

Kuehne + Nagel Limited (“the Company”)

Section 172(1) Statement 2024

The directors (“**Board**”) are bound by their duties under the Companies Act 2006 (the “**Act**”) and understand each duty is in the interest of the overall success of the Company. This statement sets out how the Board have regard to the matters set out in Section 172 of the Act whilst undertaking their roles, including but not limited to the:

- a) likely consequences of any decisions in the long-term;
- b) interests of the Company’s employees;
- c) need to foster the Company’s business relationships with suppliers, customers and others;
- d) impact of the Company’s operations on the community and environment;
- e) desirability of the Company maintaining a reputation for high standards of business conduct; and
- f) need to act fairly as between members of the Company.

As detailed in the ‘Risk Management’ section of the Company’s Corporate Governance Statement, the Board have a number of policies and procedures in place to ensure that decisions are made with all the relevant information and are approved by the relevant stakeholders within the business. Whilst day-to-day operational decisions are delegated to management teams, the Company has established clear reporting lines into the Board, which has ultimate responsibility for any strategic decisions or decisions of key importance with the likely long-term consequences of any decision in mind.

The Kuehne + Nagel group’s strategy is built around four cornerstones; Kuehne + Nagel Experience (focused on Employee & Customer), Digital Ecosystem, Market Potential and Living ESG. This was presented at the Capital Markets Day in March 2023, with the goal of the strategy to become the most trusted supply chain partner supporting a sustainable future (Vision 2030). Since then, the Company has consistently reviewed its progress and defined its focus for growth. The “Roadmap 2026” is the Company’s four-year strategic plan for achieving this goal. The Kuehne + Nagel group is committed to providing an excellent and unique Kuehne + Nagel Experience for both employees and customers, and to support the industry’s best logistics experts with a Digital Ecosystem that turns innovative technology, data and automation into competitive advantages. Living ESG incorporates the belief that sustainability is an integral part of the future – for people, planet, and business. Finally, Market Potential represents the Kuehne + Nagel group’s and Company’s ambitions for growth and expansion. The people are what make the Company a great place to work, so all colleagues are valued and recognised, whether that is in an office, a warehouse, on the road or at home. The Company believes that genuine, lasting success is only possible through valuing people the way it values other key stakeholders and this is fully recognised by the Board. The Board keeps employees well-informed by providing regular updates on matters of importance with regular conference calls attended by employees of a certain management level, with key messages filtered down by managers to their individual teams.

The Board welcome and invite constructive challenge from employees throughout the Company and hope that this will influence the direction of the business by continuously developing their expertise, which in turn assists innovative solutions. This can only be done by having regard to employees’ voices and ensuring employees are given the environment and opportunity to develop continuously. Employee’s voices can be heard via a number of channels, including but not limited to, Trade Union forums, the Company’s Colleague Forum



and regular employee engagement sessions. The Company are also committed to becoming certified as “A Great Place to Work” and has implemented an annual survey to its employees to gauge their feelings and opinions (based on a trust index model), and share the results received and actions taken directly with its employees. The product of this engagement provides the Board with information on whether the Company should implement employee recommended procedures, including adopting new ways of working.

The Kuehne + Nagel Experience harnesses the collective expertise of industry-leading professionals to deliver exceptional service and enhance customer satisfaction. Recognising the pivotal role the Company plays in managing customers’ supply chains, the Company is committed to consistently provide reliable services that meet customer needs. The Board strives for excellence in everything the Company does and invest in dedicated and skilled employees to ensure unmatched performance. Engagement with customers takes many forms. Structured engagement includes customer feedback, key performance indicators and engagement days centred on key industry issues or customer specific issues. In addition, less-structured engagement takes place at various levels within the Company, including day-to-day engagement at operational level. The product of this engagement provides the Board with information on how customers view the performance of the Company, enabling them to modify behaviours to promote the overall success of the Company.

The Board believe that building long-term sustainable relationships with suppliers, be they SMEs or multinational organisations, is key to accessing the goods and services that are required to make business run smoothly. This also lends access to supplier creativity and innovation, allowing the Company to go ‘above and beyond’ to give customers the high quality of service that they expect. The Board promote a collaborative approach to supplier management that is overseen by a professional and progressive Procurement function. In treating suppliers fairly and by embracing best practice, the Company ensures that its approach to procuring goods and services delivers mutual benefit as well as impartiality. The Company promotes its ethics in its supply chain by issuing a Supplier Code of Conduct that all suppliers are expected to adhere to, an enhanced version of which was launched in 2024.

The Company’s Procurement function provides support and strategic guidance to colleagues who work with suppliers, helping them to foster strong relationships and manage performance effectively. In 2024, the Procurement function was restructured into including a global team, further highlighting the focus on proximity and collaboration with suppliers. With a continuous focus on processes and systems, the Company seeks to increase efficiency, minimise waste, and make doing business with the Company a positive experience for suppliers.

Living ESG incorporates environmental, social and governance aspects into the Company’s Roadmap 2026. The Board recognise the importance of ESG and sustainability for its people, planet, and business. The Company’s aim is to reduce its environmental footprint, support customers on their sustainability journey, attract and retain top talent by being the best company to work for, and safeguard its future success through strong governance. Alongside an ESG function at national and global level and experts embedded within global business units, sustainability is represented on the Company’s executive board, supported by a dedicated team and by appropriate governance measures and resources to help meet the Company’s goals. Supporting a sustainable future is at the core of the Company’s beliefs and integral to its vision for the future.

As a supply chain leader, the Company takes both its impact on the environment and its capacity to leverage industry change seriously. Setting ambitious, science-based emission reduction targets for its operations, the Company also supports – through its value chain – its customers with their own transition to net zero logistics. As such, the Company continues to implement measures to reduce its own impacts, including increased adoption of energy efficiency measures, investment into zero emission vehicles and lower carbon fuels, and



offering colleagues and customers access to accredited Carbon Literacy training. The Company has been a Carbon Literate Organisation® since November 2023, holding a Bronze accreditation during 2024. In addition to this, the Board are committed to supporting the Company's supply chain to advance their decarbonisation journeys through engagement, the provision of expertise, and collaboration. Employees are also encouraged to take up zero emission vehicles for business and personal travel through a salary sacrifice car leasing scheme, as well as measures to shift to electric cars within the Company's "Company Car Policy". During 2024, the Company's company car fleet removed the last of its diesel and petrol cars, leaving only electric or hybrid vehicles. The Company has further continued to demonstrate the commitment to its global science-based targets by taking concrete measures to reduce emissions. This includes investing in zero tailpipe emission trucks through the UK Government-funded Zero Emission HGV and Infrastructure Demonstrator (ZEHID) Programme, energy reduction initiatives including LED lighting, as well as promoting the adoption and use of sustainable fuels for sea, air and road transportation.

With a focus on both people and the planet, the Company also seeks to be the best company to work for — and with — by creating a workplace where inclusion and equal opportunities are firmly anchored within its culture. Ultimately, this strategy is shaped by the conviction that positive employees and customer experiences are inextricably linked. Employees drive this strategy as they look for greater purpose, lend importance to health, safety and wellbeing and seek to manage their careers through continuous personal development. The Board are driven by respect for the uniqueness of everyone, believing in the innovative power of diversity within teams. Initiatives this year have included the advancement of colleague diversity and inclusion networks, and the introduction of globally led Engagement Weeks. These are held three to four times a year to focus on fostering understanding while also offering valuable opportunities to deepen our collective knowledge and cultivating a culture that drives meaningful progress for society.

Equal treatment and opportunities for all are central to our commitment to inclusion and diversity. Through our Diversity, Equity and Inclusion (DEI) policy and engagement, as well as our people-focused initiatives - including structured onboarding, professional development and performance enablement - we foster a more equitable workplace. These efforts not only enhance employee satisfaction and retention but also help address industry-wide talent shortages by attracting and developing skilled professionals in a competitive market.

The Board also encourage positive actions within the local community, including charitable donations and employee volunteering. Positive actions may reoccur annually, for example, during the Christmas period when employees have the opportunity to nominate a small local charity to receive a donation. In addition, site-level charity work/initiatives occur regularly, for example, collections for local food banks or raising money for local hospitals. The Company's new volunteering policy also offers employees the ability to use two days a year to volunteer for a charity of their choice, with many teams opting to take this as an opportunity to volunteer as a group.

Close collaboration between business and functional units on a global and national level is essential to a harmonised and aligned approach. The Board wish at all times to maintain the Company's strong reputation, and to ensure that decisions are made with a high standard of business conduct in mind. As detailed in the Corporate Governance Statement, integrity is a key element of business behaviour throughout the group and the Board recognise that the culture and values of the Company are fundamental contributors to the overall success of the Company in the longer term. The Board wish to set high standards by its conduct and procedures that will permeate throughout the organisation and be maintained at all levels by colleagues and carry over into all interactions with stakeholders. More information on the Company's ethics and risk management are set out within the Corporate Governance Statement.