



On course

Corporate brochure  
Edition 2020

KUEHNE+NAGEL



# Key Figures

in CHF million	2019	Variance
<b>25,295</b>	Turnover	+ 1.9%
<b>21,094</b>	Net turnover	+ 1.5%
<b>7,981</b>	Gross profit	+ 3.5%
<b>1,829</b>	EBITDA	+ 51.3% <sup>1</sup>
<b>1,061</b>	EBIT	+ 7.5%
<b>13.3%</b>	EBIT in per cent of gross profit (conversion rate)	
<b>800</b>	Earnings for the year	+ 3.6%
<b>1,746</b>	Operational cash flow	+ 51.0% <sup>1</sup>
<b>320</b>	Investments	
<hr/>		
<b>51.0%</b>	Return on Capital Employed	
CHF <b>6.67</b>	Earnings per share (basic)	
CHF <b>4.00</b>	Dividend per share <sup>2</sup>	
<hr/>		
<b>83,161</b>	Employees	

<sup>1</sup> Prior year figures have not been restated for the impact of IFRS 16 Leases

<sup>2</sup> Proposal to the Annual General Meeting

# Kuehne + Nagel Group at a glance

## GLOBAL NETWORK



**109**

countries  
worldwide



**1,395**

locations  
worldwide



**83,161**

employees  
worldwide

## ALLOCATION BY REGION

## NUMBER OF LOCATIONS BY REGION



## BUSINESS UNITS



**NO. 1**

worldwide in  
Seafreight

**NO. 2**

worldwide in  
Airfreight

**NO. 5**

in Europe in  
Overland

**NO. 2**

worldwide in  
Contract Logistics

**9.8**

billion CHF  
turnover 2019  
worldwide

**5.5**

billion CHF  
turnover 2019  
worldwide

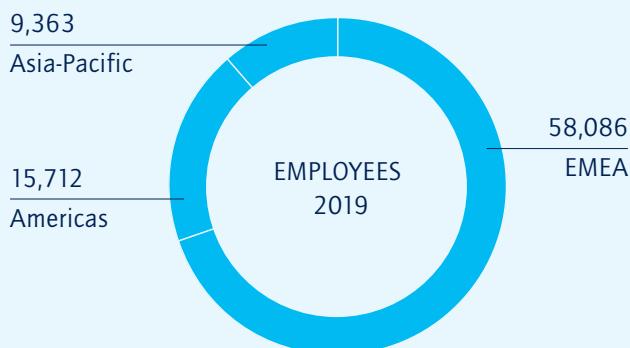
**4.1**

billion CHF  
turnover 2019  
worldwide

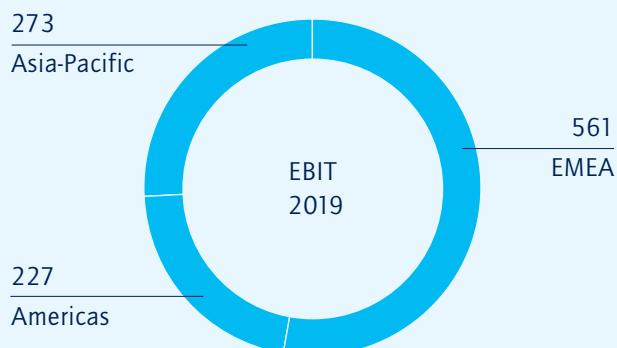
**6.0**

billion CHF  
turnover 2019  
worldwide

### EMPLOYEES BY REGION



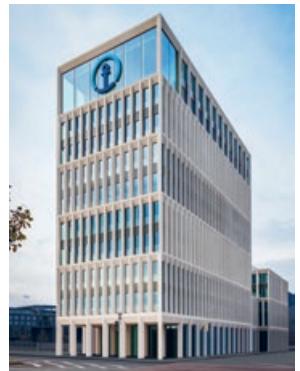
### EBIT BY REGION in CHF million



Established in 1890 by August Kühne and Friedrich Nagel as a seaport forwarding company in Bremen, Germany, Kuehne + Nagel is now, on its 130<sup>th</sup> anniversary, one of the world's leading logistics providers. With over 83,000 employees at 1,400 locations in over 100 countries, Kuehne + Nagel specialises in seafreight and airfreight, overland transport and contract logistics. Its global headquarters are located in Schindellegi in Switzerland.

Kuehne + Nagel is honouring the company's long tradition by opening its new August-Kühne-House in early 2020 in Bremen on the site of the original company building. Today, the site is the new headquarters of Kuehne + Nagel Germany.

*Left:* the Kuehne + Nagel global headquarters in Schindellegi;  
*right:* the new Kuehne + Nagel Germany headquarters in Bremen



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## "The profound digital transformation is an enormous opportunity"

An interview with Dr. Joerg Wolle, Chairman of the Board of Directors, and Dr. Detlef Trefzger, CEO of Kuehne + Nagel International AG

### **In 2019, Kuehne + Nagel reported record results for the sixth time in a row.**

#### **What's your recipe for success?**

DR. JOERG WOLLE: Kuehne + Nagel, one of the world's leading logistics providers, has once again achieved record results. With the current state of the global economy, that's anything but a given. It's taken hard work by our 83,000 employees around the world to achieve it. We've concentrated on what's important in our business: the needs of our customers. That's how we've once again achieved our strategic goal of growing twice as fast as the overall market in transportation networks.

#### **How was the growth spread across the business units?**

DR. DETLEF TREFZGER: All four business units made a major contribution to our success in 2019. I'd like to extend a big thank you to all our colleagues for this. In seafreight and overland, our focus on customer service, cost-effectiveness and digitalisation has once again paid off. In the more volatile airfreight business, we managed to keep the recurring results stable in a challenging market. The acquisition of Quick International Courier, a specialist in time-critical shipping in the pharma and aviation sector, has had a positive long-term impact there. Although we could have

achieved higher sales in contract logistics, we decided to go for healthy – and above all profitable – growth instead.

### **Where is Kuehne + Nagel in terms of implementing its strategic programme?**

WOLLE: We've worked hard in the first two years of our Roadmap 2022 to get on track towards sustainable growth, by making the key investments required. We've made acquisitions getting on for more than a billion Swiss francs, such as Quick from the USA which I've already mentioned, a complementary and above all profitable business. In overland, we've strategically expanded our existing network in Europe by taking over Rotra in Benelux and Jöbstl in Austria.

TREFZGER: We've also launched other strategic projects, always with the customer in mind: In seafreight, for example, the *KN Pledge* online platform where we guarantee delivery times and offset CO2 emissions. We've introduced *AirLOG*, an innovative operational system for airfreight. In overland, we've launched a new online booking solution in South East Asia. Last but certainly not least, we've significantly expanded the intranet for our employees and introduced a web conferencing solution in late 2019. We already have more than 33,000 regular users. This supports our efforts towards efficiency and is beneficial for the environment as well.

### **The year 2019 also marks the halfway point on your strategic Roadmap 2022. What happens next?**

WOLLE: We've sowed the seed; now we can reap the rewards and keep on sowing at the same time. So we'll continue right up to the end of the strategic programme in 2022 to strengthen Kuehne + Nagel's position as one of the world's leading logistics providers, above all in Asia, the market of the future par excellence.

**"We'll continue to strengthen Kuehne + Nagel's position as one of the world's leading logistics providers, above all in Asia, the market of the future par excellence."**

DR. JOERG WOLLE

### **Is the Roadmap 2022 your response to the fundamental changes in the logistics sector?**

WOLLE: Quite the reverse. The profound digital transformation is an enormous opportunity. It's already transforming almost every business model in the global economy, and in logistics in particular. We addressed that very early on, drew the right conclusions and made the move into the digital future early on too. If any company in our sector has the right to be called a digital pioneer, it's Kuehne + Nagel. Stealing a hard-won march on our competitors is of huge strategic value. It's opening up new opportunities for us around the world. We will make sure to make the most of these opportunities.

### **Can you give a specific example?**

TREFZGER: We're the first logistics provider in the world with a direct system-to-system connection with an airfreight provider. Our customers benefit from the seamless integration of our *myKN* booking platform with systems of various airfreight companies. You can request prices, book and track consignments on the platform in seconds, in real time.

**"With the Net Zero Carbon programme, we were the first global logistics provider to commit to achieving zero direct and indirect CO2 emissions by 2030."**

DR. DETLEF TREFZGER

**Is this new airfreight offering part of your *eTouch* initiative?**

TREFZGER: Yes, it's a good example of it. Instead of a bewildering number of contact points, our customers now just have a single, digital point of contact – a so-called *eTouch*. That's not a single system; it comprises all the measures for simplifying and automating shipments using new technologies.

**Kuehne + Nagel operates in all the regions of the world. But you'd like to be growing in Asia in particular...**

WOLLE: After concentrating mainly on Europe and America in recent years in terms of organisational measures and acquisitions, we're now systematically and quite deliberately expanding our position in the Asia-Pacific region. We've already built up a very strong position there. We firmly believe that Asia will continue to be a central driver of global economic development.

With the merger of our two Asian organisations, we've created the perfect launchpad for expanding in the region with approximately 10,000 employees, both organically and through acquisitions.

However, anyone can acquire companies. It's only once you've integrated them with your existing business that you can be sure whether you can create added value for customers and companies. Crucially, the ability to integrate acquired companies quickly and effectively and harvest the desired strategic and financial benefits is now one of Kuehne + Nagel's core competences. We have shown we can do it in the USA and Europe. And we'll do it in Asia too.

**Kuehne + Nagel has adopted a clear position on climate protection with its Net Zero Carbon programme. Why?**

TREFZGER: We know that the logistics sector has an important part to play in climate protection. When we announced our Net Zero Carbon programme in September 2019, we were the first global logistics provider to commit to achieving zero direct and indirect CO2 emissions by 2030. That's not just the emissions generated by our own fleets and at our own sites but also emissions from our suppliers – airlines, shipping lines and haulage companies. Our initiative has been very well received over the past few months – not only by our customers but the suppliers too, and, I'm particularly pleased to report, our employees.

**What are your objectives for 2020?**

TREFZGER: We are looking forward with confidence to the 2020 business year and beyond. Together with



#### KUEHNE + NAGEL BOARD OF DIRECTORS

*From left to right:*

DR. RENATO FASSBIND

DR. MARTIN C. WITTIG

HAUKE STARS

DR. JOERG WOLLE, Chairman

KLAUS-MICHAEL KÜHNE, Honorary Chairman

KARL GERNANDT, Vice Chairman

DR. THOMAS STAHELIN

DAVID KAMENETZKY

the expertise and commitment of all our colleagues we'll be pushing our Roadmap 2022 forward to ensure Kuehne + Nagel continues to lead the transformation for the benefits of our customers.

WOLLE: This year marks 130 years since Kuehne + Nagel was established. Over this long history and through the efforts of many people, the company turned into a truly global provider of logistics services. We have very good prospects for continuing our success story. It is up to us to bring Kuehne + Nagel into new territory in terms of customer benefit, market relevance, global position and of course revenue and profit. Together with our colleagues on the Board of Directors, I'm very confident that we will succeed.

# Net Zero Carbon

**How Kuehne + Nagel  
will make all shipments  
CO2 neutral by 2030**

The Net Zero Carbon programme was launched by Kuehne + Nagel in September 2019. The company has set itself two important goals: Firstly, all company sites around the world will no longer leave a CO2 footprint from 2020 onwards. Secondly, all shipments by suppliers in the Kuehne + Nagel network (airlines, shipping lines and haulage companies) will be CO2-neutralised by 2030. With this programme, we are taking responsibility for the environment whilst at the same time helping our customers achieve their own environmental targets. Kuehne + Nagel is committing to three areas of action within the Net Zero Carbon programme: visibility, reduction and offsetting of CO2 emissions.

**Kuehne + Nagel has been consistently committed  
to sustainability for over a decade**



**100**

million CHF – the amount Kuehne + Nagel  
will invest in the next two years in afforestation.



## KUEHNE + NAGEL'S NET ZERO CARBON PROGRAMME

### VISIBILITY

#### Transparency about logistics CO2 emissions:

Kuehne + Nagel has developed online solutions that show its customers how much CO2 their shipment produces. Big Data and predictive analytics are used to offer innovative CO2-neutral solutions. The *SeaExplorer* online portal is the first of its kind to offer seafreight customers transparency on CO2 emissions for every single port-to-port option, regardless of which shipping company is used.



### REDUCTION

#### Reducing CO2 hand in hand with our partners:

Kuehne + Nagel is working closely with its suppliers to reduce the CO2 emissions of customer shipments and ensure the sustainability of the entire supply chain. The company has entered into a number of sustainability pacts and supports the development of bio-fuels and synthetic fuels.



### OFFSETTING

#### Nature-based projects remove CO2 from the atmosphere:

Despite all the efforts to reduce them, it is currently still not possible to cut 100% of CO2 emissions related to shipments. For this reason, Kuehne + Nagel participates in nature-based offsetting projects around the world, which remove CO2 from the atmosphere. These voluntary offsetting measures support the United Nations Sustainable Development Goals (SDGs).

Further information at: [kn-portal.com/environment](http://kn-portal.com/environment)

SUSTAINABLE  
DEVELOPMENT GOALS

# Asia – the beating heart of global trade

Kuehne + Nagel poised for rapid growth in the region

No region in the world is changing as quickly as Asia. Four Asian countries, China, India, Japan and South Korea, are in the world's top 10 largest economies. China contributed just 2% to the global economy in the early 1980s; today the country is the world's second-largest economy. The South East Asian (ASEAN) countries such as Indonesia, Vietnam, Singapore or Malaysia are also booming. With a population of around 650 million, the region is already the world's fifth-largest economic area.

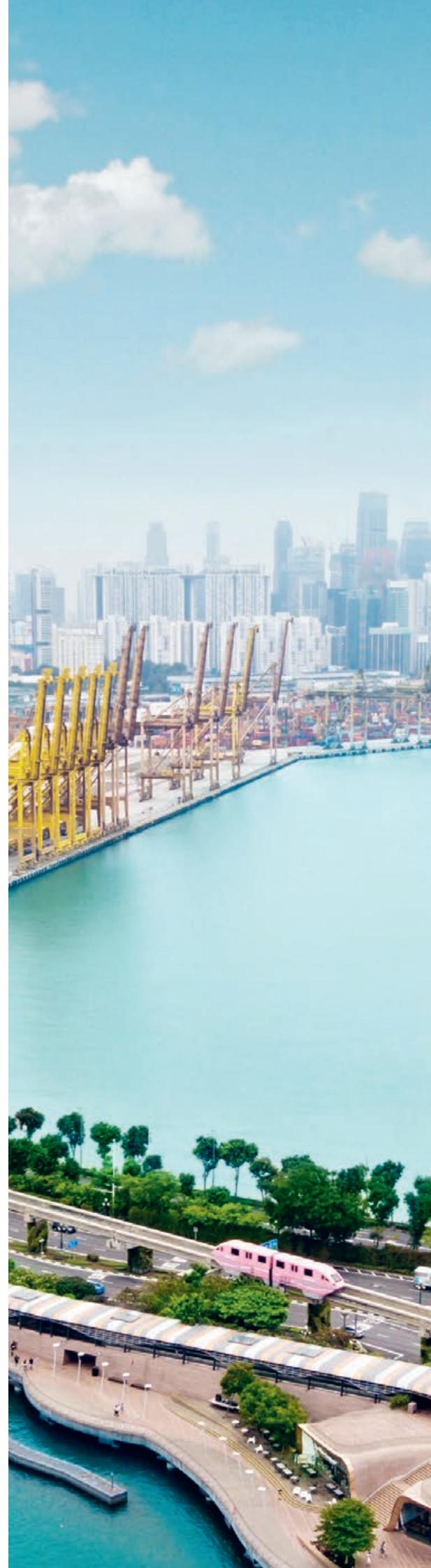
## MIDDLE CLASS, VALUE CREATION AND INTRA-ASIAN TRADE

The middle class is a major driver of growth in Asia. A decade ago, around 500 million people in the region belonged to the middle class; today there are already over 1.3 billion. Asian countries are now turning into self-confident economies with high levels of value creation. Today, China produces most of the world's computers, and most processors too. India is the world's leading software cluster. Intra-Asian trade is also a key driver of growth: South East Asia is now China's second-largest trading partner.



**66%**

Asia's share in the global middle class by 2030,  
according to the OECD.





#### KUEHNE + NAGEL IS COMMITTED TO ASIA

Today, Asia is at the centre of global trade and thus it is a focus for Kuehne + Nagel. With a presence in the region with its own companies for almost 60 years, it has traditionally focused on seafreight and airfreight. Over the years, Kuehne + Nagel has also expanded its regional market position in contract logistics. At the Singapore Innovation Centre, research is underway into new solutions for digital logistics centres focusing on Big Data and artificial intelligence. In overland transport, Kuehne + Nagel launched *eTrucknow* in 2019, a new online booking platform for road logistics in South East Asia.

Asia will be the central driver of global economic development in the years to come. So Kuehne + Nagel is continuing to expand its Asian network through organic and inorganic growth. By merging its two existing Asian organisations, Kuehne + Nagel is aiming to strengthen its position in the Asian logistics sector even more.



# 10,000

the number of specialists in the region,  
from Auckland in New Zealand, Ho Chi Minh City  
in Vietnam and Busan in South Korea to  
Karachi in Pakistan.



## What our customers say about us

Four voices out of a total of 400,000 customers

"Kuehne + Nagel is the competent partner for Schaeffler Technologies in the field of future-oriented logistics. The business partners, key accounts and employees support us very competently and with great passion, ideas and visions consistently. Always approachable, with good ideas and solutions on hand, Kuehne + Nagel always creates very good solutions even under difficult conditions."

Dr.-Ing. Guido Herale,  
Head of Supply Chain & Logistics Europe,  
Schaeffler Technologies AG & Co. KG



"Adient awarded Kuehne + Nagel two additional seafreight lanes in 2018. The transition from the previous logistics provider to Kuehne + Nagel was absolutely smooth, with no impact to our supply chain. This is indicative of a well-equipped and experienced global team whose main objective is to meet their customers' expectations."

Theunis van Huyssteen,  
Senior Manager Materials & Logistics,  
Adient South Africa (Pty) Ltd





"Air Canada has relied on Sterling Global Aviation Logistics as a strategic partner since the early 2000s. Sterling's team has been working closely together with our aircraft on ground desk and heavy maintenance division and is a valued extension of our supply chain."

Michael Collett  
Senior Director, Planning & Airframe Maintenance at Air Canada

Sterling Global Aviation Logistics is part of the Kuehne + Nagel Group



"On is gaining more fans faster than ever before. On's supply chain capabilities are essential to the success of the company and we are happy that Kuehne + Nagel has been our logistics sparring partner for almost a decade. With the new joint logistics centre in Luxembourg, due to open in the second half of 2020, we lay the foundation for future growth to meet demand in Europe, so that we can continue to deliver happiness to all our B2B partners and B2C customers."

Marc Maurer, COO of On AG



## Committed to our customers' success

The secret of Kuehne + Nagel's success is the commitment, professionalism and performance of all of its employees around the world. Around 83,000 employees from over 140 nations work hard every day to ensure that the expectations of customers and business partners around the world are exceeded.

KUEHNE + NAGEL MANAGEMENT BOARD  
*From left to right:*

GIANFRANCO SGRO, Contract Logistics  
MARTIN KOLBE, CIO  
YNGVE RUUD, Airfreight  
LOTHAR HARINGS, CHRO  
DR. DETLEF TREFZGER, CEO  
MARKUS BLANKA-GRAFF, CFO  
STEFAN PAUL, Overland & Sales  
HORST JOACHIM SCHACHT, Seafreight



# Business Units Overview 2016 – 2019 Turnover

## Seafreight



## Airfreight



## Overland



## Contract Logistics



\* CAGR = Compound Annual Growth Rate

A photograph showing two port workers in high-visibility yellow vests and white hard hats with a blue anchor logo. They are standing outdoors, looking at a clipboard. In the background, a large cargo ship is loaded with shipping containers under a clear blue sky.

 **7.5**  
billion CHF net turnover  
2019

 **4.9**  
million TEU in 2019

 **10,535**  
seafreight specialists

# Seafreight

Kuehne + Nagel is the global number 1 in seafreight. Over 10,000 seafreight experts worldwide ensure Kuehne + Nagel customers can access reliable sea transport on all major trading routes and 63,000 port connections. Its focus is on shipping full container loads (FCL) and less than container loads (LCL), perishable and fresh cargo shipments as well as project logistics. It offers a flexible and reliable service with more than 750 weekly departures and a multitude of connections in an independent network spanning multiple shipping companies. Innovative digital information solutions such as *SeaExplorer* ensure full visibility and customised supply chains, whatever the size of the company.

In 2019, Kuehne + Nagel handled 4.9 million standard containers (TEUs) in seafreight, the company's largest business unit. Kuehne + Nagel strengthened its position as market leader in seafreight in the 2019 business year. Net turnover was up 4.6% at CHF 7.5 billion and EBIT was also up 9.1% at CHF 456 million.



## ***KN Pledge: guaranteed lead times and sustainability in seafreight***

With *KN Pledge*, Kuehne + Nagel was the first logistics provider in 2019 to introduce an online solution for full container load (FCL) with a guaranteed lead time, 100% money-back guarantee, extended cargo liability, automated instant pricing and CO2 neutrality. *KN Pledge* is an add-on to Kuehne + Nagel's comprehensive online quoting, booking and tracking functions with particular focus on reliability for all delivery combinations, from port-to-port to door-to-door, and compensating for CO2 emissions from full container transports.

## ***KN Pledge***

Seafreight Lead Time Guaranteed

### **Performance**

in CHF million	2019	2018	2017
Turnover	9,751	9,366	8,805
Net turnover	7,457	7,129	6,583
Gross profit	1,539	1,482	1,416
EBITDA	485	441	437
EBIT	456	418	414
EBIT in % of gross profit	29.6	28.2	29.2
TEU in 1,000	4,861	4,690	4,355
Number of operating staff	10,535	10,025	9,543

# Airfreight

With longstanding experience and an extensive global network of 420 locations in 106 countries and over 8,100 specialists, Kuehne + Nagel is the world's number 2 in airfreight. The business unit has access to a comprehensive, worldwide network of carrier partners and managing more than 60,000 shipments per week. With a full range of airfreight services and a focus on industry-specific solutions, Kuehne + Nagel is the logistics partner who can handle the most demanding tasks and provide unique solutions.

In 2019, the challenging market environment and the resulting softening demand in some key industries led to a decline in turnover to CHF 5.5 billion and EBIT to CHF 329 million. Thanks to focusing on the expanded service portfolio and continuing the development of eTouch solutions, an optimised cost structure and the successful integration of Quick International Courier, Kuehne + Nagel's airfreight business once again concluded a successful year.



## eTouch: API technology for seamless integration of airfreight booking systems

Together with Air France KLM Cargo, Kuehne + Nagel successfully completed a pilot project to integrate online processes in autumn 2019 via API. Kuehne + Nagel will thus be able to access all digital functions of Air France KLM Cargo, including capacity queries, order placement and booking. This joint project represents an important step in the digitalisation of the airfreight industry.

## Performance

in CHF million	2019	2018	2017
Turnover	5,465	5,620	4,759
Net turnover	4,653	4,870	4,080
Gross profit	1,317	1,202	1,036
EBITDA	394	380	333
EBIT	329	355	313
EBIT in % of gross profit	25.0	29.5	30.2
Tons in 1,000	1,643	1,743	1,570
Number of operating staff	8,115	7,412	6,693



**4.7**

billion CHF net turnover  
2019



**1.6**

million tons in 2019



**8,115**

airfreight specialists



**3.6**

billion CHF net turnover  
2019



**32,500**

departures a day  
in Europe in 2019



**8,781**

overland specialists

# Overland

With just under 9,000 employees at more than 350 sites, Kuehne + Nagel's overland unit is one of the world's leading providers for road transport. 32,500 departures a day in Europe alone provide customers with maximum flexibility and speeds for their groupage, full truck load (FTL) or less than truck load (LTL) shipments. Kuehne + Nagel operates one of Europe's leading networks. In North America, the unit acts as a broker for FTL and LTL shipments and intermodal solutions. It provides FTL and LTL solutions in the Middle East and South East Asia. The business unit is also one of the world's leading providers of trade fair and event logistics.

In the 2019 business year, net turnover for overland transport was up slightly at CHF 3.6 billion, gross profit was also up at CHF 1.1 billion and EBIT increased to CHF 78 million. Kuehne + Nagel achieved above-market growth in a weakening environment. The business unit added to the European network with the acquisition of the Jöbstl Group in Austria and Slovenia as well as Rotra, a leading road transport provider in the Netherlands and Belgium.



## eTrucknow: artificial intelligence for overland transport in South East Asia

In Summer 2019, Kuehne + Nagel launched its innovative freight platform *eTrucknow* in South East Asia. This platform uses artificial intelligence to match supply and demand for overland transport. The digital marketplace also provides continuous visibility for customers. The online platform was first launched in Thailand and India and is being gradually expanded to include Vietnam, Singapore, Malaysia, New Zealand and Australia.

## Performance

in CHF million	2019	2018	2017
Turnover	4,102	4,009	3,356
Net turnover	3,586	3,526	3,117
Gross profit	1,121	1,088	952
EBITDA	136	118	92
EBIT	78	76	49
EBIT in % of gross profit	7.0	7.0	5.1
Number of operating staff	8,781	8,456	8,040

# Contract Logistics

With over 43,000 employees in more than 46 countries, the contract logistics business unit is number 2 in the world. Kuehne + Nagel's service portfolio ranges from outsourcing logistics to handling complex end-to-end goods flows and eCommerce, covering all aspects of logistics including planning, management and execution. Around 500 engineers develop customised industry solutions for the consumer goods, pharma, aerospace, automotive and other sectors.

Integrated Logistics forms part of the unit. At eight sites around the world, known as *KN Control Towers*, 900 specialists develop and implement end-to-end solutions to make supply chains both flexible and efficient. This allows costs of logistics operations, turnaround times and customer inventories to be optimised.

In the 2019 business year, net turnover in contract logistics rose to CHF 5.4 billion. Growth in turnover was maintained at market level by streamlining the product portfolio, productivity gains and improved service quality. EBIT reached a record high of CHF 198 million, more than 40% up on the previous year. This improvement was due to strong operational performance and disposals of real estate.



## Integrated eCommerce fulfilment

Availability to the end customer is of central importance for eCommerce fulfilment. Kuehne + Nagel has developed an end-to-end solution package for eCommerce to meet the increasing demand for online orders. This allows producers, retailers and eCommerce marketplace operators to draw on automated logistics processes such as the new *SwiftLOG* warehouse management system to support their physical infrastructure. Kuehne + Nagel already provides these integrated eCommerce services at over 120 sites worldwide.

## Performance

in CHF million	2019	2018	2017
Turnover	5,977	5,830	5,300
Net turnover	5,398	5,249	4,814
Gross profit	4,004	3,937	3,619
EBITDA	814	270	288
EBIT	198	138	161
EBIT in % of gross profit	4,9	3,5	4,4
Warehousing space in million sqm	11.4	11.6	10.6
Number of operating staff	43,661	43,694	39,957

A worker in a blue shirt and hard hat is operating a forklift in a large warehouse. The warehouse is filled with tall metal shelving units stacked with various packages and boxes. In the background, there's a large blue banner with a white anchor logo and some text. The worker is looking towards the camera while operating the machinery.

**5.4**

billion CHF net turnover  
2019

**11.4**

million sqm logistics  
and warehousing space

**43,661**

contract logistics  
specialists

# Socio-political Responsibility – the Kühne Foundation

## Sustainable commitment

The non-profit Kühne Foundation was established by the Kühne family in Switzerland in 1976. Today it is renowned for its initiatives to support academic and further education as well as research in the fields of logistics and supply chain management. The Kühne Foundation is also strongly involved in medical, cultural and humanitarian projects. It is an operative foundation, which initiates almost all of its projects itself. Through its extensive funding projects, the Kühne Foundation and its donor Klaus-Michael Kühne also exercise their socio-political responsibility.



**> 30**

million CHF  
promotional funding



**> 75**

projects worldwide



## Funding Area Logistics

The Kühne Foundation's goal is to support and develop logistics as an academic field. In today's business world, logistics is facing major challenges. Digitalisation and the call for climate protection are leading to profound transformations that require innovative approaches. The Kühne Foundation connects research institutions that provide scientific monitoring of new developments and supports training of the current and upcoming generation of managers. The Kühne Logistics University (KLU), founded in Hamburg in 2010, promotes pioneering research and practice-oriented teaching in its key competence areas "Digital Transformation", "Value Creation" and "Sustainability". In addition, the Kühne Foundation supports endowed chairs, centres of excellence and educational institutions at renowned universities and institutes of higher education. Since 2019, it has supported the "Global Trade" research project at the University of Zurich.

HELP Logistics AG, a subsidiary of the Kühne Foundation, advises and trains international aid organisations and governments on various continents to improve their expertise in logistics and thereby enhance the effectiveness of aid measures. HELP maintains regional offices for this purpose in Singapore for South-East Asia, in Amman for the Middle East as well as in Nairobi for East Africa. In 2019, it opened an additional regional office for West Africa in Dakar.

While the offerings of the Kühne Logistics University and the chairs funded by the Foundation aim to provide qualifications for an international logistics elite, the Kühne Foundation is providing sustainable education programmes in developing and emerging countries. It fosters the development of study programmes in logistics and supply chain management at international level at universities particularly in Africa and South-East Asia. In this area, the Kühne Foundation also collaborates with the Bill & Melinda Gates Foundation, which pursues similar goals.

## Funding Area Medicine

The Kühne Foundation is committed to developing a major centre for medical activities on the premises of the Hochgebirgsklinik Davos, a hospital that is over 100 years old. The Davos Medicine Campus is characterised by clinical operations, research and medical training. Since 2009, it has been the home of the Christine Kühne – Centre for Allergy Research and Education (CK-CARE), a Kühne Foundation initiative dedicated to allergy research and treatment as well as education. In 2019, a professorship in allergology was appointed in conjunction with the University of Zurich to increase CK-CARE's research profile. Furthermore, a new campus building was completed and serves as a research and training centre. At the end of September 2019, the Kühne Foundation extended its medicine activities with a second major research project: It has provided funding of around CHF 14 million for the largest research programme on genome sequencing to date in the German-speaking countries. The aim of the cooperation between the Kühne Foundation, the University Hospital Zurich and the UKE (University Medical Center Hamburg-Eppendorf) is to obtain a better understanding of the causes of cardiovascular disease to allow new diagnostic and treatment options to be developed. The establishment of "Cardio-CARE AG" and a chair in biostatistics is a substantial addition to the Davos Medicine Campus.

## Funding Area Culture

The main cultural activities funded by the Kühne Foundation are music and literature. Throughout 2019, it once again supported many concerts, operas and festivals in Germany, Austria and Switzerland. These include the Salzburg Festival – of which the Kühne Foundation is a main sponsor as of 2019 – the Elbphilharmonie, the Hamburg State Opera, the Festival Hall Baden-Baden, the Mecklenburg-Vorpommern Festival, the Zurich Opera House, the Lucerne Festival – in 2019, it was announced that the Kühne Foundation will belong to the main sponsors as of 2020 – and the Music Summer at Lake Zurich. The Kühne Foundation has supported the Harbour Front Literature Festival in Hamburg since 2009.

# Appendix

## Financial Key Figures

### Income Statement\*

in CHF million	2019	2018
<b>Net turnover</b>	<b>21,094</b>	<b>20,774</b>
Net expenses for services from third parties	-13,113	-13,065
<b>Gross profit</b>	<b>7,981</b>	<b>7,709</b>
Personnel expenses	-4,877	-4,736
Selling, general and administrative expenses	-1,372	-1,811
Other operating income/expenses, net	97	47
<b>EBITDA</b>	<b>1,829</b>	<b>1,209</b>
Depreciation of property, plant and equipment	-206	-192
Depreciation of right-of-use assets	-497	-
Amortisation of other intangibles	-65	-30
<b>EBIT</b>	<b>1,061</b>	<b>987</b>
Financial income	11	10
Financial expenses	-29	-7
Result from joint ventures and associates	4	4
<b>Earnings before tax (EBT)</b>	<b>1,047</b>	<b>994</b>
Income tax	-247	-222
<b>Earnings for the year</b>	<b>800</b>	<b>772</b>
<b>Attributable to:</b>		
Equity holders of the parent company	798	770
Non-controlling interests	2	2
<b>Earnings for the year</b>	<b>800</b>	<b>772</b>
<b>Basic earnings per share in CHF</b>	<b>6.67</b>	<b>6.43</b>
<b>Diluted earnings per share in CHF</b>	<b>6.66</b>	<b>6.42</b>

\* This Income Statement only presents an extract and should be read in connection with the Consolidated Financial Statements 2019 of the Kuehne + Nagel Group.

## Balance Sheet\*

in CHF million	Dec. 31, 2019	Dec. 31, 2018
<b>Assets</b>		
Property, plant and equipment	1,089	1,226
Right-of-use assets	1,899	-
Goodwill	1,220	1,170
Other intangibles	185	215
Investments in joint ventures and associates	9	7
Deferred tax assets	219	175
<b>Non-current assets</b>	<b>4,621</b>	<b>2,793</b>
Prepayments	161	161
Contract assets	223	300
Trade receivables	3,601	3,872
Other receivables	264	200
Income tax receivables	45	53
Cash and cash equivalents	910	499
<b>Current assets</b>	<b>5,204</b>	<b>5,085</b>
<b>Total assets</b>	<b>9,825</b>	<b>7,878</b>
 <b>Liabilities and equity</b>		
Share capital	120	120
Reserves and retained earnings	1,398	1,428
Earnings for the year	798	770
<b>Equity attributable to the equity holders of the parent company</b>	<b>2,316</b>	<b>2,318</b>
Non-controlling interests	6	6
<b>Equity</b>	<b>2,322</b>	<b>2,324</b>
Provisions for pension plans and severance payments	431	377
Deferred tax liabilities	60	101
Borrowings	400	-
Non-current provisions	45	50
Other non-current liabilities	206	148
Non-current lease liabilities	1,432	1
<b>Non-current liabilities</b>	<b>2,574</b>	<b>677</b>
Bank and other interest-bearing liabilities	12	351
Trade payables	1,890	1,888
Contract liabilities	74	146
Accrued trade expenses	1,190	1,272
Income tax liabilities	169	108
Current provisions	80	65
Other current liabilities	1,004	1,044
Current lease liabilities	510	3
<b>Current liabilities</b>	<b>4,929</b>	<b>4,877</b>
<b>Total liabilities and equity</b>	<b>9,825</b>	<b>7,878</b>

\* This Balance Sheet only presents an extract and should be read in connection with the Consolidated Financial Statements 2019 of the Kuehne + Nagel Group.

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