uncapitalized leases was determined in accordance with IFRS 16 and includes expenses for short-term leases, variable leases and low-value leases (see table 3.59 Lease expenses). Even though variable leases and low-value leases are not explicitly mentioned in the Art. 8 Delegated Act, Brenntag has interpreted the legislation as to include these leases.
- Maintenance and repair and other direct expenditures relating to the servicing of assets of property, plant and equipment were recorded in separate accounts. The related cost items can be found in the other operating expenses item in the consolidated income statement and are part of maintenance and energy costs (see table 3.29 Other operating expenses). This also includes building renovation measures. As a rule, these are costs for services and material costs.
- Expenses for the remediation of environmental damage, mainly for soil and groundwater for current and former, owned or leased sites. The related cost items are included in the other operating expenses item in the consolidated income statement and are part of miscellaneous operating expenses (see table 3.29 Other operating expenses).

With regard to the numerator, Brenntag refers to the explanations above ("Brenntag's Taxonomy-eligible economic activities" section).

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Social

Own workforce

Material impacts, risks and opportunities related to own workforce

Through their expertise and dedication, Brenntag's employees play a key role in the Group's success and long-term competitiveness. Brenntag sees it as its responsibility to offer fair

working conditions and a safe, attractive and inspiring working environment while providing its employees with targeted support to promote their personal and professional development. In the course of the materiality assessment performed¹⁾, the following material impacts and opportunities arising from Brenntag's business activities were identified in relation to its own workforce:

Material sub-(sub-)topic	Impacts, risks or opportunities	Value chain	Time horizon	Description
Health and safety	Impact (negative)	Own operations	Constant	A lack of health and safety may lead to ill health (injuries, death, disability, mental health), e.g. as a result of accidents, exposure to chemicals, unsafe working conditions.
	Impact (positive)	Along the value chain	Constant	Involvement in industry associations enables higher health and safety standards to be set, also for the Group's own workforce (Responsible Care/Responsible Distribution).
Secure employment and adequate wages	Impact (positive)	Own operations	Constant	Adequate wages and secure employment create financial security.
Social dialog, freedom of association, existence of works councils and the information, consultation and participation rights of workers	Impact (negative)	Own operations	Constant	A lack of social dialog with employees and employee involvement in decision-making processes may lead to dissatisfaction, as employees' voices are not heard.
Working time, work-life balance	Impact (positive)	Own operations	Constant	A good work-life balance contributes to mental and physical health.
	Impact (negative)	Own operations	Constant	A lack of work-life balance and unreasonable working hours may lead to dissatisfaction, frustration or mental problems.
Training and skills development	Impact (negative)	Own operations	Constant	A lack of training and skills development leads to lower motivation and dissatisfaction among employees.
	Impact (negative)	Own operations	Constant	Missed career opportunities due to insufficient training and skills development.
	Impact (positive)	Own operations	Constant	Socioeconomic benefits: increased employability (attractiveness of employees to Brenntag and other potential employers) as a result of training and skills development.
	Impact (positive)	Own operations	Constant	Training and skills development keep employee motivation and satisfaction at a higher level.
	Opportunity	n/a	Constant	More qualified and motivated employees increase sales revenues and lower costs through better quality and efficiency; sales and procurement are key areas.
Diversity	Impact (negative)	Own operations	Constant	A lack of diversity due to excessively low female representation in management positions may lead to lower productivity and discrimination in the workforce.

2.47 Material impacts and opportunity related to own workforce

¹⁾ Further information on this is contained in the section General disclosures, sub-section Double materiality assessment.

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The potential negative impacts listed are confined to individual incidents, such as accidents. If guidelines and regulations on social dialog or diversity have not been complied with, these are individual cases. As explained in more detail in the following sections, Brenntag has developed different policies and guidelines, taken actions and set targets in order to systematically address the impacts and opportunities identified. These sections also show which employees and external workers are addressed by the policies described and benefit from the actions taken. In this context, Brenntag employees include both permanent and temporary staff who are directly employed by the company under formal employment contracts. They work in production, warehousing, transportation, administration, or other operational areas and are subject to internal work policies as well as company-provided social benefits. In accordance with ESRS, external workers are explicitly included in occupational health and safety actions so as to ensure uniform standards and safeguards for all parties involved. This primarily includes temporary workers and freelancers who are integrated into the company organization.

The Group carries out a risk assessment with regard to possible human rights violations and environmental risks for its own operations. In this context, no activities were identified at significant risk of forced labor or child labor. Further information on human rights due diligence can be found in the section Workers in the value chain.

The transition plan for climate change mitigation does not have a direct impact on Brenntag's employees. Further information on this can be found in the section Climate change.

All policies and guidelines outlined in the following sections were developed by the functional departments responsible. Responsibility for their implementation lies with the Board of Management. The policies and guidelines are available to employees on the intranet. The targets formulated in the sections were developed by the respective specialists in close collaboration with other departments such as Sustainability and Change Management, and finalized with the involvement of the Board of Management.

The employee structure breaks down as follows. The number differs from the number of employees in section 4.) Personnel expenses in the Consolidated financial statements and in the separate section Employees in the Management report, as employees on leave and in unpaid employment are not considered there according to the definition.

Workforce structure

Region	2024		2023 ¹	
	abs.	%	abs.	%
EMEA	8,319	45.1	8,013	44.6
Women	3,250	39.1	3,155	39.4
Men	5,069	60.9	4,858	60.6
North America	5,334	28.9	5,420	30.2
Women	1,264	23.7	1,292	23.8
Men	4,070	76.3	4,128	76.2
Latin America	2,023	11.0	1,712	9.5
Women	773	38.2	658	38.4
Men	1,250	61.8	1,054	61.6
Asia Pacific	2,761	15.0	2,821	15.7
Women	1,193	43.2	1,203	42.6
Men	1,564	56.7	1,618	57.4
Not specified	4	0.1	0	0.0
Brenntag Group	18,437	100.0	17,966	100.0
Women	6,480	35.2	6,308	35.1
Men	11,953	64.8	11,658	64.9
Not specified	4	0.0	0	0.0
Of which USA²⁾	4,708	25.5	4,774	26.6
Women	1,038	22.0	1,062	22.2
Men	3,670	78.0	3,712	77.8

2.48 Workforce structure

¹⁾ The prior-year figures were recalculated on the basis of the definitions under ESRS (see also the section General disclosures).

²⁾ The United States is currently the only country where Brenntag employs more than 10% of its total workforce.

Accounting principles

In 2023, Brenntag initiated the development of a global People platform by introducing Workday Human Capital Management to effectively implement and manage standardized HR processes worldwide. This platform is used to gather and analyze key HR metrics. To ensure data quality, all local HR departments review the structural data on employees at the end of each quarter as part of an internally standardized audit process. Brenntag reports both by region or country, if a country employs more than 10% of the total workforce, and by gender, presenting both the total number of employees and the corresponding percentage distribution. Employee allocation is globally uniform based on the region of the respective legal employer and the gender identity stored in the People platform. Since only binary gender options are available in the People platform, the 'Other' category is not used in data collection. Employees for whom no gender information is available in the People platform are displayed with the status 'Not specified'. The HR metrics include all employees with an employment contract with Brenntag at the reporting date.

Occupational health and safety

Policies and actions

Safety is one of Brenntag's five core values and therefore the safe handling of chemicals takes top priority. Brenntag is aware of its own responsibility and combines the Group's objectives and standards for quality, health, safety and the environment in its Global QSHE Policy (QSHE: quality, safety, health, environment). The Group strives for process safety, occupational health and safety, customer satisfaction, respect for the environment and continuous improvement. The Group undertakes to provide the resources required for this. The Global QSHE Policy applies to all employees at every level of the hierarchy and to all activities within the Group. It also includes responsibility for the safety of external partners and contractors if they are working at Brenntag sites or supplied by Brenntag.

To implement the QSHE Policy, Brenntag pursues a global QSHE strategy built on four pillars.

Management system

Brenntag operates an integrated QSHE management system focused on people, sites and their equipment and processes that encompasses 100% of the workforce. The aim is to harmonize the different regional and local approaches, requirements and features within one global QSHE system. Internally, the Group issued a global QSHE manual that combines its guidelines setting out company-wide minimum standards in QSHE. It describes all guidelines, procedures and responsibilities forming the backbone of the QSHE management system. It is based on industry standards such as ISO 9001, Responsible Care/Responsible Distribution and the CCPS model (CCPS: Center for Chemical Process Safety).

One significant element of QSHE management at Brenntag is its active participation in the international Responsible Care/Responsible Distribution (RC/RD) initiative of the International Chemical Trade Association (ICTA). Regardless of legal requirements, the initiative wishes to ensure that member companies continuously improve their environmental and health performance and report openly on this progress on a regular basis. The requirements are usually implemented in programs by the respective regional or local industry associations. As specified in the QSHE manual, all Brenntag companies with operating sites or with direct sales are expected to participate if national associations offer a corresponding program. The participating companies are defined on a case-by-case basis using established criteria. Among others, these criteria include transition periods after acquisition or a

limited product portfolio. Its active involvement in the associations' working groups enables Brenntag to have a positive influence on standard setting and implementation.¹⁾

Not least of all, Brenntag aims for all operating sites to be certified to ISO 9001 so as to ensure quality. In some cases, this is supplemented or replaced by other product- or industry-related quality management systems. At the end of 2024, 367 of Brenntag's 369 relevant sites worldwide were certified to an international standard (2023: 363 of 364 relevant sites). Like RC/RD participation, relevance is defined using similar established criteria.

Culture

At Brenntag, the "Safety First" principle applies throughout the Group and relies strongly on personal commitment and personal responsibility. The Group uses various methods to continuously raise employee awareness of occupational health and safety. Documented QSHE training tailored to the requirements of each activity provides the basis. This is supplemented by communication formats such as five-minute talks, Safety First Moments, lessons learned and best practices, which enable insights gained from incidents or examples of good working practices to be shared within the organization in a structured manner. The aim is to use these tools at the beginning of each shift or each (relatively large) meeting. Various platforms are available for this interaction. Lessons learned are incorporated into the forms used for the investigation of safety incidents. In the event of serious incidents or potentially serious incidents, Brenntag can also separately create additional documents on the insights gained and distribute them worldwide. Examples of best practices may emerge from audits, inspections or self-initiative. They are exchanged at various levels. Global QSHE, for example, aims to share a best practice example from one of the global regions for certain global guidelines.

Brenntag addresses individual critical topics on worldwide campaigns with a view to raising employee awareness in a targeted manner and ensuring harmonized corrective and preventive actions. Topics stem from individual incidents or an accumulation of incidents that stand out in an overall assessment. The flagship campaign in the reporting period was the Fire Safety Campaign, the four basic principles of which were presented between February and May. The status of implementation in the regions is tracked centrally at regular intervals.

¹⁾ RC/RD self-assessments can be used if an RC/RD program does not exist in the country.

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The global Brenntag Enhanced Safety Thinking (BEST) program also helps to raise awareness of safety. It consists of the Brenntag Safety Behavior Standard and an employee survey that builds on the behaviors described in the Standard. The aim is to evaluate safety behavior and safety awareness within the Group and, if necessary, improve it by way of specific action plans. As standard, there are moderated workshops at all sites and online questionnaires for those who are unable or do not want to take part. Employee surveys are supposed to take place at intervals of around three years. In accordance with this approach, the next survey is scheduled for the third quarter of 2025, with follow-up action plans in the fourth quarter. In the reporting period, planning for this survey got under way and the first documents on the importance of individual safety behaviors were produced.

Once a year, Brenntag presents the Global Safety Awards in two categories: the Safety Excellence Award for the best safety record over the longer term and the Safety Phoenix Award for the strongest improvement in terms of safety. In 2024, the Dickinson site in the USA (Safety Excellence Award) and the Estarreja site in Portugal (Safety Phoenix Award) were honored for their safety achievements.

In addition, Brenntag holds an annual Global Health & Safety Week, in the course of which the aforementioned awards are also presented. In the week around World Day for Health and Safety at Work on April 28, all sites worldwide organize activities to raise awareness of health and safety. For this, there is a prescribed motto each year, but no fixed framework for the individual program. All units and sites organize activities appropriate to their own requirements, priorities and capabilities. Some companies also involve suppliers, customers or their families. A selection of initiatives is then compiled and serves as inspiration for future Global Health & Safety Weeks. In the reporting period, the Week ran from April 22 to 26, 2024 under the motto 'Safety 24/7: A global commitment, every hour, every day'.

Team

A multinational team made up of QSHE experts working centrally and QSHE directors of the global regions implements the QSHE management system. These work closely together with the regional and local QSHE teams. Within the QSHE organization, Brenntag has also built up an international team of process safety management (PSM) experts that supports the sites and carries out PSM assessments.¹⁾

Monitoring and controlling

Brenntag has established an extensive monitoring and controlling system in order to continuously improve its safety measures. To this end, reports of incidents that meet the Brenntag Global Standard Reporting criteria are continuously gathered on a central QSHE platform. Investigation findings and related corrective and preventive actions are shared internally through various channels in order to prevent a reoccurrence. Brenntag also attaches considerable importance to monitoring and controlling as a preventive tool, for example in the case of indicators such as near misses, actions to reinforce positive behavior, site inspections, and safety inspections and certifications. A QSHE dashboard was introduced to make these indicators more visible and enable them to be better tracked.

Targets and metrics

In 2021, Brenntag set the following target on the basis of the policies and actions described in relation to occupational health and safety: The TRIR (Total Recordable Injury Rate) should improve from 3.1 in base year 2021 to less than 2.0 in target year 2030. The TRIR is continuously monitored and regularly reported to various teams and levels throughout the Brenntag Group.

103 recordable work-related accidents were registered in the reporting period. In the financial year, the TRIR therefore rose from 2.5 in the previous year to 2.6 in the reporting period, but was still on the long-term path to a TRIR of 2.0 in 2030.

Regrettably, for 2024 Brenntag must report the death of a Brenntag employee. The truck driver suffered fatal injuries when his truck caught fire in a traffic accident following a crash. There are currently no indications that the Brenntag driver caused the accident or could have prevented it.

In addition, Brenntag's aim is for all companies with operating sites or with direct sales to continuously participate in the industry initiative Responsible Care/Responsible Distribution (RC/RD) if national associations offer a corresponding program. Participation is recorded once a year. At the end of the financial year, 77 out of a total of 81 relevant Brenntag companies were participating in an RC/RD program (2023: 92 out of 98 relevant companies).

¹⁾ Further information on PSM can be found in the section Pollution, sub-section Accidental releases.

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The TRIR (Total Recordable Injury Rate) is a performance indicator widely used internationally in the industry, indicating how often employees sustain injuries in work-related accidents. It denotes the number of work-related injuries requiring medical treatment beyond first aid per one million hours worked. In defining 'work-related' and 'medical treatment beyond first aid', Brenntag follows the US OSHA. Hours worked are determined based on a combination of direct time-recording and a US OSHA estimation approach using 2,000 hours or 2,250 hours per FTE and annum. The approach using 2,250 hours per FTE is applied in the USA in line with Brenntag's direct reporting to OSHA and also for Brazil, Chile, Colombia and the company Raj in India, in each case with six-day working weeks. In the reporting on its safety performance, Brenntag includes all of its own employees along with temporary and contract employees deployed by temporary employment agencies to carry out standard Brenntag activities. All fatal accidents suffered by other persons are also reported if they occur at Brenntag sites.

Secure employment and adequate wages**Policies and actions**

At Brenntag, fair remuneration and clear employment contracts are an expression of a corporate strategy and a corporate culture geared to employment security. Among other things, good working conditions include employees regularly receiving a permanent employment contract that creates stability and a long-term outlook for both sides. Brenntag has therefore established a highly structured HR recruitment and selection process with a view to retaining candidates at the Group over the long term. The IT-supported HR recruitment process gives applicants a positive first impression of Brenntag. At the same time, it enables the managers responsible to clearly compare the individual candidates such that their professional suitability is transparent and easily comparable.

Brenntag also offers its employees attractive additional benefits such as an occupational pension that supports a secure financial future in retirement. The occupational pension provision differs from country to country, as it is bound by a large number of country-specific provisions and laws, which Brenntag must follow in actually structuring the pension provision. Further benefits aimed at providing individual financial protection also foster long-term employee satisfaction. These include the group accident insurance which Brenntag offers to German employees, for example. Benefits like this are country-specific and differ from country to country. In addition, Brenntag follows a remuneration policy based on the principles of fairness and transparency.

In 2022, Brenntag introduced the Brenntag Global Living Wage Policy in order to meet its aspiration to provide fair remuneration. This defines a 'living wage' as the remuneration that an employee in a particular place receives for a standard working week and that is sufficient to afford a decent standard of living for the employee and their family. Elements of a decent standard of living include nutrition, water, housing, education, health care, transportation, clothing, and other essential needs including provision for unexpected events. This pay may go beyond the statutory minimum wage. It is intended to prevent forced labor or an excessive amount of overtime as well as the need to resort to further jobs or child labor to make the family income sufficient. By paying living wages, Brenntag is therefore contributing toward complying with the United Nations Universal Declaration of Human Rights and achieving the United Nations Sustainable Development Goals (SDGs).

To ensure adequate wages and permanently close any gaps, Brenntag works together with the WageIndicator Foundation, which provides living wage data for the countries in which Brenntag operates. In addition to wage data, the data provided by WageIndicator also include data on the hours in a standard local working week, which in no country is more than 48 working hours a week in accordance with the standards of the International Labour Organization (ILO).

The existing Global Living Wage Policy uses quarterly average data to calculate the living wage for each country. These reflect typical household costs based on fluctuating employment and fertility rates. To reduce the data volatility in calculating living wages that results from the use of the quarterly average, WageIndicator has introduced what it calls 'guidance data'. Reducing volatility is crucial, as large fluctuations in living wages and the wage adjustments derived from them are not sustainable.

WageIndicator recommends using the guidance data in implementing living wages. In 2024, the existing policy had to be amended in order to take account of this development. In the course of its revision, a provision was also included that enables feasible adjustments to be implemented as soon as possible in exceptional situations. The revised policy also allows the employees' actual country of residence to be taken into account. Overall, this revision was aimed at further improving fair wage practices in the different regions by incorporating new findings.

GROUP SUSTAINABILITY
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Brenntag reached the original target, that 100% of Brenntag employees receive a living wage in accordance with the Global Living Wage Policy, for the first time at the end of 2023. To ensure continued compliance with this target going forward, an annual process identifies and aims to close gaps between the remuneration of Brenntag employees and the WageIndicator data. Under the Global Living Wage Policy, interns, apprentices, freelancers and contractors are excluded from the gap analysis.

Fixed remuneration and allowances were generally used to compare employee remuneration with the WageIndicator data, provided that such allowances are freely available in cash and usually monthly. Variable remuneration or overtime pay, on the other hand, was disregarded. As a result of this comparison, the living wage gaps were identified in a gap analysis.

The gap analysis in the reporting period revealed 114 employees in 15 countries whose wage would have to be adjusted (2023: 165 cases in 15 countries). No adjustments can be made for an entity in Singapore (15 of the 114 cases; this equates to around 3% of employees in Singapore), as under the acquisition agreement this acquisition from 2023 is subject to legal restrictions on salary adjustments for three years. Adjustments were made for the remaining 98 employees, provided that the review by the local HR departments did not show that an adjustment is inappropriate. An adjustment was identified as inappropriate in the event of an ongoing process to sell the employer company, terminations or the finding that the actual salary package was already above the living wage.

All gaps detected by the gap analysis and actually required to be closed following a local review were closed at the latest with effect from the end of the reporting period by making appropriate salary adjustments.

Employees by contract type and gender

Contract type	2024		2023 ¹⁾	
	abs.	%	abs.	%
Permanent employment contracts	18,133	98.4	17,620	98.1
Women	6,353	35.0	6,154	34.9
Men	11,777	65.0	11,466	65.1
Not specified	3	0.0	0	0.0
Temporary employment contracts	304	1.6	346	1.9
Women	127	41.8	154	44.5
Men	176	57.9	192	55.5
Not specified	1	0.3	0	0.0
Brenntag Group	18,437	100.0	17,966	100.0

2.49 Employees by contract type and gender

¹⁾ The prior-year figures were recalculated on the basis of the definitions under ESRS (see also the section General disclosures).

Accounting principles

Brenntag captures and analyzes HR metrics using the People platform. A distinction is made between permanent employment contracts, which are concluded for an indefinite period, and temporary employment contracts, which are limited to a specific period and terminate automatically. Apprentice employees are included under temporary employment contracts. Brenntag reports both by contract type and gender, providing the total number of employees as well as their percentage distribution. Since only binary gender options are available in the People platform, the 'Other' category is not used in data collection. Employees for whom no gender information is available in the People platform are shown as 'Not specified'. The HR metrics include all employees with an employment contract with Brenntag as of the reporting date.

Social dialog and employee involvement**Policies and actions**

Brenntag believes that open communication and opportunities to participate are key factors contributing to employee motivation and employee loyalty to the Group. Providing employees with important information on a regular basis and in full is a significant element of the corporate culture. Social dialog and employee involvement in decision-making processes create transparency, appreciation and a feeling of shared responsibility. These factors play a decisive role in reducing dissatisfaction and fostering a productive, dedicated work culture.

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Depending on country-specific legislation, employees can contact the persons representing their interests on elected codetermination bodies. Brenntag thus respects its employees' right to freedom of coalition and association, and does not take or tolerate any actions that could restrict those rights. This is set down both in the Code of Business Conduct and Ethics and in the Policy Statement on Human Rights.²¹

Instead of a global framework agreement with employee representatives, Brenntag follows a decentralized approach to ensure human rights and good working conditions. This is supported by various guidelines, such as the Code of Business Conduct and Ethics and the Policy Statement on Human Rights, as well as by international obligations.

To ensure that all employees are kept abreast of important developments and decisions, Brenntag organizes ad hoc and regular global management town hall meetings. These events offer the workforce the opportunity to communicate directly with the management, ask questions and keep up to date with the Group's strategic direction. This builds trust and reduces uncertainty, which are often the cause of dissatisfaction.

Annual, individual employee appraisals are also conducted and serve as a central element of organizational and cultural development. These appraisals improve the feedback culture and foster open interaction between employees and managers. Particular emphasis is placed on constructive feedback and setting individual development goals. The appraisals also enable problems to be identified and resolved at an early stage before they lead to dissatisfaction.

Cross-site information provision, communication and collaboration among Brenntag employees are supported and fostered by the internal online portal ShareON@Brenntag. The platform facilitates networking and knowledge transfer, while enabling information, experiences and best practices to be shared across different units. At many levels, Brenntag also has in place ideas management systems and platforms through which employees can become actively involved and submit their suggestions and ideas for improving organizational aspects, processes and operations. This can increase identification with corporate objectives and reduce the likelihood of frustration.

Targets

Beyond the actions described above, Brenntag's target was to increase employee satisfaction, engagement and motivation through annual employee surveys on the basis of the employee Net Promoter Score (eNPS). Brenntag achieved this target in 2024. Through the voluntary online survey, which is aimed at all employees and was conducted for the first time in the reporting period, the Group hopes to gain valuable insights into the needs and concerns of the workforce so that it can take targeted actions to improve working conditions. There are also quarterly eNPS sentiment checks. These short surveys entitled '2 questions – 2 seconds' enable the Group to record employees' opinions on individual topics and issues more frequently and adapt to their needs more swiftly. The surveys described were also conducted in the reporting period.

Working time and work-life balance**Policies and actions**

Brenntag places emphasis on agile and flexible working throughout the Group and is open to opportunities to make work more flexible around the globe. The framework 'New Work – Towards Greater Flex' was developed by Global HR together with the regional and local human resources departments at the international sites and provides the basis for this. It includes guiding principles for a flexible work environment in all Brenntag regions, business units and functions, bearing in mind local differences.

Various countries have implemented flexible working time models based on this framework. This includes introducing flextime and offering part-time jobs. Brenntag has also introduced arrangements for working from home and mobile working. Flexible working hours and home working promote mental health and improve work-life balance by reducing stress, enabling relaxation and strengthening autonomy. Employees are better able to tailor their daily routine to personal needs, which improves work-life balance and wellbeing. Time saved by not commuting and the opportunity to more easily fulfill private obligations promote satisfaction, health and productivity.

²¹ Further information on the Code of Business Conduct and Ethics can be found in the section Business conduct, and further information on the Policy Statement on Human Rights in the section Workers in the value chain.

GROUP SUSTAINABILITY
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The actions to enhance flexibility are intended to help make working conditions at Brenntag as safe and fair as possible and counteract employee turnover. Beyond that, there are no further targets in accordance with ESRS.

Employee turnover rates

Departure category	2024		2023 ¹	
	abs.	%	abs.	%
Voluntary employee turnover	1,508	7.4	1,553	7.7
Involuntary employee turnover	848	4.2	843	4.2
Natural employee turnover	259	1.3	239	1.2

2.50 Employee turnover rates

¹ The prior-year figures were recalculated on the basis of the definitions under ESRS (see also the section General disclosures).

Accounting principles

Headcount and the number of new hires and departures are calculated for the reporting period on the basis of the data on joining and leaving employees recorded in the People platform. The turnover rates are calculated based on the recorded reasons for leaving. Brenntag classifies departures into three categories: Voluntary turnover includes resignations by employees, involuntary turnover refers to terminations initiated by the employer, and natural turnover encompasses departures that are beyond the control of either the employee or the employer, such as retirement, disability, or death. Brenntag reports both the total number of employees who left the company during the reporting period and the turnover rates as percentages. These turnover rates are calculated using the Schlüter formula, where the total number of departures per category is compared to the number of employees at the beginning of the reporting period and the organic new hires during the reporting year. Turnover rates are recorded centrally for each Brenntag company on a quarterly basis and reported to HR Management. Due to regional and country-specific differences, the figures are analyzed at a decentralized level to identify any areas requiring action.

Training and skills development**Policies and actions**

Training and skills development have positive impacts on employees and are also reflected in Brenntag's business success. At the same time, targeted continuing education and training options counteract decreasing motivation and increasing dissatisfaction. Brenntag therefore supports its employees' continuous personal and professional development. The Global Development Framework with its 70-20-10 development framework provides the structure for all internal and external development opportunities. This means that 70% of development comes from practical experience in the workplace, through daily tasks, challenges and problem-solving. Social learning contributes 20%; that is, collaboration with colleagues, which also includes coaching and mentor-

ing. The last 10% of development takes the form of formal training, i.e. courses, seminars, online and hybrid learning programs. This framework is being further developed by drawing on several local policies and guidelines that take local laws into account.

Brenntag supports its own employees' development with regard to their own visibility, their skills and their career interests through regular interaction between employees and line managers. Feedback plays a significant role here. Managers and leaders are regularly trained in how to identify talent and succession candidates or make themselves visible as such.

The fact that Brenntag employees come from different countries, work in different roles and have different experience shows the diversity of the Brenntag workforce and thus their individual development needs. In order to meet individual development needs, Brenntag strongly encourages its employees to make use of this diverse range of internal development opportunities. The company asks them to put in place an individual development plan in accordance with the 70-20-10 approach on an annual basis in consultation with their direct superior. This is intended to prevent employees from missing out on development opportunities by helping them to set their professional goals and work toward them in a focused manner.

Brenntag offers several learning programs aimed at different target groups. All participant numbers stated in the following were captured on the basis of the global Workday platform.

- **Connecting Potential:** This six-month program is aimed at employees at the start of their career who could take on a leadership role at Brenntag in the future. In 2024, 60 employees took part in the program (2023: 48 employees).
- **Leading with Impact:** This program is tailored to employees with an intermediate level of leadership experience who wish to rise through the Group ranks. In 2024, 23 employees took part in the program (2023: 24 employees).
- **New Leader Transition:** In 2024, 51 employees worldwide took part in this six-month coaching program for prospective and new managers (2023: 55 employees).
- **Women at Brenntag:** This six-month coaching program for women recorded 43 participants in the reporting period (2023: 64 participants).
- **Inspire and Grow:** 31 employees took part in this nine-month mentoring program specifically for women in the reporting period (2023: 33 employees).

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- **Catalyst:** Using basic self- and employee-management tools, this multi-phase six-month program prepares prospective managers to move up from individual expert to manager (acting through others). In the reporting period, 98 employees from North America, South America and EMEA took part in the new program.
- **Belimitless:** This project-based learning program was offered to more than 400 pilot participants.

One option for Brenntag alumni is a quarterly coffee-learn-and-network event combining brief learning content with global cross-function and cross-level networking opportunities. In the reporting period, 500 employees took part in the program.

Other options on offer, such as language courses with one-on-one tuition (145 participants in the reporting period) and through an online language-learning portal, coaching based on individual needs (14 participants in the reporting period) and mandatory training such as compliance training, are aimed at employees at all levels of the hierarchy (completed by 95% of employees in 2024).¹⁾ To take account of regional differences and distances, Brenntag offers online and virtual learning options in multiple languages that can be taken anytime, anywhere. Brenntag has also established a regular Global Learning newsletter to flag up specific content on the company's own learning platform.

In addition, a monthly learning time has been introduced, which all employees can use for self-directed learning. This further fosters the culture of learning within the Group. During the working day, employees and managers have the opportunity to discuss and document their skills and professional interests in a structured manner. This generates individual development needs, which the employee can formalize and concentrate on. Brenntag fosters a feedback culture through feedback and coordination meetings between managers and employees covering development, performance, objectives and career discussions.

A global talent and succession calibration process identifies key talent. In consultation with managers, Brenntag follows a structured approach for these talented individuals aimed at their final nomination for the development measures carried out at global level. There are also local initiatives to support individual employees in their development.

Once employees have been selected for a program, they are asked to explicitly confirm their interest and their willingness to take the time to participate and learn. Both the program

participant and the manager are closely supported by Global Talent & Learning in order to enable the employee to undertake the program successfully and effectively. Feedback meetings with the direct superior are integrated into the program, as are requests for information about added value and practicability following individual elements of the program. The outcome of all this is that the employee not only takes part in the learning activities (10% of learning comes from training), but also implements the principal tools and learning content in a focused manner (70% of learning comes from experience).

Not least of all, Brenntag follows a structured feedback process. In addition to the regular interaction between program participants and program directors, the company also evaluates effectiveness on the basis of manager and participant input. Moreover, Brenntag has invested in the analytics and planning software application Workday in order to make skills and competency improvement more transparent. The aim is to set up Workday dashboards for employees, managers and HR which facilitate both decision-making and self-directed development. Beyond that, there are no targets in accordance with ESRS.

Diversity

Policies and actions

As a Group with operations worldwide, Brenntag employs staff from over 100 nations. Diversity at Brenntag encompasses several aspects, such as employees' different cultural backgrounds, ethnic origin, genders, age groups, skills, qualifications and needs. Through the exchange of knowledge, ideas and experience, diversity makes a decisive contribution to the company's success. The Group wishes to foster this worldwide exchange so as to further increase the diversity of the workforce and create a cosmopolitan work culture and a dynamic work environment where all employees can learn from one another.

Brenntag also works to ensure equal opportunities for its employees and applicants. Ensuring equality of opportunity is a matter of course for Brenntag, as is acting to counter and prevent any form of discrimination and harassment. Employees are recruited, remunerated and developed solely on the basis of their qualifications and skills. Under no circumstances will Brenntag discriminate against employees, business partners or third parties. Equally, the Group expects all employees to embrace this principle, not discriminate against their colleagues and treat one another with respect. This is set down in Brenntag's Code of Business Conduct and Ethics.

¹⁾ Further information on compliance training can be found in the section Business conduct.

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The diversity policy for the Board of Management is also intended to continuously increase its diversity. Through this policy, Brenntag wishes to ensure targeted, diverse management development and successful long-term succession planning, bearing in mind age, gender, education, professional background and international experience. The Supervisory Board should also be diverse. The diversity policy for this body requires a line-up that is likewise as diverse as possible in terms of the age, gender, education, career path and international experience of the members. Among other things, the policy stipulates that at least a third of the seats should be filled by women by January 31, 2026. Brenntag already fulfills this requirement, thereby counteracting a lack of women in management positions at Board of Management level, too.

Brenntag has implemented various measures to systematically identify possible cases of discrimination and foster diversity within the Group. It is pressing ahead with the diversity management structure in order to further develop diversity and inclusion throughout the workforce. In doing so, it is taking into consideration both the realignment of the business model and its global growth strategy. The goal of creating a global organizational diversity, equity and inclusion (DE&I) structure has already been substantially achieved, for example by establishing the role of Global DE&I Director. This role is intended to combine established structures with suitable processes (communication, training, etc.) so as to ensure consistency and efficiency in expanding the DE&I organization.

The Global DE&I Director will set out, organize and manage Brenntag's global diversity, equity and inclusion initiatives and coordinate regional input at company level. He will foster a respectful, inclusive culture, develop a global DEI strategy, deliver training to raise awareness of unconscious bias and ensure equality of opportunity in talent management. He will also measure progress using metrics and scorecards, report to management and stakeholders, and represent the company in dealings with external partners, associations, conferences and NGOs.

The support provided by Employee Resource Groups (ERGs) is an important element of this approach. Led by employees, these groups are intended to make a significant contribution to an integrative and inclusive workplace by offering networking opportunities for employees, raising awareness of diversity issues, giving feedback and playing a part in devising actions related to DE&I.

The Employee Resource Groups (ERGs) at Brenntag can offer employees a platform for networking, sharing knowledge and fostering diversity and inclusion. They can help women in particular to build networks and raise their visibility with a view to increasing the percentage of women in management positions over the long term. ERGs can bring together employees with similar interests and backgrounds, foster an inclusive working environment and, through feedback and input, help to develop diversity-sensitive HR guidelines and initiatives. Moreover, through events and communication, they can raise awareness of DE&I and position Brenntag as an inclusive employer both internally and externally.

On its career pages too, Brenntag emphasizes the fact that it sees diversity as a strength: In job advertisements, it is pointed out that Brenntag offers a fair, respectful and supportive work culture where all employees are able to develop and grow in line with their individual needs and skills. Job advertisements are also designed to be inclusive. Brenntag nurtures the strengths and potential of disabled people and optimally integrates their skills so as to create an atmosphere that puts people with and without disabilities on a level playing field. Since 2020, Brenntag has been a member of the Valuable 500 initiative. This brings together the leaders of 500 international companies who have undertaken to put disability inclusion on their management agenda.

In the fourth quarter of 2024, Brenntag delivered its first training course on unconscious bias. The aim of unconscious bias training is to reflect on unconscious bias and thought patterns that may influence a person's perceptions, decisions and actions without them being aware. This training is intended to raise participant awareness of the existence of such unconscious bias and discriminatory behavior, and convey strategies to recognize and prevent it. The main aim is to foster a more inclusive and fairer working environment at Brenntag by appreciating diversity, preventing discrimination and ensuring equal opportunities for all. Managers and HR officers in particular are also made aware of gender stereotypes, which often put women at a disadvantage in their career development and promotion to management positions. Further content will be added to the training in 2025. The target group includes employees on the Global Leadership Team, all managers with disciplinary management responsibility for at least one employed person and all HR managers.

GROUP SUSTAINABILITY
STATEMENT**Targets and metrics**

Brenntag has set several targets in order to increase gender equality and diversity:

- The goal of developing and delivering a mandatory course to raise awareness of unconscious bias among leaders, managers and HR officers by 2025 was achieved in this reporting period. As described above, the course took place in the fourth quarter of 2024. Other actions around this topic are to take place in 2025; in particular, a further training provider is to be identified and approached in 2025.
- Likewise, a goal was set to establish a global organizational diversity, equity and inclusion structure by 2024 and was achieved by establishing the role of Global DE&I Director.
- Brenntag strives for diversity at all levels of the Group and to increase the percentage of women in management positions. The aim by 2030 is to increase the percentage of women at all levels of management below the Group Board of Management to at least 30%. The table below shows the progress toward that target.

Employees in leadership positions according to management level and gender

Management level	2024		2023 ¹⁾	
	abs.	%	abs.	%
Level L1	41	1.3	38	1.2
Women	15	36.6	9	23.7
Men	26	63.4	29	76.3
Level L2	189	5.8	228	7.3
Women	64	33.9	75	32.9
Men	125	66.1	153	67.1
Level L3	577	17.7	622	19.9
Women	224	38.8	218	35.0
Men	353	61.2	404	65.0
Level L4	1,007	30.9	1,040	33.3
Women	377	37.4	379	36.4
Men	630	62.6	661	63.6
Level L5+	1,442	44.3	1,194	38.3
Women	376	26.1	296	24.8
Men	1,066	73.9	898	75.2
Brenntag Group	3,256	100.0	3,122	100.0
Women	1,056	32.4	977	31.3
Men	2,200	67.6	2,145	68.7

2.51 Employees in leadership positions according to management level and gender

¹⁾ The prior-year figures were recalculated on the basis of the definitions under ESRS (see also the section General disclosures). The recalculation had no effect on the results of employees in management positions.

Accounting principles

Management positions include all roles with at least one direct subordinate, excluding apprentices and interns. Using position management in the People platform, the management levels are determined based on the global organizational chart, starting from the Board of Management of Brenntag SE. Management level L1 consists of employees who report directly to the Board of Management of Brenntag SE, while L2 includes employees who report directly to L1, and so on. The metrics for L5 and the following management levels are aggregated reported under the designation L5+.

GROUP SUSTAINABILITY
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Age structure

Age group	2024		2023 ¹⁾	
	abs.	%	abs.	%
<30	1,812	9.8	1,804	10.0
30-50	10,665	57.9	10,419	58.0
>50	5,953	32.3	5,742	32.0
Not specified	7	0.0	1	0.0
Brenntag Group	18,437	100.0	17,966	100.0

2.52 Age structure

¹⁾ The prior-year figures were recalculated on the basis of the definitions under ESRS (see also the section General disclosures).

Accounting principles

The age of each employee at the reporting date is calculated in the People platform using their date of birth. Based on age, data is reported on the total number of employees and their percentage distribution across the age groups defined in the ESRS. Employees for whom no date of birth information is available in the People platform are reported as 'Not specified'.

Incidents, complaints and severe human rights impacts

As described above, promoting diversity, inclusion and gender equality is a significant element of the corporate culture at Brenntag. This dedication to diversity and gender equality goes hand in hand with Brenntag's commitment to transparency and integrity in all its business activities.

Throughout the Group, Brenntag has established processes to put these values into practice and ensure that they are embedded in all areas of the company. These enable employees and external partners to confidentially report indications or suspicions of possible violations of laws, regulations or internal guidelines, especially the Code of Business Conduct and Ethics. Brenntag attaches particular importance to respect for human rights and has put in place specific procedures to receive and address possible complaints in this regard. Through these actions, Brenntag fosters an open culture of communication and ensures that ethical conduct and compliance are firmly embedded in day-to-day activities.¹⁾

¹⁾ Further information on the grievance/complaints mechanism and the protection of whistleblowers can be found in the section Business conduct, and information on human rights due diligence in the section Workers in the value chain.

Number of complaints related to discrimination and human rights

Number of complaints related to discrimination and human rights	2024
Total number of reported incidents of discrimination	6
Number of complaints filed through channels for employees to raise concerns	62
Total amount of fines, penalties and compensation	EUR 0
Number of severe human rights incidents	0

2.53 Number of complaints related to discrimination and human rights

Accounting principles

Brenntag operates a whistleblowing system that is available to both employees and external stakeholders (e.g. suppliers, customers, other business partners). This enables violations of statutory provisions and internal regulations to be reported, in particular violations of the Code of Conduct. This also includes human rights violations and incidents related to discrimination. If reports are received through the electronic whistleblowing system, they are captured and documented centrally. In addition to this whistleblowing channel, employees can also report cases of discrimination, harassment or other human rights concerns through their line manager, the human resources (HR) department or the compliance function. This information is collected by the departments responsible, examined and forwarded to the central compliance function, where it is recorded. As part of the annual sustainability and non-financial reporting, Brenntag analyzes these data and publishes aggregated metrics in corresponding reports. In doing so, the Group transparently discloses how many reports relating to human rights violations were received, how they were addressed and what remedial and other preventive actions were taken.

Workers in the value chain

Material impacts, risks and opportunities related to value chain workers

Brenntag actively works to design its operations such that the human rights of workers across the value chain – both upstream and downstream – are respected and protected. In doing so, potential impacts on employees are systematically integrated into company decision-making processes. The human rights risk analysis in accordance with the German Supply Chain Due Diligence Act (LkSG) is a central element. The results of this analysis play a decisive role in the strategic alignment of internal business units and in supplier selection and management. They also serve as a basis for optimizing internal and external guidelines, adapting training programs and optimizing company processes. As part of this analysis,

the topics of environmental protection, health and safety were identified as the main potential risks in the chemical supply chain. The risk assessment also includes industry and country risks, where certain combinations have an increased potential for child and forced labor. To ensure that human rights risks are taken systematically into account in procurement decisions, internal stakeholders receive comprehensive information on supplier risk assessments, both in direct and in indirect procurement.

In the course of the materiality assessment performed, the following impacts of Brenntag's business activities on value chain workers were identified as material:¹⁾

Material sub-(sub-)topic	Impacts, risks or opportunities	Value chain	Time horizon	Description
Working conditions; Other work-related rights	Impact (negative)	Upstream	Constant	Advancing negative impacts on human rights/accepting potential human rights violations in the event that risks are ignored or given insufficient consideration (in particular child labor/forced labor/inadequate wages/working time and working conditions)
Other work-related rights	Impact (positive)	Along the value chain	Constant	More transparency and therefore a greater probability of human rights compliance (raising awareness throughout the supply chain); TFS audits and EcoVadis assessments
Working conditions	Impact (positive)	Along the value chain	Constant	Involvement in industry associations enables higher health and safety standards to be set (Responsible Care/Responsible Distribution) ²⁾

²⁾ Further information on this can be found in the section Own workforce, sub-section Occupational health and safety.

2.54 Material impacts related to value chain workers

¹⁾ Further information on this is contained in the section General disclosures, sub-section Double materiality assessment.

Policies and actions

Brenntag has developed comprehensive policies and targeted actions to specifically counteract the impacts described above. Even before establishing a business relationship, Brenntag communicates clear expectations to its suppliers. The Supplier Code of Conduct is a central element of this and requests that suppliers play an active part in protecting human rights within their organization and throughout their supply chains. Moreover, in the Policy Statement on Human Rights, Brenntag confirms its commitment to complying with applicable laws and international human rights and environmental standards. These values and expectations apply equally to all Brenntag employees, suppliers and other business partners. The Policy Statement and the Code of Conduct were developed before the financial year on the basis of the human rights risk analysis conducted and have been adopted by the Board of Management. Both documents are publicly available on the company website.

The Policy Statement and the Supplier Code of Conduct are based on internationally applicable standards and guidelines, such as the United Nations (UN) Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights (UNGPR), and the conventions and recommendations of the International Labour Organization (ILO) on labor and social standards. Derived from those, the Policy Statement includes core principles such as protecting freedom of association, the right to collective bargaining, ensuring adequate working conditions, and comprehensive health and safety measures in the workplace. The prohibition of child and forced labor is also a central element of the Policy Statement. In addition to human rights, working conditions and environmental protection, the Code of Conduct also addresses issues such as corruption, bribery, conflicts of interest and money laundering.

Brenntag has taken numerous targeted actions to successfully implement and embed these policies aimed at preventing human rights violations and promoting work-related rights and working conditions throughout its operations and along the supply chain. Since as far back as 2016, Brenntag has been a member of Together for Sustainability (TfS), an industry initiative which, among other things, specializes in audits and online assessments of suppliers in the chemical industry. The aim is to create synergies and reduce the effort for suppliers by making the results of a conducted assessment available to all TfS members. This engagement promotes standardization with regard to determining the situation of value chain workers, while also contributing to transparency over working conditions. Here, Brenntag works

together with EcoVadis, a leading provider of sustainability assessments. EcoVadis assesses companies on the environment, labor and human rights, ethics and sustainable procurement. The results, which are illustrated on a scale from 0 to 100, offer not only an evaluation of sustainability performance, but also specific suggestions for improvement. A high score indicates good performance, while an assessment with a low score or no assessment at all signals potential human rights or environmental risks. Based on these assessments, Brenntag specifically asks its suppliers to make improvements.

Brenntag gains a more detailed picture of sustainability performance by conducting on-site sustainability audits based on a catalog of requirements developed by TfS covering sustainability management, the environment, health and safety, employee and human rights, and corporate governance. Brenntag also accepts audits conducted in accordance with SQAS, SMETA and PSCI standards. Depending on the audit results, corrective actions are agreed and their implementation is tracked.

Further preventive and remedial actions are derived from human rights risk management, which Brenntag has integrated into an innovative IT solution. Risk management is carried out continuously. This system captures all Tier 1 suppliers and classifies them into one of four risk categories – critical, high, medium or low – on the basis of various risk parameters, including site, sector, sales, AI-supported 360-degree media screening and results from EcoVadis and TfS audits. Depending on the risk category, appropriate preventive actions are initiated, such as training, assessments or audits, which suppliers are required to implement within a set period. Risk management is the responsibility of the Human Rights Officer, who monitors it and refines it on an ad hoc basis. In the reporting period, Brenntag did not receive any reports of human rights violations within the company that resulted in the need to specify and initiate remedial actions. For this reason, no remedial actions were initiated.

Brenntag checks all implemented actions on both an annual and an ad hoc basis in order to ensure effectiveness. At the same time, employees from the HR, QSHE (Quality, Safety, Health, Environment), Legal, Compliance and Procurement departments have continuous access to training courses that explain Brenntag's processes and values. In future, suppliers are to receive more intense training on sustainability matters. For this, greater use will be made of resources such as the TfS Academy and e-learning platforms.

In order to detect possible irregularities at an early stage, Brenntag has also set up a whistleblowing channel that is available to both employees and external third parties on the Brenntag website. Concerns and reports can be submitted anonymously through the whistleblowing channel.¹⁾ Concerns or reports regarding potential human rights violations can also be e-mailed to the department of the Human Rights Officer. Brenntag's suppliers are required to protect employees who submit reports in good faith against retaliation.

If violations, including negative impacts of child and forced labor, are thus reported or actually identified within Brenntag's supply chain, Brenntag undertakes to put in place adequate preventive and remedial measures. Brenntag has established an appropriate process for this purpose: First, all relevant information is gathered and examined by experts applying the dual control principle. Based on an assessment of the severity of the (potential) incident (severity assessment), a specific action plan is developed, implemented and tracked together with the business partner. This engagement follows the principle of 'enablement before withdrawal'. Following completion of the action plan, a check is carried out to determine whether the incident has been fully remedied. Only once attempts at correction have been unsuccessful does Brenntag reserve the right to terminate the business relationship.

Targets

Brenntag's target, derived from its successfully implemented human rights risk management, is to systematically capture all active suppliers managed in the global ERP system and mitigate risks from financial year 2024 onwards. This target was achieved in the reporting year and will be continuously pursued in the coming years. It had already been communicated, prepared and partially implemented in the previous year. Capturing suppliers in the ERP system enables Brenntag to determine the risks in the relevant IT solution used for risk management. The target was set out by the specialists responsible, including the Human Rights Officer, and established by them with the involvement of the Brenntag Board of Management and management. The specialists act as representatives of the interests of stakeholders along the value chain.

The target is documented and continually tracked during the year within an ESG scorecard. This scorecard is agreed with the Human Rights Officer on a regular basis and also reported to Brenntag's Board of Management.

Brenntag plans to further optimize the content of the targets over the medium term and expand it on a more detailed level.

¹⁾ Further information on the rights of complainants can be found in the section Business conduct.

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Governance

Business conduct

Material business conduct-related impacts, risks and opportunities

Brenntag attaches great importance to responsible, future-oriented and sustainable business conduct. In that vein, the Group continuously refines its compliance manage-

ment system. In the context of the assessment to determine the material impacts, risks and opportunities relating to business conduct, Brenntag's global business activities as a chemical distributor were considered holistically, regardless of locations and divisions, and are summarized in the following overview:¹⁾

Material sub-(sub-)topic	Impacts, risks or opportunities	Value chain	Time horizon	Description
Corporate culture	Impact (positive)	Along the value chain	Constant	Positive influence on the distribution market through the corporate culture and business conduct, including beliefs, mission statements and values (care, trust, excellence, safety, clarity), and as a result of clearly communicating expectations and promoting ethical standards across the value chain
	Risk	n/a	Constant	Failure to adhere to an ethical and legally compliant corporate culture/ethical and legally compliant business conduct poses reputational risks that could result in the loss of business, for example because business partners refuse to continue to work with the company
	Risk	n/a	Constant	Fall in the share price (governance ratings, reputation, loss of investors) if an ethical and legally compliant corporate culture/ethical and legally compliant business conduct is not adhered to
Corruption and bribery	Impact (negative)	Along the value chain	Constant	Harm (price, lower demand, less competition) to important stakeholder groups such as customers and suppliers due to inadequate prevention and detection of corruption and bribery
	Risk	n/a	Constant	Fines and penalties due to inadequate prevention and detection of corruption and bribery
Protection of whistleblowers	Risk	n/a	Constant	Fines and penalties due to inadequate protection of whistleblowers; reputational damage if confidentiality is not maintained toward whistleblowers

2.55 Material business conduct-related impacts and risks

¹⁾ Further information on this is contained in the section General disclosures, sub-section Double materiality assessment.

GROUP SUSTAINABILITY
STATEMENT**Corporate culture and business conduct****Policies and actions**

Brenntag's business partners and other stakeholders expect the highest level of quality, reliability and efficient, innovative solutions. In order to meet this standard, Brenntag uses five core values to systematically guide its actions. These values – care, trust, clarity, excellence and safety – shape all business activities and business relationships, and support positive development across the value chain.



Care
We take responsibility for each other, our partners and the world.



Trust
We build relationships through authenticity and commitment.



Clarity
We work toward common goals with focus and determination.



Excellence
We go beyond expectations through excellence, innovation and collaboration.



Safety
We put safety first in everything we do.

2.56 Values of Brenntag SE

The Code of Business Conduct and Ethics reflects these values and sets out additional principles of conduct which are expected of all Brenntag employees. Managers are expected to set an example by living these values in their leadership role and to help their teams in the best possible way to implement them in their everyday working life. Through various digital and analog options, employees are encouraged to consciously engage with the corporate values and use them to guide their actions. This begins during the new employee recruitment process, which is shaped by the Brenntag values, and continues during human resources development. It

encompasses interaction both among employees and with external partners. For example, meetings involving more than three people should always start with a 'Safety Moment' or 'Culture Moment', where different safety- or culture-related topics can be addressed.

In addition to the Code of Business Conduct and Ethics, of which all employees are reminded through annual training, there are other relevant compliance guidelines, (online) training courses and a whistleblowing system that serve to cement and further develop the corporate culture.

The comprehensive Code of Business Conduct and Ethics specifies that all employees are expected to adhere to laws, provisions and regulations. The Code also addresses topics such as the prevention of bribery and corruption, antitrust and competition law, and dealing with conflicts of interest, and provides information on data protection and information security. Additional Group compliance guidelines help to further strengthen legally compliant conduct. These include guidelines on anti-corruption, gifts and invitations, conflicts of interest, competition and antitrust law, and compliance with foreign trade provisions. These internal regulations offer employees guidance on legal and ethical issues in everyday working life and govern interaction with colleagues, business partners and the public. Any infringement of the rules of conduct may lead to disciplinary action and have further consequences under employment law or criminal law. The compliance-related guidelines – especially the Code of Business Conduct and Ethics – apply to all employees at every level of the company. The decision to implement these guidelines is the responsibility of the Board of Management. The internal audit department reviews adherence to compliance with these guidelines on a regular basis.

In addition, Brenntag uses a Supplier Code of Conduct. Among other things, this requires suppliers to adhere to all applicable laws and provisions, and to follow principles of responsible business conduct. Brenntag thus establishes a standard and a corporate culture across its own supply chain.¹⁾

The Group guidelines can be accessed by all employees on the intranet. The Code of Business Conduct and Ethics and the Supplier Code of Conduct are also published on the Brenntag Group's external website and are available in various languages.

¹⁾ Further information on this can be found in the section Workers in the value chain, sub-section Policies and actions.

Prevention and detection of corruption and bribery

Policies and actions

Brenntag has established a global compliance management system in order to prevent corruption and bribery. In particular, the guidelines mentioned in the section above, the established training courses, the processes for whistleblowers, regular compliance communications and internal reporting are actions suited to effectively countering corruption and bribery risks.

Annual, mandatory compliance training ensures that employees' knowledge is always kept up to date. The Group-wide e-learning platform in particular is used for this. The online training course on the Code of Business Conduct and Ethics is mandatory for employees once a year. Also on an annual basis, Brenntag offers mandatory in-depth, target group-oriented training on topics such as anti-corruption.

Throughout the company, Brenntag has established processes to receive and handle internal and external complaints and compliance notifications. Brenntag employees can discuss such reports confidentially with their line manager, notify the compliance department or communicate them through central or regional whistleblowing systems and channels. Reports can also be submitted through the whistleblowing system anonymously and by external people. All reports or suspicions of possible violations of laws, regulations or internal guidelines, especially the Code of Business Conduct and Ethics, are registered by the compliance department and entered in the case management system. Relevant cases are forwarded to the internal audit department for investigation. The head of the compliance department reports directly to the Board of Management in this regard. In addition, Brenntag has set up an Investigation & Remediation Council to investigate significant reports. When investigating incoming reports, care is always taken to ensure that investigators are independent. The management chain involved in the matter is always separated from the investigating committee and does not function as the investigator.

The whistleblowing system can be reached through the Brenntag Group's website. The information received is always treated as strictly confidential. Relevant incoming reports are examined internally. In the event of a compliance violation, appropriate countermeasures are initiated.

Brenntag informs its employees about the existence of the various whistleblowing channels and the Whistleblowing Guideline. In addition, posters pointing out the various whistleblowing channels have been hung up at Brenntag sites around the globe. Among other things under the compliance department's year-round communication plan, Brenntag conducted an internal Tone-from-the-Top communication campaign on World Whistleblowers Day in the reporting

period. In particular, this reiterated the importance of whistleblowing as well as the existence of the various whistleblowing channels and outlined the commitment and support afforded to this topic by the Board of Management. Information on using whistleblowing channels is also provided in the regular training on the Code of Business Conduct and Ethics.

Brenntag regularly invites selected suppliers to a sustainability assessment or audit so as to ascertain that the values and principles set out in the Supplier Code are also being put into practice along the value chain.¹⁾

Targets and metrics

Brenntag's target for 2024 was to refine the regular reporting to regional, divisional and global management on the development of the compliance management system for 2024. In particular in this context, the compliance and whistleblowing cases reported on a regular basis were distinguished by division in the reporting period. This provided the CEOs of Brenntag Specialties and Brenntag Essentials with a detailed overview of the cases relevant to their division. The target is monitored as part of the quarterly reporting on compliance matters to the Board of Management and Supervisory Board by the Senior Vice President (SVP) Compliance Brenntag SE. The further refinement of the compliance management system will continue in 2025 and will follow the organizational developments of the company.

Compliance training

As outlined in the section above, Brenntag offers regular and mandatory training to keep its employees' knowledge of compliance topics and guidelines up to date. Some training courses, in particular on corruption prevention and antitrust and competition law, are directed specifically at employees in at-risk functions, which are defined especially by their direct relation to the business and business partners, as well as at all managers. Regular compliance training is also conducted for all Board of Management members.

Compliance training is delivered through an online training platform that also documents the number of participants.

Details of the different compliance courses in the 2024 reporting period are listed below:

¹⁾ Further information on this can be found in the section Workers in the value chain.

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	Code of Conduct training 2024	Anti-corruption training	Antitrust training
Extent of employee training			
Note regarding extent of employee training	This training is directed at all relevant employees.	This training is directed specifically at relevant employees in at-risk functions.	This training is directed specifically at relevant employees in at-risk functions.
Completed training courses (%)	95%	99%	98%
Frequency of training			
How often is this training mandatory?	Annually	Annually	Annually
Delivery method and training content			
Delivery method	Online and face-to-face training	Online training	Online training
Duration of training	35 minutes	30 minutes	30 minutes
Training content	The course features information on the topics set out in the Code of Business Conduct and Ethics: corruption prevention; prevention of money laundering; correct bookkeeping and financial reporting; competition and antitrust law; conflicts of interest; confidentiality; data protection and information security; foreign trade compliance; fraud prevention; insider trading; handling and safeguarding of Brenntag property; health, safety and environmental protection; human rights and labor practices.	The training provides practical, case-based insight into the basics of corruption prevention. Employees learn to recognize conduct that entails risk and how to respond appropriately in order to prevent it. In particular, the training covers practical situations related to gifts and invitations, avoiding facilitation payments and dealing with business partners in connection with these situations.	The training provides practical, case-based insight into the basics of antitrust law. Employees learn what conduct is prohibited, such as forming a cartel, and what sanctions might be imposed. They are also given guidance on how to deal carefully with competitors, suppliers and customers. Employees learn to recognize conduct that entails risk and how to respond appropriately in order to prevent it.

2.57 / Training table

Accounting principles

Brenntag collects and analyzes the key figures for completed compliance training courses via the HR platform. All Brenntag employees with an e-mail address and PC access currently have access to the online training courses via the platform. The rate of completed compliance training courses is calculated on the basis of this population. The training on the Code of Conduct and Business Ethics is assigned to all employees of this population. In addition, employees in at-risk functions receive in-depth online training on antitrust law and anti-corruption. For this purpose, a selection of these employees is made in the People platform based on their job profile and function. Furthermore, Brenntag will offer face-to-face training on the Code of Conduct for offline employees without an e-mail address and PC access at global level. A relevant training course was developed and successfully implemented in a pilot project in Latin America.

In 2024, all Board of Management members participated in all above-mentioned mandatory compliance training and received comprehensive instruction on corruption and bribery. The training comprised e-learning courses on the Code of Business Conduct and Ethics (Conduct of Conduct) and on anti-corruption.¹⁾

Confirmed incidents of corruption and bribery

In 2024, there were no convictions as a result of violations of anti-corruption and anti-bribery laws and therefore no fines.

¹⁾ Documentary evidence of courses of instruction and training taken by the Supervisory Board members can be found in Corporate governance statement, sub-section Working practices of the Supervisory Board, and the Report of the Supervisory Board.

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Appendix

Statement on due diligence

Core elements of due diligence	Reference to sustainability statement	Pages
Embedding due diligence in governance, strategy and business model	Corresponding information in the corporate governance statement and in the section General disclosures, sub-section Business model, value chain and strategy	74, 83, 95-98
Engaging with affected stakeholders in all key steps of the due diligence	Corresponding description in the section General disclosures, sub-section Interests and views of stakeholders, and in Own workforce, sub-section Social dialog and employee involvement	99, 101, 138-139
Identifying and assessing adverse impacts	Description of the process to identify and assess material impacts, risks and opportunities in the section General disclosures, sub-section Double materiality assessment Detailed list of material adverse impacts in the topic-specific sections	99-102 103, 106-107, 113, 117, 119, 133, 145, 148
Taking actions to address those adverse impacts	Description of actions in the respective topic-specific sections	103-107, 110, 113-117, 122, 135-136, 138-144, 146-147, 149-151
Tracking the effectiveness of these efforts and communicating	Tracking of effectiveness through targets (ESG score-card) and description of further management actions in the respective topic-specific sections	97, 108-112, 114-117, 122, 136, 138-143, 146-147, 150-151

2.58 Statement on due diligence

Disclosure requirements covered by the sustainability statement

ESRS	Title	Section	Pages
ESRS 2	General disclosures		
BP-1	General basis for preparation of the sustainability statement	GSS ¹⁾	93-94
BP-2	Disclosures in relation to specific circumstances	GSS	94, 112, 115-116, 118, 121-123, 134, 137-138, 140, 143-144, 151
GOV-1	The role of the administrative, management and supervisory bodies	GSS CGS ²⁾	94 73-74, 76, 78-83, 86-88, 91
GOV-2	Information provided to and sustainability matters addressed by Brenntag's administrative, management and supervisory bodies	CGS	74, 78
GOV-3	Integration of sustainability-related performance in incentive schemes	GSS	94-95
GOV-4	Statement on due diligence	GSS	152
GOV-5	Risk management and internal controls over sustainability reporting	GSS RR ³⁾	95 55-60, 62, 64-66
SBM-1	Strategy, business model and value chain	GSS GO ⁴⁾	95-98, 134 31-32
SBM-2	Interests and views of stakeholders	GSS	99, 136, 138-139
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	GSS	99-100, 103, 106-107, 113, 117, 119, 133, 145, 148

¹⁾ GSS – Group sustainability statement²⁾ CGS – Corporate governance statement³⁾ RR – Report on expected developments, opportunities and risks⁴⁾ GO – Group overview

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IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	GSS	99-103, 106-107, 113, 117, 119, 133, 145, 148
IRO-2	Disclosure requirements in ESRS covered by the sustainability statement	GSS	100, 152-154
E1	Climate change		
ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	GSS	94-95
E1-1	Transition plan for climate change mitigation	GSS	103-104
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	GSS	99-100, 103, 106-107
ESRS IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	GSS	99, 101-103, 106-107
E1-2	Policies related to climate change mitigation and adaptation	GSS	104-105
E1-3	Actions and resources in relation to climate change policies	GSS	105-106
E1-4	Targets related to climate change mitigation and adaptation	GSS	108-111
E1-5	Energy consumption and mix	GSS	110, 112
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	GSS	110-112
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	GSS	105
E1-8	Internal carbon pricing	GSS	104
E2	Pollution		
ESRS 2 IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	GSS	99-102, 113
E2-1	Policies related to pollution	GSS	113, 115
E2-2	Actions and resources related to pollution	GSS	113-116
E2-3	Targets related to pollution	GSS	114, 116
E2-4	Pollution of air, water and soil	GSS	114-115
E2-5	Substances of concern and substances of very high concern	GSS	115-116
E2-6	Operating and capital expenditures incurred in the reporting period in conjunction with major incidents and deposits	GSS	115
E3	Water		
ESRS 2 IRO-1	Description of the processes to identify and assess material water resources-related impacts, risks and opportunities	GSS	99-102, 117
E3-1	Policies related to water resources	GSS	117-118
E3-2	Actions and resources related to water resources	GSS	117-118
E3-3	Targets related to water resources	GSS	117-118
E3-4	Water consumption	GSS	118
E4	Biodiversity and ecosystems		
ESRS 2 IRO-1	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	GSS	101-102
E5	Resource use and circular economy		
ESRS 2 IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	GSS	99-102, 119
E5-1	Policies related to resource use and circular economy	GSS	119-122
E5-2	Actions and resources related to resource use and circular economy	GSS	119-122

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E5-3	Targets related to resource use and circular economy	GSS	120-122
E5-4	Resource inflows	GSS	120-122
E5-6	Resource outflows	GSS	120, 122-123
S1	Own workforce		
ESRS 2 SBM-2	Interests and views of stakeholders	GSS	99, 136, 138-139
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	GSS	99-102, 133-134
S1-1	Policies related to own workforce	GSS	134-142, 144, 146-147
S1-2	Processes for engaging with own workers and workers' representatives about impacts	GSS	99, 136, 138-139
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	GSS	135-136, 138-144, 146-147, 150
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	GSS	134-144, 146-147
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	GSS	134, 136, 138-141, 143
S1-6	Characteristics of the undertaking's employees	GSS	134, 138, 140
S1-9	Diversity metrics	GSS	143-144
S1-10	Adequate wages	GSS	138
S1-14	Health and safety metrics	GSS	136-137
S1-17	Incidents, complaints and severe human rights impacts	GSS	144
S2	Workers in the value chain		
ESRS 2 SBM-2	Interests and views of stakeholders	GSS	99, 145-147
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	GSS	99-102, 145
S2-1	Policies related to value chain workers	GSS	135-136, 146-147
S2-2	Processes for engaging with value chain workers about impacts	GSS	99, 101, 145-147
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	GSS	146-147, 150
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	GSS	135-136, 146-147
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	GSS	136, 147
G1	Governance		
ESRS 2 GOV 1	The role of the administrative, management and supervisory bodies	GSS CGS	94, 151 74, 82-83
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	GSS	99-102, 148
G1-1	Business conduct policies and corporate culture	GSS	149-151
G1-3	Prevention and detection of corruption and bribery	GSS CGS	150-151 81
G1-4	Incidents of corruption or bribery	GSS	151

2.59 Disclosure requirements covered by the sustainability statement

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List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation Reference	EU Climate Law Reference	Section	Pages
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator no. 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		CGS	86
ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		CGS	91
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator no. 10 Table #3 of Annex 1				GSS	152
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicator no. 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Non-material	
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator no. 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Non-material	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator no. 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12(1), Delegated Regulation (EU) 2020/1816, Annex II		Non-material	
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1), Delegated Regulation (EU) 2020/1816, Annex II		Non-material	
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	GSS	103-104
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		GSS	104
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator no. 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		GSS	108-110
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator no. 5 Table #1 and Indicator no. 5 Table #2 of Annex 1				GSS	110
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator no. 5 Table #1 of Annex 1				GSS	110

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ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator no. 6 Table #1 of Annex 1			GSS	110
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators no. 1 and 2 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)	GSS	111
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicator no. 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)	GSS	111
ESRS E1-7 GHG removals and carbon credits paragraph 56			Regulation (EU) 2021/1119, Article 2(1)	GSS	105
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II	Phase-in	
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk.		Phase-in	
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraph 34; Template 2: Banking book – Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral		Phase-in	
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II	Phase-in	
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator no. 8 Table #1 of Annex 1 Indicator no. 2 Table #2 of Annex 1 Indicator no. 1 Table #2 of Annex 1 Indicator no. 3 Table #2 of Annex 1			GSS	114-115
ESRS E3-1 Water and marine resources paragraph 9	Indicator no. 7 Table #2 of Annex 1			GSS	117-118
ESRS E3-1 Dedicated policy paragraph 13	Indicator no. 8 Table #2 of Annex 1			GSS	117

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ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator no. 12 Table #2 of Annex 1				Non-material
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator no. 6.2 Table #2 of Annex 1				Non-material
ESRS E3-4 Total water consumption in m ³ per net revenue on own operations paragraph 29	Indicator no. 6.1 Table #2 of Annex 1			GSS	118
ESRS 2 - SBM-3 - E4 paragraph 16 (a) i	Indicator no. 7 Table #1 of Annex 1				Non-material
ESRS 2 - SBM-3 - E4 paragraph 16 (b)	Indicator no. 10 Table #2 of Annex 1				Non-material
ESRS 2 - SBM-3 - E4 paragraph 16 (c)	Indicator no. 14 Table #2 of Annex 1				Non-material
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator no. 11 Table #2 of Annex 1				Non-material
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator no. 12 Table #2 of Annex 1				Non-material
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator no. 15 Table #2 of Annex 1				Non-material
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator no. 13 Table #2 of Annex 1			GSS	122
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator no. 9 Table #1 of Annex 1			GSS	122
ESRS 2 SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator no. 13 Table #3 of Annex I			GSS	134
ESRS 2 SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator no. 12 Table #3 of Annex I			GSS	134
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator no. 9 Table #3 and Indicator no. 11 Table #1 of Annex I			GSS	134, 146
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II	GSS	146
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	Indicator no. 11 Table #3 of Annex I				Non-material
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	Indicator no. 1 Table #3 of Annex I			GSS	135-136
ESRS S1 - 3 Grievance/ complaints handling mechanisms paragraph 32 (c)	Indicator no. 5 Table #3 of Annex I			GSS	144, 147, 150
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator no. 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II	GSS	136

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ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator no. 3 Table #3 of Annex I			GSS	136
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator no. 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Non-material
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator no. 8 Table #3 of Annex I				Non-material
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator no. 7 Table #3 of Annex I			GSS	144
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 104 (a)	Indicator no. 10 Table #1 and Indicator no. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Article 12(1)	GSS	144
ESRS 2 SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators no. 12 and 13 Table #3 of Annex I			GSS	145
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator no. 9 Table #3 and Indicator no. 11 Table #1 of Annex 1			GSS	146-147
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicators no. 11 and 4 Table #3 of Annex 1			GSS	146-147
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 19	Indicator no. 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Article 12(1)	GSS	146
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II	GSS	146
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator no. 14 Table #3 of Annex 1			GSS	146
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator no. 9 Table #3 and Indicator no. 11 Table #1 of Annex 1				Non-material
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	Indicator no. 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Article 12(1)		Non-material
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator no. 14 Table #3 of Annex 1				Non-material
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator no. 9 Table #3 and Indicator no. 11 Table #1 of Annex 1				Non-material
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator no. 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Article 12(1)		Non-material

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ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator no. 14 Table #3 of Annex 1				Non-material
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator no. 15 Table #3 of Annex 1				GSS 149-150
ESRS G1-1 Protection of whistleblowers paragraph 10 (d)	Indicator no. 6 Table #3 of Annex 1				GSS 150
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator no. 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		GSS 151
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	Indicator no. 16 Table #3 of Annex 1				GSS 149-151

2.60 List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Assurance Report

Assurance Report of the Independent German Public Auditor on an assurance engagement to obtain limited and reasonable assurance in relation to the Group Sustainability Statement included in the Combined Management Report

To Brenntag SE, Essen/Germany

Assurance Conclusion and Opinion

We have conducted a limited assurance engagement on the group sustainability statement of Brenntag SE, Essen/Germany, for the financial year from January 1 to December 31, 2024, included in section "Group sustainability statement" of the combined management report for the parent and the group, including individual disclosures in section "Corporate governance statement", to which reference is made in the group sustainability statement to the remaining combined management report. In addition, we have performed a reasonable assurance engagement on the disclosures on the indicator "Reduction of greenhouse gas emissions (Scope 1 and 2)", on the indicator "Further increase in occupational safety (Total Recordable Injury Frequency Rate (TRIR) reduction)" as well as on the indicator "Increase in the proportion of female employees at various management levels" included in the Group sustainability statement. The Group sustainability statement was prepared to fulfill the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of December 14, 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020/852 and Sections 315b and 315c German Commercial Code (HGB) for a consolidated non-financial statement.

Not subject to our assurance engagement are

- all prior year's disclosures with the exception of greenhouse gas emissions (Scope 1 and 2 emissions), occupational safety (Total Recordable Injury Frequency Rate (TRIR) reduction) and proportion of female employees at various management levels, and
- the references to information of the Company outside of the combined management report marked as unassured.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Group sustainability statement is not prepared, in all material respects, in accordance with the requirements of the CSRD and Article 8 of Regulation (EU) 2020/852, Sections 315b and 315c HGB for a consolidated non-financial statement, and the specifying criteria presented by the executive directors of the Company. This assurance conclusion includes that nothing has come to our attention that causes us to believe

- that the accompanying group sustainability statement does not comply, in all material respects, with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the entity to identify information to be included in the Group sustainability statement (the materiality assessment) is not, in all material respects, in accordance with the description set out in section Double materiality assessment of the Group sustainability statement, or
- that the disclosures in the Group sustainability statement do not comply, in all material respects, with Article 8 of Regulation (EU) 2020/852.

In addition, based on the procedures performed and the evidence obtained, the disclosures subject to a reasonable assurance engagement comply, in all respects material to the Group sustainability statement, with the requirements of the CSRD and Sections 315b and 315c HGB for a consolidated non-financial statement, and the specifying criteria presented by the executive directors of the Company.

We do not express an assurance conclusion or assurance opinion on individual disclosures.

Furthermore, we do not express an assurance conclusion or assurance opinion on the above-mentioned parts of the Group sustainability statement that were not covered by our assurance engagement.

Basis for the Assurance Conclusion and Opinion

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board (IAASB).

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The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in section “German Public Auditor’s Responsibilities for the Assurance Engagement on the Group Sustainability Statement”.

We are independent of the entity in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements of the IDW Quality Management Standards and of the International Standard on Quality Management (ISQM) 1 issued by the IAASB. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion and opinion.

Responsibilities of the Executive Directors and the Supervisory Board for the Group Sustainability Statement

The executive directors are responsible for the preparation of the Group sustainability statement in accordance with the requirements of the CSRD and the applicable German legal and other European requirements as well as with the specifying criteria presented by the executive directors of the Company and for designing, implementing and maintaining such internal control as they have considered necessary to enable the preparation of a Group sustainability statement in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e., fraudulent reporting in the Group sustainability statement) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the Group sustainability statement as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The Supervisory Board is responsible for overseeing the process for the preparation of the Group sustainability statement.

Inherent Limitations in Preparing the Group Sustainability Statement

The CSRD and the applicable German legal and other European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative comprehensive interpretations have yet been published. The executive directors have made interpretations of such wording and terms in the Group sustainability statement. The executive directors are responsible for the reasonableness of these interpretations. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of the sustainability matters based on these interpretations is uncertain. The quantification of non-financial performance indicators disclosed in the Group sustainability statement is also subject to inherent uncertainties.

These inherent limitations also affect the assurance engagement on the Group sustainability statement.

German Public Auditor’s Responsibilities for the Assurance Engagement on the Group Sustainability Statement

Our objective is to express a limited assurance conclusion based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the Group sustainability statement has not been prepared, in all material respects, in accordance with the CSRD, the applicable German legal and other European requirements and the specifying criteria presented by the executive directors of the Company.

In addition, our objective is to express a reasonable assurance opinion based on the assurance engagement we have conducted, on whether the concerned disclosures of the Group sustainability statement are prepared, in all respects material to the Group sustainability statement, in accordance with the CSRD, the applicable German legal and other European requirements and the specifying criteria presented by the executive directors of the Company.

Furthermore, our objective is to issue an assurance report that includes our assurance conclusion and opinion on the Group sustainability statement.

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As part of a limited and reasonable assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also

- obtain an understanding of the process used to prepare the Group sustainability statement, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Group sustainability statement. In respect of the disclosures subject to a reasonable assurance engagement, we also obtain an understanding of the controls that are relevant for preparing these disclosures.
- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. In respect of the disclosures subject to a reasonable assurance engagement, we identify and assess the risks of material misstatement due to fraud or error, and design and perform procedures to address these risks and obtain reasonable assurance for our assurance opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. In addition, the risk of not detecting a material misstatement in information obtained from sources not within the entity's control (value chain information) is ordinarily higher than the risk of not detecting a material misstatement in information obtained from sources within the entity's control, as both the entity's executive directors and we as practitioners are ordinarily subject to restrictions on direct access to the sources of the value chain information.
- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the Procedures Performed by the German Public Auditor

A limited and reasonable assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgment.

In performing our limited assurance engagement, we

- evaluated the suitability of the criteria as a whole presented by the executive directors in the Group sustainability statement.
- inquired of the executive directors and relevant employees involved in the preparation of the Group sustainability statement about the preparation process, including the materiality assessment processes carried out by the entity to identify the disclosures to be reported in the Group sustainability statement, and about the internal controls related to this process.
- evaluated the reporting policies used by the executive directors to prepare the Group sustainability statement.
- evaluated the reasonableness of the estimates and related information provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors were unable to obtain.
- performed analytical procedures or tests of details and made inquiries in relation to selected information in the Group sustainability statement.
- considered the presentation of the information in the Group sustainability statement.
- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Group sustainability statement.

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In performing our reasonable assurance engagement, we also

- obtained an understanding of internal controls also for control activities and monitoring of internal controls.
- evaluated the concept and implementation of the systems and processes for determining, processing and monitoring the disclosures on the indicators.
- evaluated risks.
- conducted tests of details on the basis of samples.

Restriction of Use

We issue this report as stipulated in the engagement letter agreed with the Company (including the “General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (German Public Auditors and Public Audit Firms)” dated January 1, 2024 of the Institut der Wirtschaftsprüfer (IDW)). We draw attention to the fact that the assurance engagement was conducted for the Company’s purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Consequently, it may not be suitable for any other than the aforementioned purpose. Accordingly, the report is not intended to be used by third parties as a basis for making (financial) decisions based on it.

Our responsibility is to the Company alone. We do not accept any responsibility to third parties. Our assurance conclusion and opinion are not modified in this respect.

Düsseldorf/Germany, March 7, 2025

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

André Bedenbecker
Wirtschaftsprüfer
(German Public Auditor)

Daniel Oehlmann
Wirtschaftsprüfer
(German Public Auditor)

Annual Financial Statements as at December 31, 2024

Brenntag SE Essen

2024

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Income statement

in EUR k	Notes	2024	2023
Sales	1.)	298,488	226,712
Other own work capitalized	2.)	593	-
Other operating income	3.)	114,122	115,763
Cost of materials	4.)	- 277,364	- 194,733
Personnel expenses	5.)	- 55,519	- 62,420
Amortization of intangible assets and depreciation of property, plant and equipment	9.)	- 10,274	- 3,955
Other operating expenses	6.)	- 218,099	- 240,233
Net finance income	7.)	471,611	288,172
Profit before tax		323,558	129,306
Taxes on income	8.)	- 11,156	- 8,707
Profit after tax / net income for the financial year		312,402	120,599
Profit carried forward		-	4,268
Appropriation to retained earnings		- 11,593	- 4,268
Withdrawal from retained earnings		-	203,851
Distributable profit		303,209	324,450

Balance sheet

in EUR k	Notes	Dec. 31, 2024	Dec. 31, 2023
ASSETS			
Fixed assets	9.)		
Intangible assets		28,863	22,092
Property, plant and equipment		2,192	2,377
Financial assets		2,598,027	2,543,290
		2,629,082	2,567,759
Current assets			
Receivables and other assets	10.)	1,713,754	1,621,736
Cash at bank and in hand		85,775	45,523
		1,799,529	1,667,259
Prepaid expenses	11.)	18,491	19,501
		4,447,102	4,254,519
EQUITY AND LIABILITIES			
Equity	12.)		
Subscribed capital ¹⁾		144,385	147,454
Additional paid-in capital		765,334	1,012,391
Retained earnings		658,529	628,095
Distributable profit		303,209	324,450
		1,871,457	2,112,390
Provisions	13.)	92,703	90,373
Liabilities	14.)	2,482,942	2,051,756
		4,447,102	4,254,519

¹⁾ Conditional capital as at December 31, 2024 in the amount of EUR 14,439k (Dec. 31, 2023: EUR 14,745k)

Notes

General information

Brenntag SE, which is domiciled in Essen, business address Messeallee 11, 45131 Essen, is recorded in the commercial register of the district court of Essen under commercial register number HRB 31943.

Principles

The annual financial statements of Brenntag SE have been drawn up in accordance with the provisions of the German Commercial Code (HGB) and the German Stock Corporation Act (AktG). For the sake of clarity, certain items have been aggregated in the balance sheet and income statement. These items have been shown and explained in detail in the Notes. In addition, the income statement prepared using the nature of expense method has been placed before the balance sheet.

The financial statements are denominated in euros (EUR). Unless otherwise stated, the amounts are in thousand euros (EUR k). For arithmetic reasons, rounding differences of \pm one unit (EUR k) may occur.

The annual financial statements and management report of Brenntag SE as well as the consolidated financial statements of Brenntag SE prepared in accordance with the IFRS Accounting Standards – as adopted in the EU – are submitted electronically to and published in the Company Register. The management report of Brenntag SE is combined with the Group management report of Brenntag SE.

Accounting and valuation policies

Purchased intangible assets are shown at cost and are amortized on a straight-line basis over their expected useful lives. Internally generated intangible assets are not capitalized. Prepayments made on intangible assets are shown at their nominal value.

Property, plant and equipment are carried at cost and, unless with an indefinite useful life, regularly depreciated over their useful lives, normally on a straight-line basis.

Decreases in value which go beyond regular depreciation and are expected to be permanent are accounted for by write-downs. If the reason for the write-down no longer applies, the respective item is reversed provided that the reversal does not cause the carrying amount to exceed the cost of acquisition less accumulated depreciation.

The following useful lives are taken as a basis for depreciation:

	Useful life
Purchased concessions, industrial and similar rights and assets, and licenses in such rights and assets	3 to 5 years
Other equipment, fixtures, furniture and office equipment	3 to 20 years

Assets of minor value costing not more than EUR 800 are expensed in full in the year of acquisition. Assets costing more than EUR 800 are depreciated over their normal useful lives.

Shares in affiliated companies are stated at cost, or in the case of an expected permanent decrease in value, at fair value. Where the reasons for write-downs made in prior periods no longer apply or only partially apply, the respective items are reversed provided that the reversal does not cause the carrying amount to exceed the cost of acquisition.

Receivables and other assets are stated at nominal values. Reasonable allowance is made for individual discernible risks.

Cash at bank and in hand are carried at nominal value.

Cash outflows recorded at their nominal value in the financial year which represent expense after the reporting date are shown as prepaid expenses.

Assets protected from access by all other creditors which serve to meet pension obligations (plan assets) are offset against the underlying obligations. If the obligations exceed the assets, a provision is recorded. If the value of said assets exceeds the obligations, it is recorded in the balance sheet as an "excess of plan assets over post-employment benefit liability".

The subscribed capital is shown at nominal value and fully paid in.

Provisions for pensions and long-service anniversaries are determined using the projected unit credit method, based on an actuarial method that uses biometric probabilities (Heubeck 2018G mortality tables). Expected future salary and pension increases are taken into account when determining the obligations. The discount factor used for pension provisions is the average market interest rate of the past ten financial years for an assumed remaining term of 15 years, as determined and published by Deutsche Bundesbank. Assets protected from access by all other creditors with the exclusive purpose of settling pension obligations are directly offset against the corresponding liabilities. In application of IDW RH FAB 1.021 "Handelsrechtliche Bewertung von Rückstellungen für Altersversorgungsverpflichtungen aus rückgedeckten Direktzusagen" (Valuation under Commercial Law of Provisions for Pension Obligations Arising from Reinsured Direct Pension Commitments), the pension provisions and claims under reinsurance policies that have the exclusive purpose of settling pension obligations and are protected from access by all other creditors are valued according to the so-called "primacy of the liabilities side" principle so the claim under the reinsurance policy is measured according to the necessary settlement amount of the matched reinsured part of the pension obligations.

The tax and other provisions are established to cover all foreseeable risks and uncertain obligations, based on reasonable assessments of the settlement amounts. Future price and cost increases are taken into account where they can be reliably estimated. Provisions with a remaining term of more than one year are discounted at the average market interest rate of the prior seven financial years as published by Deutsche Bundesbank.

The share-based remuneration programs for the Board of Management as well as for executives and senior managers are, according to the International Financial Reporting Standards (IFRS 2), classified and accounted for as cash-settled, share-based payment transactions. Provisions are established for the resulting obligations. The settlement amount is measured according to the fair value. This is recognized as personnel expenses over the vesting period, during which the employees become unconditionally entitled to the awards granted (unconditional right). The fair value is to be remeasured at every reporting date and at the date of settlement.

Interest cost from the unwinding of discounting of provisions is shown separately under net finance income. Income from plan assets to be offset is netted against the relevant interest cost from the unwinding of discounting in accordance with Section 246, para. 2, sentence 2, half-sentence 2 of the German Commercial Code.

All liabilities are recognized at the settlement amount.

Deferred taxes are calculated for temporary differences between the amount of assets, liabilities, prepaid expenses and deferred income in the commercial financial statements and those prepared for tax purposes.

As well as temporary differences arising from its own balance sheet items, Brenntag SE also includes those relating to subsidiaries of the tax group and German partnerships in which Brenntag SE is directly or indirectly a partner. Deferred taxes from temporary accounting differences are calculated on the basis of the combined income tax rate of the fiscal unit headed by Brenntag SE, which is currently 32% (Dec. 31, 2023: 32%). The combined income tax rate comprises trade tax, corporate

income tax and solidarity surcharge thereon. In the case of partnerships, however, deferred taxes relating to temporary accounting differences are calculated using a combined income tax rate that only includes corporate income tax and solidarity surcharge thereon; this currently amounts to 15.83% (Dec. 31, 2023: 15.83%).

An overall tax liability is recognized in the balance sheet as a deferred tax liability. In the event of an overall tax receivable, the option to recognize a deferred tax asset is not used.

Brenntag SE Group falls within the scope of the OECD's Pillar Two model rules. As the Pillar Two legislation became applicable on January 1, 2024, the Group will be exposed to a higher tax liability under Pillar Two. The legislation requires the Group to pay a top-up tax per country in the amount of the difference between the GloBE effective tax rate and the minimum tax rate of 15%. The OECD model rules provide for simplifications (safe harbors) to enable compliance with Pillar Two. The Brenntag SE Group has made use of the safe harbors where relevant.

The final tax liability under Pillar Two will not be fully known until the minimum tax report for 2024 is submitted. The minimum tax report for 2024 must be submitted to the Federal Central Tax Office by June 30, 2026.

Brenntag SE has established provisions in line with expected taxes.

Assets and liabilities in foreign currency are translated, in accordance with Section 256a of the German Commercial Code, at the average spot exchange rate on the reporting date and measured taking into account the acquisition cost principle (Section 253, para. 1, sentence 1 of the German Commercial Code) and the realization principle (Section 252, para. 1, No. 4, half-sentence 2 of the German Commercial Code). Current items with a remaining term of less than one year are recognized, in accordance with Section 256a of the German Commercial Code, at the average spot exchange rate on the reporting date. Resulting gains and losses are posted to income or expense and shown under the item "Other operating income" or "Other operating expenses".

Derivative financial instruments are only used for hedging purposes. In addition to interest rate derivatives, foreign exchange derivatives are mainly contracted to reduce the exchange rate risks to which Brenntag SE and the companies of the Brenntag Group are exposed due to their international business activities. These foreign currency hedges relate to underlying transactions already contracted in foreign currency.

Derivative financial instruments that are not used as hedging instruments are measured individually at cost or at their lower fair value or the forward market rate on the reporting date. According to measurement principles under commercial law, a negative measurement result is recorded in the income statement and leads to the establishment of a provision for expected losses. By contrast, positive measurement results are not taken into consideration.

If it is possible to establish measurement units, underlying hedged items and hedging instruments are grouped together in measurement units (micro, macro and / or portfolio hedges). The unrealized gains and losses in a measurement unit are offset against each other using the net presentation method, i.e. the changes in value of the underlying hedged item and the hedging instrument which cancel each other out are not taken into consideration. Provisions for expected losses are set up for any net unrealized losses from the measurement units. By contrast, net unrealized gains are not recognized.

Income statement disclosures

1.) Sales

Sales totaled EUR 298,488k (2023: 226,712k) and result exclusively from sales to affiliated companies.

Total sales break down as follows:

in EUR k	2024	2023
Sales from the provision of services to affiliated companies	294,792	222,799
Sales from rentals to affiliated companies	3,696	3,913
Total	298,488	226,712

Sales from the provision of services to affiliated companies in the amount of EUR 294,792k (2023: 222,799k) result mainly from IT services and other management services provided.

2.) Other own work capitalized

The other own work capitalized in the amount of EUR 593k (2023: EUR -k) relates to own work performed in connection with the introduction and commissioning of third-party software.

3.) Other operating income

Other operating income breaks down as follows:

in EUR k	2024	2023
Income from derivative financial instruments	52,751	79,160
Income from the translation of foreign currency receivables and liabilities at the closing rate	24,913	14,253
Income from intercompany cost allocations	18,873	9,703
Income from exchange rate gains	8,564	2,114
Income from the reversal of provisions	6,452	10,181
Miscellaneous	2,569	352
Total	114,122	115,763

As in the previous year, income from intercompany cost allocations results solely from the passing-on of the cost of insurance premiums and other costs to Group companies.

Income from the reversal of provisions relates mainly to the reversal of provisions for outstanding invoices in the amount of EUR 2,701k (2023: EUR 8,261k) and the reversal of provisions for personnel expenses in the amount of EUR 3,656k (2023: EUR 1,770k).

Other operating income includes prior-period income in accordance with Section 285 no. 32 HGB in the amount of EUR 8,860k (2023: EUR 10,181k). This income is primarily income from the reversal of provisions and income from insurance reimbursements.

4.) Cost of materials

Cost of materials amounts to EUR 277,364k (2023: EUR 194,733k) and consists solely of cost of purchased services.

5.) Personnel expenses / Employees

in EUR k	2024	2023
Wages and salaries	- 49,079	- 55,222
Social security costs	- 5,583	- 5,020
Pension expenses	- 857	- 2,178
Total	- 55,519	- 62,420

On the basis of the calculation method pursuant to Section 267, para. 5 of the German Commercial Code, an average of 368 people (2023: 347 people) were employed at Brenntag SE. These employees perform group corporate functions.

The average number of employees breaks down as follows:

	2024	2023
Full-time employees	327	307
Part-time employees	41	40
Total	368	347

6.) Other operating expenses

in EUR k	2024	2023
Cost of expert reports, advisory services and financial statement audits	- 61,491	- 68,077
Expense from derivative financial instruments	- 48,819	- 69,881
Cost of IT and other services	- 27,293	- 23,650
Rental and lease expenses	- 22,515	- 19,463
Expense from the translation of foreign currency receivables and liabilities at the closing rate	- 14,360	- 18,129
Expense from intercompany allocations	- 9,310	- 6,829
Cost of insurance premiums	- 7,773	- 4,817
Expense from exchange rate losses	- 5,104	- 14,510
Expense from the measurement of derivative financial instruments	- 1,085	- 435
Valuation allowances on receivables	- 449	- 258
Expenses from the disposal of fixed assets	-	- 11
Miscellaneous	- 19,900	- 14,173
Total	- 218,099	- 240,233

Miscellaneous expenses include maintenance costs, travel and representation costs, car costs, post and telecommunications charges, advertising costs as well as social expenses.

7.) Net finance income

in EUR k	2024	2023
Income from profit transferred	487,339	276,460
of which from affiliated companies	(487,339)	(276,460)
Other interest and similar income	116,221	108,040
of which from affiliated companies	(103,998)	(101,409)
Interest and similar expenses	- 131,949	- 96,328
of which to affiliated companies	(- 78,278)	(- 37,800)
of which from the unwinding of discounting of provisions	(- 506)	(- 604)
Total	471,611	288,172

The income from profit transferred amounting to EUR 487,339k (2023: EUR 276,460k) results from the profit of Brenntag Holding GmbH, Essen, taken over under a profit-and-loss transfer agreement.

The most important component in the financing structure of Brenntag SE is the Group-wide syndicated loan agreement concluded with a consortium of international banks. The syndicated loan was extended at the end of 2024 and has a term ending in February 2030. Of the interest cost, EUR 4,039k (2023: EUR 7,230k) results from the portion of this syndicated loan attributable to Brenntag SE and also includes the pro rata transaction costs incurred as part of the refinancing in 2023 and to be amortized over the term of the loan. Furthermore, at the end of August 2022, Brenntag SE placed promissory notes with a nominal value of around EUR 640 million. The interest cost from these promissory notes amounts to EUR 28,806k (2023: EUR 29,843k).

Net finance income also includes the interest cost from the unwinding of discounting of pension and other non-current personnel provisions. This interest portion comprises the net expense after offsetting against income from corresponding assets insofar as they are plan assets.

In accordance with Section 246, para. 2, sentence 2 of the German Commercial Code, income from the investment of these assets was offset against interest cost from the unwinding of discounting of the corresponding pension provisions as follows:

in EUR k	2024	2023
Interest cost from the unwinding of discounting of pension provisions (gross) in accordance with Section 253, para. 2 of the German Commercial Code	- 1,148	- 1,092
Income due to change in discount rate	734	434
Expense/income from the investment of assets	- 80	63
Interest cost from the unwinding of discounting of pension provisions (net)	- 494	- 595

8.) Taxes on income

in EUR k	2024	2023
Taxes on income	- 11,156	- 8,707
Deferred taxes	-	-
Total	- 11,156	- 8,707

The income taxes in financial year 2024 include for the first time income taxes under Pillar Two in the amount of EUR 2.4 million.

As at December 31, 2024, temporary differences – both Brenntag SE's own and those at companies in the consolidated tax group and German partnerships – give rise to a future tax receivable as deferred tax assets exceed deferred tax liabilities.

Applying the option under Section 274, para. 1, sentence 2 of the German Commercial Code, a deferred tax asset is not recognized for the excess of deferred tax assets over deferred tax liabilities.

Deferred tax liabilities arise mainly from different valuations of prepaid expense items as well as computer hardware and software.

Deferred tax assets result in particular from different carrying amounts of pension obligations as well as other provisions including other personnel, environmental and demolition provisions.

Balance sheet disclosures

9.) Fixed assets

Intangible assets changed in financial year 2024 as follows:

in EUR k	Intangible assets			Total
	Purchased concessions, industrial and similar rights and assets and licenses in such rights and assets	Prepayments	Purchased concessions, industrial and similar rights and assets and licenses in such rights and assets that are still in development	
Cost				
January 1, 2024	41,166	3,129	36,390	80,685
Additions	13,709	2,745	-	16,454
Transfers	1,116	- 1,116	-	-
Disposals	-	- 346	- 28,395	- 28,741
December 31, 2024	55,991	4,412	7,995	68,398
Accumulated amortization and write-downs				
January 1, 2024	- 29,852	- 346	- 28,395	- 58,593
Amortization and write-downs	- 9,683	-	-	- 9,683
Disposals	-	346	28,395	28,741
December 31, 2024	- 39,535	-	-	- 39,535
Net amounts at December 31, 2024	16,456	4,412	7,995	28,863
Net amounts at December 31, 2023	11,314	2,783	7,995	22,092

The additions to intangible assets relate mainly to the introduction, expansion and optimization of software systems.

Amortization and write-downs in financial year 2024 consist of amortization.

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Property, plant and equipment changed in financial year 2024 as follows:

in EUR k	Property, plant and equipment Other equipment, operating and office equipment
Cost	
January 1, 2024	7,234
Additions	406
Disposals	-
December 31, 2024	7,640
Accumulated depreciation and write-downs	
January 1, 2024	- 4,857
Depreciation and write-downs	- 591
Disposals	-
December 31, 2024	- 5,448
Net amounts at December 31, 2024	2,192
Net amounts at December 31, 2023	2,377

Depreciation and write-downs in financial year 2024 consist solely of depreciation.

Financial assets changed in financial year 2024 as follows:

in EUR k	Financial assets Shares in affiliated companies
Cost	
January 1, 2024	2,543,290
Additions	54,737
Disposals	-
December 31, 2024	2,598,027
Accumulated write-downs	
January 1, 2024	-
Write-downs	-
Disposals	-
December 31, 2024	-
Net amounts at December 31, 2024	2,598,027
Net amounts at December 31, 2023	2,543,290

Additions to shares in affiliated companies in the amount of EUR 54,737k result from contributions paid into the additional paid-in capital of Brenntag Holding GmbH, Essen.

10.) Receivables and other assets

in EUR k	Dec. 31, 2024	Dec. 31, 2023
Receivables from affiliated companies	1,687,651	1,596,907
of which remaining term more than one year	(237,015)	(226,473)
Other assets	26,103	24,829
of which remaining term more than one year	(-)	(-)
Total	1,713,754	1,621,736

Receivables from affiliated companies are largely financing and loan receivables as well as interest accrued thereon in the amount of EUR 1,131,788k (Dec. 31, 2023: EUR 1,298,922k) and the receivable from the profit transfer of Brenntag Holding GmbH, Essen, in the amount of EUR 487,339k (Dec. 31, 2023: EUR 269,471k). Receivables from affiliated companies also contain trade receivables amounting to EUR 172,448k (Dec. 31, 2023: EUR 80,877k). The amount for receivables from affiliated companies with a remaining term of more than one year was adjusted for the previous year.

Other assets are mainly tax refund claims amounting to EUR 23,242k (Dec. 31, 2023: EUR 24,415k).

11.) Prepaid expenses

As at December 31, 2024, prepaid expenses amounting to EUR 18,491k (Dec. 31, 2023: 19,501k) relate mainly to maintenance costs and other expenses paid in advance. In addition, this item includes as at December 31, 2024 the transaction costs in the amount of EUR 2,704k (Dec. 31, 2023: EUR 3,016k) incurred as part of the refinancing of the syndicated loan in 2023 and to be amortized over the term of the loan. Furthermore, this item includes pro rata transaction costs totaling EUR 279k (Dec. 31, 2023: EUR 441k) for the bond in the amount of EUR 600 million placed by Brenntag Finance B.V., Amsterdam / Netherlands in September 2017 and for the bond in the amount of EUR 500 million placed in October 2021, also by Brenntag Finance B.V., Amsterdam / Netherlands. The transaction costs of the two bonds will be allocated pro rata temporis over the term until September 2025 and October 2029, respectively. Furthermore, prepaid expenses also contain pro rata transaction costs in the amount of EUR 545k (Dec. 31, 2023: EUR 928k) of the promissory notes issued by Brenntag SE in the amounts of EUR 390 million and USD 250 million in August 2022.

12.) Equity

Equity changed in the reporting year as follows:

in EUR k	2024				Total
	Subscribed capital	Additional paid-in capital	Retained earnings	Distributable profit	
January 1, 2024	147,454	1,012,391	628,095	324,450	2,112,390
Treasury shares withdrawn	- 3,069	- 247,057	-	-	- 250,126
Dividend for 2023	-	-	-	- 303,209	- 303,209
Net income for the financial year	-	-	-	312,402	312,402
Appropriation to retained earnings	-	-	30,434	- 30,434	-
Withdrawal from retained earnings	-	-	-	-	-
December 31, 2024	144,385	765,334	658,529	303,209	1,871,457

Equity changed as follows in the previous year:

in EUR k	2023				
	Subscribed capital	Additional paid-in capital	Retained earnings	Distributable profit	Total
January 1, 2023	154,500	1,501,502	827,677	309,000	2,792,679
Treasury shares withdrawn	- 7,046	- 489,111	-	-	- 496,157
Dividend for 2022	-	-	-	- 304,731	- 304,731
Net income for the financial year	-	-	-	120,599	120,599
Appropriation to retained earnings	-	-	4,269	- 4,269	-
Withdrawal from retained earnings	-	-	- 203,851	203,851	-
December 31, 2023	147,454	1,012,391	628,095	324,450	2,112,390

Subscribed capital

The subscribed capital totals EUR 144,385k (Dec. 31, 2023: EUR 147,454k), is divided into 144,385,372 (Dec. 31, 2023: 147,453,837) no-par value registered shares, each with a notional value of EUR 1.00, and is fully paid up. The decrease in the subscribed capital compared with the previous year is due to the shares acquired and subsequently withdrawn in the course of the share buyback program launched in March 2023.

Conditional capital

By resolution of the Annual General Meeting on June 9, 2022, the Board of Management was authorized (“Authorization 2022”), with the approval of the Supervisory Board, to issue holder or registered convertible bonds or bonds with warrants as well as profit participation rights or profit participating bonds with option or conversion rights on one or more occasions up to June 8, 2027 for a total nominal amount of up to EUR 2,000,000,000 with or without limited term (“Bonds”) and to grant the holders or creditors of the Bonds option or conversion rights to up to 15,450,000 new Brenntag SE shares with a pro rata total amount of the registered share capital of up to EUR 15,450,000 in accordance with the respective option or convertible bond conditions or profit participation right or participating bond conditions (“Conditions”) to be determined by the Board of Management. In order to grant shares to the holders or creditors of Bonds, the registered share capital was conditionally increased at the Annual General Meeting on June 9, 2022 by up to 15,450,000 no-par value registered shares conferring profit-sharing rights from the beginning of the financial year in which they were issued (“Conditional Capital 2022”); this equates to an increase in the registered share capital of up to EUR 15,450,000. The Bonds may, in addition to euros, also be issued in a foreign legal currency, subject to a limit of the corresponding equivalent value in euros, and by companies dependent on Brenntag SE or in which it holds a majority interest; in this case, the Board of Management was authorized, with the approval of the Supervisory Board, to assume the guarantee for the Bonds on behalf of Brenntag SE and to grant the holders of such Bonds option or conversion rights to Brenntag SE shares and to make other declarations and take other actions necessary for a successful issue. The issues of Bonds may be divided into partial Bonds each having equal rights. Bonds may only be issued against contribution in kind, provided that the value of the contribution in kind corresponds to the issue price and that this price is not significantly lower than the theoretical market value of the Bonds determined in accordance with recognized methods of financial mathematics. The Board of Management is authorized, under certain circumstances and with the approval of the Supervisory Board, to exclude shareholders’ subscription rights to the Bonds. However, with regard to the exclusion of subscription rights against cash payment, this authorization shall apply only provided that the shares issued to fulfil the option or conversion rights and/or in the case of fulfilment of the conversion obligation represent no more than 10% of the registered share capital (so-called simplified exclusion of subscription rights). The decisive factor for the limit of 10% of the registered share capital is the amount of registered share capital at the time this authorization takes effect. If the amount of registered share capital is lower at the time this authorization is exercised, this lower figure shall apply. Details can be found in the Articles of Association of Brenntag SE, which can be viewed on the Brenntag SE website (<https://corporate.brenntag.com/en/about/corporate-governance/corporate-management-and-control/>).

When convertible bonds, profit participation rights or profit participating bonds with conversion rights are issued, the holders are granted the right to exchange their Bonds for new Brenntag SE shares in accordance with the more detailed Conditions.

When bonds with warrants, profit participation rights or profit participating bonds with option rights are issued, one or more warrants shall be attached to each partial bond or each profit participation right or each participating bond, entitling the holder to subscribe for Brenntag SE shares in accordance with the more detailed Conditions.

New shares are issued at the option or conversion price to be set in accordance with the aforementioned resolution granting authorization.

Authorized capital

By resolution of the Annual General Meeting on June 9, 2022, the Board of Management was authorized, with the approval of the Supervisory Board, to increase the share capital of Brenntag SE on one or more occasions until June 8, 2027 by a total of up to EUR 35,000,000 by issuing up to 35,000,000 new registered ordinary shares in return for cash contributions or contributions in kind. The shareholders shall generally be granted a subscription right. However, in certain cases the Board of Management is authorized, with the approval of the Supervisory Board, to exclude the shareholders' statutory subscription rights for one or more capital increases under the authorized capital. This shall apply, for example, if the capital increase is effected against cash contributions and the issue price of the new shares is not significantly lower than the stock market price of the shares of the same class and carrying the same rights already traded on the stock market at the time of final determination of the issue price within the meaning of Section 203, para. 1 and para. 2 and Section 186, para. 3, sentence 4 of the German Stock Corporation Act and the total pro rata amount of registered share capital represented by the new shares issued in accordance with this paragraph with exclusion of subscription rights pursuant to Section 186, para. 3, sentence 4 of the German Stock Corporation Act does not exceed 10% of the registered share capital (simplified exclusion of subscription rights). The decisive factor for the limit of 10% of the registered share capital is the amount of registered share capital at the time this authorization takes effect. If the amount of registered share capital is lower at the time this authorization is exercised, this lower figure shall apply. Details can be found in the Articles of Association of Brenntag SE, which are available in the Corporate Governance section of the website at www.brenntag.com.

The Board of Management shall decide on the further content of the share rights and the conditions of the issuance of shares with the approval of the Supervisory Board.

Additional paid-in capital

The Company's additional paid-in capital amounts to EUR 765,334k (Dec. 31, 2023: EUR 1,012,391k) and has decreased compared with the previous year by EUR 247,057 due to the purchase and withdrawal of treasury shares.

Retained earnings

The retained earnings are solely other retained earnings.

In accordance with the resolution of the Annual General Meeting an amount of EUR 21,241k (2023: EUR 4,268k) was transferred from the previous year's distributable profit to other retained earnings.

Information in accordance with Section 160, para. 1, no. 8 of the German Stock Corporation Act

Section 33 of the German Securities Trading Act (WpHG) requires any investor whose percentage of voting rights in Brenntag SE reaches, exceeds or falls below certain thresholds by purchase, sale or any other means to notify Brenntag SE and the Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht).

The following table shows the reportable shareholdings which had been notified to Brenntag SE by February 28, 2025. In cases where a notifying party reached, exceeded or fell below the thresholds given in Section 33, para. 1 of the German Securities Trading Act in several cases, only the last reported notification is listed. All voting right notifications disclosed by Brenntag SE in the reporting year and beyond are available on the Brenntag Group website.

Reportable shareholdings which had been notified to Brenntag SE by February 28, 2025:

Notifying party	Publication of notification	Date of reaching, exceeding or falling below threshold	Reporting threshold	Voting rights	
				absolute	in %
Flossbach von Storch SICAV, Luxembourg / Luxembourg	March 28, 2023	March 24, 2023	Exceeding 3%	4,848,949	3.140 ¹⁾
Flossbach von Storch AG, Cologne / Germany	June 1, 2023	May 31, 2023	Exceeding 5%	8,230,000	5.330 ²⁾
The Capital Group Companies, Inc., Los Angeles / California, USA	May 20, 2024	May 17, 2024	Falling below 3%	349,595	0.240 ²⁾
Wellington Management Group LLP, Boston / Massachusetts, USA	June 27, 2024	June 21, 2024	Falling below 5%	6,571,275	4.550 ²⁾
Artisan Partners Funds, Inc., Madison / Wisconsin, USA	July 16, 2024	July 10, 2024	Exceeding 5%	7,668,622	5.310 ³⁾
Harris Associates L.P., Wilmington / Delaware, USA	July 16, 2024	July 12, 2024	Exceeding 3%	4,336,028	3.000 ²⁾
Mr. Klaus-Michael Kühne	November 12, 2024	November 12, 2024	Exceeding 15%	21,657,810	15.000 ^{2) 4)}
Artisan Partners Asset Management Inc., Wilmington / Delaware, USA	November 19, 2024	November 13, 2024	Exceeding 10%	14,530,571	10.060 ^{2) 5)}
Harris Associates Investment Trust, Boston / Massachusetts, USA	December 19, 2024	December 16, 2024	Exceeding 3%	4,344,865	3.010 ⁶⁾
BlackRock, Inc., New York / New York, USA	January 14, 2025	January 9, 2025	Exceeding 5%	7,243,916	5.020 ²⁾

¹⁾ The voting rights are attributed to Flossbach von Storch AG.

²⁾ attributed in accordance with Sec. 34 German Securities Trading Act

³⁾ The voting rights are attributed to Artisan Partners Asset Management Inc.

⁴⁾ The voting rights are attributed to Kühne Holding AG.

⁵⁾ The voting rights are attributed to Artisan Partners Limited Partnership.

⁶⁾ The voting rights are attributed to Harris Associates L.P.

Information on amounts subject to a restriction on distribution

The difference between the provisions for pensions recognized using the average market rate of the past ten financial years and the average market rate of the past seven financial years amounts to EUR -721k as at December 31, 2024 (Dec. 31, 2023: EUR 763k). In accordance with Section 253, para. 6 of the German Commercial Code, this part of the freely available reserves is subject to a restriction on distribution. Due to the negative difference, there is, however, no restriction on distribution as at December 31, 2024. In the previous year, there were sufficient freely available reserves to cover the amounts subject to a restriction of distribution. Therefore, there was no restriction on distribution with regard to the distributable profit.

13.) Provisions

Provisions break down as follows:

in EUR k	Dec. 31, 2024	Dec. 31, 2023
Provisions for pensions and similar obligations	48,324	46,756
Provisions for taxes	11,061	3,700
Other provisions	33,318	39,917
Total	92,703	90,373

Provisions for pensions and similar obligations

Provisions for pensions and similar obligations relate mainly to provisions for current pensions, entitlements to future pension payments as well as deferred compensation. They cover pension obligations towards former and current employees.

The provisions were valued on the basis of the following parameters:

in %	Dec. 31, 2024	Dec. 31, 2023
Pension trend	2.00	2.00
Salary trend	2.50	2.50
Pension contribution assessment ceiling trend	3.00	3.00
Staff turnover rate	0,00 - 25,00	0,00 - 25,00
Applicable discount rate (ten-year average)	1.90	1.83

The average market rate of the past seven financial years for an assumed remaining term of 15 years amounted to 1.97% as at December 31, 2024 (1.76% as at Dec. 31, 2023).

The above-mentioned interest rates are forecast interest rates used by the actuary. As at December 31, 2024, the interest rates published by Deutsche Bundesbank differ from them and are 1.90% (average market interest rate of the past ten financial years) and 1.96% (average market interest rate of the past seven financial years).

The pension obligations were netted against assets protected from access by all other creditors with the exclusive purpose of settling pension obligations. The assets are pension liability insurance policies.

in EUR k	Dec. 31, 2024	Dec. 31, 2023
Settlement amount of offset liabilities	63,892	63,497
Value of the offset assets (primacy of liabilities principle)	15,622	16,789
Cost of the assets	(13,245)	(14,333)
Pension provisions (excluding death benefit liabilities)	48,270	46,708
Offset income	734	497
Offset expenses	- 1,228	- 1,092

The plan assets were valued according to the “primacy of the liabilities side” principle, i.e. the insurance entitlement was recognized in the amount of the necessary settlement amount of these portions of the pension commitments.

The difference between the provisions for pensions recognized using the average market rate of the past ten financial years and the average market rate of the past seven financial years amounted to EUR -721k as at December 31, 2024 (EUR 763k as at Dec. 31, 2023).

Tax provisions

The tax provisions amounting to EUR 11,061k (Dec. 31, 2023: EUR 3,700k) relate to taxes on income.

Other provisions

Other provisions break down as follows:

in EUR k	Dec 31, 2024	Dec 31, 2023
Outstanding invoices	15,997	15,009
Provisions for personnel expenses	13,585	23,316
Expected losses from derivative financial instruments	1,085	435
Miscellaneous provisions	2,651	1,157
Total	33,318	39,917

The provisions for personnel expenses include mainly expenses for annual remuneration, severance pay, overdue vacations, pre-retirement part-time work, anniversary bonuses and contributions to the employers’ liability insurance associations. Furthermore, they include the pro-rata-temporis obligations resulting from the share-based remuneration programs for the Board of Management members.

Miscellaneous provisions include audit costs of the annual and consolidated financial statements as well as interest on corporation and trade tax.

14.) Liabilities

in EUR k	Dec.31, 2024			Total
	Remaining term less than 1 year	Remaining term more than 1 year	of which more than 5 years	
Liabilities to banks	5,364	510,000	-	515,364
Trade payables	5,394	-	-	5,394
Liabilities to affiliated companies	1,397,270	563,339	81,635	1,960,609
Other liabilities	1,575	-	-	1,575
of which from taxes	(1,349)	(-)	(-)	(1,349)
of which relating to social security	(53)	(-)	(-)	(53)
Total	1,409,603	1,073,339	81,635	2,482,942

in EUR k	Dec.31, 2023			Total
	Remaining term less than 1 year	Remaining term more than 1 year	of which more than 5 years	
Liabilities to banks	57,383	639,763	80,000	697,146
Trade payables	5,149	-	-	5,149
Liabilities to affiliated companies	1,084,978	262,986	-	1,347,964
Other liabilities	1,497	-	-	1,497
of which from taxes	(1,246)	(-)	(-)	(1,246)
of which relating to social security	(48)	(-)	(-)	(48)
Total	1,149,007	902,749	80,000	2,051,756

Liabilities to banks include the promissory notes with a nominal value of EUR 510 million (Dec. 31, 2023: around EUR 640 million) placed by Brenntag SE at the end of August 2022. These were issued at the nominal amount. As at December 31, 2024 the promissory notes consist of four euro-denominated tranches (Dec. 31, 2023: five euro-denominated tranches) with a total nominal value of EUR 330 million (Dec. 31, 2023: 390 million) and one US dollar-denominated tranche (Dec. 31, 2023: two US dollar-denominated tranches) with a nominal value of EUR 180 million (Dec. 31, 2023: a total of around EUR 250 million). The five tranches (Dec. 31, 2023: seven tranches) have tenors of three, five and seven years and are due for repayment on August 29 and 30 of the respective year.

Three tranches (Dec. 31, 2023: five tranches) carry floating interest rates, while two (euro-denominated) tranches have a fixed interest rate over the respective term. Interest payments are made quarterly for the floating-rate USD tranches, semi-annually for the floating-rate euro-denominated tranches, and annually for the fixed-rate euro-denominated tranches.

Furthermore, Brenntag SE utilized funds under the syndicated loan in financial year 2023. Financial liabilities under the syndicated loan amounted to EUR 50 million as at December 31, 2023.

Liabilities to affiliated companies consist mainly of intra-Group financing loans in the amount of EUR 1,899,122k (Dec. 31, 2023: EUR 1,301,445k). The amounts for liabilities to affiliated companies with a term of up to one year and more than one year were adjusted for the previous year.

Other disclosures

Contingent liabilities

There are obligations of EUR 37k (Dec. 31, 2023: EUR 16k) under sureties which relate to rental contracts signed by companies of the Brenntag Group.

In addition to sureties, Brenntag SE has given debt guarantees for several Group companies. As at December 31, 2024, the latter amount to EUR 546,922k (Dec. 31, 2023: EUR 466,837k).

Furthermore, the company is liable with its entire assets for the liabilities existing in the Brenntag Group under the loan agreement concluded with a syndicate of international banks and for the liabilities under euro-denominated bonds (Bond 2025, Bond 2028, Bond 2029 and Bond 2032) issued by Brenntag Finance B.V., Amsterdam / Netherlands. The Bond 2025 in the amount of EUR 600 million matures in 2025. The Bond 2028 in the amount of EUR 500 million matures in 2028. The Bond 2029 in the amount of EUR 500 million matures in 2029. The Bond 2032 in the amount of EUR 500 million matures in 2032. As in the previous year, as at December 31, 2024 there were no liabilities (including accrued interest but before offsetting of transaction costs and without taking Brenntag SE into account) under the syndicated loan.

Utilization of the existing contingent liabilities is not classified as probable as at the reporting date. As far as we are aware, given their secured liquidity the companies affected will be able to meet the underlying obligations in all cases.

Other financial commitments

Other financial commitments total EUR 15,234k as at December 31, 2024 (Dec. 31, 2023: EUR 17,390k) and relate to obligations arising from rental, lease and service agreements.

The nominal values of the other financial commitments have the following maturities:

in EUR k	Dec. 31, 2024
due 2025	2,823
due 2026	2,026
due 2027	1,884
due 2028	1,799
due 2029	1,787
due after 2029	4,915

Derivative financial instruments

Brenntag SE is exposed to currency and interest rate risks due to its international business activities. Selected derivative financial instruments are used to hedge these risks.

Furthermore, Brenntag SE performs central treasury functions for the companies of the Brenntag Group. The Group companies contract hedges with Brenntag SE to hedge their currency and interest rate risks.

Brenntag SE normally hedges its own exposure resulting from the Group's internal derivatives by back-to-back transactions with banks. Derivative financial instruments are only contracted with banks whose credit ratings we consider to be first-class.

Exchange rate risks

Foreign exchange forwards are contracted to hedge exchange rate risks from monetary assets and liabilities in foreign currency which arise from the normal business activities of Brenntag SE.

Brenntag SE has normally contracted offsetting exchange rate forwards with banks for the exchange rate forwards contracted with Group companies.

The fair values of the foreign exchange forwards are determined as the present value of the cash flows taking the respective contractually agreed forward rates and the forward rate on the reporting date into account.

The total nominal volume of foreign exchange forwards open on the reporting date amounted to EUR 1,303,680k (Dec. 31, 2023: EUR 900,713k). Of these, open foreign exchange forwards with a total nominal volume of EUR 806,083k (Dec. 31, 2023: EUR 473,179k) were combined into measurement units (portfolio hedges) for each foreign currency.

The unrealized gains and losses are offset against each other in each portfolio hedge using the net presentation method, i.e. the changes in value of the underlying hedged item and the hedging instrument which cancel each other out are not taken into consideration.

For each portfolio hedge in foreign currency, provisions for expected losses are set up for any net unrealized losses at the reporting date. Net unrealized gains are not recognized.

The foreign exchange forward contracts open on the reporting date break down as follows:

in EUR k	Nominal volume		Fair values	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
Foreign exchange forwards - positive fair values -	589,954	458,303	4,291	3,632
Foreign exchange forwards - negative fair values -	713,726	442,410	- 3,515	- 2,595
Total	1,303,680	900,713	776	1,037

The portfolio hedges for each foreign currency consisting of foreign exchange forward contracts open at the reporting date had a negative fair value at the reporting date totaling EUR 42k (Dec. 31, 2023: positive fair value of EUR 205k). A provision for expected losses was set up for an amount of EUR 51k resulting from a portfolio hedge in foreign currency. In the previous year, it was not necessary to establish a provision for expected losses.

To determine the prospective effectiveness of the hedging relationship, we refer to the risk management system of Brenntag SE explained in the combined Group management report and management report of Brenntag SE.

A provision for expected losses of EUR 1,035k (Dec. 31, 2023: EUR 435k) was recognized for the foreign exchange forward contracts which do not meet the measurement unit criteria described above.

Interest rate and currency risks

In October 2021, Brenntag Finance B.V., Amsterdam / Netherlands issued a bond for EUR 500 million (Bond 2029). The bond matures in October 2029. Brenntag Finance B.V., Amsterdam / Netherlands swapped most of the proceeds from the Bond 2029 for US dollars by way of a cross-currency interest rate swap contracted with Brenntag SE. Brenntag SE has contracted offsetting cross-currency interest rate swaps with banks for the cross-currency interest rate swap contracted with Brenntag Finance B.V., Amsterdam / Netherlands in order to eliminate the interest rate and currency risks. The intra-Group and non-Group cross-currency interest rate swaps mature in October 2029 and have been combined in one measurement unit.

The fair value of the cross-currency interest rate swaps is determined in two steps. In the first step, the expected future cash flows are discounted using maturity-matched market interest rates according to the currency. In the second step, the cash flows discounted in foreign currency (US dollars) are then translated into EUR at market exchange rates.

The unrealized gains and losses are offset against each other in each measurement unit using the net presentation method, i.e. the changes in value of the underlying hedged item and the hedging instrument which cancel each other out are not taken into consideration.

For the measurement units at the reporting date, provisions for expected losses are set up for any net unrealized losses at the reporting date. Net unrealized gains are not recognized.

The open cross-currency interest rate swaps break down as follows:

in TEUR	Nominal volume		Fair values	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
Cross-currency interest rate swaps - positive fair values -	481,278	452,489	43,122	24,595
Cross-currency interest rate swaps - negative fair values -	- 481,278	- 452,489	- 43,122	- 24,595
Total	-	-	-	-

The prospective effectiveness of the hedging relationship is reviewed using the critical term match method.

Transactions with related parties

All transactions with related parties were performed on terms equivalent to those that prevail in arm's length transactions.

Audit fees

Disclosure of audit fees as required by Section 285, no. 17 of the German Commercial Code has been dispensed with as the information is contained in the consolidated financial statements of Brenntag SE.

In addition to the financial statement audit services (the statutory annual audits of the single-entity financial statements and of the consolidated financial statements and the review of the quarterly reporting), the auditors Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf, performed other assurance services (the engagement to provide assurance on the Group sustainability report, assurance services related to Brenntag SE's Board of Management remuneration and the comfort letter for the extension of the bond program).

Members of the Board of Management

The members of the Board of Management hold the following positions on statutory supervisory boards or comparable supervisory bodies of business enterprises.

Name	First appointed / Served until	Membership of statutory supervisory boards and comparable German and foreign supervisory bodies of business enterprises (as at Dec. 31, 2024)	
		External positions	Group company positions
Dr Christian Kohlpaintner CEO	January 1, 2020	Evonik Industries AG (listed)	
Dr Kristin Neumann CFO	April 1, 2022	Zeppelin GmbH	
Ewout van Jarwaade CEO Brenntag Essentials	January 1, 2021		
Michael Friede CEO Brenntag Specialties	April 1, 2023	Pearl Polyurethanes LLC	Brenntag (Shanghai) Enterprise Management Co. Ltd.

Members of the Supervisory Board

The members of the Supervisory Board hold the following positions on statutory supervisory boards or comparable supervisory bodies of business enterprises:

Name	Position held	Member since	Membership of statutory supervisory boards and comparable German and foreign supervisory bodies of business enterprises (as at Dec. 31, 2024)
Richard Ridinger Chair	Independent Management Consultant	June 10, 2020	DSM-Firmenich AG (listed) Roar HoldCo AB (Chair) Recipharm AB (Chair)
Dr. Andreas Rittstieg Deputy Chair	Lawyer	March 19, 2010	Hapag Lloyd AG (listed) Hubert Burda Media Holding Geschäftsführung SE Huesker Holding GmbH Kühne Holding AG
Stefanie Berlinger	Managing Director Lilja & Co. GmbH	June 9, 2015	
Sujatha Chandrasekaran	Independent Management Consultant	June 15, 2023	American Eagle Outfitters Inc. (listed) Agendia Inc. Atos SE (listed) Pando.AI
Wijnand P. Donkers	Independent Management Consultant	June 8, 2017	
Ulrich M. Harnacke	Chartered Accountant and Independent Business Consultant	June 8, 2017	Vossloh AG (listed) Thüga Group (until April 30, 2025): Contigas Deutsche Energie-AG, Thüga AG and Thüga Holding GmbH & Co.KGaA Zentis GmbH & Co. KG

Remuneration of the Board of Management and the Supervisory Board as well as advances and loans

The total remuneration of the members of the Board of Management serving in the reporting year amounted to EUR 7,094k (2023: EUR 9,842k).

Of the total remuneration, EUR 3,665k (2023: EUR 4,886k, in each case the fair value at the date of grant) is attributable to the share-based remuneration programs.

As at December 31, 2024, after offsetting against plan assets, a provision under commercial law was recognized in the amount of EUR 8,030k (Dec. 31, 2023: EUR 8,382k) for pension obligations to former members of the Board of Management and their surviving dependents. Pension obligations before offsetting totaled EUR 17,527k (Dec. 31, 2023: EUR 18,023k). The cost of pension obligations (defined benefit plans) in the financial year amounted to EUR 9,497k (2023: EUR 91k). The total remuneration of former Board of Management members amounted to EUR 229k in the financial year (2023: EUR 114k).

The remuneration of the Supervisory Board totaled EUR 1,683k (2023: EUR 1,683k).

No remuneration was paid to former Supervisory Board members and their surviving dependents nor do any pension obligations to former Supervisory Board members exist.

As at December 31, 2024, there were no loans to members of the Board of Management or the Supervisory Board, nor any repayments of such loans during the year.

Detailed information on the remuneration of the members of the Board of Management and the Supervisory Board is to be found in the Remuneration Report.

Declaration of conformity with the German Corporate Governance Code

On December 17, 2024, the Board of Management and Supervisory Board issued the declaration of conformity with the recommendations of the Government Commission "German Corporate Governance Code" for financial year 2024 as required by Section 161 of the German Stock Corporation Act. The declaration of conformity can be found in the section "Corporate governance statement" in Brenntag SE's 2024 annual report and can also be viewed at any time on the Brenntag SE website (<https://corporate.brenntag.com/en/about/corporate-governance/corporate-governance-code/>).

Events after the reporting period

In January 2025, the Supervisory Board of Brenntag SE appointed Thomas Reisten to the Board of Management of Brenntag SE. As the Chief Financial Officer, he will succeed Dr. Kristin Neumann, who will not extend her contract, which expires on March 31, 2025.

List of shareholdings

Brenntag SE holds shares in the companies named in the list of shareholdings in the Annex either directly or indirectly (disclosure in accordance with Section 285, no. 11 of the German Commercial Code). The figures for equity and net income/loss for the year are in each case the figures used to prepare the consolidated financial statements in accordance with IFRS and before any transfer of profit or loss; the figures are rounded.

Proposal on the appropriation of distributable profit

The net income of Brenntag SE as at December 31, 2024 was EUR 312,402,022.08. After allowing for the transfer of EUR 9,192,740.88 to retained earnings, the distributable profit is EUR 303,209,281.20.

At the Annual General Meeting on May 22, 2025, the Board of Management and the Supervisory Board will propose that the distributable profit of Brenntag SE amounting to EUR 303,209,281.20 be used to pay a dividend of EUR 2.10 per no-par value share entitled to a dividend, that is in total of EUR 303,209,281.20.

Essen, March 6, 2025

Brenntag SE
THE BOARD OF MANAGEMENT

Dr Christian Kohlpaintner

Michael Friede

Dr. Kristin Neumann

Ewout van Jarwaarde

List of shareholdings of der Brenntag SE

as at: December 31, 2024

Company	Domicile	Equity in EUR k	Net income/ loss in EUR k	Held directly % ¹⁾	Held indirectly % ¹⁾
Algeria					
Alliance Chimie Algerie SPA	Algiers	3,937	-624	0.00	100.00
SARL ALLIANCE INGREDIENTS	Rouiba (Algiers)	-23	-22	0.00	100.00
SARL ALLIANCE PHYTOSANITAIRE	Rouiba (Algiers)	28	18	0.00	100.00
Argentina					
Brenntag Argentina S.A.	Buenos Aires	16,212	-59	0.00	100.00
Australia					
Brenntag Australia Pty. Ltd.	Mulgrave	48,281	929	0.00	100.00
RAVENSWOOD INGREDIENTS PTY. LTD.	Mulgrave	-1,421	-342	0.00	100.00
Bangladesh					
BRENNTAG BANGLADESH FORMULATION LTD.	Dhaka	88	12	0.00	100.00
BRENNTAG BANGLADESH LTD.	Dhaka	1,787	-873	0.00	100.00
BRENNTAG BANGLADESH SERVICES LTD.	Dhaka	766	23	0.00	100.00
Belgium					
Antwerp Distillation Company NV	Beveren	13,152	833	0.00	100.00
BRENNTAG NV	Deerlijk	169,548	59,205	0.00	100.00
European Polymers and Chemicals Distribution BVBA	Deerlijk	474	-3	0.00	100.00
Industrial Investment Company BV	Zoersel	-84	0	0.00	100.00
Kilfrost Europe NV	Antwerp	9,459	397	0.00	100.00
Solventis BV	Antwerp	828	176	0.00	100.00
Solventis Europe NV	Antwerp	29,099	1,862	0.00	100.00
Bolivia					
Brenntag Bolivia S.R.L.	Santa Cruz	1,809	505	0.00	100.00
Brazil					
Brenntag Quimica Brasil Ltda.	Guarulhos, Estado de Sao Paulo	47,801	-5,609	0.00	100.00
PHARMASPECIAL ESPECIALIDADES QUIMICAS E FARMACEUTICAS LTDA.	Itapevi, State of Sao Paulo	5,441	138	0.00	100.00
PIC PHARMA NUTRACÊUTICOS LTDA.	Itapevi, State of Sao Paulo	1,731	317	0.00	100.00
PIC QUIMICA E FARMACEUTICA LTDA.	Itapevi, State of Sao Paulo	6,325	64	0.00	100.00
Quimilog Transportes e Logística Ltda.	Brusque	156	-982	0.00	100.00
Bulgaria					
BRENNTAG BULGARIA EOOD	Sofia	19,735	3,492	0.00	100.00
Chile					
Brenntag Chile Comercial e Industrial Limitada	Santiago	34,697	-1,411	0.00	100.00
China					
Brenntag (Shanghai) Enterprise Management Co., Ltd.	Shanghai	4,340	1,087	0.00	100.00
Brenntag (Zhangjiagang) Chemical Co., Ltd	Zhangjiagang	20,640	-1,202	0.00	100.00
Brenntag Cangzhou Chemical Co., Ltd	Cangzhou	25,185	-2,563	0.00	100.00
Guangzhou Fan Ya Jia Rong Trading Co., Ltd.	Guangzhou	44,443	1,617	0.00	100.00
Guangzhou Saifu Chemical Co., Ltd. ²⁾	Guangzhou	1,269	90	0.00	100.00
Guangzhou Wellstar Trading Co., Ltd.	Guangzhou	3,616	236	0.00	100.00
Shanghai Jia Rong Trading Co., Ltd.	Shanghai	97,862	3,704	0.00	100.00
Shanghai Saifu Chemical Development Co., Ltd.	Shanghai	77,703	2,190	0.00	70.00

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LIST OF SHAREHOLDINGS OF BRENNTAG SE

Company	Domicile	Equity in EUR k	Net income/ loss in EUR k	Held directly %¹⁾	Held indirectly %¹⁾
Shanghai Wellstar Trading Co., Ltd.	Shanghai	3,724	345	0.00	100.00
Shenzhen Wellstar Trading Co., Ltd.	Shenzhen	2,626	183	0.00	100.00
Tianjin Tai Rong Chemical Trading Co., Ltd.	Tianjin	32,230	-778	0.00	100.00
Tianjin Zhong Yung Chemical Warehousing Co., Ltd.	Tianjin	70,530	2,967	0.00	100.00
ZhongYung (GuangDong) Chemical Distribution Service Co., Ltd	Dongguan	19,953	-771	0.00	100.00
Zhongbai Food Technology (Shanghai) Co., Ltd	Shanghai	-3,057	-894	0.00	100.00
Zhongbai Xingye Food Technology (Beijing) Co., Ltd	Beijing	132,542	19,407	0.00	100.00
Costa Rica					
Brenntag Business Services Sociedad de Responsabilidad Limit	La Ribera, Belén, Heredia	-13,492	-5,446	0.00	100.00
Quimicos Holanda Costa Rica S.A.	San Jose	8,156	-263	0.00	100.00
Denmark					
Aktieselskabet af 1. Januar 1987	Ballerup	1,651	-415	0.00	100.00
Brenntag Nordic A/S	Ballerup	132,636	14,510	0.00	100.00
Germany					
ACU PHARMA und CHEMIE GmbH	Apolda	11,290	781	0.00	100.00
BBG - Berlin-Brandenburger Lager- und Distributionsgesellschaft Biesterfeld Brenntag mbH	Hoppegarten	-78	-51	0.00	100.00
BCD Chemie GmbH	Hamburg	63,823	21,042	0.00	100.00
BRENNTAG GmbH	Duisburg	174,291	20,171	0.00	100.00
BRENNTAG International Chemicals GmbH	Essen	39,471	5,924	0.00	100.00
Blitz 03-1161 GmbH	Mülheim an der Ruhr	31	1	0.00	100.00
Blitz 03-1162 GmbH	Mülheim an der Ruhr	31	1	0.00	100.00
Blitz 03-1163 GmbH	Mülheim an der Ruhr	31	1	0.00	100.00
Brenntag Beteiligungs GmbH	Essen	2,334,685	260,902	0.00	100.00
Brenntag Foreign Holding GmbH	Essen	402,999	50,258	0.00	100.00
Brenntag Germany Holding GmbH	Essen	295,361	80,634	0.00	100.00
Brenntag Global Services GmbH	Zossen	211,406	123,056	0.00	100.00
Brenntag Holding GmbH	Essen	2,754,026	470,823	100.00	0.00
Brenntag Real Estate GmbH	Essen	37,826	-34	0.00	100.00
CLG Lagerhaus GmbH	Duisburg	59	1	0.00	100.00
CLG Lagerhaus GmbH & Co. KG	Essen	-717	-153	0.00	100.00
CM Komplementär 03-018 GmbH & Co. KG	Essen	-42	-2	0.00	100.00
CM Komplementär 03-019 GmbH & Co. KG	Essen	-31	-2	0.00	100.00
CM Komplementär 03-020 GmbH & Co. KG	Essen	-26	-2	0.00	100.00
CVB Albert Carl GmbH & Co. KG Berlin ³⁾	Berlin	3,888	450	0.00	100.00
CVH Chemie-Vertrieb GmbH & Co. Hannover KG	Hanover	20,736	4,017	0.00	51.00
CVH Chemie-Vertrieb Verwaltungsgesellschaft mbH	Hanover	30	4	0.00	51.00
CVM Chemie-Vertrieb Magdeburg GmbH & Co. KG ³⁾	Magdeburg	3,386	846	0.00	100.00
CVP Chemie-Vertrieb Berlin GmbH ³⁾	Berlin	33	7	0.00	100.00
ROSEA Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Hüttenheim KG ³⁾	Düsseldorf	51	-4	0.00	94.00
Dominican Republic					
BRENNTAG CARIBE S.R.L.	Santo Domingo	11,015	-2,196	0.00	100.00
Ecuador					
BRENNTAG ECUADOR S.A.	Guayaquil	8,776	-2,971	0.00	100.00
El Salvador					
BRENNTAG EL SALVADOR, S.A. DE C.V.	Soyapango	7,488	240	0.00	100.00
Finland					
Brenntag Nordic OY	Vantaa	13,865	2,669	0.00	100.00
France					
BRACHEM FRANCE HOLDING SAS	Chassieu	192,655	149,537	0.00	100.00
BRENNTAG EXPORT SARL	Vitrolles	11,553	764	0.00	100.00

ANNUAL FINANCIAL STATEMENTS

LIST OF SHAREHOLDINGS OF BRENNTAG SE

Company	Domicile	Equity in EUR k	Net income/ loss in EUR k	Held directly %¹⁾	Held indirectly %¹⁾
BRENNTAG FRANCE HOLDING SAS	Chassieu	507,981	182,118	0.00	100.00
BRENNTAG MAGHREB SAS	Vitrolles	8,727	725	0.00	100.00
BRENNTAG SA	Chassieu	159,789	7,155	0.00	99.94
Multisol France SAS	Villebon sur Yvette	35,972	6,068	0.00	100.00
Multisol International Services SAS	Sotteville Les Rouen	14,498	398	0.00	100.00
Ghana					
Brenntag Ghana Limited	Tema	-3,259	-589	0.00	100.00
Greece					
Brenntag Hellas Chimika Monoprosopi EPE	Penteli	-86	0	0.00	100.00
Guatemala					
BRENNTAG GUATEMALA S.A.	Guatemala City	2,596	-2,656	0.00	100.00
Guyana					
ALPHA CHEMICAL GUYANA INC.	Georgetown	-17	-28	0.00	100.00
Honduras					
BRENNTAG HONDURAS, S.A.	San Pedro Sula	7,930	-839	0.00	100.00
Hong Kong					
Brenntag Chemicals (HK) Pte Limited	Hong Kong	6,088	390	0.00	100.00
Hong Kong Dongguan Zhongrong Investment Co Limited	Hong Kong	21,547	-4	0.00	100.00
WELLSTAR ENTERPRISES (HONG KONG) COMPANY LIMITED	Hong Kong	17,094	3,910	0.00	100.00
Zhong Yung (International) Chemical Co., Limited	Hong Kong	122,753	12,951	0.00	100.00
India					
Brenntag Ingredients (India) Private Limited	Mumbai	35,067	3,512	0.00	100.00
RAJ PETRO SPECIALITIES PRIVATE LIMITED	Mumbai	11,766	-57,221	0.00	100.00
Indonesia					
PT Aik Moh Chemicals Indonesia	Batam	1,214	165	0.00	100.00
PT Staris Chemicals	Tangerang Selatan	539	150	0.00	100.00
PT. Brenntag	Jakarta Selatan	35,224	3,105	0.00	100.00
PT. Dharmala HCl i. L.	Jakarta	0	0	0.00	91.14
Ireland					
Brenntag Chemicals Distribution (Ireland) Limited	Dublin	9,653	6,652	0.00	100.00
Monarch Chemicals Ireland Limited	Dublin	0	0	0.00	100.00
Israel					
Biochem Trading 2011 Ltd.	Be'er Ya'akov	56	0	0.00	100.00
Brenntag Israel Ltd.	Be'er Ya'akov	24,309	-975	0.00	100.00
Italy					
AQUADEPUR SRL	Cogliate	2,577	241	0.00	100.00
BRENNTAG S.P.A.	Assago	180,569	8,221	0.00	100.00
Japan					
Brenntag Japan Godo Kaisha	Tokyo	-174	-234	0.00	100.00
Canada					
BRENNTAG CANADA INC.	Toronto	273,362	44,501	0.00	100.00
Kenya					
Brenntag Kenya Limited	Nairobi	6,687	397	0.00	100.00
Colombia					
BRENNTAG COLOMBIA S.A.	Bogotá D.C.	35,266	1,647	0.00	100.00
BRENNTAG COLOMBIA ZONA FRANCA S.A.S.	Barranquilla	107	-502	0.00	100.00
CONQUIMICA SAS	Itagui	7,446	949	0.00	100.00
Croatia					
BRENNTAG HRVATSKA d.o.o.	Zagreb	4,204	373	0.00	100.00
Latvia					
SIA BRENNTAG LATVIA	Riga	3,605	718	0.00	100.00
SIA DIPOL BALTIJA	Riga	5,521	107	0.00	100.00

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LIST OF SHAREHOLDINGS OF BRENNTAG SE

Company	Domicile	Equity in EUR k	Net income/ loss in EUR k	Held directly %¹⁾	Held indirectly %¹⁾
Lithuania					
UAB BRENNTAG LIETUVA	Kaunas	5,414	451	0.00	100.00
Malaysia					
BRENNTAG BUSINESS SERVICES SDN. BHD.	Kuala Lumpur	3,630	880	0.00	100.00
BRENNTAG MALAYSIA SDN. BHD.	Kuala Lumpur	6,603	2	0.00	100.00
BRENNTAG SDN. BHD.	Kuala Lumpur	15,443	113	0.00	100.00
Brenntag Chemicals Malaysia Sdn. Bhd.	Kuala Lumpur	10,440	-1,818	0.00	30.00
Marocco					
ALCOCHIM MAROC S.A.R.L.	Casablanca	276	16	0.00	100.00
BRENNTAG MAROC S.A.R.L associé unique	Casablanca	-2,859	226	0.00	100.00
Mauritius					
Brenntag Chemicals Mauritius Limited	Moka	4,165	469	0.00	100.00
Multisol Mauritius Limited	Moka	13,243	2,473	0.00	100.00
Mexico					
AMCO INTERNACIONAL S.A. DE C.V.	Mexico City	17,713	-664	0.00	100.00
BRENNTAG MÉXICO, S.A. DE C.V.	Cuautitlan Izcalli	80,086	-10,208	0.00	100.00
BRENNTAG PACIFIC, S. DE R.L. DE C.V.	Tijuana	7,707	-792	0.00	100.00
Química Delta S.A. de C.V.	Teoloyucan	223,093	4,910	0.00	100.00
New Zealand					
BRENNTAG NEW ZEALAND LIMITED	Wellington	17,575	561	0.00	100.00
Nicaragua					
BRENNTAG NICARAGUA, S.A.	Managua	-819	-209	0.00	100.00
Netherlands					
BRENNTAG (Holding) B.V.	Amsterdam	1,531,170	174,196	0.00	100.00
BRENNTAG Coöperatief U.A.	Amsterdam	313,189	0	0.00	100.00
BRENNTAG Dutch C.V.	Amsterdam	144,875	6,194	0.00	100.00
Brenntag Amsterdam B.V.	Amsterdam	-22,481	12,691	0.00	100.00
Brenntag Finance B.V.	Amsterdam	39,368	2,534	0.00	100.00
Brenntag HoldCo B.V.	Amsterdam	781,481	124,320	0.00	100.00
Brenntag Nederland B.V.	Dordrecht	243,384	21,644	0.00	100.00
H.C.I. Chemicals Nederland B.V.	Amsterdam	30,697	1,067	0.00	100.00
HCI Central Europe Holding B.V.	Amsterdam	10,836	6,190	0.00	100.00
HCI U.S.A. Holdings B.V.	Amsterdam	197,411	-270	0.00	100.00
Holland Chemical International B.V.	Dordrecht	140,921	27,341	0.00	100.00
Nigeria					
Brenntag Chemicals Nigeria Limited	Matori-Lagos	-5,002	-3,266	0.00	100.00
Norway					
BRENNTAG NORDIC AS	Grålum	12,111	2,949	0.00	100.00
Austria					
Brenntag Austria GmbH	Vienna	103,266	30,011	0.00	100.00
Brenntag Austria Holding GmbH	Vienna	128,460	29,251	0.00	100.00
JLC-Chemie Handels GmbH	Wiener Neustadt	35	0	0.00	100.00
Provida GmbH	Vienna	41	289	0.00	100.00
Panama					
BRENNTAG PANAMA S.A.	Panama City	-11	-5	0.00	100.00
Peru					
BRENNTAG PERU S.A.C.	Lima	7,183	-460	0.00	100.00
Philippines					
A.P.C. Chemical Industries, Inc	City of Pasig	314	-34	0.00	100.00
BRENNTAG INGREDIENTS INC.	City of Muntinlupa	12,795	-6	0.00	100.00
Poland					
BCD POLYMERS Sp. z o.o.	Suchy Las	6,045	-168	0.00	100.00
BCD Polska Sp. z o.o	Warsaw	7,971	808	0.00	100.00
BRENNTAG Polska sp. z o.o.	Kedzierzyn-Kozle	198,585	31,468	0.00	100.00

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LIST OF SHAREHOLDINGS OF BRENNTAG SE

Company	Domicile	Equity in EUR k	Net income/ loss in EUR k	Held directly %¹⁾	Held indirectly %¹⁾
Eurochem Service Polska sp. z o.o.	Warsaw	1,135	-76	0.00	100.00
Fred Holmberg & Co Polska Sp.z o.o.	Warsaw	3,255	-332	0.00	100.00
Portugal					
Brenntag Portugal - Produtos Quimicos, Lda.	Lordelo	29,176	2,732	0.00	100.00
Puerto Rico					
Brenntag Puerto Rico, Inc.	Caguas	1,887	255	0.00	100.00
Republic of Serbia					
Brenntag d.o.o. Beograd-Savski Venac	Belgrade	8,603	1,784	0.00	100.00
Romania					
BRENNTAG S.R.L.	Chiajna	19,614	5,036	0.00	100.00
Russia					
OOO MULTISOL	Moscow	9,079	775	0.00	100.00
Saudi Arabia					
Brenntag Saudi Arabia Limited ⁴⁾	Riad	4,493	-1,860	0.00	75.00
Sweden					
Brenntag Nordic AB	Malmö	69,650	26,344	0.00	100.00
Switzerland					
Brenntag Schweizerhall AG	Basel	104,912	7,199	0.00	100.00
Singapore					
AIK MOH PAINTS & CHEMICALS PTE. LTD.	Singapore	53,617	1,718	0.00	100.00
BRENNTAG ASIA PACIFIC PTE. LTD.	Singapore	204,115	-5,498	0.00	100.00
BRENNTAG PTE. LTD.	Singapore	391,600	25,164	0.00	100.00
TEE HAI CHEM PTE LTD	Singapore	116,623	11,738	0.00	100.00
Slovakia					
BRENNTAG SLOVAKIA s.r.o.	Pezinok	18,660	1,349	0.00	100.00
Slovenia					
BRENNTAG LJUBLJANA d.o.o.	Ljubljana	5,676	1,127	0.00	100.00
Spain					
BRENNTAG QUIMICA, S.A.U.	Dos Hermanas	164,091	13,908	0.00	100.00
Devon Chemicals S.A.	Barcelona	0	0	0.00	100.00
Sri Lanka					
BRENNTAG LANKA (PRIVATE) LIMITED	Rajagiriya	73	41	0.00	100.00
South Africa					
BRENNTAG SOUTH AFRICA (PTY) LTD	Midrand	86,258	859	0.00	100.00
Multisol South Africa (Proprietary) Limited	Cape Town	3,417	8	0.00	100.00
South Korea					
Brenntag Korea Co., Ltd.	Gwacheon-si	12,137	245	0.00	100.00
Taiwan					
Brenntag Taiwan Co., Ltd.	Taipeh	3,515	-777	0.00	100.00
NEUTO CHEMICAL CORP.	Taipeh	13,251	319	0.00	100.00
Tanzania					
Brenntag Tanzania Limited	Daressalam	2,268	-482	0.00	100.00
Thailand					
Brenntag Enterprises (Thailand) Co., Ltd.	Bangkok	45,628	4,727	0.00	100.00
Brenntag Ingredients (Thailand) Public Company Limited	Bangkok	94,944	4,052	0.00	100.00
Brenntag Lubricants (Thailand) Co., Ltd.	Bangkok	3,883	-1,080	0.00	100.00
Brenntag Service (Thailand) Co., Ltd.	Bangkok	164	106	0.00	100.00
Thai-Dan Corporation Limited	Bangkok	2,457	204	0.00	100.00
Czech Republic					
Brenntag CR s.r.o.	Prague	41,134	2,761	0.00	100.00
Turkey					
BRENNTAG KIMYA TICARET LIMITED SIRKETI	Istanbul	43,937	1,645	0.00	100.00

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LIST OF SHAREHOLDINGS OF BRENNTAG SE

Company	Domicile	Equity in EUR k	Net income/ loss in EUR k	Held directly %¹⁾	Held indirectly %¹⁾
Tunisia					
Brenntag Tunisie SARL	Fouchana	-768	-21	0.00	100.00
Uganda					
Brenntag Uganda Limited	Kampala	1,879	-554	0.00	100.00
Ukraine					
TOB BRENNTAG UKRAINE	Kyiv	8,416	1,701	0.00	100.00
TOB TRIDE	Kyiv	26	-1	0.00	100.00
Hungary					
BCB Union Kft.	Budapest	140	25	0.00	100.00
BRENNTAG Hungaria Kft.	Budapest	29,227	9,148	0.00	100.00
Uruguay					
BRENNTAG SOURCING URUGUAY S.A.	Colonia del Sacramento	1,484	-97	0.00	100.00
USA					
Alphamin Inc.	Austin/Texas	2,686	-82	0.00	100.00
Altivia Louisiana, L.L.C.	St. Gabriel/Louisiana	0	0	0.00	100.00
BWEV, LLC	Wilmington/Delaware	0	0	0.00	100.00
Brenntag Global Marketing Logistics, LLC	Springfield/Illinois	229	-545	0.00	100.00
Brenntag Global Marketing Specialty Chemicals, LLC	Springfield/Illinois	46,458	-3,693	0.00	100.00
Brenntag Global Marketing, LLC	Wilmington/Delaware	36,728	6,507	0.00	100.00
Brenntag Great Lakes, LLC	Chicago/Illinois	311,329	46,390	0.00	100.00
Brenntag Latin America, Inc.	Wilmington/Delaware	-31,773	-8,503	0.00	100.00
Brenntag Lubricants, LLC	Wilmington/Delaware	489,426	3,205	0.00	100.00
Brenntag Mid-South, Inc.	Henderson/Kentucky	1,258,338	94,210	0.00	100.00
Brenntag North America Foreign Holding, LLC	Wilmington/Delaware	2,999	0	0.00	100.00
Brenntag North America LLC	Wilmington/Delaware	0	0	0.00	100.00
Brenntag North America, Inc.	Wilmington/Delaware	-723,139	14,084	0.00	100.00
Brenntag Northeast, LLC	Wilmington/Delaware	355,564	16,791	0.00	100.00
Brenntag Pacific, Inc.	Wilmington/Delaware	391,184	28,043	0.00	100.00
Brenntag Solutions and Services, LLC	Wilmington/Delaware	109,117	-1,571	0.00	100.00
Brenntag Southwest, Inc.	Longview/Texas	523,331	59,034	0.00	100.00
Brenntag Specialties, LLC	Wilmington/Delaware	40,825	-18,283	0.00	100.00
Coastal Chemical Co., L.L.C.	Baton Rouge/Louisiana	301,791	33,255	0.00	100.00
Colony Gums LLC	Raleigh/North Carolina	121,637	-274	0.00	100.00
Dipol Chemical International, Inc.	New York/New York	8,171	164	0.00	100.00
Harvest Moon Holdings, LLC	Raleigh/North Carolina	0	0	0.00	100.00
New Jersey Lube Oil, LLC	East Hartford/Connecticut	0	0	0.00	100.00
Storm Chaser Holding Corporation	Wilmington/Delaware	0	0	0.00	100.00
Storm Chaser Intermediate Holding Corporation	Wilmington/Delaware	0	0	0.00	100.00
Storm Chaser Intermediate Holding II Corporation	Wilmington/Delaware	197,788	0	0.00	100.00
United Arab Emirates					
Al Shihab Al Thahabi Tech. TR. Co. LLC. SP ³⁾	Sharjah	332	-141	0.00	100.00
Raj Petro Specialties DMCC	Dubai	1,293	53	0.00	100.00
Trychem FZCO	Jebel Ali, Dubai	7,075	53	0.00	51.00
Trychem Trading L.L.C. ³⁾	Port Saeed, Dubai	694	71	0.00	100.00
United Kingdom					
Brenntag Colours Limited	Leeds	0	0	0.00	100.00
Brenntag Inorganic Chemicals Limited	Leeds	31,935	7,534	0.00	100.00
Brenntag UK Holding Limited	Leeds	420,881	358,111	0.00	100.00
Brenntag UK Limited	Leeds	277,625	68,344	0.00	100.00
FCL Organisation Ltd	Leeds	5,163	0	0.00	100.00
FCSL Holdco Ltd	Leeds	5,161	0	0.00	100.00
Kilfrost Europe Ltd	Leeds	0	14,344	0.00	100.00

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LIST OF SHAREHOLDINGS OF BRENNTAG SE

Company	Domicile	Equity in EUR k	Net income/ loss in EUR k	Held directly %¹⁾	Held indirectly %¹⁾
Kluman and Balter Limited	Leeds	61,241	3,448	0.00	100.00
Lawrence Industries Holdings Limited	Tamworth	0	34,088	0.00	100.00
Lawrence Industries Limited	Tamworth	44,272	3,136	0.00	100.00
Monarch Chemicals (Holdings) Limited	Leeds	14,290	2,953	0.00	100.00
Monarch Chemicals Limited	Leeds	10,140	1,659	0.00	100.00
Monarch Group Limited	Leeds	31,694	-852	0.00	100.00
Multisol Europe Limited	Leeds	24,518	5,070	0.00	100.00
Multisol Group Limited	Leeds	44,127	13,688	0.00	100.00
Multisol Limited	Leeds	133,191	70,478	0.00	100.00
Murgatroyd's Salt & Chemical Company Limited	Leeds	62	0	0.00	100.00
Solvenox Ltd	Leeds	156	234	0.00	100.00
Solventis Holdings Ltd	Leeds	0	0	0.00	100.00
Solventis Ltd	Leeds	168,342	48,070	0.00	100.00
Solventis Solutions Ltd	Leeds	6,447	1,282	0.00	100.00
Solventis UK Ltd	Leeds	0	0	0.00	100.00
Vietnam					
BRENNTAG VIETNAM COMPANY LIMITED	Ho Chi Minh City	61,915	13,747	0.00	100.00
NAM GIANG COMMERCIAL SERVICE CO., LTD ⁵⁾	Ho Chi Minh City	10,958	1,209	0.00	0.00
Associates					
Denmark					
Borup Kemi I/S	Borup	10,575	-297	0.00	33.33
Germany					
SOFT CHEM GmbH	Laatzen	484	3	0.00	33.40
Thailand					
Berli Asiatic Soda Co., Ltd.	Bangkok	3,622	-297	0.00	50.00
United Kingdom					
PURE SODIUM HYPOCHLORITE BIOCIDAL PRODUCTS GROUP LTD.	London	0	0	0.00	25.00

¹⁾ Shares in the capital of the company

²⁾ Effective net holding: 67.00%

³⁾ Effective net holding: 51.00%

⁴⁾ Effective net holding: 38.25%

⁵⁾ Structured entity

Responsibility statement 2024

To the best of our knowledge and in accordance with the applicable reporting principles, the financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the management report, which is combined with the Group management report of Brenntag SE, includes a fair review of the development and performance of the business and the position of the company, together with a description of the material opportunities and risks associated with the expected development of the company.

Essen, March 6, 2025

Brenntag SE
THE BOARD OF MANAGEMENT

Dr Christian Kohlpaintner

Michael Friede

Dr. Kristin Neumann

Ewout van Jarwaarde

INDEPENDENT AUDITOR'S REPORT

To Brenntag SE, Essen/Germany

REPORT ON THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

Audit Opinions

We have audited the annual financial statements of Brenntag SE, Essen/Germany, which comprise the balance sheet as at December 31, 2024, and the income statement for the financial year from January 1 to December 31, 2024, and the notes to the financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the combined management report for the parent and the group of Brenntag SE, Essen/Germany, for the financial year from January 1 to December 31, 2024. In accordance with the German legal requirements, we have not audited the content of the corporate governance statement pursuant to Sections 289f and 315d German Commercial Code (HGB) – including the further reporting on corporate governance included therein – and the group sustainability statement, which are each included in the combined management report. In addition, we have not audited the content of the “Summary assessment of the internal control and risk management system” marked as extraneous to management reports, which is contained in section “Main elements of the internal control/risk management system” of the combined management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as at December 31, 2024 and of its financial performance for the financial year from January 1 to December 31, 2024 in compliance with German Legally Required Accounting Principles, and
- the accompanying combined management report as a whole provides an appropriate view of the Company's position. In all material respects, this combined management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the content of the statements referred to above and of the summary assessment extraneous to management reports referred to above.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the combined management report.

Basis for the Audit Opinions

We conducted our audit of the annual financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as “EU Audit Regulation”) and in compliance with German Generally Accepted Standards for Financial Statement Audits

promulgated by the Institut der Wirtschaftsprüfer (IDW). We performed the audit of the annual financial statements in supplementary compliance with the International Standards on Auditing (ISA). Our responsibilities under those requirements, principles and standards are further described in the “Auditor’s Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report” section of our auditor’s report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the combined management report.

Key Audit Matters in the Audit of the Annual Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from January 1 to December 31, 2024. These matters were addressed in the context of our audit of the annual financial statements as a whole and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the following, we present the recoverability of the carrying amount of the equity investment in Brenntag Holding GmbH, which we have determined to be a key audit matter in the course of our audit.

Our presentation of this key audit matter has been structured as follows:

- a) description (including reference to corresponding information in the annual financial statements)
- b) auditor’s response

Recoverability of the carrying amount of the equity investment in Brenntag Holding GmbH

- a) In the annual financial statements of the Company shares in affiliated companies amounting to EUR 2.6 billion (58% of total assets) are reported under the “Financial assets” balance sheet item. The shares in affiliated companies comprise the wholly-owned equity investment in Brenntag Holding GmbH, which in turn holds further indirect and direct equity investments.

The executive directors measure the equity investment in Brenntag Holding GmbH by taking into account the fair value of the latter's indirect and direct equity investments, since these could have a material impact on the fair value of the shares in Brenntag Holding GmbH. The fair values are calculated using a discounted cash flow model as the present values of the expected future cash flows according to the planning projections prepared by the executive directors and approved by the supervisory board. Expectations relating to future market developments and assumptions about the development of macroeconomic factors are also taken into account. The expected future cash flows per equity investment are determined by breaking down the corporate planning using the actual figures for the respective group companies for the financial year 2024. The discount rate used is the individually determined cost of capital for the equity investments.

The outcome of this valuation exercise is to a large extent dependent on the projection made by the executive directors of the future cash flows in corporate planning as well as the subsequent breakdown of the corporate planning data into the individual equity investments by the executive directors and on the respective discount rates used. The valuation is therefore subject to material uncertainty. Against this background and due to the highly complex nature of the valuation and its material significance for the Company's assets and liabilities, this matter was of particular significance in the context of our audit.

The Company's disclosures relating to financial assets and their recoverability are contained in the section "Accounting policies" and item 9 "Fixed assets" of the notes to the financial statements.

- b) In order to assess the recoverability of the equity investment in Brenntag Holding GmbH, we assessed in particular the valuation of equity investments held indirectly and directly by Brenntag Holding GmbH. In this context, we reviewed the methodology employed for the purposes of the valuation by calling in our valuation experts, among other things. In particular, we evaluated whether the fair values were appropriately determined using a discounted cash flow model in compliance with the relevant measurement standards. We based our assessment, among other things, on a comparison with general and sector-specific market expectations as well as on the executive directors' detailed explanations regarding the key value drivers underlying the expected cash flows for the Group. Additionally, we inspected whether the corporate planning used in the recoverability testing is in line with the corporate planning approved by the supervisory board and reviewed the subsequently applied breakdown to the individual direct and indirect equity investments. Knowing that even small changes in the discount rates applied can have a material impact, we intensively dealt with the parameters used to determine the discount rates. We evaluated their plausibility by means of evidence and information gained and own market research. Where the executive directors made estimates, we assessed the reasonableness of the methods applied, the assumptions made and the data used.

Other Information

The executive directors are responsible for the other information. The other information comprises

- the corporate governance statement including further reporting on corporate governance included therein,
- the group sustainability statement which includes the disclosures of the consolidated non-financial reporting pursuant to Sections 315b and 315c in conjunction with 289c to 289e HGB,
- the “Summary assessment of the internal control/risk management system” contained in the combined management report and marked as extraneous to management reports, and
- the executive directors’ confirmations pursuant to Sections 264 (2) sentence 3 and 289 (1) sentence 5 HGB regarding the annual financial statements and the combined management report.

The executive directors and the supervisory board are responsible for the statement according to Section 161 German Stock Corporation Act (AktG) concerning the German Corporate Governance Code and the further reporting on corporate governance within the corporate governance statement. Otherwise the executive directors are responsible for the other information.

Our audit opinions on the annual financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information identified above and, in doing so, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the audited content of the disclosures in the combined management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Executive Directors and the Supervisory Board for the Annual Financial Statements and the Combined Management Report

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the combined management report.

Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) and in supplementary compliance with the ISA will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the annual financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of internal control or these arrangements and measures of the Company.
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- evaluate the consistency of the combined management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.
- perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements for the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the Audit of the Electronic Reproductions of the Annual Financial Statements and of the Combined Management Report Prepared for Publication Pursuant to Section 317 (3a) HGB

Audit Opinion

We have performed an audit in accordance with Section 317 (3a) HGB to obtain reasonable assurance whether the electronic reproductions of the annual financial statements and of the combined management report (hereinafter referred to as "ESEF documents") prepared for publication, contained in the file, which has the SHA-256 value 99786f4f9759ac5e84b8475c45fa316e107ce6ea274bc7015f86c128faeac04f, meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB ("ESEF format"). In accordance with the German legal requirements, this audit only covers the conversion of the information contained in the annual financial statements and the combined management report into the ESEF format, and therefore covers neither the information contained in these electronic reproductions nor any other information contained in the file identified above.

In our opinion, the electronic reproductions of the annual financial statements and of the combined management report prepared for publication contained in the file identified above meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB. Beyond this audit opinion and our audit opinions on the accompanying annual financial statements and on the accompanying combined management report for the financial year from January 1 to December 31, 2024 contained in the "Report on the Audit of the Annual Financial Statements and of the Combined Management Report" above, we do not express any assurance opinion on the information contained within these electronic reproductions or on any other information contained in the file identified above.

Basis for the Audit Opinion

We conducted our audit of the electronic reproductions of the annual financial statements and of the combined management report contained in the file identified above in accordance with Section 317 (3a) HGB and on the basis of the IDW Auditing Standard: Audit of the Electronic Reproductions of Financial Statements and Management Reports Prepared for Publication Purposes Pursuant to Section 317 (3a) HGB (IDW AuS 410 (06.2022)). Our responsibilities in this context are further described in the "Auditor's Responsibilities for the Audit of the ESEF Documents" section. Our audit firm has applied the requirements of the IDW Quality Management Standards (IDW QMS).

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the preparation of the ESEF documents based on the electronic files of the annual financial statements and of the combined management report according to Section 328 (1) sentence 4 no. 1 HGB.

In addition, the executive directors of the Company are responsible for such internal control that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements for the electronic reporting format pursuant to Section 328 (1) HGB.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Auditor's Responsibilities for the Audit of the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.
- obtain an understanding of internal control relevant to the audit on the ESEF documents in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- evaluate the technical validity of the ESEF documents, i.e., whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, in the version in force at the balance sheet date, on the technical specification for this electronic file.
- evaluate whether the ESEF documents enable a XHTML reproduction with content equivalent to the audited annual financial statements and to the audited combined management report.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor by the general meeting on May 23, 2024. We were engaged by the supervisory board on October 2, 2024. We have been the auditor of Brenntag SE, Essen/Germany, without interruption since the financial year 2023.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

OTHER MATTER – USE OF THE AUDITOR’S REPORT

Our auditor’s report must always be read together with the audited annual financial statements and the audited combined management report as well as with the audited ESEF documents. The annual financial statements and the combined management report converted into the ESEF format – including the versions to be submitted for inclusion in the Company Register – are merely electronic reproductions of the audited annual financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our audit opinion contained therein are to be used solely together with the audited ESEF documents made available in electronic form.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is André Bedenbecker.

Düsseldorf/Germany, March 7, 2025

Deloitte GmbH

Wirtschaftsprüfungsgesellschaft

André Bedenbecker
Wirtschaftsprüfer
(German Public Auditor)

Christian Siepe
Wirtschaftsprüfer
(German Public Auditor)