

Kuehne+Nagel Ltd

Gender Pay Gap Report 2022



Our commitment to gender pay equality

At Kuehne+Nagel, we are committed to creating a culture that values and champions diversity, 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 **66.5%** male and **33.5%** female. We have seen a positive result in our mean hourly rate for 2022, and an even better result in our median hourly rate which has moved in favour of females within our business. Given the sector we are in remains predominantly male, this is a great outcome for us.

In April 2022, the national average for the Gender Pay Gap among full-time employees increased to 8.3% (up from 7.7% in 2021). We are pleased to announce our Gender Pay Gap at Kuehne+Nagel UK is 4.2%. This is an incredible result, and almost half the UK national average.



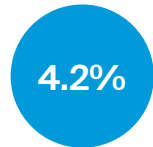
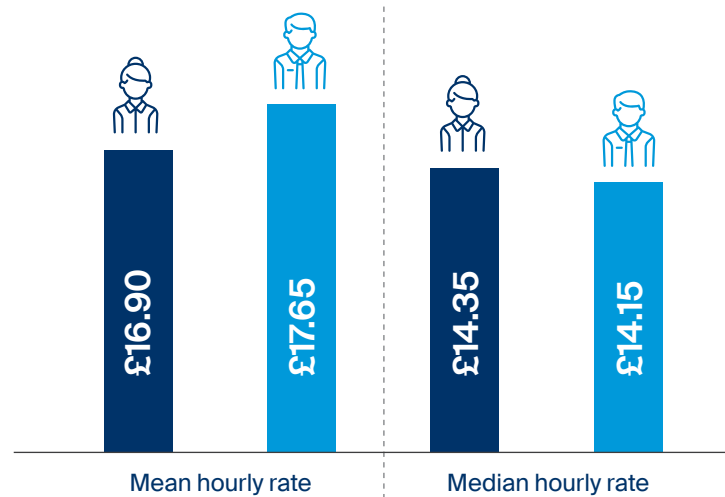
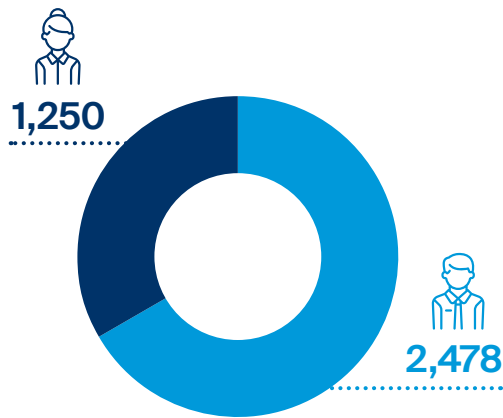
Pay	2020	2021	2022
Mean Hourly Rate	8.1%	7.4%	4.2%
Median Hourly Rate	8.3%	1.2%	-1.4%

Bonus	2020	2021	2022
Mean Bonus	-57.8%	25.6%	8.9%
Median Bonus	0.00%	36.8%	-21.0%
Portion of males receiving bonus	0.30%	23.5%	91.9%
Portion of females receiving bonus	0.50%	27.4%	93.3%

Pay Gap

The Gender Pay Gap shows the difference in average pay between women and men. Here are the figures for 2022.

Number of employees

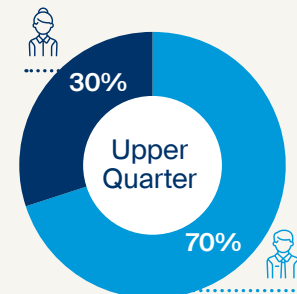
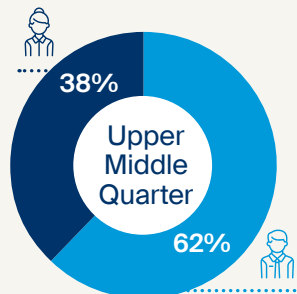
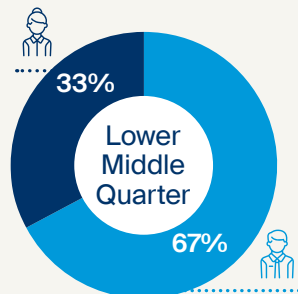
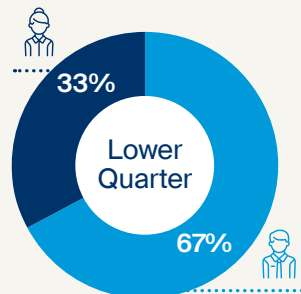


Mean gender pay gap in hourly pay



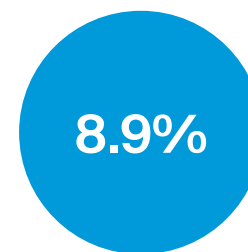
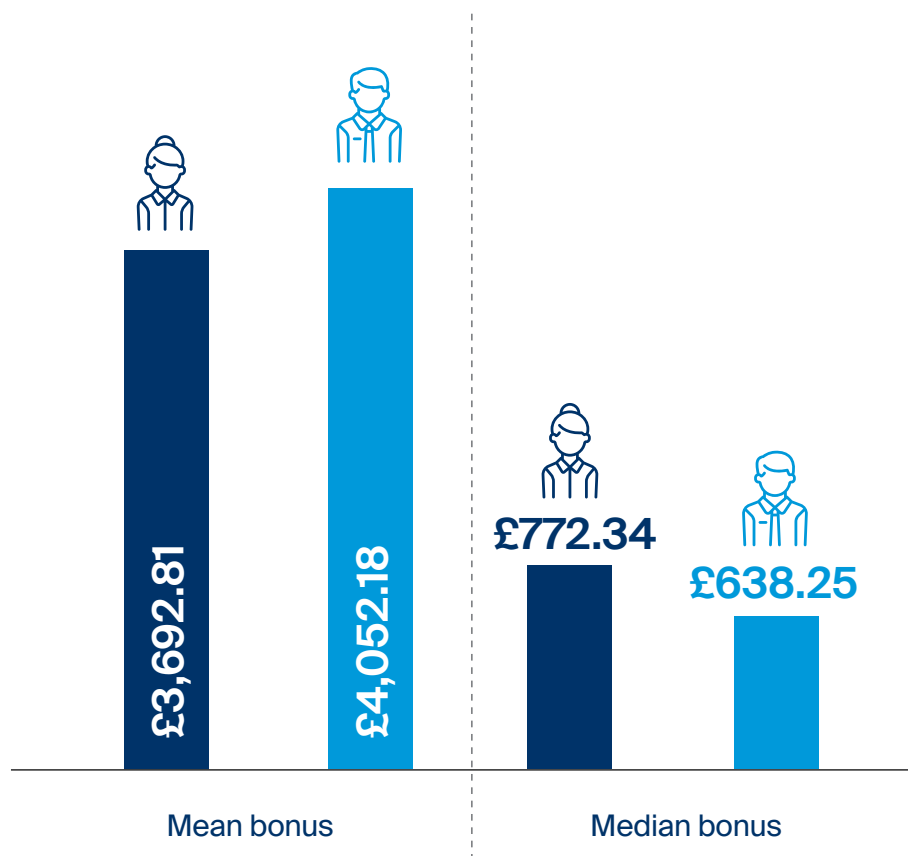
Median gender pay gap in hourly pay

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 2022.

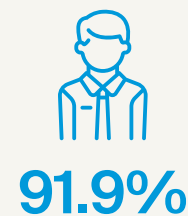


Mean bonus gender pay gap



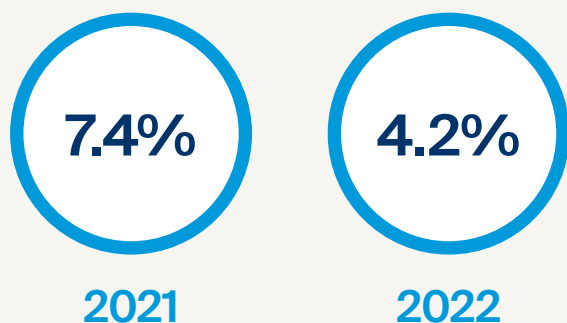
Median bonus gender pay gap

Proportion of men and women receiving bonuses



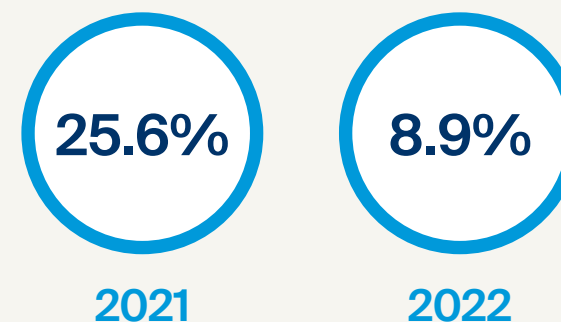
How do our figures compare?

Mean hourly gender pay gap



We have had a positive increase in females joining Kuehne+Nagel this year, including within our senior teams. We did, however, have some senior roles in our management board filled by males, which has reduced the impact that the senior female starters had on our mean hourly pay gap.

Mean bonus gender pay gap



In 2022, we have seen a significant increase in bonuses awarded across the business compared to 2021. This is mainly down to our sharing in success payments, which recognises our colleagues efforts throughout the year, particularly those on the front line. The amount of colleagues receiving a bonus quadrupled in 2022 from 2021.

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

A personal message from Chris Brook, HR Director



At Kuehne+Nagel we are committed to creating a culture that values and champions diversity and is fair for all. I am delighted to see that our work in this area is reflected in our mean gender pay gap which has reduced to 4.2%. In addition, we have increased the proportion of female colleagues in the organisation to 34%, which is also reflected in our UK National Management board that is 38% female. We are committed to creating equitable and ethical change through education, opportunities and policies that ultimately leads to an increase in the proportion of females within Kuehne+Nagel and a continued focus on reducing the gender pay gap.

Across the organisation, we have completed a two-day course in diversity and inclusion for all senior leaders, which will ensure they have the tools and knowledge to tackle these topics head on and share their experiences with their wider teams.

We have also changed our ways of working, continuing to promote a positive work life balance for all through our new hybrid approach, which will in turn enable us to attract new and diverse talent to the organisation. Furthermore, we have introduced new inclusive policies to all colleagues to empower our people across Kuehne+Nagel.

This includes increasing our annual leave offering to include a celebration day, introducing and training managers on our new domestic abuse policy, and ensuring that we are a menopause friendly workplace. As an organisation, when the business wins, we believe this success should be recognised and shared with our people. The effort of our colleagues has been rewarded by success payments acknowledging our people for their efforts at all levels in the organisation.

From 2023, we are launching our new myBehaviours globally, with a specific behaviour linking to diversity to ensure all colleagues are involved in our diversity and inclusion journey.

The combination of these enhancements, along with ongoing monitoring of pay and reward cycles across all levels, is allowing Kuehne+Nagel to make progress towards delivering a new normal in the logistics industry.

Chris Brook

HR Director

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.



We can confirm the data reported is accurate in accordance with The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, Kuehne+Nagel is required to carry out Gender Pay Gap reporting.