

**Brenntag SE AGM, June 15<sup>th</sup>, 2023**  
**Preliminary Questions List**

As of today, PrimeStone owns more than 2% of Brenntag. As such it is able to propose topics to add to the agenda of the AGM. We would like to use this opportunity to give all of Brenntag's shareholders the chance to discuss the key decisions that the Supervisory Board and Management Board made during the last 12 months.

To that end, we propose asking the following questions and adding them to the agenda:

**A. Univar**

1. Given Brenntag was the one who approached Univar with an unsolicited offer (p33 [Univar Proxy](#)), how did the Supervisory Board conclude that it was in the best interest of shareholders to pursue this acquisition ?
2. After the bid leaked and the share price plummeted, why didn't the Supervisory Board meet to discuss (p24 [Annual Report 2022](#))?
3. Why did the Management Board resubmit an improved offer on December 28<sup>th</sup> without Supervisory Board approval? (p39 [Univar Proxy](#))
4. What drove the withdrawal from the talks only 5 days later on January 2<sup>nd</sup>? What additional information was the Supervisory Board presented with? (p40 [Univar Proxy](#))
5. Does the Supervisory Board support the "bold moves" management keep referring to when speaking about acquisitions? What characteristics would they have?

**B. Project Brenntag**

6. Is it the Supervisory Board's opinion that Project Brenntag has been successfully completed?
7. How much net EBITDA has been added?
8. Why has the company's number of employees (adjusted for M&A) not declined by 1,300 as reported, but by 450 despite the absence of volume growth highlighted by management?
9. Is this re-hiring spree the reason why analysts "struggle to see [the cost savings from Project Brenntag] in the numbers " ? (Chetan Udeshi – JPMorgan 2023Q1 earnings call)
10. Did the Supervisory Board discuss and approve the re-hiring of 850 employees before it happened?
11. Given this re-hiring accounts for two thirds of the targeted reduction of Project Brenntag, why was this not openly communicated to investors?

### **C. Surge in Cost Base**

12. What is the Supervisory Board's explanation for the surge in the company's cost base?
13. Has the Supervisory Board challenged management in 2022 as this surge was taking place?
14. What has the Supervisory Board asked management to do about it?
15. What is the breakdown of the Audit and Advisory Fees paid in 2020, 2021 and 2022, respectively: €56m, €60m, €132m?
16. What drove the surge in Audit and Advisory fees in 2022 to reach close to 10% of EBIT? Did the Supervisory Board discuss and approve these cost increases?

### **D. Supervisory Board composition**

17. How did the Supervisory Board conclude initially that it was in the interest of shareholders to support Chairwoman Doreen Nowotne's re-election at the next AGM, given her standing down as Chairwoman and her exceptionally long tenure?
18. How did the Supervisory Board conclude eventually that it was no longer a good idea?

### **E. Differentiated Steering of Brenntag Specialties**

19. Does the Supervisory Board agree that Brenntag Specialties underperforms pure-play peers?
20. What does the Supervisory Board see as the main reasons?
21. Why has the Supervisory Board or Management Board not responded clearly to PrimeStone's proposal to spin off Brenntag Specialties? Does it intend to? When?
22. What has the Supervisory Board done, what is it currently doing, to form a view on the proposed spin-off of Brenntag Specialties?
23. Has the Supervisory Board commissioned an independent review of the opportunity to spin off Brenntag Specialties, or is it relying solely on the assessment of the Management Board?

As a shareholder, please let us know if you want us to ask other questions by getting in touch at [brenntag@primestonecapital.com](mailto:brenntag@primestonecapital.com)