

Capital Markets Day 2023

Roadmap 2026

Stefan Paul, CEO
Kuehne + Nagel International AG

March 1, 2023

London, UK

Trust.

- 1. Most trusted by customers & employees**
- 2. Focus on yield management and product mix**
- 3. Maintaining growth path**
- 4. Experienced team with clear plan and KPIs**
- 5. 25–30% Group conversion rate by 2026**

Goal: Aiming higher

Our goals

- Yield focus and product mix
- Automation (eTouch)
- Operating model optimisation

Most trusted by customers & employees

**Enhanced
profitability**

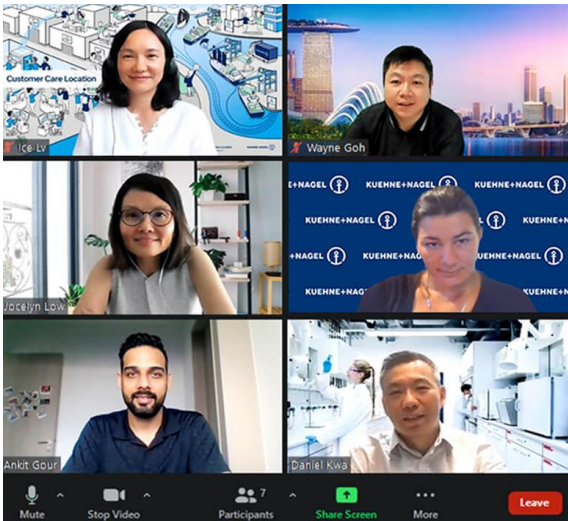
**Sustained
growth**

25–30% Group conversion rate by 2026

- Extraordinary customer & employee experience
- World-class service delivery
- Unique insights from proprietary data
- Customer retention
- Product offering
- Geographic footprint

Starting position: Challenging times

The past years have challenged everyone



Today, we are stronger than ever

Global market position



Deep expertise

130-year
track record

80,000
logistics
experts

6 industry
verticals

Technology and automation

Innovative,
tailor-made
technology

etouch
process
automation

Dedicated
cloud-based
solutions

Financial strength

Resilient
business
model

Strong
dividend track
record

Unique
ownership
structure

Old and new trends are impacting logistics ...

Consumer needs

Demographic shifts
Rise of e-commerce



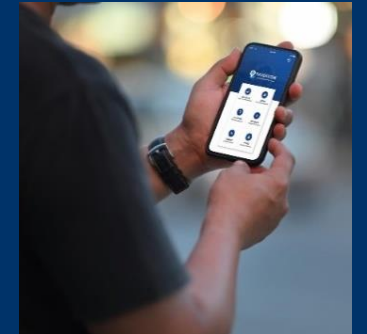
Supply chain challenges

Geopolitical events,
trade barriers
Agility and resilience
Multi-sourcing



Competitive landscape

Customers / suppliers
become competitors
“Digital” forwarders
invest in operations



Data & automation

Unique insights from data
New and better services
More efficient operations



Sustainability

Increasing regulation
Demand from customers
Generational shift



Transport capacity

Volatility
Low data quality



... driving demand for reliable high-quality and efficient solutions

Can my logistics provider ...

- **fix problems** quickly when they arise?
- **ensure access** to transport capacities, even when markets are tight?
- **understand my business** and become a **real partner** for the long term?
- offer **powerful technologies** that make them efficient and effective to work with?
- share deep, useful **market insights**?

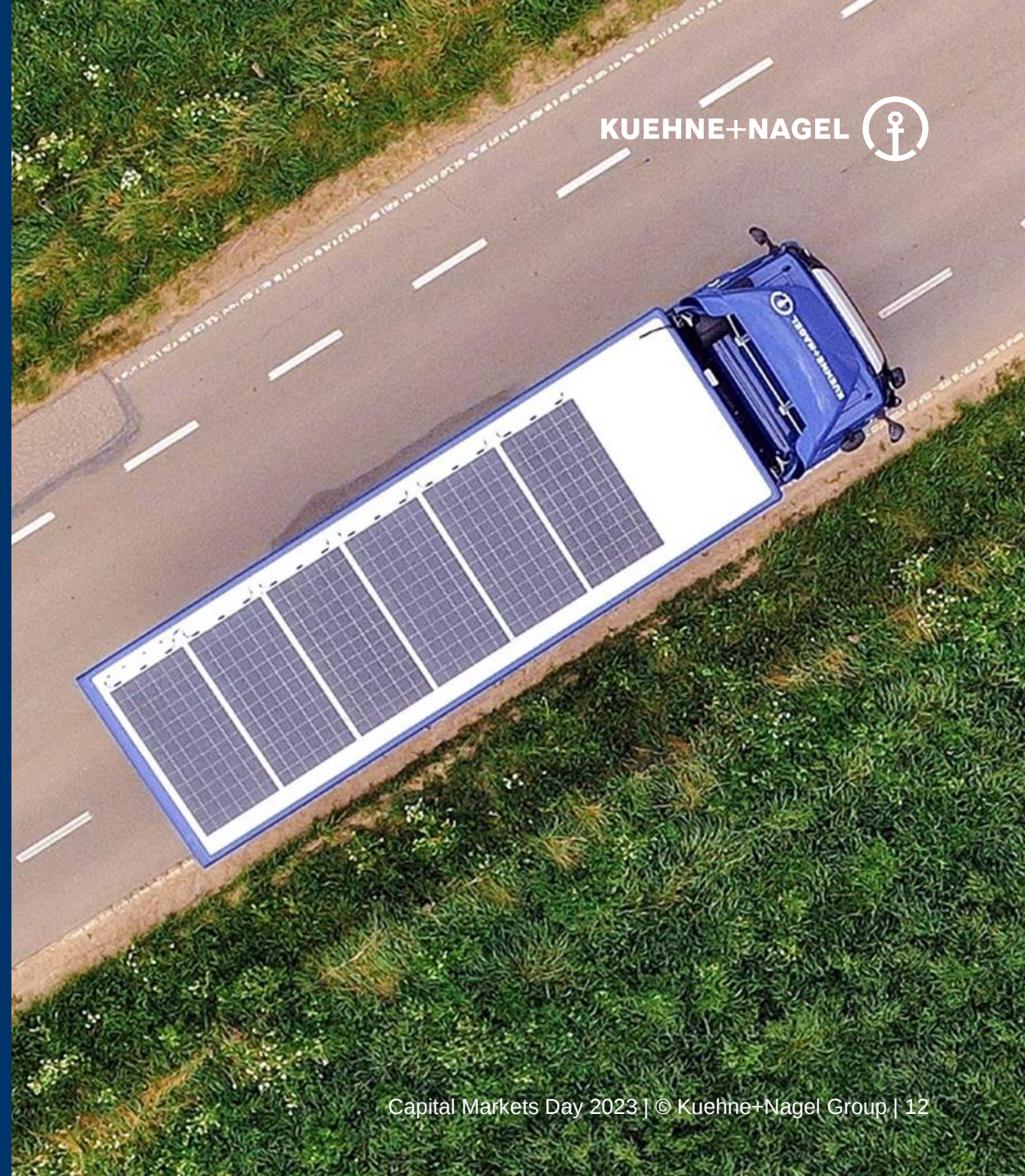


“Who can I trust with my critical supply chain needs?”

Vision 2030

Vision 2030

Becoming the most
trusted supply chain
partner supporting a
sustainable future.



What we want our customers to say about us

“Who can I trust with my critical supply chain needs?”



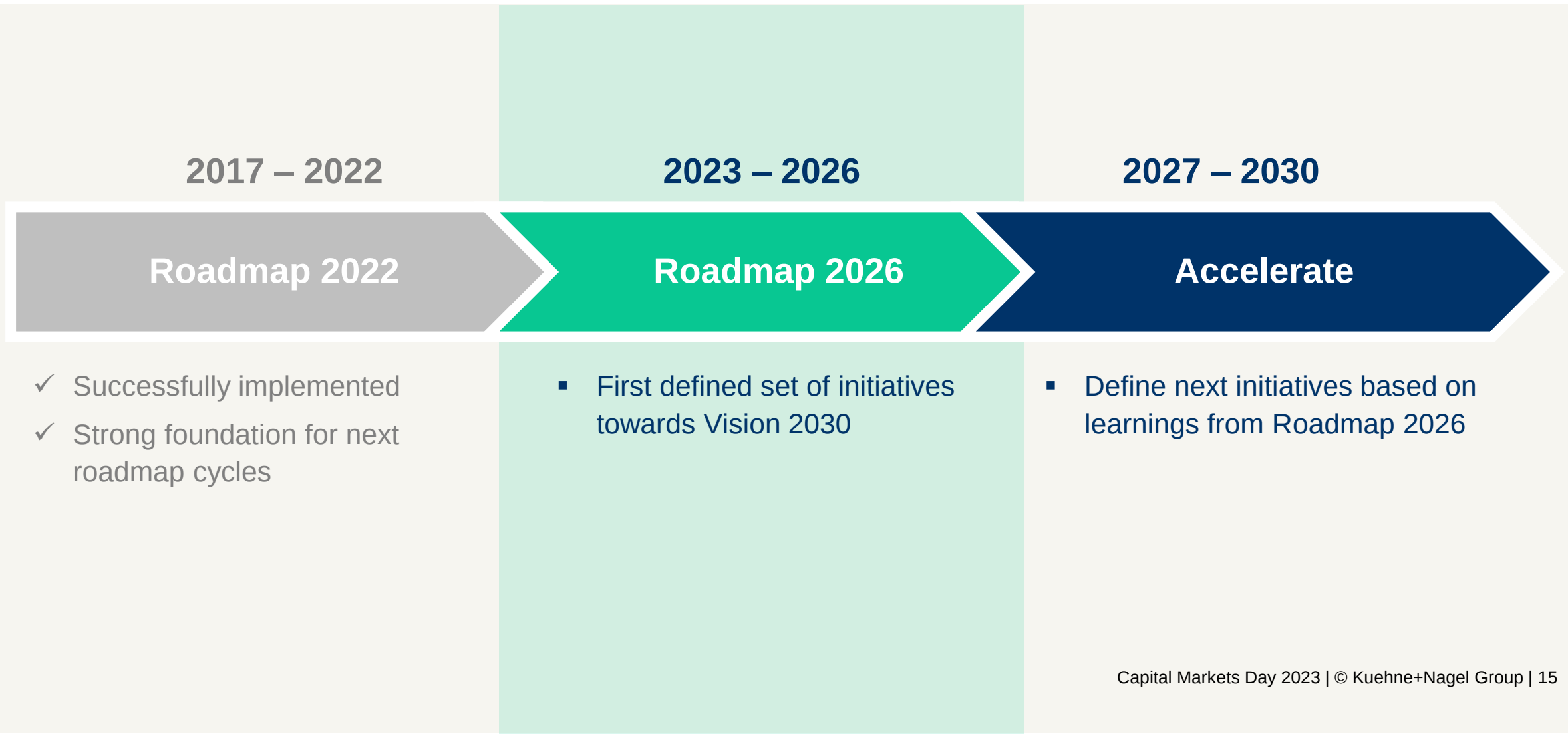
“Kuehne+Nagel is worth it.”

“Kuehne+Nagel is my most trusted partner.”

“Kuehne+Nagel is my safest choice.”

Roadmap 2026: A clear plan forward

Roadmap 2026 is our first plan toward our Vision 2030



Our clear choices underpinning Roadmap 2026



Lead with quality and trust

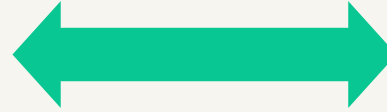
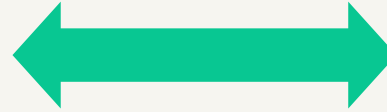
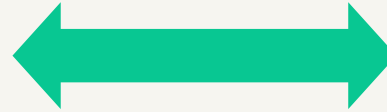
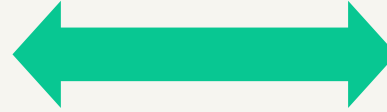
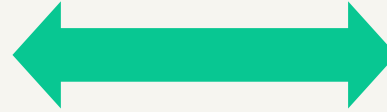
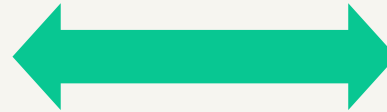
Best logistics experts and technology

Asset-light business model

Yields and margins + maintaining growth

Evolution

Medium-term roadmap to long-term vision



Compete on price, transactional

Only focus on one element

Invest heavily in transport assets

Just go for growth or yield

Radical change

Short-term action plans only

Our Roadmap 2026 has four cornerstones

Kuehne+Nagel
Experience



Market
Potential



Digital
Ecosystem



Living
ESG





Kuehne+Nagel Experience: From excellent to extraordinary



Delivering an extraordinary customer and employee experience

Customer & employee journey redesign for:

- **globally consistent delivery** of high-quality services
- **more efficient** processes
- **better enablement** of our employees and customers **through technology**



- **Higher customer satisfaction and retention**
- **Higher employee satisfaction, motivation, and retention**

**Higher yield, higher growth, and
higher conversion rate**

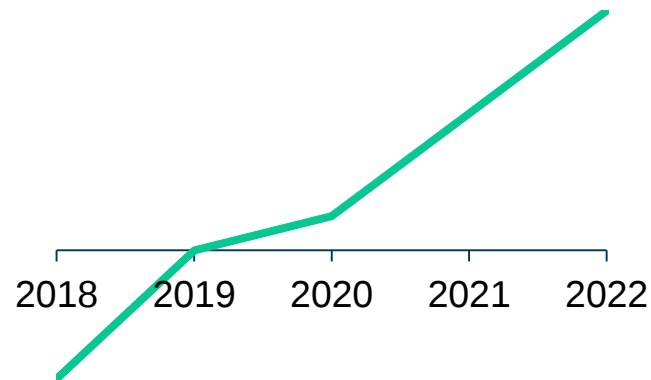


Kuehne+Nagel Contract Logistics has already proven the value of customer experience

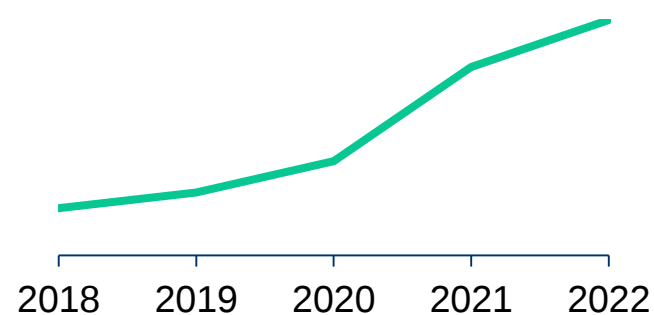


- Pioneered the use of proven B2C measurements in Contract Logistics in 2018
- Disciplined focus on customer experience and satisfaction
- Simplification, agility, and speed in all customer journey steps

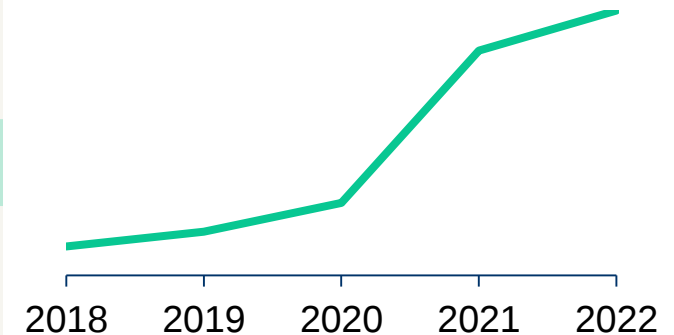
NPS



Customer retention



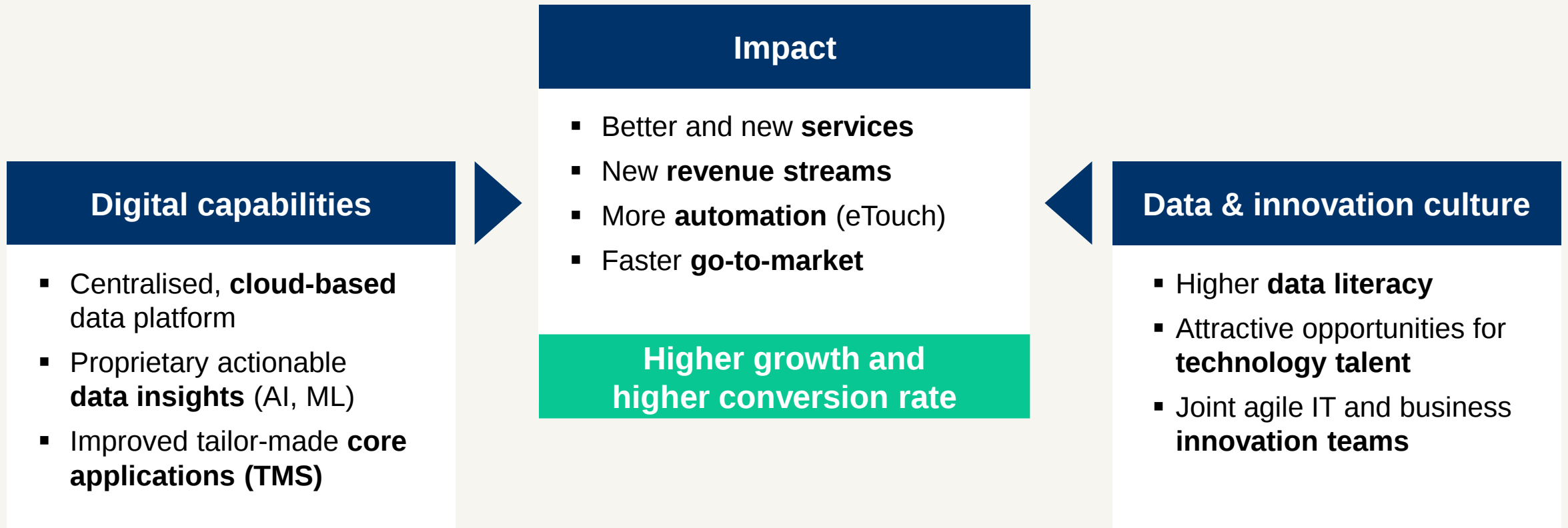
Operating margin





Digital Ecosystem:

Data and technology create competitive advantages





eTrucknow is a successful part of our emerging digital ecosystem

eTrucknow:

Our private cloud
solution in Asia to
manage fleets of
truck vendors





Living ESG:

Sustainability is an integral part of our success

Customer solutions for the environment

- Actionable data
(to measure and avoid emissions
and optimise routes)
- Low carbon fuels and renewable
energy
- Supplier engagement

Being the best company to work for

- Employee satisfaction and
retention
- Employee development
- Health and safety
- Human rights, diversity and
equal opportunities

Safeguarding the business

- Governance structure for
alignment and agility

KPIs to measure progress and impact



Market Potential:

Driving higher yields and top-line growth

Healthcare

- Expand offering to full product life-cycle and new customer segments
- Highest quality is our differentiator
- Attractive yields for all business units

Renewable Energy

- Massive demand in coming decades
- Project logistics and maintenance
- Attractive yields for all business units

Semicon

- Strong growth driven by digitalisation
- Specialised logistics offering based on highest quality standard
- Significant new customer growth

E-commerce

- Rapid growth trend continues
- New services for SME customers
- Higher conversion rates

Customs

- Increasing regulatory complexity
- Global coverage and consistency
- Higher-yielding extension to 3PL

Asia

- Attractive growth for all business units
- Global coverage of JP / KR customers
- Selected acquisitions

Roadmap 2026 will enhance global consistency with dedicated board-level leadership



Implementation: An experienced team

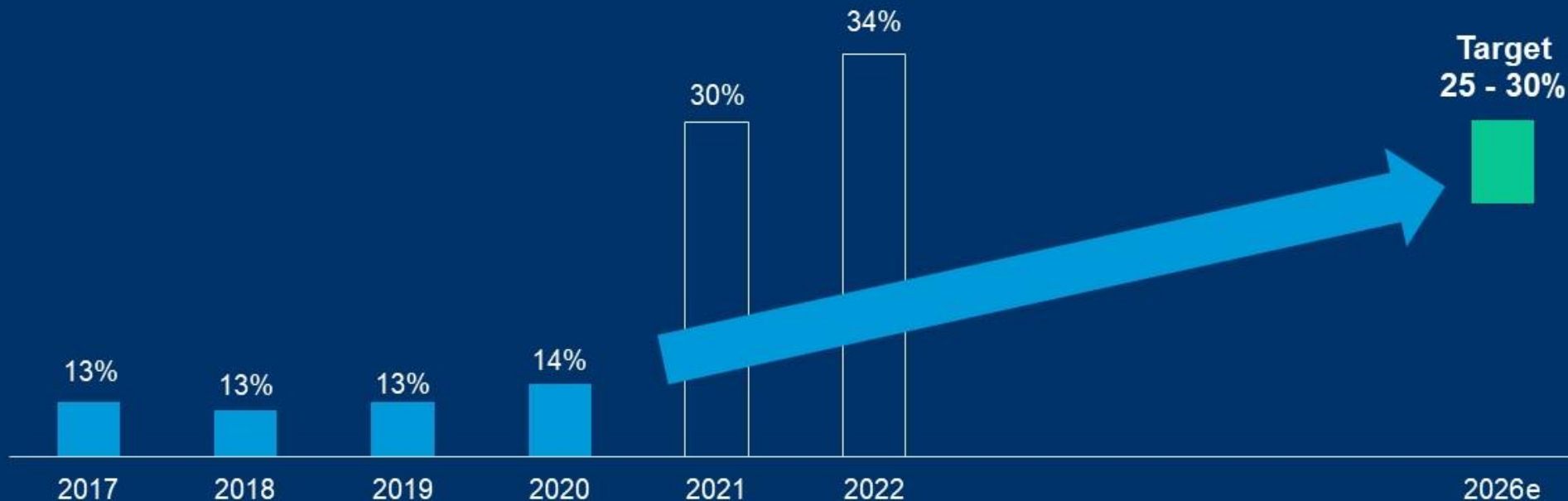
The recipe for success for Roadmap 2026

The future Management Board of Kuehne + Nagel International AG

								
Stefan Paul	Markus Blanka-Graff	Martin Kolbe	Sarah Kreienbühl	Dr. Marc Pfeffer	Dr. Hansjörg Rodi	Yngve Ruud	Otto Schacht	Gianfranco Sgro
CEO	CFO	CIO	CHRO as of April 2023	CLO	Road Logistics	Air Logistics	Sea Logistics	Contract Logistics

Financial impact

With **Roadmap 2026**, we aim
to deliver a sustainably
higher conversion rate



Key takeaways

- 1. Most trusted by customers & employees**
- 2. Focus on yield management and product mix**
- 3. Maintaining growth path**
- 4. Experienced team with clear plan and KPIs**
- 5. 25–30% Group conversion rate by 2026**

Inspire. Empower. Deliver.



Roadmap 2022

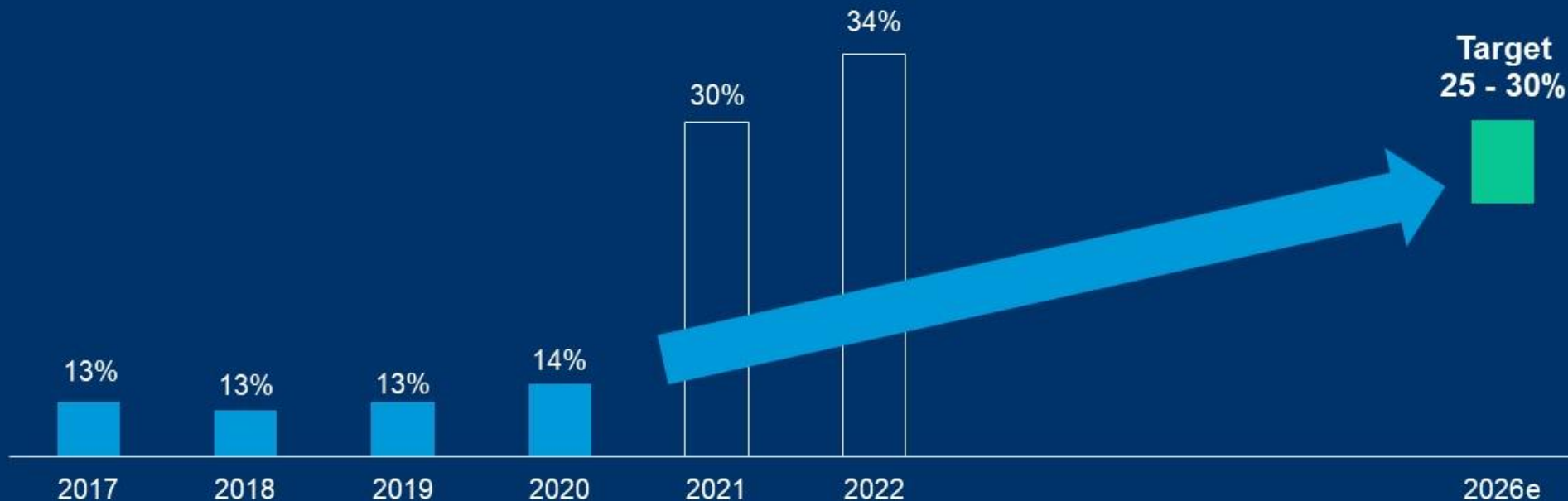
Financial results

Markus Blanka-Graff, CFO
Kuehne + Nagel International AG

March 1, 2023

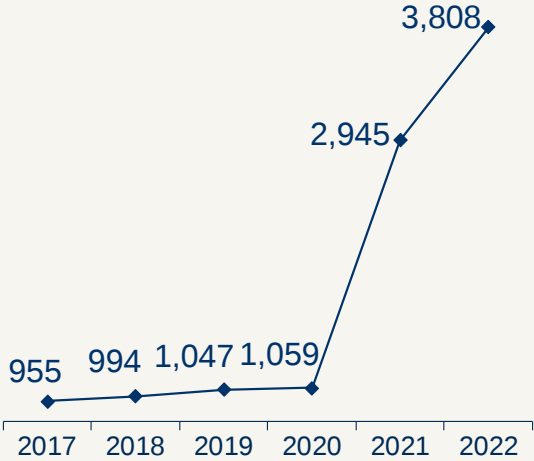
London, UK

With **Roadmap 2026**, we aim
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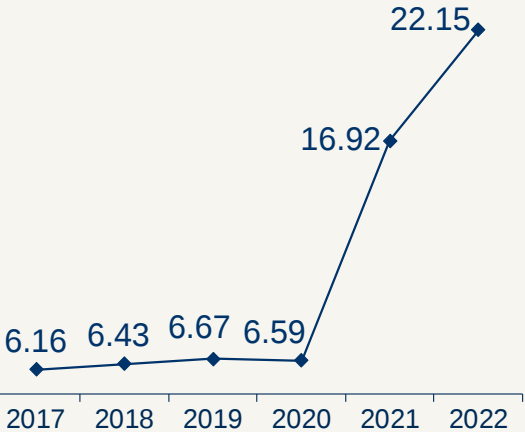


Delivering on Financial Targets 2022

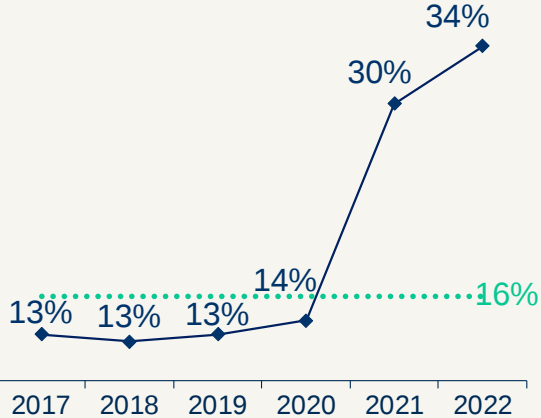
EBT in CHF million



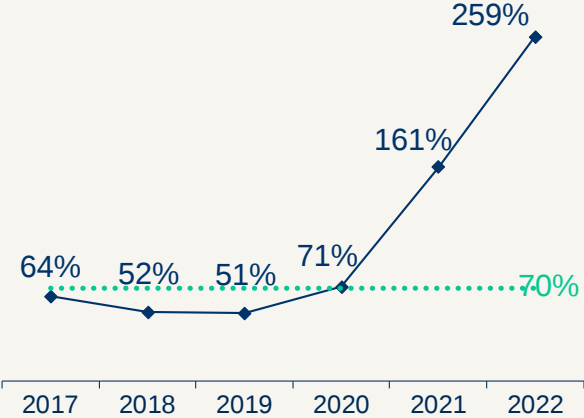
EPS in CHF



Conversion rate in %



ROCE in %



Capital Markets Day 2023

Roadmap 2026 – Financial ambitions

Markus Blanka-Graff, CFO
Kuehne + Nagel International AG

March 1, 2023

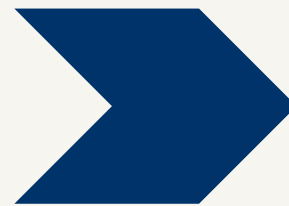
London, UK

Roadmap 2026 will deliver a sustainably higher conversion rate

Growth – Profit – Cash

Previous:

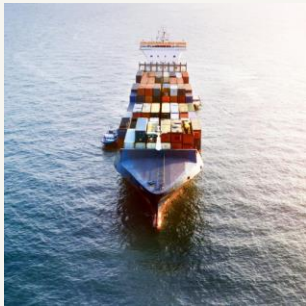
- Volume driven business model at incremental profit for incremental cash flow
- Niches to optimize macro stabilization, industry penetration and yield
- High consumption of people, technology and capacity



New:

- Higher yield is the base for any business
- Value pricing based on sustainable and evolving value propositions for customers
- Extraordinary service based on expert people and cloud technology

Financial ambitions as part of the Roadmap 2026



Sea Logistics



Air Logistics



Road Logistics



Contract Logistics

Offering an extraordinary service, we can earn an average of 50 USD more GP per TEU

Customer in Focus:

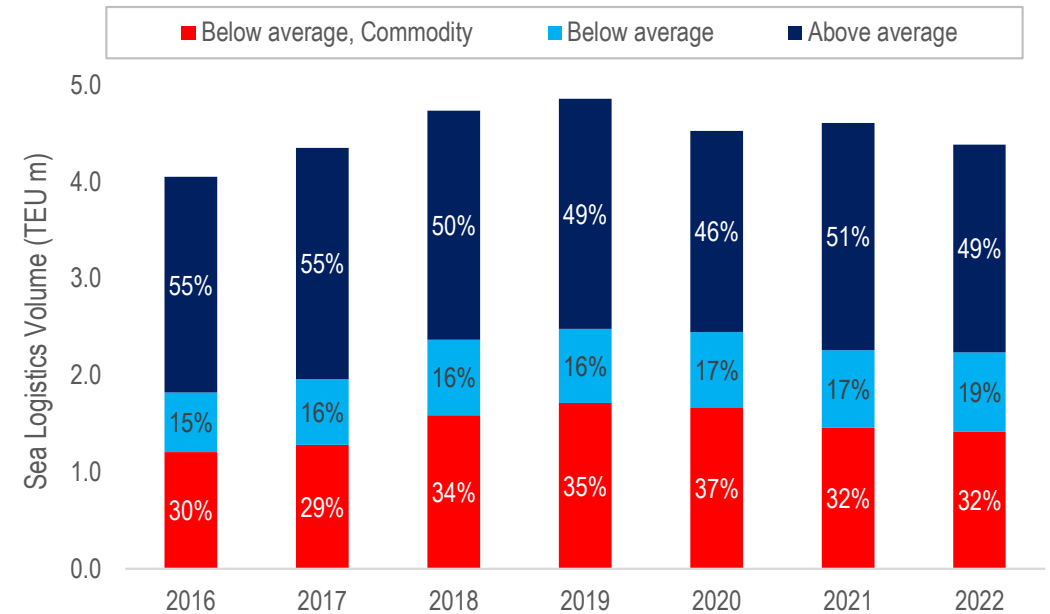
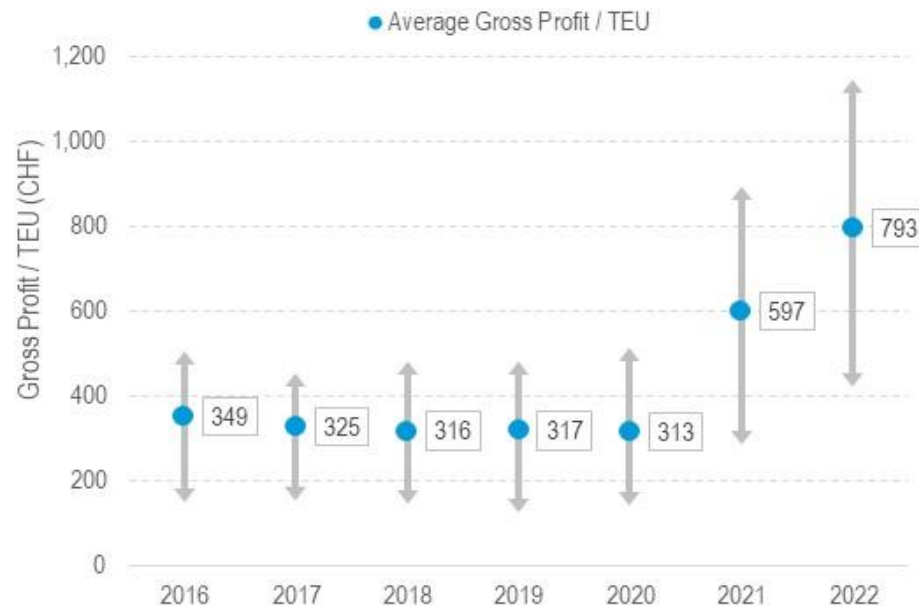
Sea Logistics has the largest share of SME customers – service intensive, door-to-door buyers, multimodal and a focus on getting the job done, being informed and offered solutions when the world changes.

Here is why we believe it works:

Every SME forwarding provider proves it on a daily basis, that's why.

Financials: Sea Logistics

Why yield is better than volume



Working for large customers looking for scalability, reliability and pricing. Continued automation will add up to 3 USD per 100 kg to EBIT

Customer in Focus:

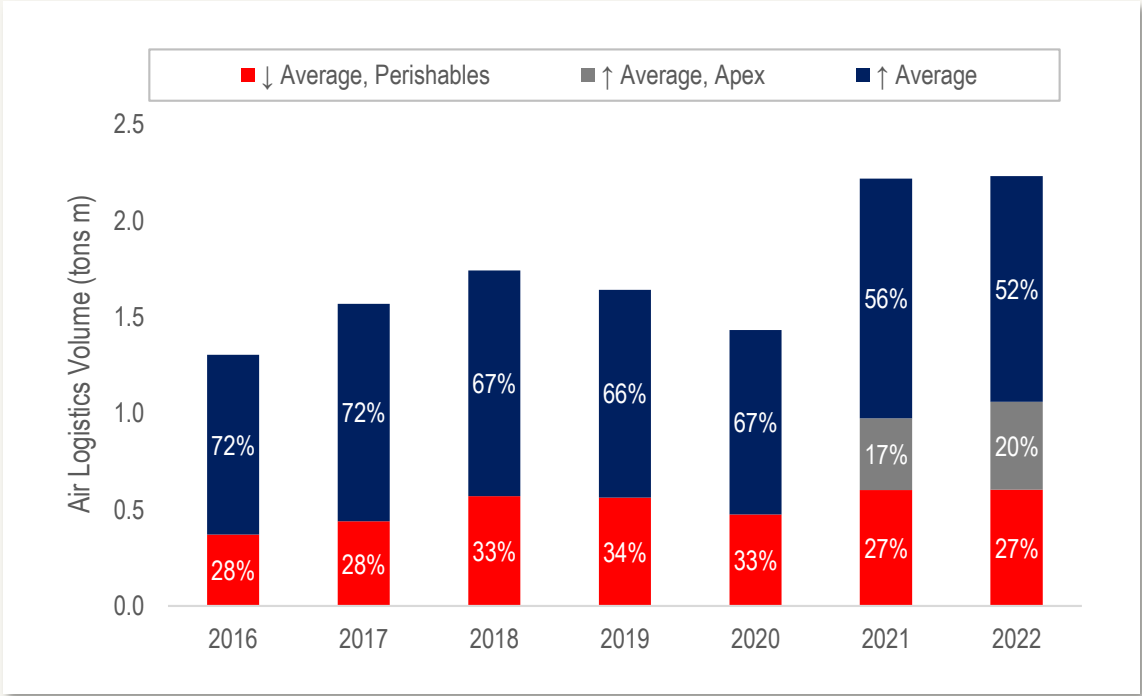
Air Logistics has the largest share of large multinational customers, when scalability and pricing matters most. They focus on adding to their value creation, sharing risks and creating a partnership.

Here is why we believe it works:

Automation including eTouch is under our control. New digital solutions will offer another step change in execution.

Financials: Air Logistics

Building on a strong foundation



**Scaling up
existing networks
and adding
digital offerings
will grow EBIT
faster than GP**

What is the effect:

Market potential will add organic growth CAGR
on Gross Profit + 8%

Here is why we believe it works:

Networks still have room for optimisation on
density and efficiency.

Focusing on value creation for customers with above average profitable business, increasing margin by 80 to 100 bps

Business development:

Organic growth of CAGR 8% with clear focus on bottom line development.

Control of committed capital with a best-in-class level of profitability, complemented by selective M&A.

Contributions from Cornerstones

Evolution from all segments

Relative contribution in % to Roadmap 2026

Market expectation 2023		Kuehne+Nagel Experience	Market Expansion	Digital Solutions + Automation	M & A		Conversion rate 2026
Sea Logistics	+	40–50%	30–40%	10–20%	< 10%	=	> 40%
Air Logistics		30–40%	40–50%	20–30%	< 10%		> 10%
Road Logistics		10–20%	50–60%	5–10%	20–40%		7–9%
Contract Logistics							

How we will measure our progress

Operational and financial KPIs

KN Experience	Digital Ecosystem	Market Potential	Living ESG	Financials
Net Promoter Score (NPS)	etouch indicators	Incremental GP Incremental EBIT	Total greenhouse gas emissions per net turnover	GP EBIT Conversion rate

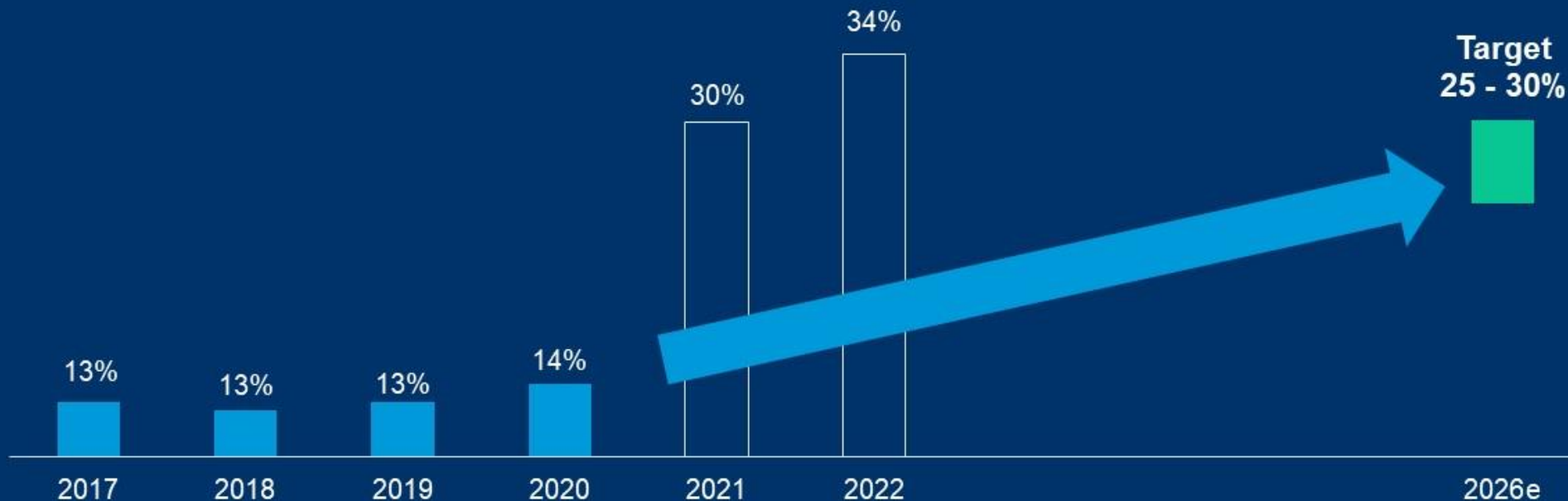
Summary of ambitions

Roadmap 2026 financial targets

**This is our
starting point
from 2019 with a
CAGR of 17-19%**

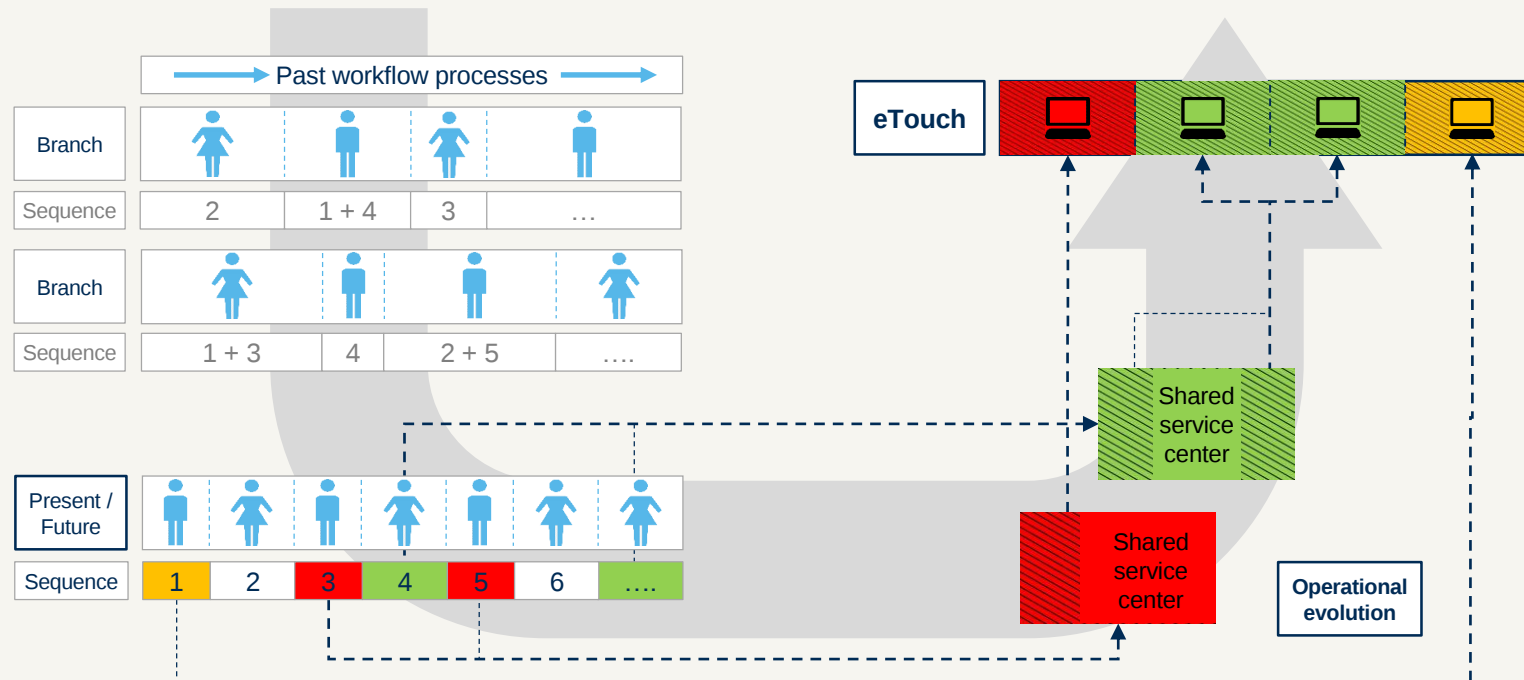
CAGR EBIT 2019 - 2026	17–19%
Conversion rate Group	25–30%
Conversion rate Sea Logistics	> 40%
Conversion rate Air Logistics	> 40%
Free cash flow generation	> 70% of NPAT
Working capital intensity	3.5–4.5%
CAPEX	200–250 Mio CHF

With **Roadmap 2026**, we aim
to deliver a sustainably
higher conversion rate



Inspire. Empower. Deliver.





- Technology integral to realising full scope of efficiency gains
- Further standardisation of workflow and sequencing of tasks
- Centralisation of some customer and carrier facing tasks
- Meaningful opportunity for further digitisation and automation
- Result: free up front-line forwarding resource to provide even greater service while handling additional volume

etouch progress Air Logistics

Further progress

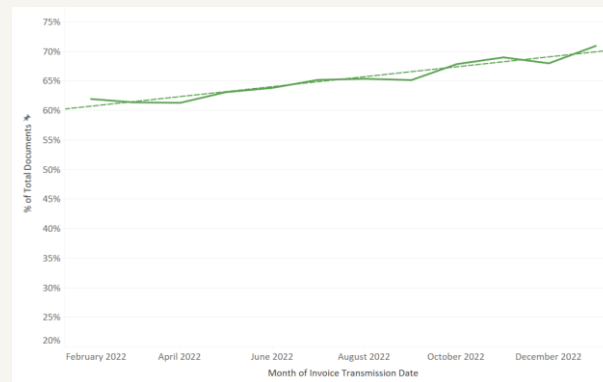
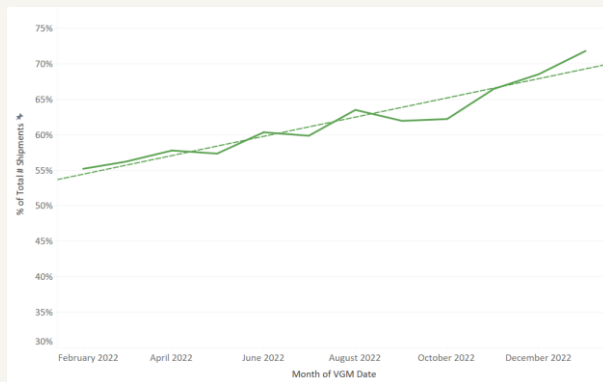
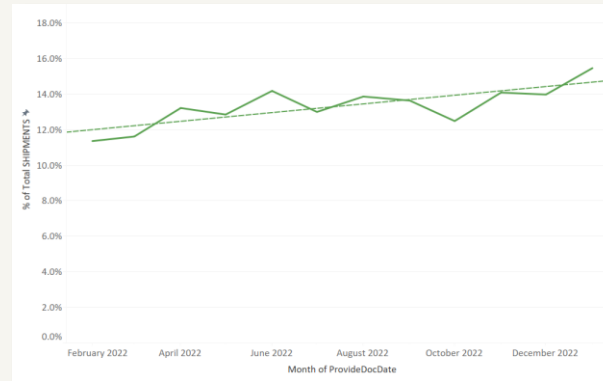
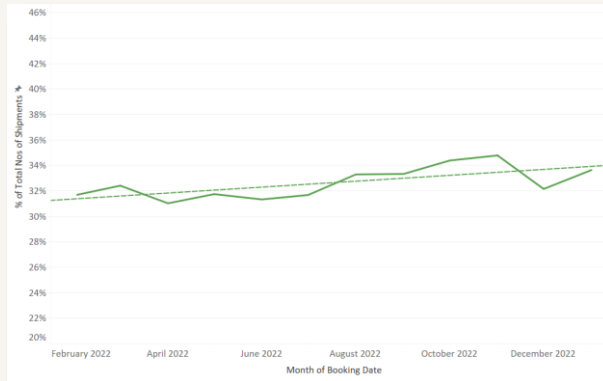


- Annualised work-hour improvement driven by documentation and quotation, booking, status
- Man-hour savings +8% vs. mid-year 2022 with estimated cost savings expansion
- CR impact of 2.0pp vs. 1.6pp at mid-year 2022 on expanded efficiencies and lower gross profit base

Air Logistics workflow area*	hours saved (000)	CHF cents / 100kg	AL CR impact
Customer quotation, booking and status	445	70	0.6pp
Carrier and supplier communication	- - -	- - -	- - -
Documentation	280	45	0.4pp
Invoicing	775	120	1.0pp
Total	1,500	235	2.0pp

*Core Air Logistics operational workflow categories. All figures relate to stand-alone KN FY 2022 operations, wages and volume development (i.e. excluding Apex Logistics and Salmosped).

etouch progress Sea Logistics



- Execution of etouch initiatives already yielding efficiencies
- Scope for improvement at least as large as that for Air Logistics
- Quantified progress to come during 2023

Building on a solid foundation

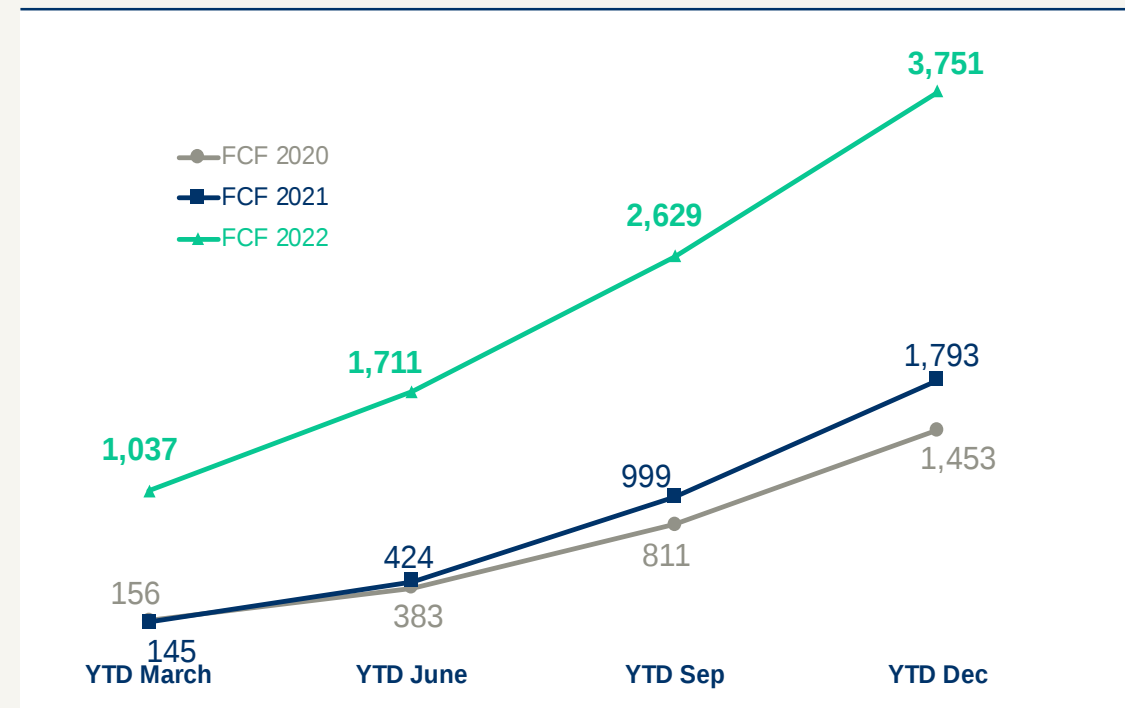
Balance Sheet 2022

(in CHF million)

	31.12.2022
Non-current assets	4,793
▪ Trade receivables	5,291
▪ Cash and cash equivalents	3,778
▪ Others	889
Current assets	9,958
Total assets	14,751
Equity	4,147
Non-current liabilities	2,794
Current liabilities	7,810
Total liabilities and equity	14,751

Free cash flow 2022

(in CHF million)



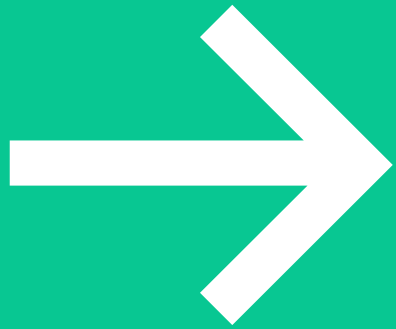
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Roadmap 2026 – Living ESG

Andrea Debbané, Global Head of Sustainability
Kuehne + Nagel International AG

March 1, 2023

London, UK



Kuehne+Nagel is an excellent investment because we have a long-term strategy to turn the transport industry's biggest sustainability challenges into growth opportunities.

Agenda

1. Environment

Being a frontrunner in sustainable logistics results in customer retention, attraction and business development

2. Social

We are the best company to work for

3. Governance

We have a strong governance structure for alignment and agility

Living ESG: Environment

Being a frontrunner in sustainable logistics

Being a frontrunner in sustainable logistics results in customer retention, attraction and business development



Sea Logistics

SailGP uses biofuel to reduce emissions for event logistics



Air Logistics

Lenovo and their customers can now reduce emissions through using Sustainable Aviation Fuel (SAF)

Novo Nordisk purchases 13 million litres of SAF



Road Logistics

Moderna uses HVO on a 3,700km round trip from Belgium to Spain for shipping vaccines



Contract Logistics

Strategic partnership with **Adidas** to build CO_{2e}-neutral fulfilment centre in Italy

Customer commitments to science-based targets are growing

In 2022 alone:

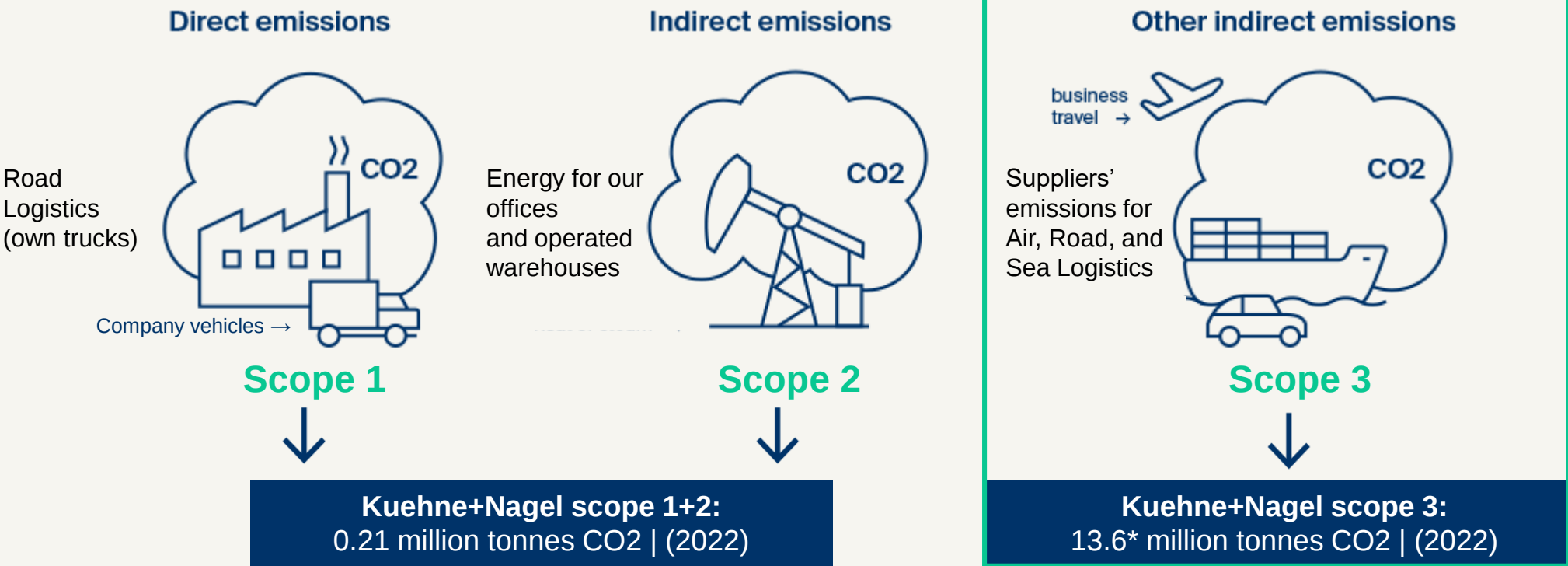
- 72% increase in SBTi committed companies to 4,535 worldwide
- 31% increase in our SBTi committed global Key Account customers
 - 47% of global Key Accounts are committed to SBTi
 - These customers represent 30% of our net turnover 2022



Global Key Account customer commitment by Vertical	SBTi commitment [%]
Aerospace	32%
Automotive + New Mobility	46%
Consumer	57%
Healthcare	42%
High Tech	48%
Industrials	47%

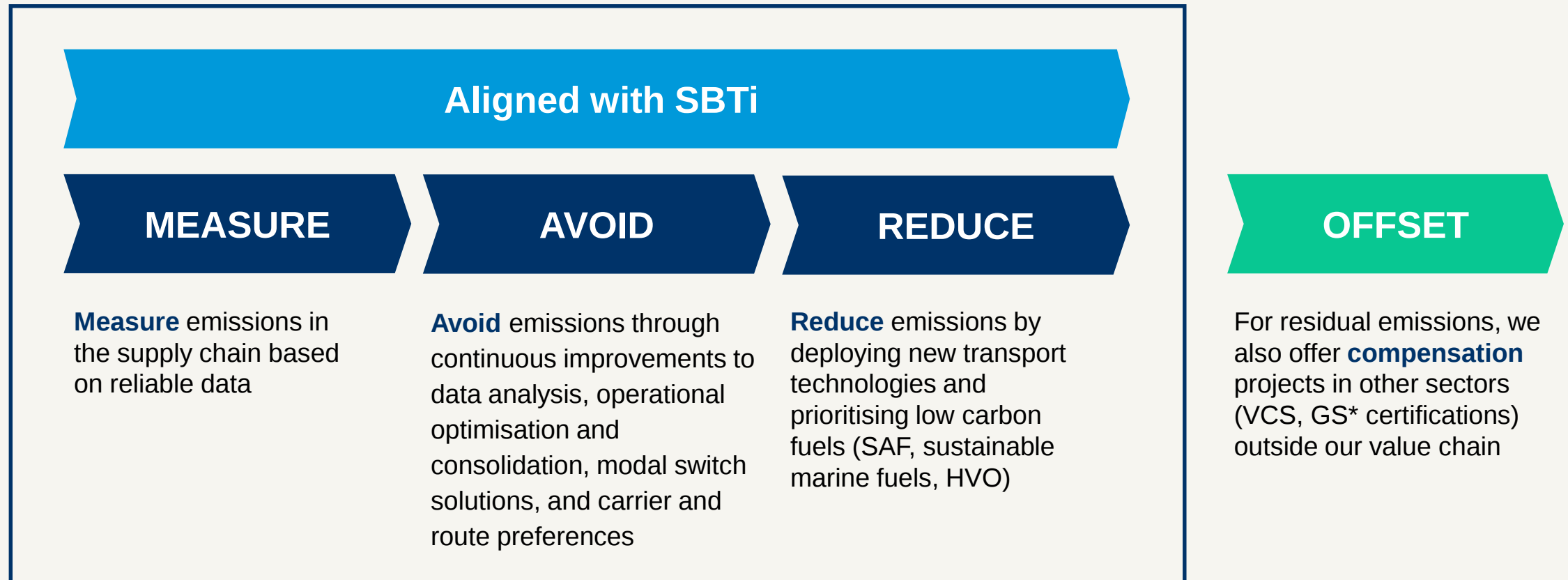
Supporting our customers and suppliers with the right solutions is key to decarbonisation

98.6% of Kuehne+Nagel's emissions are created in our value chain (scope 3)



*current estimate

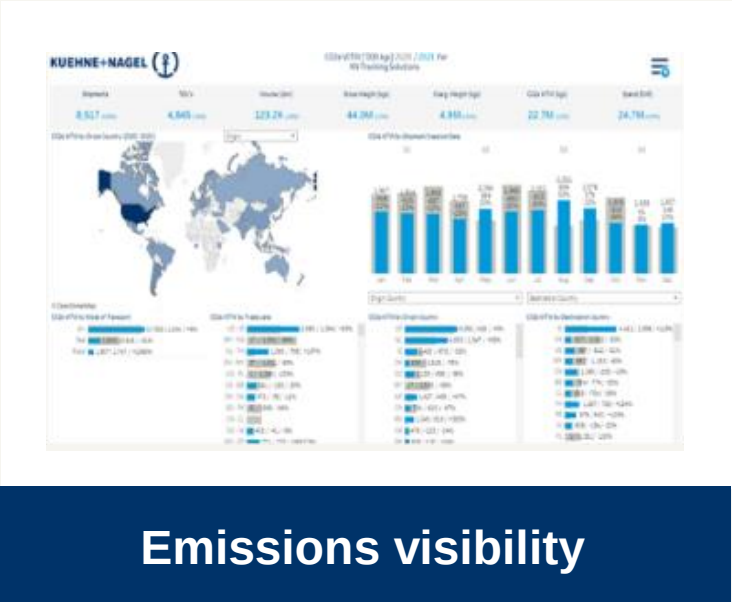
Our customer solutions for decarbonisation



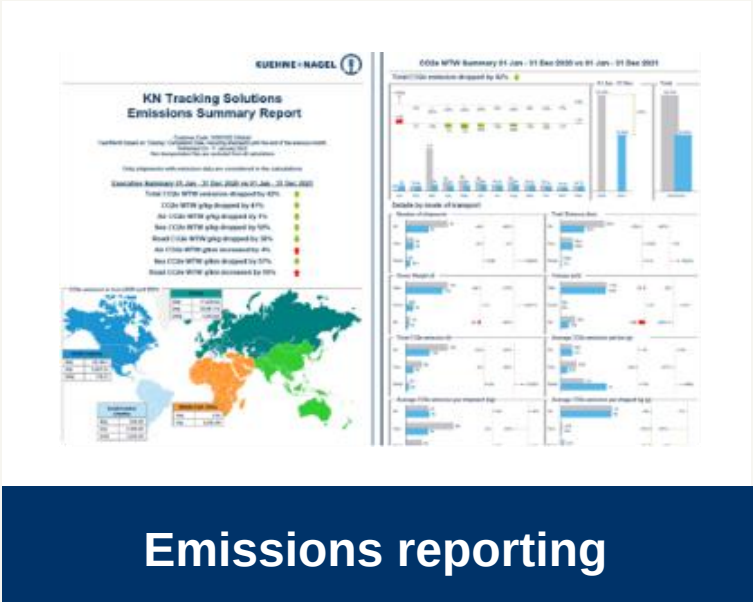
*VCS = Verified Carbon Standards, GS = Gold Standard

Embracing the power of data

Empowering our customers to make more sustainable choices



Customers can have access to their emission information on a shipment level



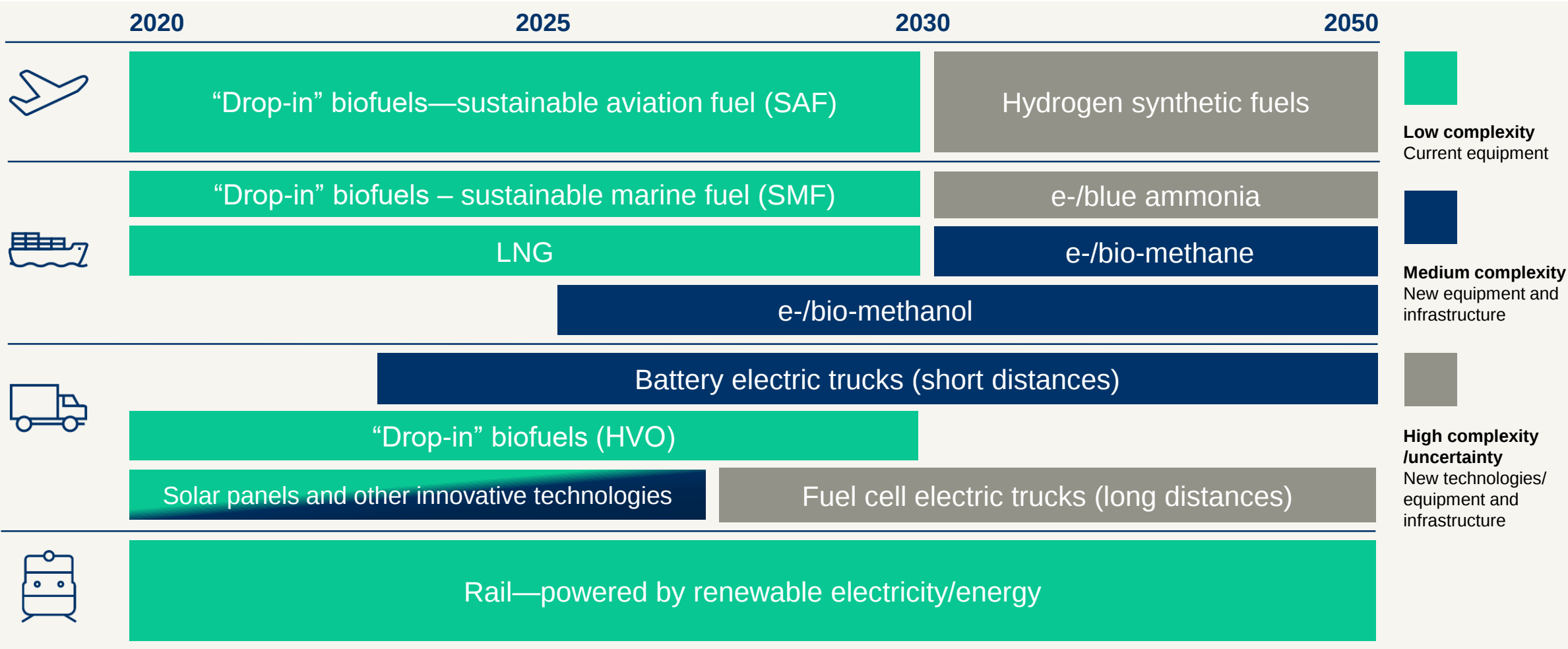
- Interactive emission dashboard
- Emissions summary reports
- Emissions detail reports (shipment level, breakdown per leg, shipment status)



- Possibility to manage the CO₂e emissions for a customer's complete supply chain
- Setting and monitoring of targets
- Monitoring of data quality

Low carbon fuels are the bridging solution

New technologies for transportation are in development but not readily available

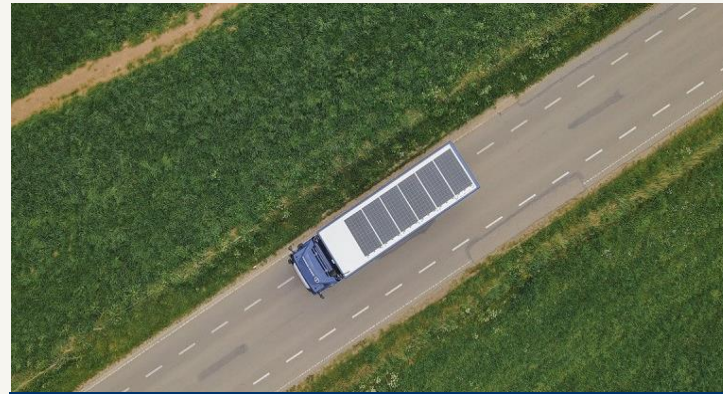


Agility and innovation for our customers



Zero emission vehicles

- Target of 60% Zero Emission Vehicles in our own fleet by 2030



Solar panels on trucks

- Fuel consumption reduction by up to 6% per year, per truck
- Emission reduction up to 3.8 tonnes per year, per truck



EVs for airport corridors

- Electric vehicle service for airport transfers in India
- Electric truck service to shuttle cargo from airlines to local facilities (Los Angeles)

Zero impact logistics centre in Contract Logistics

Applicability:

CO₂e reduction / energy & water efficiency

Purpose:

Reduce environmental impact through renewable energy, energy production (PV) and efficiency, water efficiency, low-carbon transport in line with sustainable building certificates BREEAM*, LEED**, WELL***

Scope:

Worldwide

Benefits:

- CO₂e improvement
- Lower energy & water consumption

* BREEAM - Building Research Establishment Environmental Assessment Method

** LEED - Leadership in Energy and Environmental Design

*** WELL - WELL Building Standard



Key levers for a zero carbon future



Customer engagement

Building strong partnerships with customers to jointly address scope 3 emissions



Supplier collaboration

Engaging with suppliers/carriers in scope 3 for decarbonisation efforts



Low carbon fuels, renewable energy, and technology

Using alternative fuels and renewable energy to decrease the carbon density of transport warehousing activities. Investments in e-vehicles



Data and analytics

Empowering our customers by implementing and monitoring a rigorous measure-avoid-reduce approach

Our **KPI** to measure progress:

Total GHG emissions (t CO₂e)
Net Turnover



Living ESG: Social

We are the best company to work for

We are the best company to work for and work with

- Over **100 nationalities** are represented at Kuehne+Nagel
- **40%** of our workforce are women
- **24%** of senior management are women (10% top management)
- **15%** of our employees are Generation Z



Creating an extraordinary employee experience

Building on our corporate culture to enhance:

- Employee satisfaction and retention
- Employee development
- Occupational health and safety
- Human rights, diversity and equal opportunities

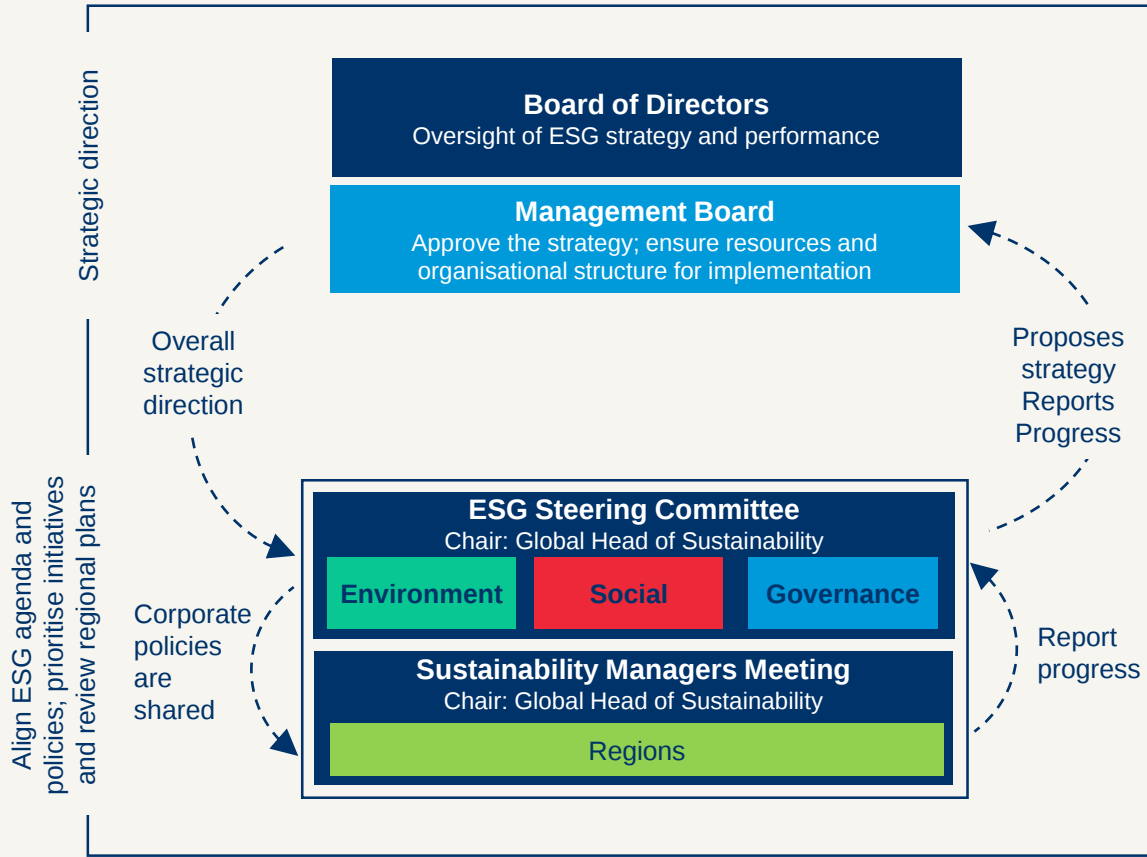
Using **employee Net Promoter Score (eNPS)** as one KPI to measure progress



Living ESG: Governance

We have a strong governance structure

We have a strong governance structure for alignment and agility



Living ESG includes local and global collaboration



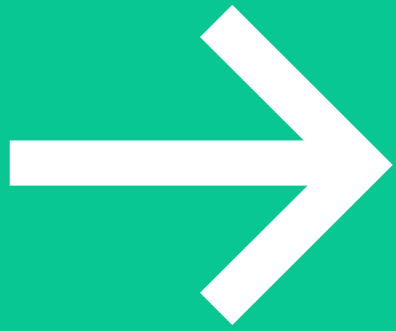
Coalition for the
Energy of the
future



Getting
to Zero
coalition



GLOBAL
MARITIME
FORUM



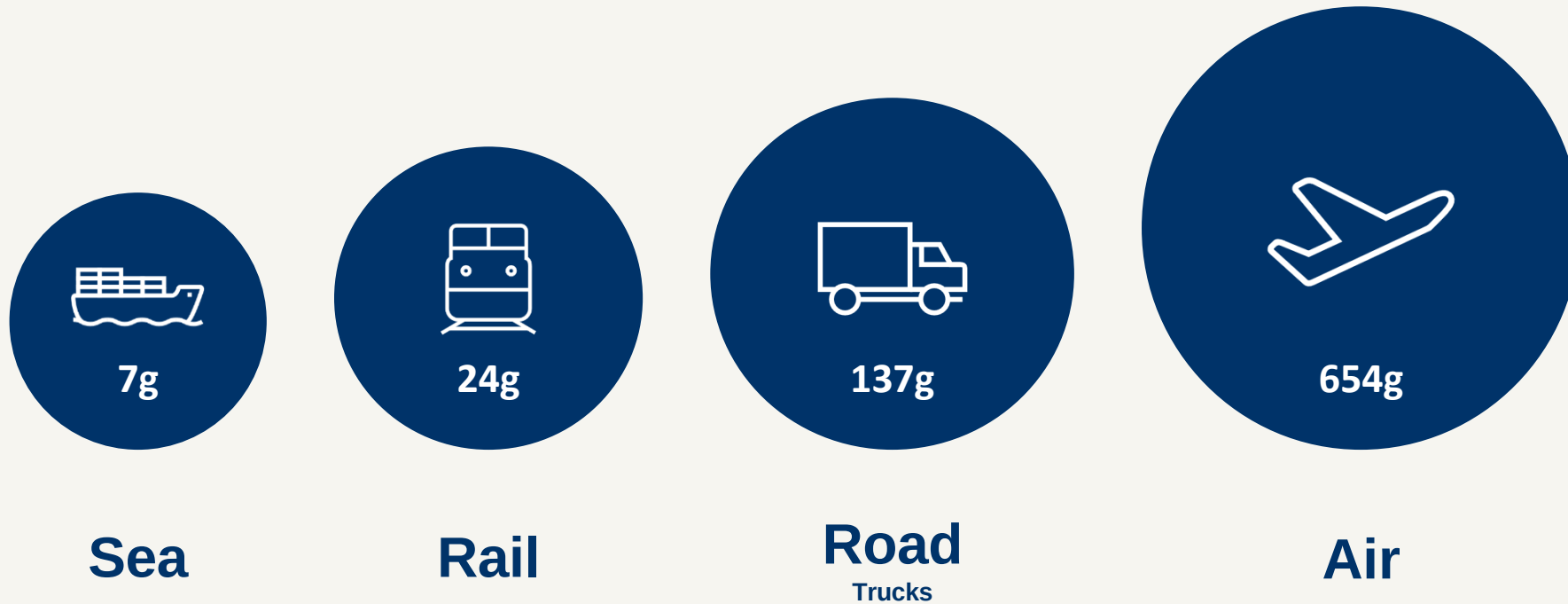
Kuehne+Nagel is an excellent investment because we have a long-term strategy to turn the transport industry's biggest sustainability challenges into growth opportunities.

Inspire. Empower. Deliver.



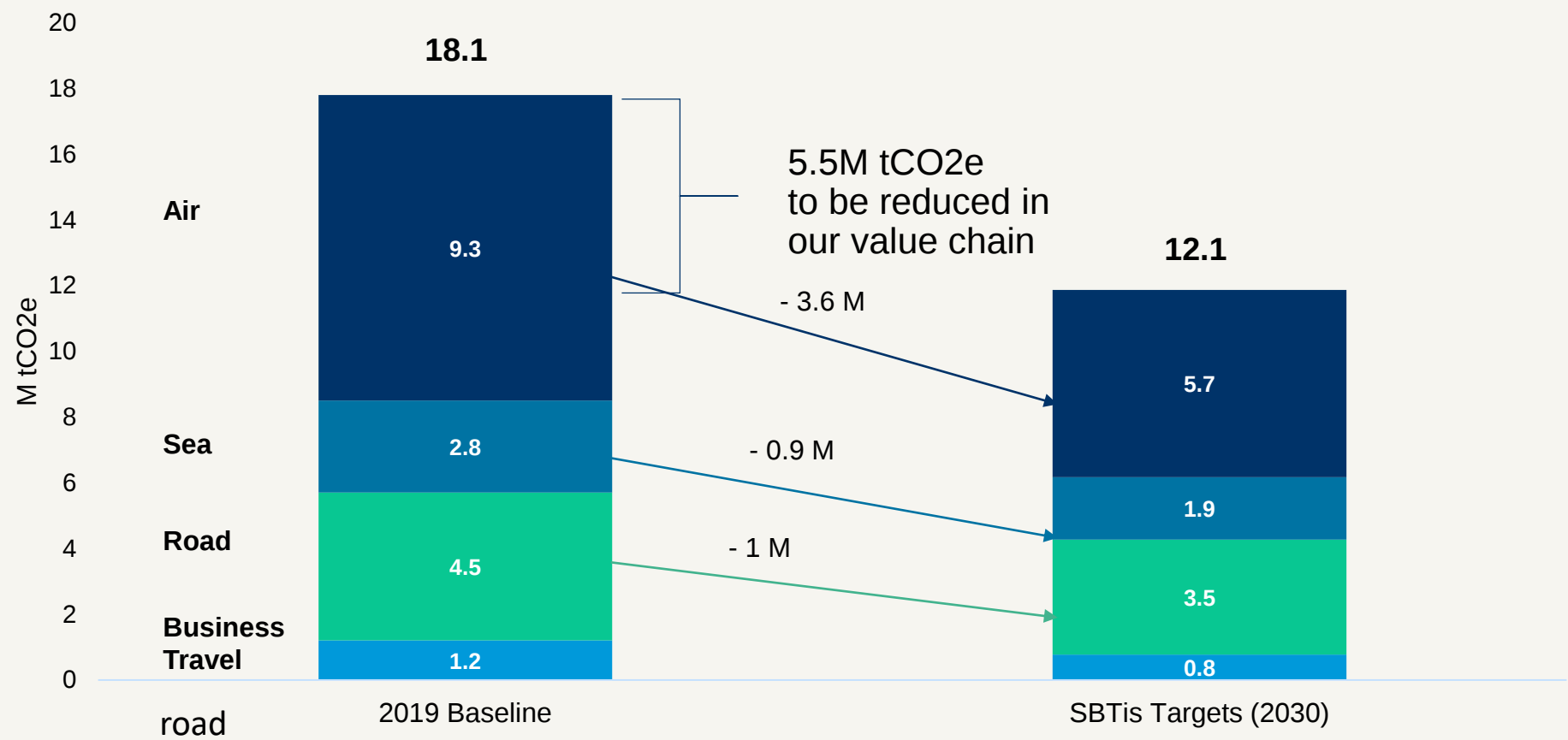
Carbon intensity of logistics services

[CO₂e/tkm]



[Source: Methodology for GHG Efficiency of Transport Modes, Fraunhofer ISI and CE Delft, 2020](#)

Under the Science Based Targets initiative, we have to reduce our Scope 3 emissions by 5.5Mt CO₂e by the end of 2030



Environment Targets

2030 Targets

- GHG emission reduction target: reduce 33% absolute Scope 1, 2 and 3 GHG emissions 33% by 2030 from a 2019 base year
- 100% renewable energy and maintain 100% electricity in all sites
- Zero Waste to landfill
- Zero Plastics in all facilities
- Maintain 10% water consumption reduction (vs. 2019)



Capital Markets Day 2023

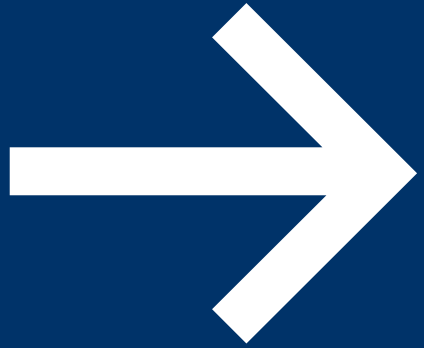
Roadmap 2026 – Sea Logistics

Otto Schacht, Executive Vice President Global Sea Logistics
Kuehne + Nagel International AG

March 1, 2023
London, UK

Agenda

1. Lessons from three extreme years
2. Our market today
3. Kuehne+Nagel Sea Logistics today
4. Roadmap 2026
5. Renewable energy

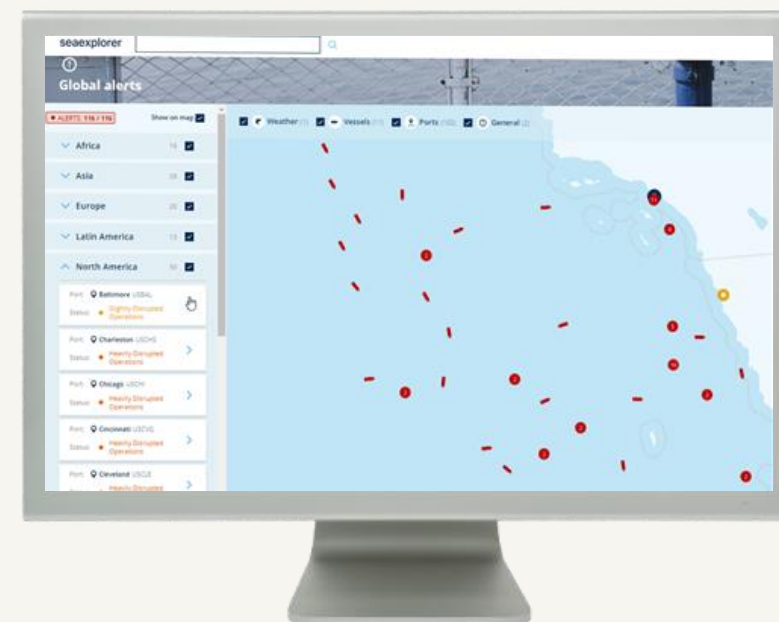


**Top-class profit performance
over the last 3 years**

**Very positive feedback
from customers**

Sea Logistics optimised yield and mix amid extreme market volatility

CHF million	2019	2022
Net turnover	7,457	18,753
Gross profit	1,539	3,479
EBIT	456	2,021
Conversion rate	29.6%	58.1%
TEU '000	4,861	4,386
GP per TEU in CHF	317	793
Cost per TEU in CHF	(223)	(332)
EBIT per TEU in CHF	94	461



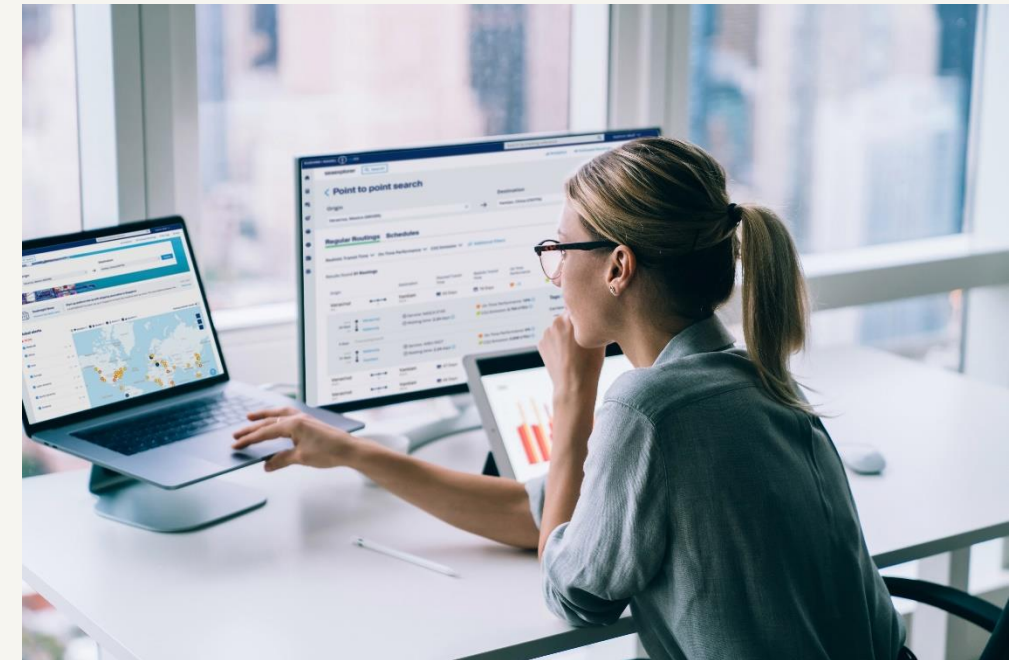
Our market today

Clear customer needs we can serve:

- Improved customer experience
- Predictability and real time visibility
- Increasing demand for carbon-neutral transport solutions

Fragmented competition:

- All forwarders are digital
- Top 25 forwarders hold only 20% of global volumes
- >100,000 participants
- Competitors in SME segment are “local heroes”
- No material change in carrier competition (50/50 share)



Kuehne+Nagel Sea Logistics today

Global market leader in non-asset-based sea freight

- Over 3 million weekly schedules
- **12,900 specialists**
- Largest partner of all carriers
- Largest global reefer forwarder
- Major project forwarder

Segregation of operations and customer service

- Over 400 Customer Care Locations
- TMS **SeaLOG** rolled out globally
- Industry leading digital platform myKN / seaexplorer

Weekly services offered globally by Kuehne+Nagel



Roadmap 2026: What and How

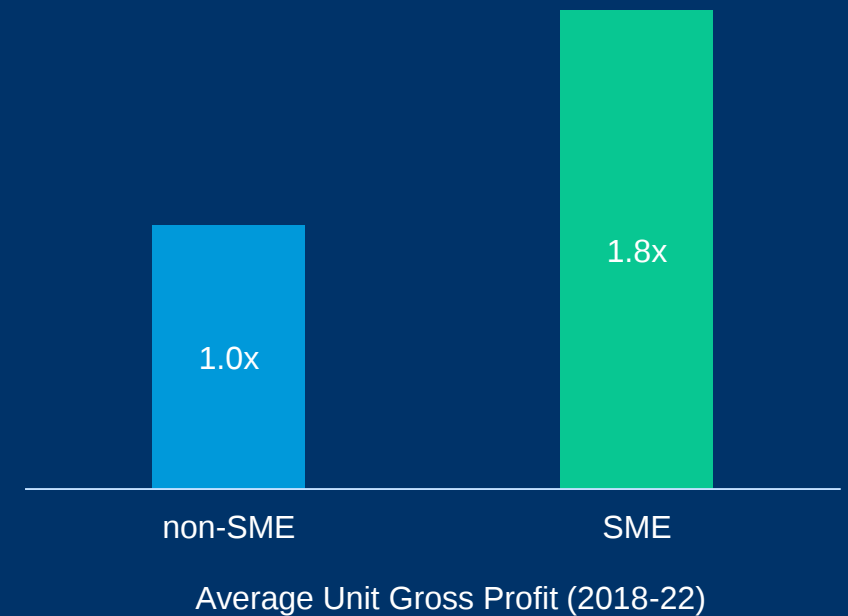
Our Roadmap 2026 will focus on **Customer Experience** and **Employee Experience**, and an enhanced **digital landscape**, enabling selective growth to attain a conversion rate above 40%



How extraordinary Customer Experience will drive higher yields and stronger growth

- **Stronger loyalty:** Improved customer proximity and **one extraordinary Customer Experience worldwide** will increase customer retention and increase our margin by an average of USD 50/TEU
- **Targeting SMEs:** Many new locations in smaller cities enable us to focus on higher-yielding SME customers in previously unaddressed markets
- **Network expansion:** We will pursue more selective growth in key lanes / countries / regions with small market shares
- **Yield management:** We will focus on International Supply Chain (ISC) customers with higher yields and additional service requirements

SME volumes generate higher yields





- **Sea Logistics etouch efforts yielded first observable benefits in 2022**
 - Initiatives supported by rollout of enabling, in-house TMS SeaLog (rollout completed Dec. 2022)
 - Systematic means of measuring and tracking progress in place
 - Estimated **potential efficiency gains at least as great as those of Air Logistics** (CHF basis)
 - Areas of greatest potential: digital bookings and shipping instructions, collaboration on case management
 - First indications of quantified progress to be published in 2023
- **Targeted improvements of digital systems myKN, CoreLog and SeaLog to foster:**
 - Enhanced collaboration with customers and colleagues
 - Improved shipment status data
 - Offering of market-leading end-to-end supply chain visibility

Living ESG

Leading in CO2e transparency

We will improve loyalty and margin by enabling our customers to gain industry-leading insights into the CO2e emissions of a transport.

- **Customer access** to reliable, high standard suppliers of **low carbon fuels**
- **Structured campaigns** within established associations / customer groups
- Commitment of **large cargo volumes** utilising low-carbon fuels under the “mass balance” concept

Sea Logistics summary:

Selective, balanced market share expansion with an eye on yields

- **EBIT improvement will come from**
 1. **Extraordinary Customer Experience**
 - Higher margin, especially from SME
 - Less customer attrition
 2. **Digital ecosystem/etouch**
 - Lower cost per transaction
 3. **Growth / new markets**
- **Conversion rate above 40%**

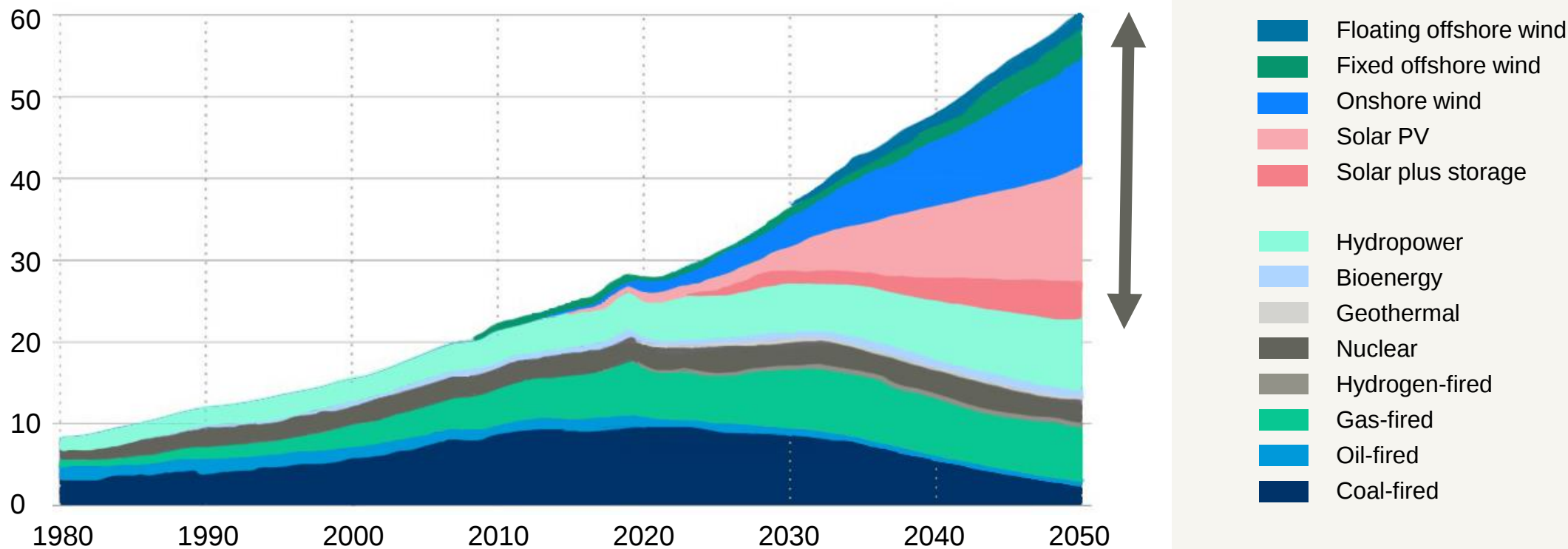


Renewable energy: A large and unique opportunity

Wind and solar will account for over 50% of power generation by 2050

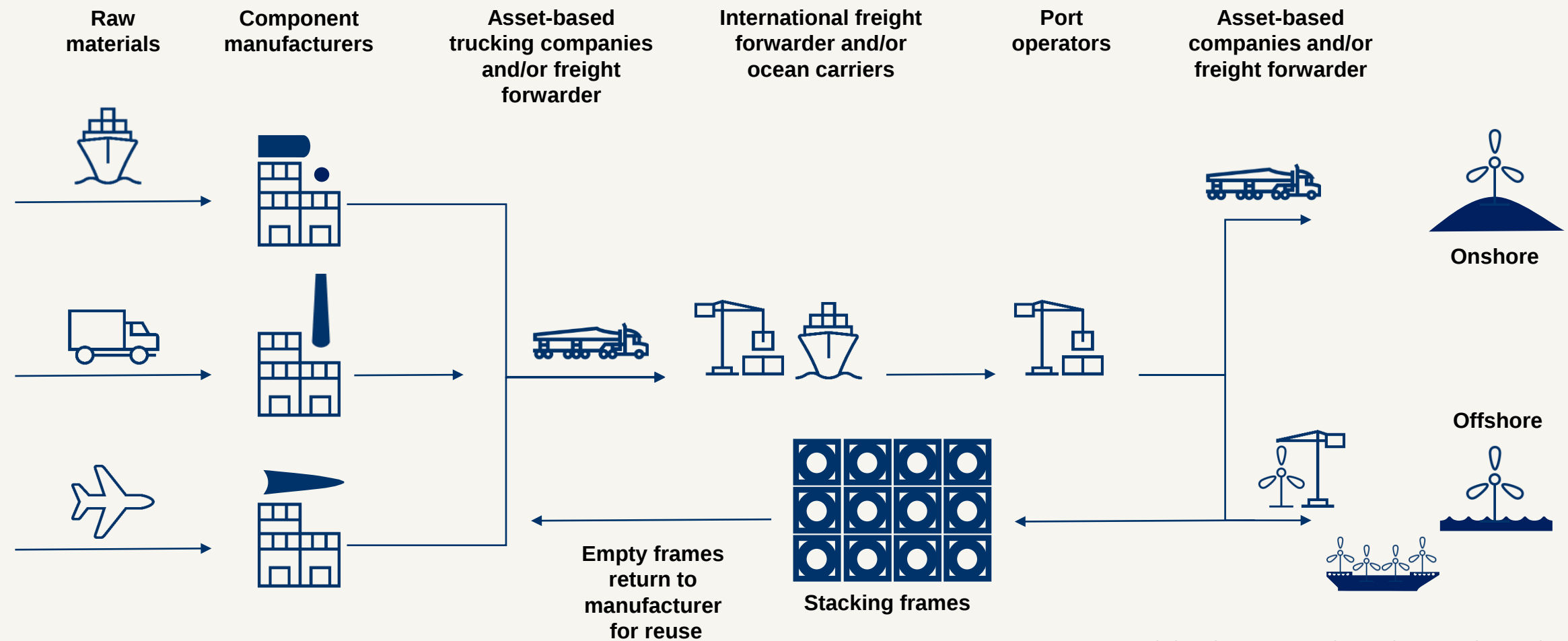
World electricity generation by power station type

Units: PWh/yr



Wind industry supply chain

Complex process and planning



Global growth outlook 2022–2030



Solar

- + 2.295 GW
USD 1.7 trillion CAPEX
- **USD 85 billion**
logistics spend



Onshore Wind

- + 842 GW
USD 1.1 trillion CAPEX
- **USD 56 billion**
logistics spend



Offshore Wind

- + 209 GW
USD 800 billion CAPEX
- **USD 40 billion**
logistics spend



Hydropower

- + 201 GW
USD 300 billion CAPEX
- **USD 15 billion**
logistics spend

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Roadmap 2026 – Air Logistics / Healthcare / Semicon

Yngve Ruud, Executive Vice President Air Logistics
Kuehne + Nagel International AG

March 1, 2023

London, UK

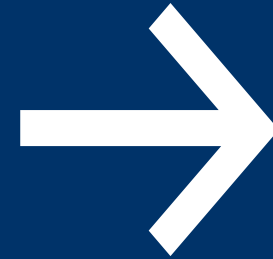
Agenda

- **Roadmap 2026 Air Logistics**
 - Our successful transformation: 2017-2022
 - Our extraordinary KPI trend: 2017-2022
 - Roadmap 2026: What and How
- **Growth Area: Healthcare**
- **Growth Area: Semicon**

Our successful transformation: 2017-2022

We have transformed how we ...

- **Grow our solutions**
 - Time-critical logistics
 - Market leadership on transpacific routes
 - Industry focus
- **Work and operate**
 - Long-term commitments with our own flights
 - Air Logistics 2.0 and SALOG TMS
- **Deploy automation and technology**
 - etouch

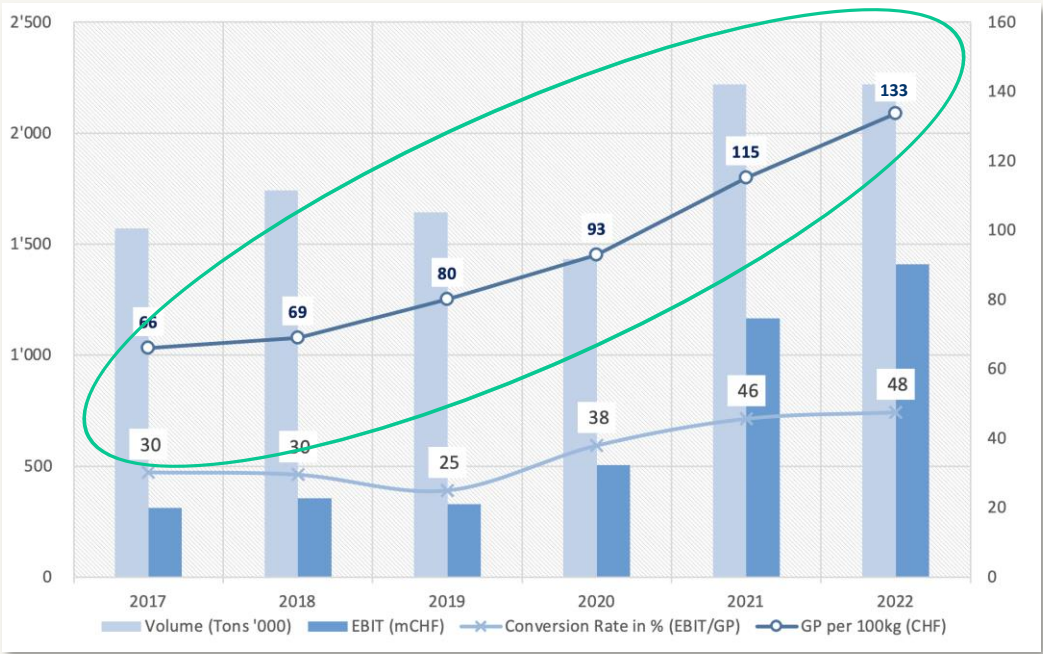


**Our roadmap
2026 builds
on this strong
foundation**

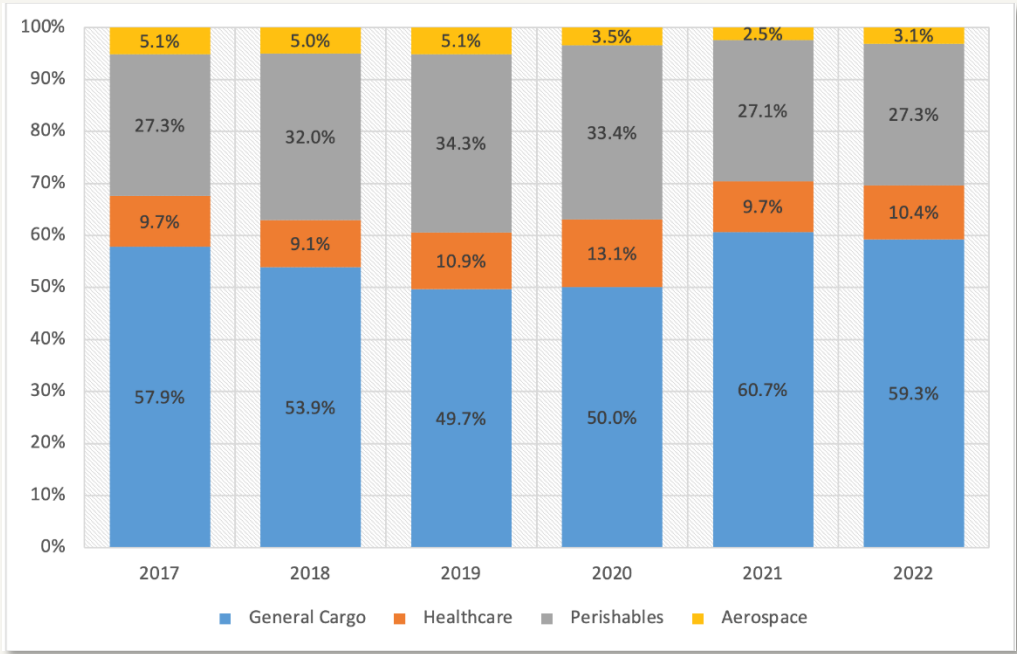
Our extraordinary KPI trend: 2017-2022

Our successful transformation in facts and figures

KPI development



Tons per vertical in % of total





**We take off into
Roadmap 2026
stronger than ever**

Roadmap 2026: What and How

Enabling an extraordinary experience

Building trust

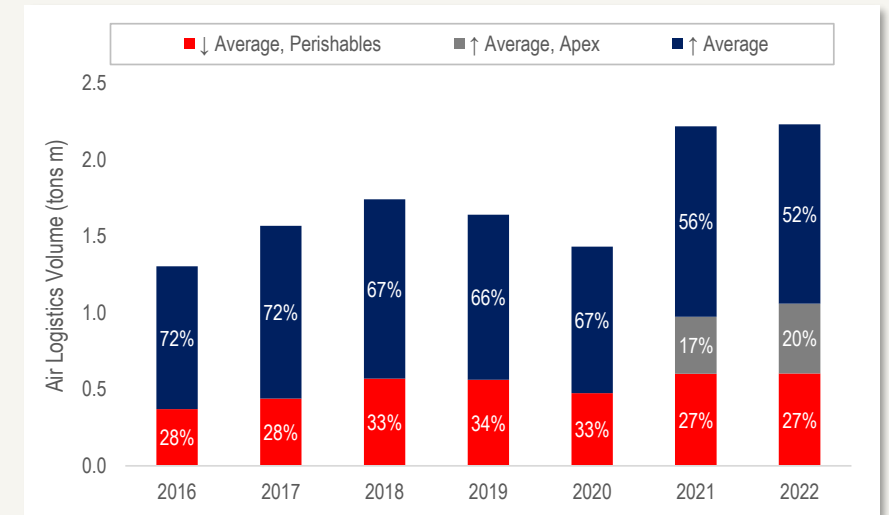
- We want our customers to experience us as the easiest company to work with
- We will redefine the definition of world-class **product delivery** and **customer service**
- We will keep being the vanguard for **sustainable supply chain solutions** in our industry



Yield protection and optimisation

Strengthening product portfolio

- Continued investment in **sector-specific solutions**
- **Quality certification** as the main differentiator
- Ideal **commodity mix** with high, recession-resistant yield



Driving efficiencies

Continue to invest in a world-class way of operating our business

- to fuel the customer experience
- as the foundation for profitable growth
- to manage our conversion rate

etouch empowers our product delivery, ease our customers' minds, and enables us to **work smarter**

Automation drives down our production cost and sets a new baseline for **profitable growth**

TMS enables continued transformation of operations



Delivering scalable and reliable services

Global gateway model

This model will deliver **consistent** and **scalable** solutions that drive profitable growth and improve ease of doing business

M&A

We will add value for our customers and ensure profitable growth by protecting and developing the competencies and capabilities we acquire





Air Logistics 2026 ambition

Strengthen our #1 market position
with a conversion rate of $> 40\%$.

increase of 2019 conversion rate

Kuehne+Nagel
Experience

5-10%

Market
Expansion

5-10%

Digital
Solutions +
Automation

3-5%

M&A

3-5%

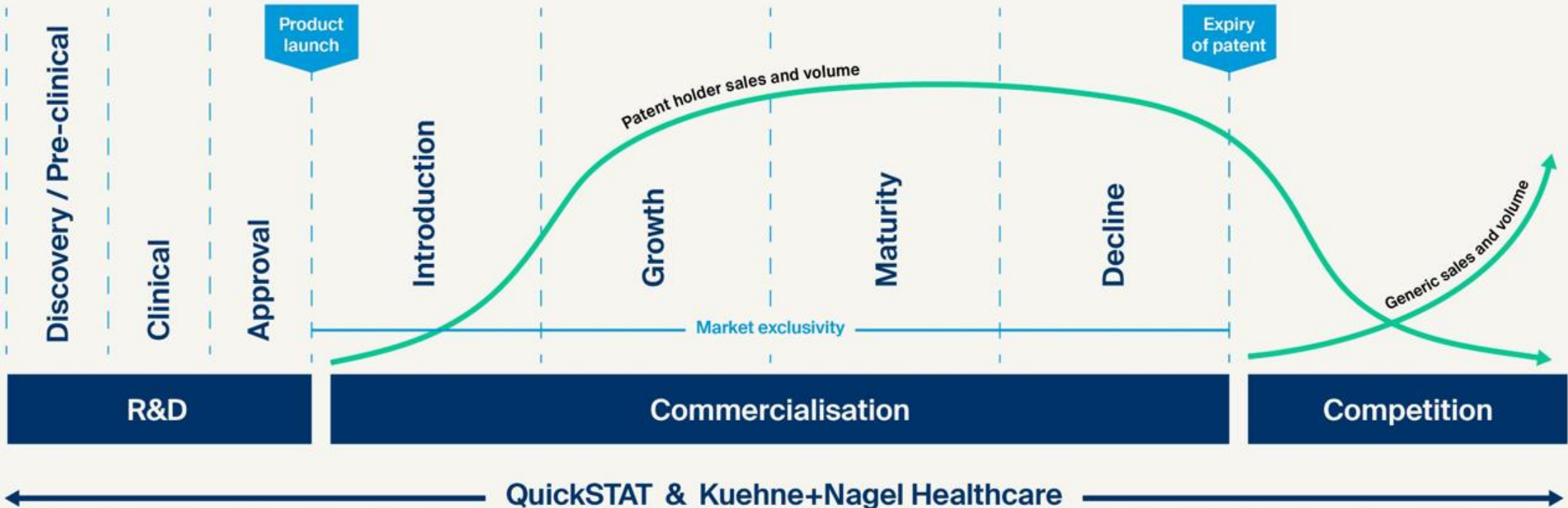
Growth area: Healthcare

Healthcare 2026 ambition

By 2026, we aim to **double current market share**, focusing on the full product lifecycle.

Understanding the product lifecycle

For when it matters the most



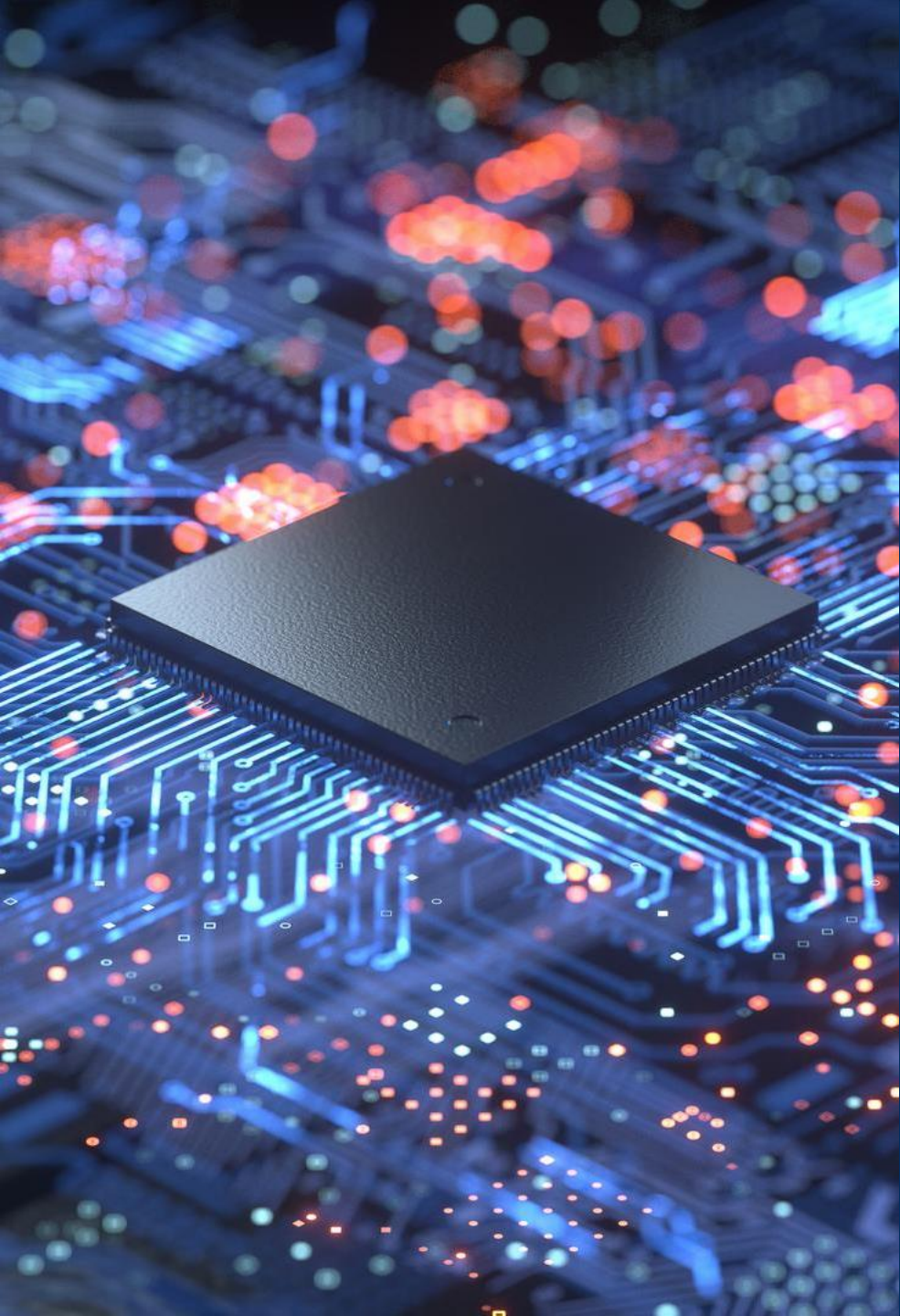
Roadmap 2026

Focus on 5 key objectives:

- **KN Experience:** Achieving #1 in Healthcare customer and employee experience
- **Quality is our differentiator:** maintaining 240+ certified operations and launching "Quality Matters" to showcase our approach
- **Global access:** investing in transport and warehousing services for our customers to be closer to their patients
- **Customer growth:** further defined service offering for the segments of Pharma, biopharma/vaccines, med device/ med tech, diagnostics/testing, animal health and consumer healthcare
- **M&A/partnership growth:** supporting all aspects of our customer life cycle



Growth area: Semicon

A close-up, high-angle shot of a black, square microchip resting on a complex circuit board. The board is covered in intricate, glowing blue and red lines representing electrical traces and components. The lighting is dramatic, with the chip and the board's traces illuminated against a dark background, creating a sense of technological sophistication and connectivity.

Semicon 2026 ambition

By 2026, we want to be engaged as a **core service provider** with more **than 50% of companies** participating the Semicon supply chain.

The goal is to gain CHF 500 million of new business.

Semicon industry

Market:

Expanding global digital ecosystems drive strong semiconductor growth, but an unstable supply severely impacts key industries.

- Market size > USD 10 billion
- Growth 6% CAGR

Increasingly more complex supply chain due to future shift of production back to western economies.





To address these supply chain challenges and to ensure our customers' success, we introduce and invest in specialised logistics offering **based on highest quality standards.**



Reliability

The only certified quality-based semiconductor industry network ensuring the highest service quality and uninterrupted operations



Predictability

Reliable transit times with various speed and capacity options, including time-critical services



Safety and security

Direct flight priority, special handling controls and global airside services ensure a safe and secure delivery



Industry knowledge

Highly qualified and experienced personnel who understand the semiconductor supply chain



Digital solutions

Dedicated digital solutions for improved decision-making, providing key information and documentation transparency



Risk mitigation

Professional risk assessment transparency solutions help avoid and minimise damages

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Roadmap 2026 – Road Logistics / Customs

Hansjörg Rodi, Executive Vice President Road Logistics
Kuehne + Nagel International AG

March 1, 2023

London, UK

Agenda

1. **Kuehne+Nagel Road Logistics today**
Our business, financials, and market
2. **Roadmap 2026**
Our focus and our future

Kuehne+Nagel Road Logistics today



Kuehne+Nagel Road is active in **4 of our 5 regions**.



Our biggest region remains Europe, where we operate a **pan-European network** built on own-managed cross-dock operations.



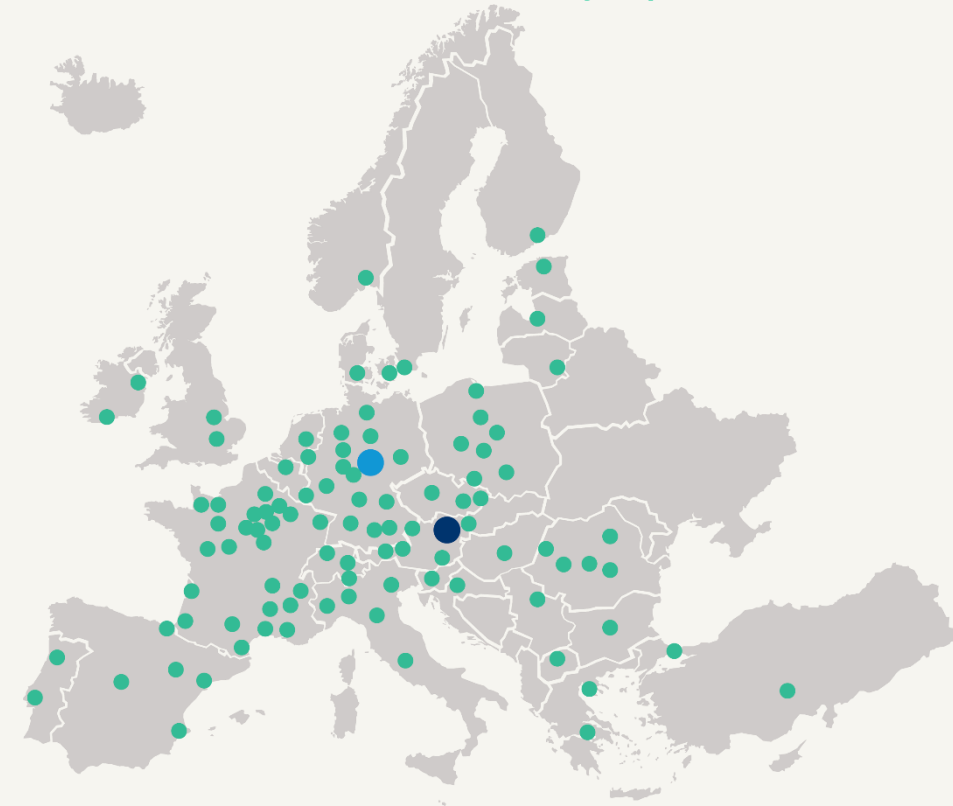
In the other regions, our product offering is asset-light.



Expo & Events and customs brokerage are standalone businesses that complete our product offering.



More than **40 countries** in Europe are connected via more than **3,000 international weekly departures**.



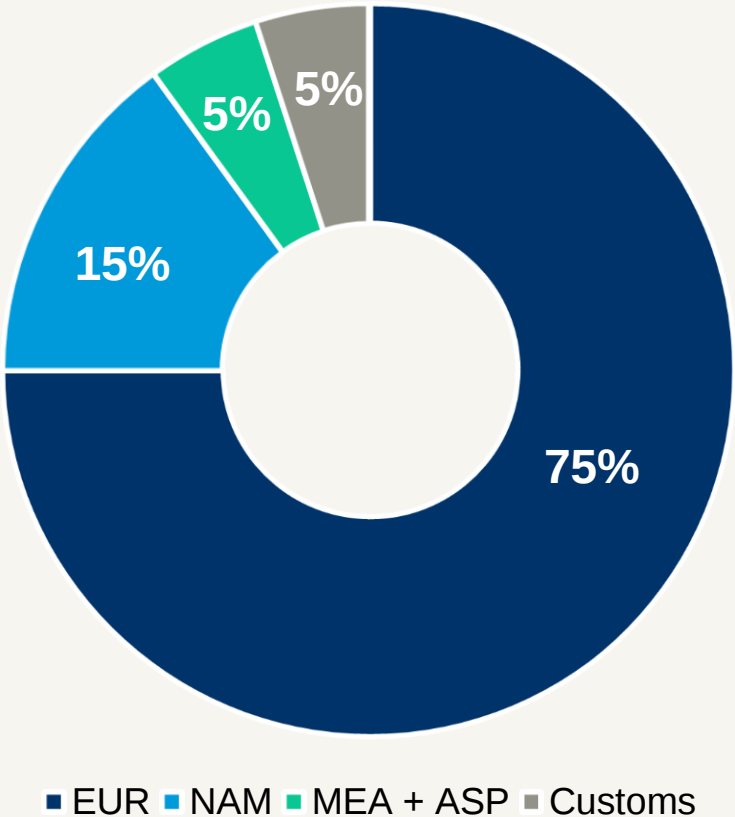
 Eurohub

 Easthub

Our 3-year financial performance reflects improvements in mix and yields

CHF million	2019	2022
Net turnover	3,586	3,997
Gross profit	1,121	1,334
EBIT	78	146
Conversion rate	7.0%	10.9%
EBIT margin to net turnover	2.2%	3.7%

Turnover split per region 2022



Success is local or regional in our very fragmented markets



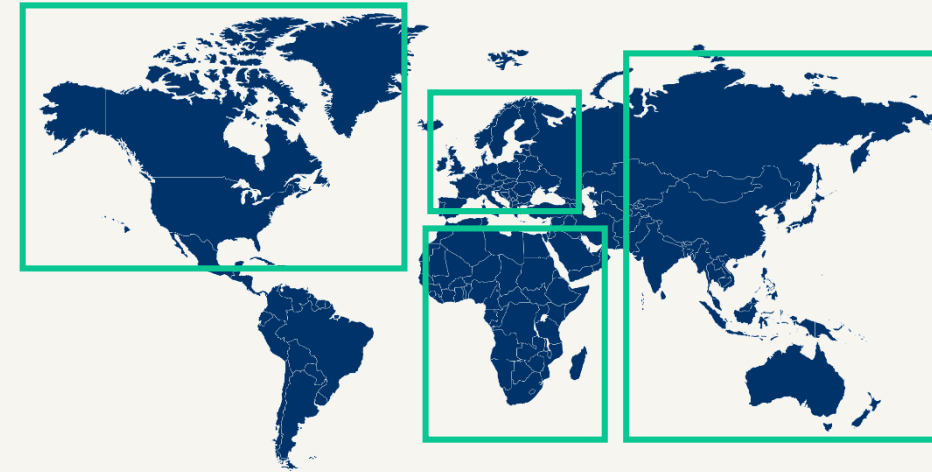
A “global” market for Road Logistics does **not exist**, and the competitive landscape is very fragmented.



Markets are traditionally very local, with a trend toward **regionalised services** like pan-European groupage and corridor solutions in North America, Middle East Africa, and Asia-Pacific.



High market shares are not a driving force for success.



Roadmap 2026: Focus and future

Our focus and future under Roadmap 2026



Staying asset-light and focusing on **building KN Road Ecosystem**: Suppliers, employees, and customers.



Delivering solutions to meet complex customer demands:

- cross-border corridor solutions
- real-time visibility



Supporting our people's decision-making through data and augmented intelligence.



Digital Ecosystem: We deliver innovative seamless digital experiences



We are standardising our TMS landscape

- Our own TMS **RoadLog** has been implemented in **42 countries**
- Further deployments underway.



We use **cloud-based business intelligence solutions** to enable faster decision-making.



We continue to invest in **seamless eTouch solutions** (e.g. myKN, eTrucknow) for customers and suppliers.

85% of our orders are already processed via **EDI/API** or the **digital customer self-entry portal.**

Relentless implementation of our initiatives will drive growth

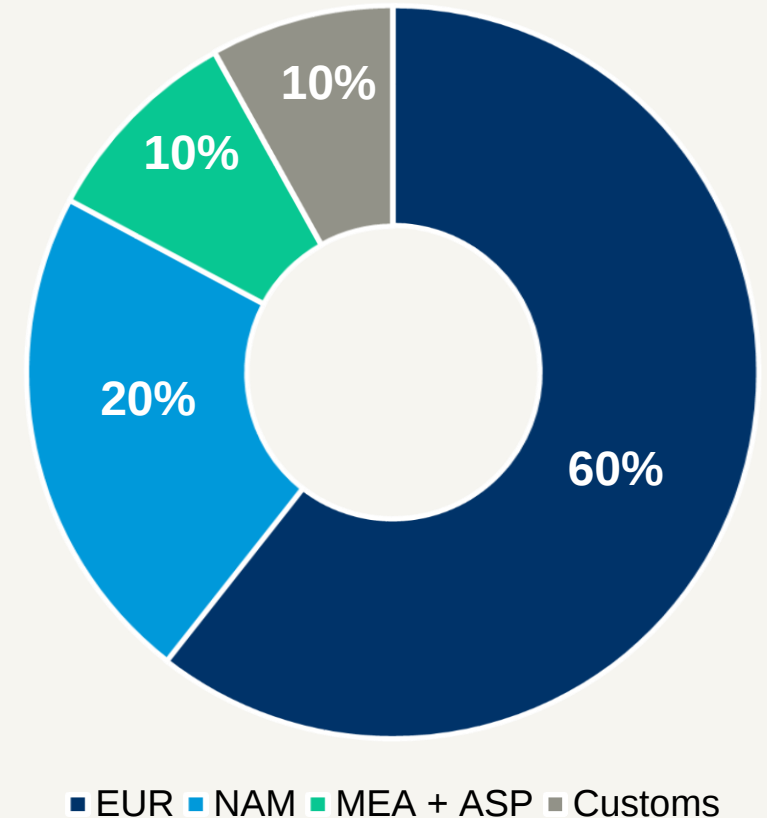
Kuehne+Nagel Road Logistics will continue its successful growth path, driven by:

- Engaged employees and suppliers
- State-of-the-art technology.

We will design and implement regional-specific Road Logistics solutions tailored to customer needs.

- **We expect our top-line to grow with an CAGR of 8%.**
- **We expect higher growth rates in NAM, MEA, ASP and Customs than in Europe.**

Turnover split per region 2026



Growth Area: Customs Brokerage

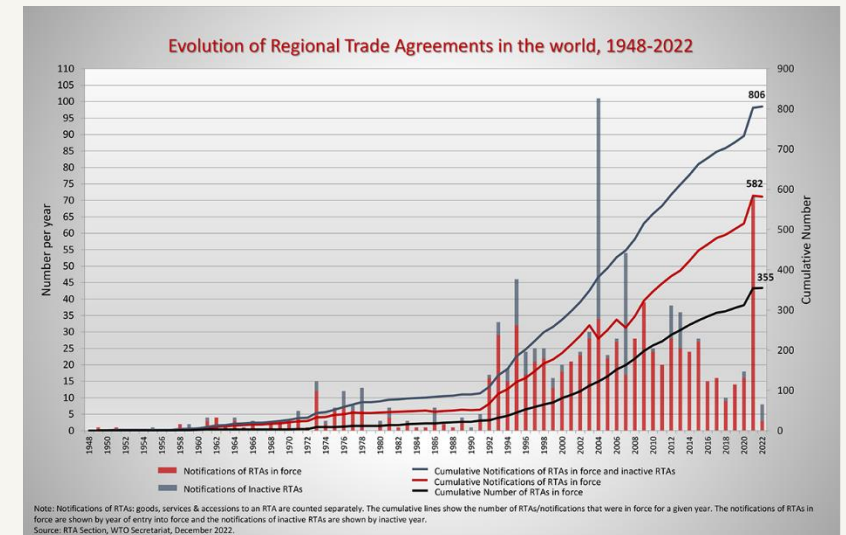
We will continue to innovate Customs as a standalone product

Kuehne+Nagel is already a major customs broker in North America and Europe.

The demand for our services is growing, as more international trade and increased regulations lead to **higher complexity**.

We are rolling out a **cloud-based digital customs platform** for all transactions to drive efficiency and accuracy.

Evolution of Regional Trade Agreements in the world, 1948-2022



**We want to become
the most trusted Road
Logistics supply
chain partner
supporting a
sustainable future.**

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Capital Markets Day 2023

Roadmap 2026 – Contract Logistics / e-commerce

Gianfranco Sgro, Executive Vice President Contract Logistics
Kuehne + Nagel International AG

March 1, 2023

London, UK

Agenda

1. **Our strong basis for growth**
The 2017-2022 transformation, market landscape,
and our unique positioning
2. **Roadmap 2026**
Targets and focus on 4 main strategic initiatives

Contract Logistics in numbers (2022)

Net turnover

CHF 4.9 billion (+7% or 13% excl. FX)

EBITDA

CHF 774 million

EBIT

CHF 187 million

ROCE

27%

New business wins

CHF 400 million



Contract Logistics in numbers (2022)

Fulfilment centers

650 (more than 10% with high automation)

FTE – countries

49,000 (more than 500 in R&D)

45 countries

Business by industry vertical and geographies

Consumer and e-commerce	50%
-------------------------	-----

Healthcare	15%
------------	-----

Technology	35%
------------	-----

EMEA	50%
------	-----

AMERICAS	25%
----------	-----

ASIA	25%
------	-----



The new market landscape

Activities in scope

- National, regional and global fulfilment center and distribution through B2B and B2C channels
- Value added operations. Seamlessly integrated into our networks

Competitive and market dynamics

- Re-configuration of networks
- Digital native solutions
- Highly automated solutions
- Contract tenure scaling up from 3-5 years to 10-15 years
- Specialisation
- Market fragmentation (top 10 players = 20% of the market)



Our unique positioning

Employees

We master complexity

Technology

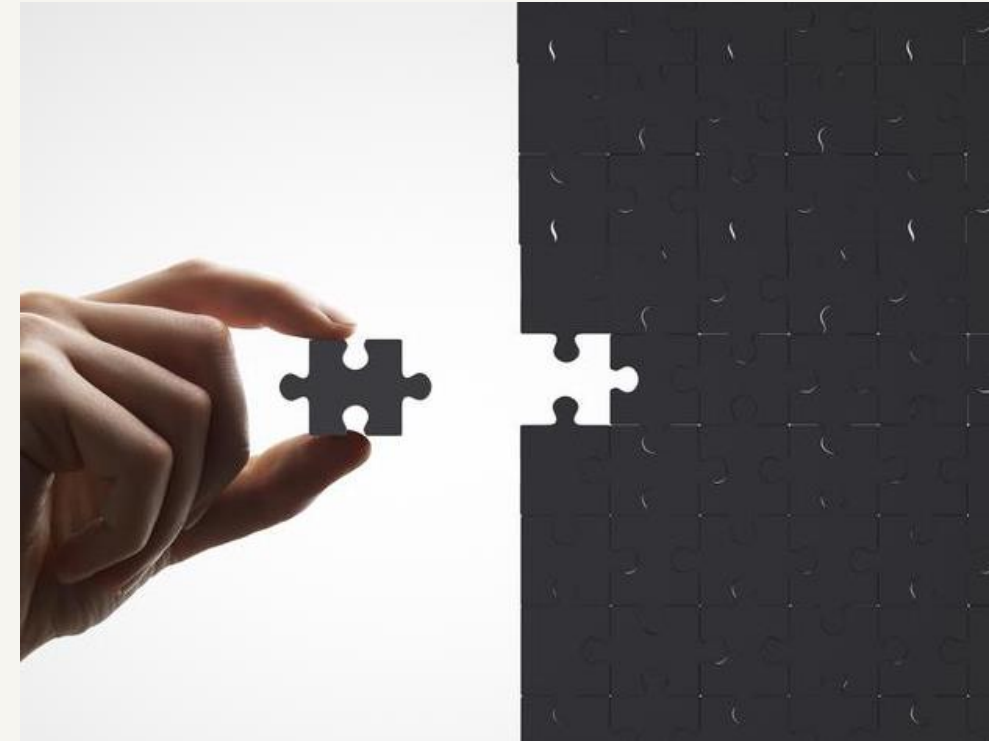
From “loving robots” to “loving customer solutions”

Customer and people centricity

More than 15,000 touch points per year

Industry vertical specialisation

Healthcare, consumer/e-commerce and technology



Roadmap 2026: What and How

We will deliver above-market turnover growth and conversion rate improvement

Market continuing to grow

Fewer customers able to cope with rising complexity
Higher entry barriers

Organic top-line growth at CAGR 8%

Above-market projections

M&A

Strategically support geographical and vertical development

Conversion rate increase by 80-100 bps

What

Kuehne + Nagel Experience will continue to increase loyalty and win rate

Mix enhancement

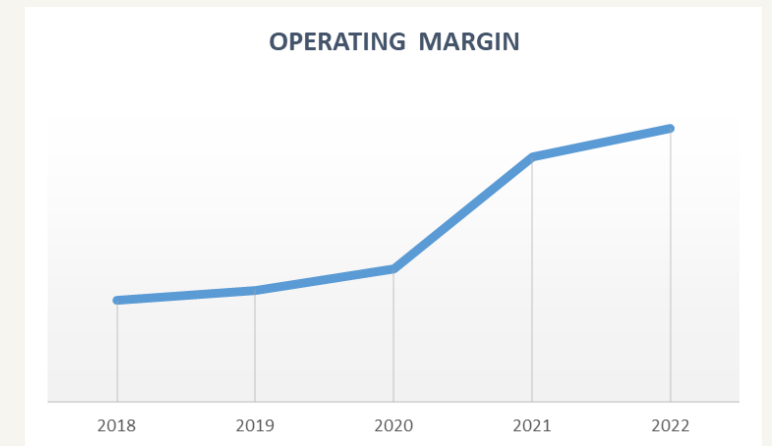
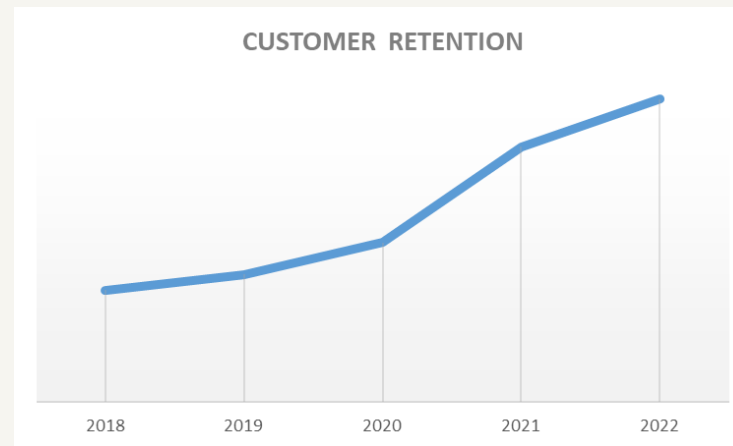
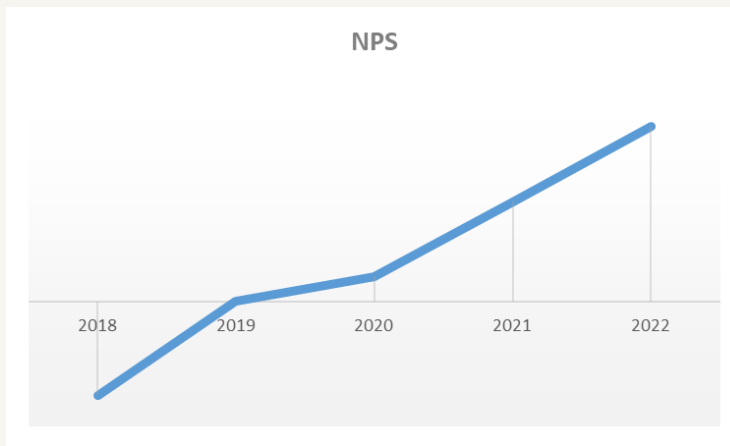
Product evolution

Future-ready operations

How

Extraordinary Customer Experience drives superior trust

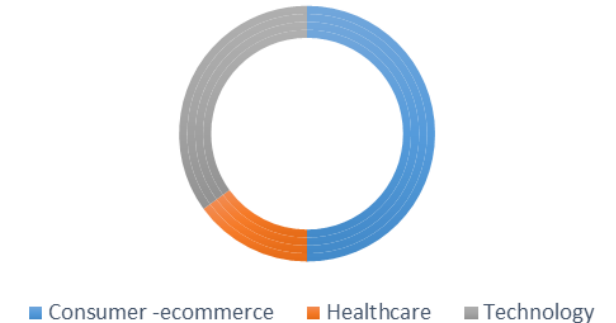
- **Pioneers** in introducing proven B2C measurements into the world of Contract Logistics
- **Simplification, agility and speed** to constantly improve product delivery
- From customer satisfaction to **customer enablement** to generate additional profit streams
- **Value pricing**



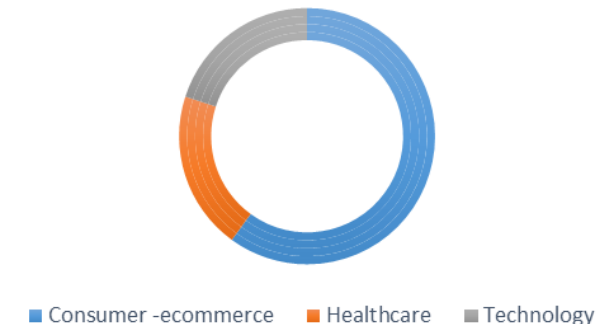
Relentless focus on premium industry verticals and geographies

- **Healthcare and consumer e-commerce** represent our “premium” industry verticals with higher conversion margin
- The **future needs of both these industries** combined with **our product development** will drive higher conversion rate
- Increase of **Asia-based** customers
- **M&A** will focus on “premium” industry verticals, USA and selected Asian countries

2023



2026



Product evolution supporting premium industry verticals and B2C channels

New E-commerce product offering

Healthcare footprint to more than double with combination of organic, M&A and service expansion

Healthcare service expansion:
Focus on Quality
Supply Chain Management Services
Direct to Patient
Consumer Health spin off

Future-ready operations with full integration between humans and robots and 100% sustainable fulfilment centers

Doubling highly automated fulfilment centers by 2026, driving higher productivity

Already reached **1:1 ratio** between humans and robots, more to come

Energy production = energy consumption in all new infrastructures

- Future-proof organisation
- Ready for today, flexible for tomorrow
- Supplementing the humans
- Agile and flexible

Key takeaways

We will continue to evolve and lead the market

- Our focus on **market specialisation and customer experience** is a proven strong driver of higher growth and higher yields
- **Very solid market** conditions to sustain our growth
- **Fully equipped** to deliver on Roadmap 2026 expectations



Growth area: E-commerce



E-commerce ambition

By 2026, we aim to generate an additional **CHF 500 million of new business** by leveraging the strong existing footprint and creating new product offerings for SMEs

Strong performance in a constantly evolving market

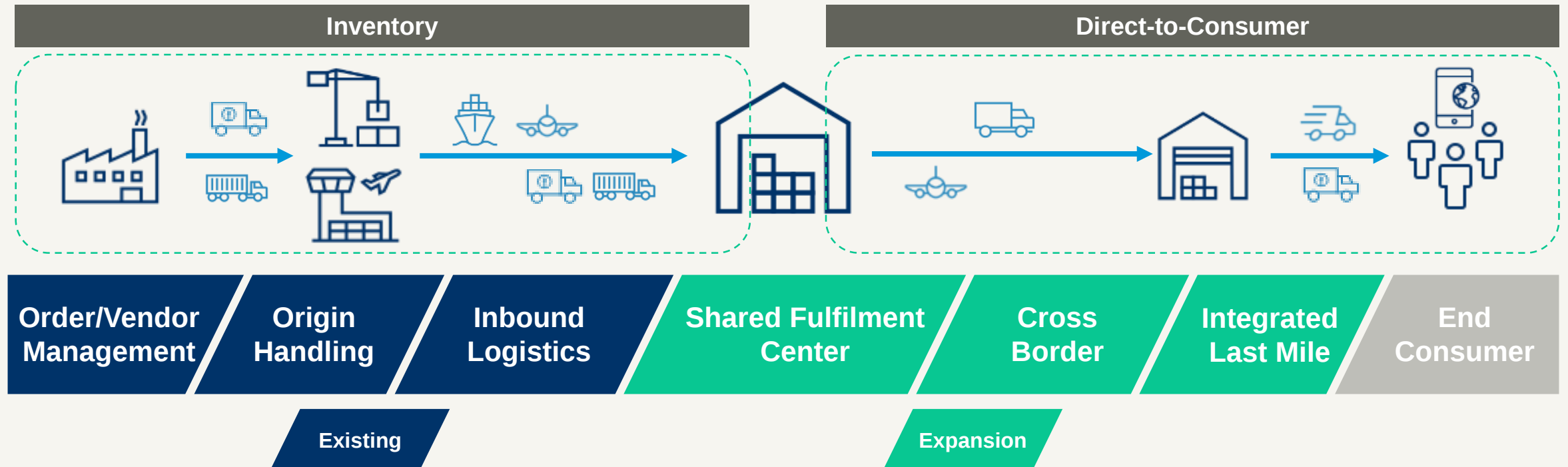
We are successful in all main categories in e-commerce

- E-Commerce's share of global retail sales to grow from 20% currently to 25% by 2026
- Leading position in e-commerce solutions for clothing, shoes, consumer electronics, personal care and luxury goods with hi-level of customization
- Primary focus on big brands, retailers and marketplaces
- Brands versus marketplaces
- All business units involved



Giving SMEs access to end-to-end offering

- 15% of the market
- highest growth rate
- 6 out of 10 SMEs selling nationally – 9/10 with plans to go international
- End-to-end logistics offering is key



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KUEHNE+NAGEL

