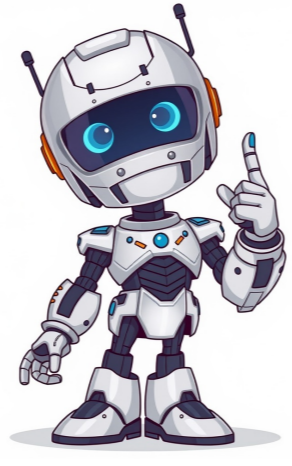


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Kuehne + Nagel International AG is a global transport and logistics company based in Schindellegi, Switzerland. Its main owner and operator is Klaus-Michael Kühne via his Kühne Holding and Kühne Foundation. The company was founded in 1890 by August Kühne and Friedrich Nagel as a forwarding commission agency in Bremen, Germany. Initially, it concentrated on cotton and consolidated freight, but later expanded to Hamburg in 1902. After Friedrich Nagel's death in 1907, August Kühne took over his shares, and the company's name became Kuehne + Nagel. During World War I, the company faced significant challenges, but upon August Kühne's death in 1932, his sons Alfred and Werner joined the firm. However, their involvement with the Nazi Party led to the forced ousting of Adolf Maass, a Jewish partner who owned a 45% stake in the company. The brothers' management played a key role in transporting property seized from Jews in occupied territories as part of the "M-Aktion" initiative. Kuehne + Nagel expanded rapidly during World War II to meet the needs of the Nazi war effort, despite being involved in looting Jewish possessions. The company has since become a leading global transport and logistics provider, with nearly 1,300 offices in over 100 countries and around 79,000 employees. =====Kuehne + Nagel's Early Years and Expansion The company's early success can be attributed to its ability to navigate the post-war landscape unscathed. By cooperating with American and European intelligence agencies, KN escaped repercussions for its activities during this time period. In the early 1950s, Alfred Kühne spearheaded the company's international expansion into Canada, establishing branch offices in Toronto, Ontario, and Montreal, Quebec. This marked a significant milestone for the company as it began to establish itself on the global stage. Looking at Kuehne + Nagel, the company has a long history of involvement with Rugby League and the Olympics. They became the official logistics partner for the 2021 Rugby League World Cup and later for the British Olympic Association. This led to them taking over logistics services for the 2024 Summer Olympics in Paris. In recent years, Kuehne + Nagel has made several key acquisitions, including Farrow, a customs broker based in Ontario, Canada. They will have full ownership of Farrow by early 2024. The company's history is also marked by controversy, particularly regarding its past involvement with the Holocaust and the Jewish community. The issue began when Klaus Michael Kühne and the company refused to acknowledge their historical responsibility during this time period. This led to a citizens' initiative being launched in Bremen, which aimed to get the company to commemorate its crimes with a memorial near its headquarters. After years of resistance from the company and local officials, a memorial was finally inaugurated in 2022 on public ground, 150m from Kuehne + Nagel's HQ. Kuehne + Nagel is a large global company, employing over 78,000 people across 1000 locations in more than 100 countries. It has significant warehouse space under management and operates in several geographical divisions, including Europe, Middle East & Africa, North America, Central & South America, and Asia Pacific. The company provides a range of logistics services, including sea freight, airfreight forwarding, contract logistics, and overland businesses, with a focus on IT-based logistics. Its solutions extend to major industries such as aerospace, automotive, retail, and healthcare. The company is led by several senior executives, including CEO Stefan Paul and CFO Markus Blanka-Graff. =====Kühne+ Nagel's history of a company with complicated past ===== Kühne+Nagel is a leading global logistics company founded in 1890 by Adolf Kühne and Friedrich Fink. The company has undergone significant changes throughout its history, including expansions, mergers, and acquisitions. One notable aspect of the company's past is its involvement with the Nazi regime during World War II. Early History The company was originally known as Kühne + Nagel and was founded by Adolf Kühne and Friedrich Fink in 1890. During World War I, the company played a significant role in the war effort, providing logistics services to the German military. Post-War Era After World War II, Kühne+Nagel faced significant challenges, including being accused of collaborating with the Nazi regime. The company's involvement in the forced labor of Jewish prisoners during the war was particularly controversial. In recent years, the company has acknowledged its past mistakes and taken steps to make amends. Modern Era Today, Kühne+Nagel is a global logistics company with operations in over 100 countries. The company continues to expand its services and invest in new technologies. Despite its complex history, the company remains committed to providing high-quality logistics solutions to its customers. Kühne+ Nagel's complicated past serves as a reminder of the importance of accountability and transparency in business. Logistics experts deliver efficiency and visibility at every touchpoint. Discover how to optimise complex supply chains with our transportation and fulfillment services, which include customs clearance, cargo insurance, and advanced digital technologies. We provide customised solutions that complement your unique enterprise. ===== Work with us to build a tailored supply chain playbook. Our team of experts brings extensive market knowledge and the latest logistics insights to help you navigate the globe. We are one of the world's leading logistics providers, with over 82,000 employees at almost 1,300 sites in more than 100 countries. ===== Our goal is to make the world more resilient. We explore topics such as sustainability and the impact of technology on our lives through our documentary series "WhereNext". In this series, we ask questions about the most widely discussed topics and examine areas where sustainability may be overlooked. Our aim is to understand how innovation and transformative thinking can drive resilience. ===== We are proud to have served over 400,000 customers worldwide in diverse industries. With our expertise and global network, we provide complete supply chain solutions for customers of all sizes. Kuehne + Nagel 2024 Annual Report - Financial Performance ===== The Kuehne+Nagel Group has reported a increase in turnover from CHF 36.7 billion to CHF 43.034 billion, showing a growth of 17.5% yoy. The company has also increased its EBITDA by 10.0% and EBIT by 6.7%. The company's net turnover has increased by 8.2%, with gross profit increasing by 19.1%. The Kuehne+Nagel Group has a strong performance in the past year, driven by its core business of freight forwarding, logistics, and supply chain management. The company's financial position is stable, with total assets increasing from CHF 14.751 billion to CHF 17.878 billion. The company's share price on SIX Swiss Exchange has been volatile, ranging from CHF 297 in May 2024 to CHF 361 in June 2024. The average trading volume per day is around 190,000 shares. As we reflect on another successful year for Kuehne+Nagel International AG, it's essential to acknowledge that this achievement is not solely due to luck. The global economic landscape has been tumultuous, with weak economies in Europe, emerging protectionism, and regional conflicts having a profound impact on global supply chains. Despite these challenges, Kuehne+Nagel has demonstrated its expertise in navigating the complex world of logistics. Our strategy focuses on advising customers on their increasingly intricate logistics needs, leveraging our unique strengths to provide efficient solutions. This approach has been instrumental in driving business growth, as we've consistently seized competitive opportunities through strategic flexibility, an entrepreneurial culture, and a customer-centric focus. The recent reorganisation of the company and sales structure in the second quarter of 2024 had a positive effect on our performance, largely due to our international setup, which sets us apart in the logistics industry. The Asia-Pacific region, where trade is experiencing dynamic growth, has been a significant driver of our success, with Kuehne+Nagel generating around a quarter of its profit from this region. Notable acquisitions, such as City Zone Express and Farrow, have strengthened our presence in key markets, including South East Asia and Canada. The acquisition of IMC Logistics of Tennessee further solidified our position in marine drayage in the United States. These strategic moves have contributed significantly to our business performance, despite weak global consumer demand. Our financial results for 2024 demonstrate a strong recovery from pre-pandemic levels, with net turnover reaching CHF 24.8 billion and operating profit (EBIT) at CHF 1.7 billion. The Group's success is attributed to the collective efforts of our employees across all business units, who have worked tirelessly to drive growth. As we look ahead to 2025, Kuehne+Nagel has initiated measures to accelerate growth in all its business units, aiming to expand at a faster rate than previously anticipated. With over 80,000 employees and 1,300 sites across the continents, we are well-positioned for success in an increasingly complex and interconnected world. In conclusion, Kuehne+Nagel's strategic progress has been instrumental in driving our business performance, despite the challenges posed by a turbulent global economy. We remain committed to advising customers on their evolving logistics needs, leveraging our unique strengths to provide efficient solutions that drive growth and success. In optimising our global network, we continue to bolster market presence for all transport carriers while advancing value-added services. I'd like to sincerely thank the Board of Directors and all Kuehne+Nagel colleagues for your continued trust in us. Special gratitude goes to our employees, who demonstrated remarkable dedication amidst challenging circumstances. We aim to share success with shareholders by proposing an ordinary dividend of CHF 8.25 per share for 2024, corresponding to a 3.3% yield. As we start the new financial year, Kuehne+Nagel is well positioned. We're confident that our positive momentum will continue in 2025. The economic environment has been marked by uncertainty since 2023, with the Ukraine war, Red Sea crisis, and Gaza conflict affecting global trade and inflation. Supply chains were impacted, leading to a surge in demand for capacity from sea and air freight carriers. Despite these challenges, we maintained our position as the world's number one carrier for both Sea Logistics and Air Logistics, managing 4 million TEUs and 2 million tons of volume respectively. Road Logistics improved performance through yield management, while Contract Logistics expanded market share and increased profitability. Our logistics solutions offer end-to-end supply chain management within a global network, controlled by Logistics Control Towers. This integrated approach enhances transparency and efficiency for customers, optimising information flow between partners. We're committed to adding value to our customers' value chain, particularly in competitive markets. The world economy experienced flat development in 2024, with estimated growth of 2.7%. For 2025, global growth is forecasted at a modest 2.7% (World Bank, Global Economic Prospects). The international logistics industry saw world trade volume growth above 3.4% in 2024 compared to 0.7% in 2023. Freight rates and capacities remained volatile in 2024, driven by geopolitical disruptions and e-commerce shifts. This led to cost increases and pressure on gross margins. Despite this, we delivered a net turnover 4.0% higher than in 2023. ===== Kuehne+Nagel Presents Ambitious Sustainability Strategy at Capital Markets Day Kuehne+Nagel has outlined its commitment to becoming the most trusted supply chain partner supporting a sustainable future, with a focus on four cornerstones: the Kuehne+Nagel Experience, Digital Ecosystem, Living ESG, and Market Potential. The company aims to provide an exceptional customer experience while fostering a unique work environment for employees. It also seeks to revolutionize logistics through its Digital Ecosystem, leveraging technology, data, and automation to gain competitive advantages. Kuehne+Nagel's Living ESG initiative emphasizes the importance of sustainability in business operations, prioritizing environmental, social, and governance (ESG) considerations. The company has set ambitious greenhouse gas emission reduction targets, aiming to reduce its own environmental impact while supporting customers transitioning to net-zero. The Group's growth ambitions are reflected in its Market Potential strategy, which involves expanding into new markets, such as renewable energy, and building on successes in healthcare solutions, e-commerce, and customs. ===== Looking at the turnover, we see an increase of CHF 1,086 million (4.1 per cent), with acquisitions contributing CHF 290 million (1.1 per cent). The exchange rate fluctuation had a negative impact of CHF 669 million (2.5 per cent). The volumes in Sea Logistics decreased by 0.6 per cent (28,000 TEUs), and the turnover per TEU increased by 6.8 per cent to CHF 2,445 per TEU (2023: CHF 2,290). In Air Logistics, the volumes increased by 5.5 per cent (109,000 Tons), and the freight rates decreased by 1.1 per cent to CHF 372 per 100 kg (2023: CHF 376). The exchange rate fluctuation between 2023 and 2024, based on average yearly exchange rates, led to a devaluation of the Euro by 2.0 per cent and US Dollar as well as dependent currencies by 2.1 per cent, against the Swiss Franc, resulting in a negative impact of CHF 669 million (2.5 per cent) on turnover. The Group's net turnover amounted to CHF 24,802 million in 2024, representing an increase of 4.0 per cent or CHF 953 million compared to the previous year. Organic business growth resulted in an increase of CHF 1,300 million (5.5 per cent), and acquisitions contributed to an increase of CHF 264 million (1.1 per cent). The exchange rate fluctuation had a negative impact of CHF 611 million (2.6 per cent). Gross profit amounted to CHF 8,670 million in 2024, which represents a decrease of 1.3 per cent or CHF 117 million compared to the previous year. Organic business growth resulted in a decrease of CHF 10 million (0.1 per cent). Exchange rate fluctuation had a negative impact of CHF 209 million (2.4 per cent), and acquisitions contributed to an increase of CHF 102 million (1.2 per cent). The operational cash flow decreased by CHF 184 million to CHF 2,498 million in 2024. EBITDA decreased by CHF 200 million or 7.5 per cent to CHF 2,478 million compared to the previous year's CHF 2,678 million. The reduction was mainly due to a lower contribution from the organic business by CHF 224 million (11.7 per cent), whereas the acquired business had a positive impact of CHF 18 million (0.9 per cent). The exchange rate development had a negative impact of CHF 43 million (2.3 per cent). In 2024, the Group's total assets saw a notable increase of CHF 754 million, reaching CHF 11,725 million compared to the previous year. However, cash and cash equivalents experienced a decrease of CHF 859 million, resulting in CHF 1,152 million. The consolidated financial statements provide further details on the changes in the balance sheet and cash flow statement. Trade receivables, which amount to CHF 4,312 million, remain the Group's most significant asset. The days of outstanding trade receivables have slightly decreased to 53.2 days as of December 2024, compared to 53.3 days in the previous year. As of December 31, 2024, the Group's equity has increased by CHF 106 million to CHF 3,265 million, resulting in an equity ratio of 27.8 per cent, a slight decrease from the previous year's 28.8 per cent. =====