

Kuehne+Nagel Ltd

Gender Pay Gap Report 2021



Our commitment to gender pay equality

At Kuehne+Nagel, we are committed to creating a culture that values and champions diversity, is simple, personal and fair for all.

At Kuehne+Nagel, we are committed to creating a culture that values and champions diversity, is simple, personal and fair for all.

We aim to create equal opportunities regardless of gender, age, sexual orientation, ethnicity, socio-economic background and disability. This commitment starts at the very top of our organisation and flows throughout it.

We are also realistic about the challenges we face and the historical composition of how our business has grown in the UK, i.e. TUPE contracts from a variety of industries and sectors.

We continue to work hard to understand root causes of issues, finding solutions that are transparent, practical and beneficial for our employees.

Through these actions, we continue our aim to improve diversity across the whole of Kuehne+Nagel to provide a realistic representation of the communities we serve.

Our colleague demographic within Kuehne+Nagel is **67.3%** male and **32.7%** female. Whilst this is reflective of the logistics industry, we are pleased to report that we have seen an increase of **7%** to our female demographic, compared to 2020.

We have seen a decrease in our mean hourly rate pay gap this year which is moving in the right direction. The national average for the Gender Pay Gap in April 2020 was 7.4% which is level with our figure of 7.4%.



Pay	2019	2020	2021
Mean Hourly Rate	4.6%	8.1%	7.4%
Median Hourly Rate	4.4%	8.3%	1.2%

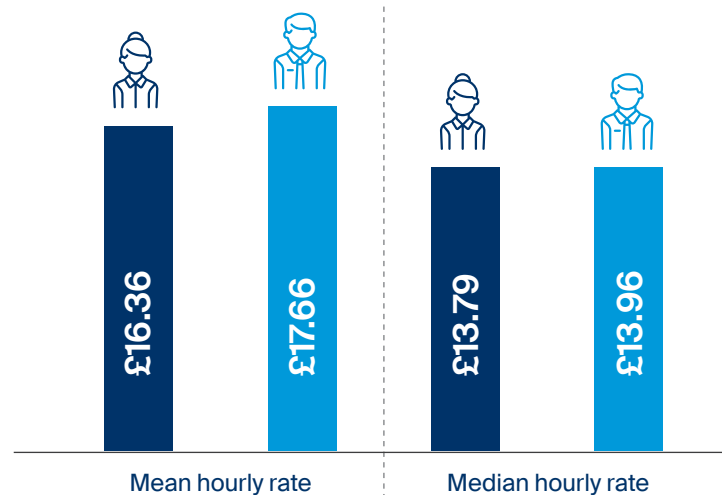
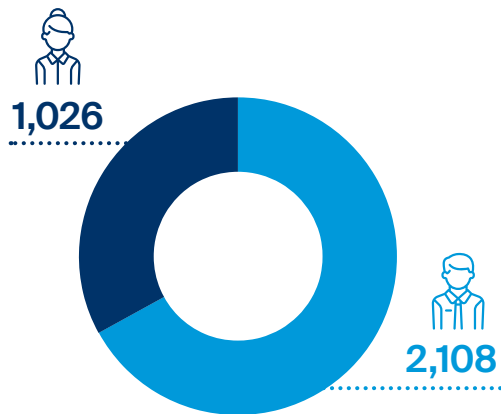
Bonus	2019	2020	2021
Mean Bonus	2.9%	-57.8%	25.6%
Median Bonus	-91.3%	0.00%	36.8%
Portion of males receiving bonus	28.5%	0.30%	23.5%
Portion of females receiving bonus	24.9%	0.50%	27.4%



Pay Gap

The Gender Pay Gap shows the difference in average pay between women and men. Here are the figures for 2021.

Number of employees



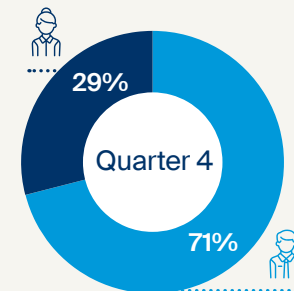
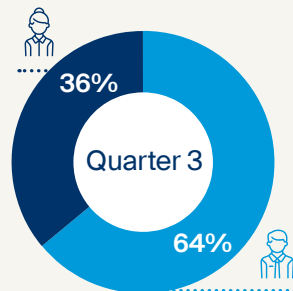
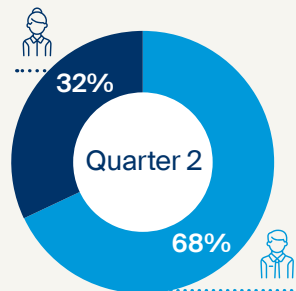
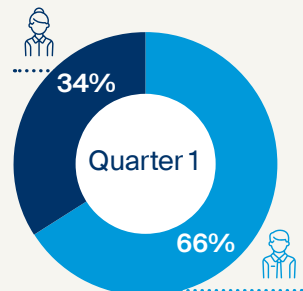
7.4%

Mean gender pay gap in hourly pay

1.2%

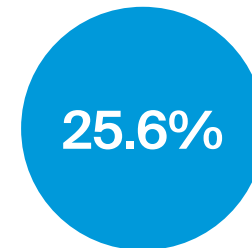
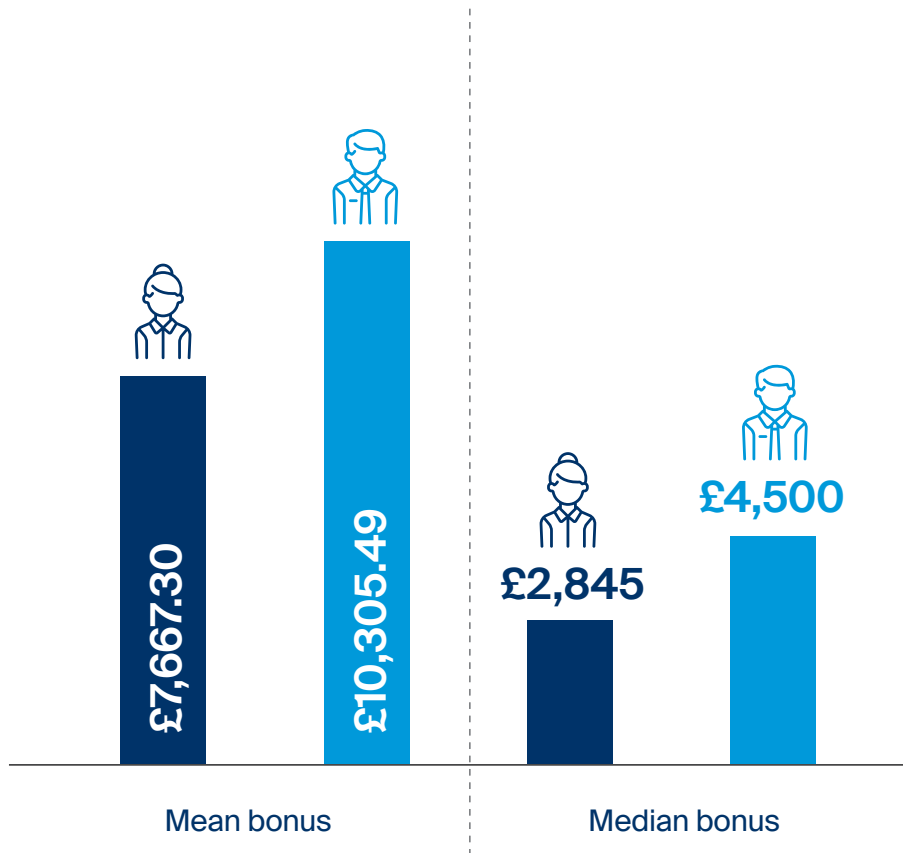
Median gender pay gap in hourly pay

Proportion of men and women in each quartile

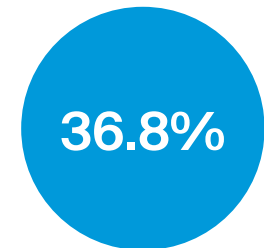


Bonus Gap

The bonus pay gap shows the difference in average bonus values between women and men. Here are the figures for 2021.

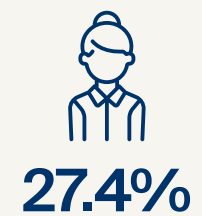
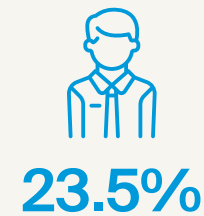


Mean bonus gender
pay gap



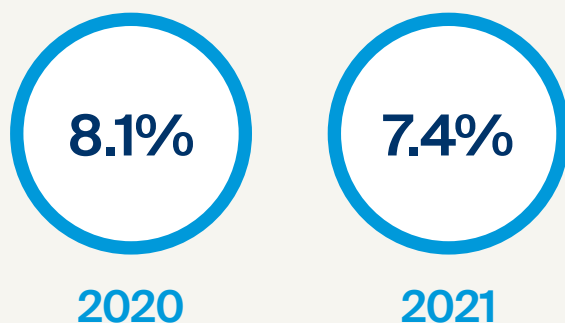
Median bonus gender
pay gap

Proportion of men and women receiving bonuses



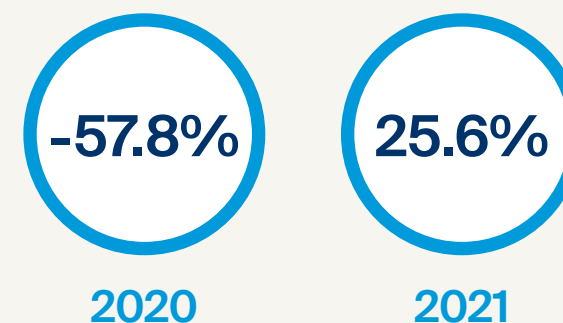
How do our figures compare?

Mean hourly gender pay gap



Positively we have seen an increase in females joining our organisation in 2021, however this isn't reflected in our figures due to nearly double the amount of males joining our organisation in senior roles compared to females.

Mean bonus gender pay gap



This year we would expect to see an increase in our figures due to furlough in 2020, and whilst we had a similar percentage increase of females and males receiving a bonus, there were more male colleagues in senior positions receiving a higher bonus.

As per our previous report, our management and support colleagues receive a bonus payment. Our schemes vary by design.

A personal message from Jon Hettrick, HR Director

2021 saw a significant change for Kuehne+Nagel in terms of the shape and size of the business. The disposal of large parts of our Contract Logistics business has re-based our colleague profile. This makes the comparison of our Gender Pay Gap year-on-year somewhat difficult. Added to this the effects of the global pandemic and the impact of furlough on our colleagues' earnings provides another distortion.

Having said all of this, we saw a slight improvement in our mean pay gap position and a significant improvement in our median pay gap position - but neither of which we are satisfied with in our ambition to be at gender balanced pay. However, we do now have a position on which to proceed and the central need to secure female talents into our most senior roles to sustainably achieve this.

As such, we are addressing key items around recruitment and development of female talents, appropriate maternity pay provision (which was applied last year and should see benefits flow through this year and beyond), flexible working arrangements (including hybrid working) and the work towards becoming a menopause-friendly workplace.

The combination of these interventions, along with ongoing monitoring of pay and reward choices at each level, will enable us to progress in line with our ambition.

Jon Hettrick

HR Director



Closing the gap further

Kuehne+Nagel remains committed to looking at flexible ways of working, in terms of hours or location; we fully acknowledge that flexible working is key to maintaining a healthy home and work life balance for both genders.

We remain committed to our talent development and succession planning, and work hard to ensure that it remains aligned to flexible working arrangements and benefits.



Understanding the numbers

1 What is the gender pay gap?

The gender pay gap is the difference in average pay between women and men across all roles in an organisation.

There are several factors that can affect the gender pay gap.

At Kuehne+Nagel, the gap is influenced by differences in the numbers of men and women in certain types of roles. Our gender pay gap is also influenced by issues that affect the whole of society, but there are things we are doing to close the gap.

2 Calculating the 'mean' gender pay gap

The mean gender pay gap is the percentage difference between the mean hourly rate of pay for male employees and the mean hourly rate of pay for female employees.

Mean averages are calculated by adding up all of the hourly rates of a group of people and then dividing the result by the number of people in the group.

The mean is the mathematical average and will be more heavily influenced by the range of values.

3 Calculating the 'median' gender pay gap

The median gender pay gap is the percentage difference between the median hourly rate of pay for male employees and the median hourly rate of pay for female employees.

Median averages are calculated by listing all the pay amounts in numerical order and taking the middle amount (or, if there is an even number of amounts, the average of the two central amounts).

The median is often considered to be a more representative metric as half the population is above and half is below.

4 Calculating the gender bonus gap

The mean gender bonus gap is the percentage difference between the mean average bonus payment received by male employees compared to female employees over a 12-month period.

The median gender bonus gap is the difference between the median average bonus payment received by male employees compared to female employees over a 12-month period.

See **Calculating the 'mean' gender pay gap** and **Calculating the 'median' gender pay gap** for how we calculate mean and median.

The rules around reporting on gender pay require us to report based on actual bonus payments. For people who work part time, bonuses are awarded pro rata (so, if you work four days per week, you receive four fifths of the bonus you would have been awarded if you worked full time). This makes our gender bonus gap bigger because proportionally more women than men work part time.

