


# Policy


## IMS - Integrated Management System Manual

| Document information     |   |
|--------------------------|---|
| Issuing BU/FU            | HCM QSHE  |
| BU/FU Scope              | HCM Project Logistics,HCM Corporate,HCM Road Logistics,HCM Integrated Logistics,HCM QSHE,HCM IT,HCM Sea Logistics,HCM Legal,HCM Finance,HCM Human Resources,HCM Air Logistics,HCM National Management,HCM Branch Management,HCM Insurance Brokers,HCM Contract Logistics,HCM Sales,HCM Real Estate,HCM Compliance,HCM Other |
| Scope (Geographical)     |   |
| Document Number          | 2   |
| Document Type            | Policy (POL)  |
| Document Owner           | von Berg, Heike   |
| Editor (Version creator) | von Berg, Heike   |
| Version                  | 7   |
| Release date             | 12 Dec 2024   |
| Effective date           | 12 Dec 2024   |
| Expire date              | 12 Dec 2026   |
| Classification level     | OFFICIAL  |

|  |                 |                |                     |   |
|--|-----------------|----------------|---------------------|---|
| <b>Doc no.</b>                                   | <b>Doc type</b> | <b>Version</b> | <b>Release date</b> | <br><b>KUEHNE+NAGEL</b> |
| 2  | Policy (POL)    | 7              | 12 Dec 2024         |   |
| <b>IMS - Integrated Management System Manual</b> |                 |                |                     |   |

| <b>Table of Contents</b> |  |
|--------------------------|--|
| <b>1</b>                 | <b>INTRODUCTION ..... 3</b>  |
| 1.1                      | WHAT IS AN INTEGRATED MANAGEMENT SYSTEM (IMS) .....3                 |
| <b>2</b>                 | <b>SCOPE..... 4</b>  |
| 2.1                      | KUEHNE+NAGEL – THE GLOBAL LOGISTICS NETWORK .....4                   |
| 2.2                      | OVERVIEW / SCOPE OF IMS .....4                                       |
| <b>3</b>                 | <b>TERMS &amp; ABBREVIATIONS ..... 5</b>                             |
| 3.1                      | TERMS & ABBREVIATIONS KUEHNE+NAGEL GENERAL .....5                    |
| 3.2                      | SPECIAL TERMS & ABBREVIATIONS.....5                                  |
| <b>4</b>                 | <b>CONTEXT OF THE ORGANIZATION..... 7</b>                            |
| 4.1                      | UNDERSTANDING THE NEEDS AND EXPECTATIONS OF INTERESTED PARTIES.....7 |
| <b>5</b>                 | <b>LEADERSHIP ..... 8</b>  |
| 5.1                      | MANAGEMENT RESPONSIBILITY / FOUNDATION FOR EXCELLENCE.....8          |
| 5.2                      | CUSTOMER FOCUS .....8  |
| 5.2.1                    | <i>Customer Requirements</i> .....8                                  |
| 5.2.2                    | <i>Customer Communication</i> .....9                                 |
| 5.2.3                    | <i>Internal Customer Principle</i> .....9                            |
| 5.2.4                    | <i>Customer Process</i> .....9                                       |
| 5.3                      | QSHE-RELATED FUNCTIONS ..... 10                                      |
| 5.4                      | COMMUNICATION & POLICY..... 10                                       |
| <b>6</b>                 | <b>PLANNING ..... 12</b>   |
| 6.1                      | RISK MANAGEMENT ..... 12   |
| 6.1.1                    | <i>Legal and other Requirements</i> ..... 12                         |
| 6.2                      | OBJECTIVES AND TARGETS..... 13                                       |
| 6.3                      | CHANGES..... 13  |
| <b>7</b>                 | <b>SUPPORT ..... 13</b>  |
| 7.1                      | RESOURCES ..... 13   |
| 7.1.1                    | <i>People</i> ..... 13   |
| 7.1.2                    | <i>Infrastructure and operational environment</i> ..... 14           |
| 7.1.3                    | <i>Monitoring and Measuring Resources</i> ..... 14                   |
| 7.1.4                    | <i>Organizational knowledge</i> ..... 14                             |
| 7.2                      | COMPETENCE..... 14   |

| <b>Classification</b>  | <b>Effective date</b> | <b>Expire date</b> | <b>Issuing BU/FU</b>   |
|--|-----------------------|--------------------|------------------------|
| OFFICIAL   | 12 Dec 2024           | 12 Dec 2026        | HCM QSHE               |
| <i>Printed documents may be out of date, check version status in KN Documents before use</i> |                       |                    | Think before you print |

|  |                 |                |                     |   |
|--|-----------------|----------------|---------------------|---|
| <b>Doc no.</b>                                   | <b>Doc type</b> | <b>Version</b> | <b>Release date</b> | <br><b>KUEHNE+NAGEL</b> |
| 2  | Policy (POL)    | 7              | 12 Dec 2024         |   |
| <b>IMS - Integrated Management System Manual</b> |                 |                |                     |   |


| <b>Table of Contents</b> |   |
|--------------------------|---|
| 7.3                      | <b>AWARENESS / INFORMATION</b> ..... 15                       |
| 7.4                      | <b>COMMUNICATION</b> ..... 15                                 |
| 7.5                      | <b>DOCUMENTED INFORMATION</b> ..... 15                        |
| <b>8</b>                 | <b>OPERATION</b> ..... <b>16</b>                              |
| 8.1                      | <b>PROCESSES</b> ..... 16                                     |
| 8.2                      | <b>PROCESS REQUIREMENTS / DESIGN AND DEVELOPMENT</b> ..... 16 |
| 8.3                      | <b>SUPPLIER MANAGEMENT / PURCHASING</b> ..... 17              |
| 8.4                      | <b>SOLUTION AND SERVICE PROVISION</b> ..... 17                |
| 8.4.1                    | <i>Safety &amp; Health Management</i> ..... 18                |
| 8.4.2                    | <i>Environmental Management</i> ..... 18                      |
| 8.4.3                    | <i>Dangerous Goods Management</i> ..... 18                    |
| 8.4.4                    | <i>Security Management / SecureChain</i> ..... 19             |
| 8.4.5                    | <i>SemiconChain</i> ..... 19                                  |
| 8.4.6                    | <i>Healthcare Quality Management / HealthChain</i> ..... 19   |
| 8.4.7                    | <i>Food Safety Management / FreshChain</i> ..... 19           |
| 8.4.8                    | <i>Aerospace Quality Management</i> ..... 20                  |
| 8.4.9                    | <i>EngineChain</i> ..... 20                                   |
| 8.4.10                   | <i>Information Security Management</i> ..... 20               |
| 8.4.11                   | <i>System Development Life Cycle</i> ..... 20                 |
| 8.4.12                   | <i>Business Continuity Management</i> ..... 20                |
| 8.5                      | <b>CONTROL OF NONCONFORMING OUTPUTS</b> ..... 21              |
| <b>9</b>                 | <b>PERFORMANCE EVALUATION</b> ..... <b>21</b>                 |
| 9.1                      | <b>MONITORING &amp; MEASUREMENT</b> ..... 21                  |
| 9.1.1                    | <i>Customer satisfaction</i> ..... 21                         |
| 9.2                      | <b>INTERNAL AUDITS</b> ..... 22                               |
| 9.3                      | <b>MANAGEMENT REVIEW</b> ..... 22                             |
| <b>10</b>                | <b>IMPROVEMENT</b> ..... <b>23</b>                            |
| 10.1                     | <b>CORRECTIVE &amp; PREVENTIVE ACTION</b> ..... 23            |
| 10.2                     | <b>CONTINUOUS IMPROVEMENT</b> ..... 23                        |
| <b>11</b>                | <b>DOCUMENT HISTORY</b> ..... <b>24</b>                       |

# 1 Introduction

## 1.1 What is an Integrated Management System (IMS)

An Integrated Management System (IMS) is a unified framework that combines multiple management systems and standards into a single, coherent system to streamline processes,

| <b>Classification</b>  | <b>Effective date</b> | <b>Expire date</b> | <b>Issuing BU/FU</b>   |
|--|-----------------------|--------------------|------------------------|
| OFFICIAL   | 12 Dec 2024           | 12 Dec 2026        | HCM QSHE               |
| <i>Printed documents may be out of date, check version status in KN Documents before use</i> |                       |                    | Think before you print |

|  |                 |                |                     |   |
|--|-----------------|----------------|---------------------|---|
| <b>Doc no.</b>                                   | <b>Doc type</b> | <b>Version</b> | <b>Release date</b> | <br><b>KUEHNE+NAGEL</b> |
| 2  | Policy (POL)    | 7              | 12 Dec 2024         |   |
| <b>IMS - Integrated Management System Manual</b> |                 |                |                     |   |

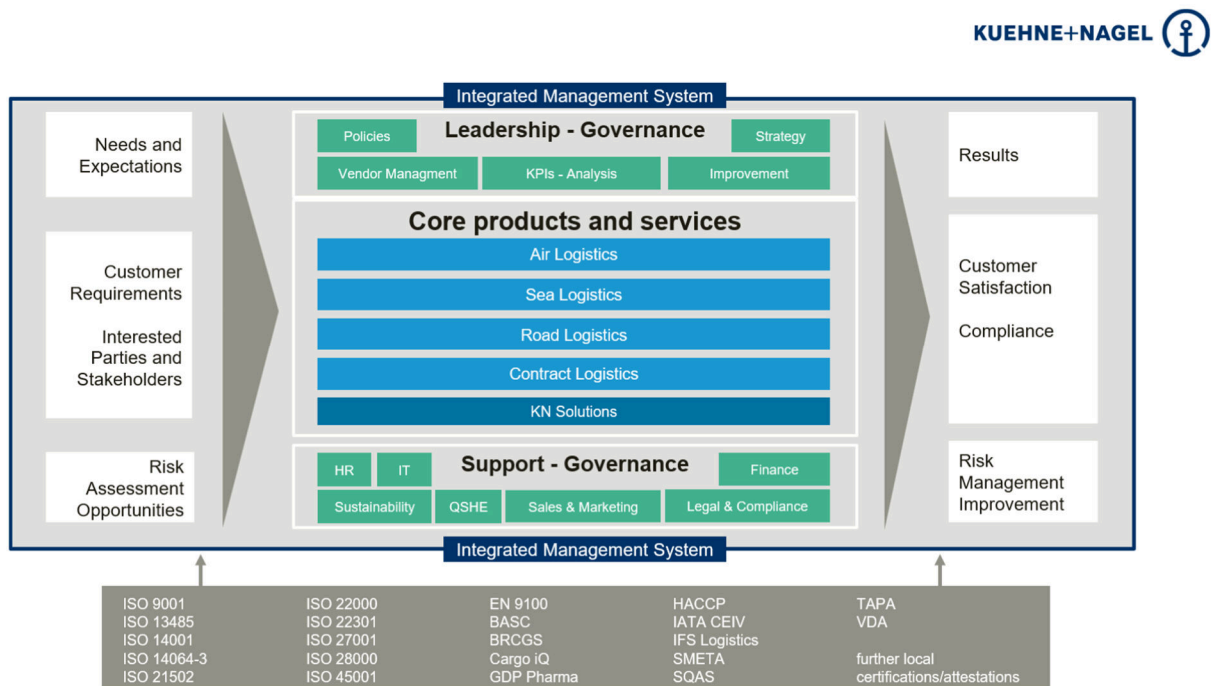
increase efficiency, and reduce duplication. An IMS can integrate management systems for quality (ISO 9001), environment (ISO 14001), occupational health and safety (ISO 45001), and other industry-specific standards.

## 2 Scope

### 2.1 Kuehne+Nagel – The Global Logistics Network


The Kuehne+Nagel group is one of the leading logistics service providers worldwide with offices in all major countries, and cities around the world. The most up-to-date information is always given among others in the Kuehne+Nagel Internet site, in the latest Annual report, Sustainability Report and in the current Organization Charts.

### 2.2 Overview / Scope of IMS



Within the frame of its Integrated Management System Kuehne+Nagel (Kuehne+Nagel) fulfils the requirements of international and other standards as they are applicable, including but not limited to ISO 9001:2015 for Quality Management, ISO 14001:2015 for Environmental Management, ISO 45001:2018 for Occupational Health & Safety, ISO 27001 for Information security, ISO 22301:2012 for Business Continuity, SQAS (Safety and Quality Assessment System – initiated by the Chemical Industry), C-TPAT (Security standard issued by the U.S. Customs – Customs-Trade Partnership Against Terrorism), AEO (Security standard issued by various customs agencies worldwide, Authorized Economic Operator), Regulated Agent (Aviation security certification initiated by International Civil Aviation Organisation ICAO), ISO 28000 (Security management systems for the supply chain), Cargo

| <b>Classification</b>  | <b>Effective date</b> | <b>Expire date</b> | <b>Issuing BU/FU</b>   |
|--|-----------------------|--------------------|------------------------|
| OFFICIAL   | 12 Dec 2024           | 12 Dec 2026        | HCM QSHE               |
| <i>Printed documents may be out of date, check version status in KN Documents before use</i> |                       |                    | Think before you print |

|  |                 |                |                     |  |
|--|-----------------|----------------|---------------------|--|
| <b>Doc no.</b>                                   | <b>Doc type</b> | <b>Version</b> | <b>Release date</b> |  |
| 2  | Policy (POL)    | 7              | 12 Dec 2024         |  |
| <b>IMS - Integrated Management System Manual</b> |                 |                |                     |  |

iQ (Quality air freight standard issued by an IATA Interest Group consisting of airlines, handling agents and freight forwarders).

In addition, and where applicable, Kuehne+Nagel is committed to fulfil the requirements of different international standards related to Food Safety, Healthcare, Medical Devices, Aerospace and Defense, and others.

The management segments of the quality system are also applicable to the Information Security Management System (ISMS), controlled by the Chief Information Security Officer (CISO), unless they are defined in more detail in the ISMS itself.

### 3 Terms & Abbreviations

#### 3.1 Terms & Abbreviations Kuehne+Nagel General

Within the Kuehne+Nagel group, a lot of special terms and abbreviations are used, which include general terms of a logistics provider as well as specialized terms and abbreviations used within Kuehne+Nagel only. For internal use only, Kuehne+Nagel may be abbreviated as KN, and so-called KN Codes are used internally as well.


The KN code consists of the three-letter location code according to the United Nations Codes for Trade and Transport Locations followed by the abbreviation for the function. Thus, Sgi MQ means for example the Schindellegi based Manager for QSHE. Other abbreviations are explained in Kuehne+Nagel's intranet site.

#### 3.2 Special Terms & Abbreviations

Most common terms and abbreviations.


| Term  | Definition  |
|---|---|
| <b>Audit</b>  | Review of a system or process by an auditor – e.g. IMS Audit, Supplier Audit, etc.  |
| <b>AEO</b>  | Authorized Economic Operator, based on the WCO SAFE framework of standards.   |
| <b>Cargo iQ</b><br><b>Previously Cargo 2000</b>     | Quality air freight standard issued by an IATA Interest Group consisting of airlines, handling agents and freight forwarders  |
| <b>CIEL, SALog, Kuehne+Nagel Road, RoadLog, TMS</b> | Operational systems of the organization, also called Transport Management Systems   |
| <b>Compliance</b>                                   | Requirements that an organization complies with, and other requirements that an organization has to or chooses to comply with. Example: can rise from mandatory requirements like laws and regulations, industry standards, contractual relationships |

| Classification   | Effective date | Expire date | Issuing BU/FU          |
|--|----------------|-------------|------------------------|
| OFFICIAL   | 12 Dec 2024    | 12 Dec 2026 | HCM QSHE               |
| <i>Printed documents may be out of date, check version status in KN Documents before use</i> |                |             | Think before you print |

|  |                 |                |                     |   |
|--|-----------------|----------------|---------------------|---|
| <b>Doc no.</b>                                   | <b>Doc type</b> | <b>Version</b> | <b>Release date</b> | <br><b>KUEHNE+NAGEL</b> |
| 2  | Policy (POL)    | 7              | 12 Dec 2024         |   |
| <b>IMS - Integrated Management System Manual</b> |                 |                |                     |   |

| <b>Term</b>                     | <b>Definition</b>  |
|---------------------------------|--|
| <b>C-TPAT</b>                   | Customs-Trade Partnership Against Terrorism issued by the U.S. Customs   |
| <b>Documented information</b>   | Information required to be controlled and maintained by Kuehne+Nagel organization. Information can be in any format and media, and from any source               |
| <b>DQ</b>                       | Data Quality   |
| <b>GCIM</b>                     | Global Customer Implementation Methodology   |
| <b>GUI</b>                      | Guideline  |
| <b>HACCP</b>                    | Hazard Analysis and Critical Control Point – risk management system used related to Food logistics   |
| <b>ICAO</b>                     | International Civil Aviation Organization  |
| <b>IFS</b>                      | International Food Standard – related to Food logistics  |
| <b>IMS</b>                      | Integrated Management System   |
| <b>ISMS</b>                     | Information Security Management system   |
| <b>ISO</b>                      | International Organization for Standardization   |
| <b>ISO 14001</b>                | International Environmental Standard   |
| <b>ISO 9001</b>                 | International Quality Standard   |
| <b>ISO 45001</b>                | International Standard for Occupational Health and Safety  |
| <b>KNC</b>                      | Kuehne+Nagel Circular (Kuehne+Nagel internal instructions / news)  |
| <b>KN Codes</b>                 | Abbreviation of functions to be used for internal communication, e.g. Sgi MQ (see above)   |
| <b>KN Documents</b>             | Document management system for controlled documents.   |
| <b>Kuehne+Nagel Standards</b>   | Policies (POL), Guidelines (GUI), Procedures (PRO), Standard Operational Procedures (SOP) and Working Instructions (WI)  |
| <b>KNPS</b>                     | Contract Logistics Production System   |
| <b>myKN for customer</b>        | Customer interface for data exchange, shipment tracking and reporting  |
| <b>KPI</b>                      | Key Performance Indicator  |
| <b>LMS</b>                      | Learning Management System   |
| <b>Organizational knowledge</b> | Knowledge specific to the organization. It is generally gained by experience. It is information that is used and shared to achieve the organization's objectives |
| <b>PDCA-Cycle</b>               | <b>PDCA (plan–do–check–act)</b> is a 4-step management method used for the control and continuous improvement of processes, services and products.               |
| <b>POL</b>                      | Policy   |
| <b>PRO</b>                      | Procedure  |
| <b>QBR</b>                      | Quarterly Business Review  |

|  |                       |                    |                        |
|--|-----------------------|--------------------|------------------------|
| <b>Classification</b>  | <b>Effective date</b> | <b>Expire date</b> | <b>Issuing BU/FU</b>   |
| OFFICIAL   | 12 Dec 2024           | 12 Dec 2026        | HCM QSHE               |
| <i>Printed documents may be out of date, check version status in KN Documents before use</i> |                       |                    | Think before you print |

|  |                 |                |                     |  |
|--|-----------------|----------------|---------------------|--|
| <b>Doc no.</b>                                   | <b>Doc type</b> | <b>Version</b> | <b>Release date</b> |  |
| 2  | Policy (POL)    | 7              | 12 Dec 2024         |  |
| <b>IMS - Integrated Management System Manual</b> |                 |                |                     |  |

| <b>Term</b>            | <b>Definition</b>   |
|------------------------|---|
| <b>QSHE</b>            | Quality, Safety, Health, Environment, Security + Dangerous Goods  |
| <b>Regulated Agent</b> | An agent, freight forwarder or any other entity which conducts business with an aircraft operator and provides security controls that are accepted or required by the appropriate authority in respect of cargo or mail |
| <b>SDLC</b>            | System Development Life Cycle   |
| <b>SOP</b>             | Standard Operational Procedures (external only)   |
| <b>TIP</b>             | Tool to Improve Processes – Kuehne+Nagel's name to be used related to discrepancies as well as suggestions for improvement  |
| <b>WI</b>              | Working Instructions  |
| <b>WCO</b>             | World Customs Organization  |

## 4 Context of the organization

The Integrated Management System, outlined in the IMS Manual and Kuehne+Nagel Standards, applies to various Kuehne+Nagel Business Units, including Sea + Air Logistics, Road, Contract + Integrated Logistics, and “Special Services” such as Rail Freight, Project Logistics, Expo and Events, Aerospace & Defense Logistics, Hotel and Hospitality, Supply Chain Consulting, Supply Chain Management, and Order Management. Additionally, it encompasses all Functional Units, such as Human Resources, Finance & Controlling, IT, Legal, and QSHE, as defined in the company's latest organization charts.

The Integrated Management System (IMS) is founded on various certified international standards, primarily ISO 9001, ISO 14001, and ISO 45001. Certified Kuehne+Nagel locations are documented in the relevant annexes of the certificates. New or additional Kuehne+Nagel locations can seek external certification based on these standards, provided that the IMS is fully implemented and after internal Kuehne+Nagel audits verify compliance.


### 4.1 Understanding the needs and expectations of interested parties

Kuehne+Nagel identifies relevant interested parties for the IMS based on their impact or potential impact on the organization's ability to consistently deliver services meeting customer requirements and complying with statutory and regulatory standards. These parties may include customers, suppliers, authorities, investors, and employees, among others.

External context is shaped by various factors, including legal, technological, competitive, market, cultural, social, political and economic elements, as well as climate adjustments at both international and local levels.

Additionally, this manual incorporates the requirements of relevant interested parties for Kuehne+Nagel. Refer to sections 5 ‘Leadership’, 7 ‘Support’, and 8 ‘Operation’ for details.

| <b>Classification</b>  | <b>Effective date</b> | <b>Expire date</b> | <b>Issuing BU/FU</b>   |
|--|-----------------------|--------------------|------------------------|
| OFFICIAL   | 12 Dec 2024           | 12 Dec 2026        | HCM QSHE               |
| <i>Printed documents may be out of date, check version status in KN Documents before use</i> |                       |                    | Think before you print |

|  |                 |                |                     |   |
|--|-----------------|----------------|---------------------|---|
| <b>Doc no.</b>                                   | <b>Doc type</b> | <b>Version</b> | <b>Release date</b> | <br><small>KUEHNE+NAGEL</small> |
| 2  | Policy (POL)    | 7              | 12 Dec 2024         |   |
| <b>IMS - Integrated Management System Manual</b> |                 |                |                     |   |

Kuehne+Nagel continuously monitors and reviews the needs and expectations of these interested parties and their relevant requirements, see section 9 ‘Performance Evaluation’.

## 5 Leadership

### 5.1 Management Responsibility / Foundation for Excellence

At Kuehne+Nagel, management at all levels is dedicated to the Integrated Management System, which includes the continuous improvement process. Our Chief Executive Officer has established the [Foundation for Excellence](#), a binding directive for all employees.

The latest version of the Catalogue of Competences is published internally and sets the frame of what competences are given to which management level. For example: The competence related to the development of new services (products) and/or changes in services offered and / or changes in Business Units / Business Fields is restricted to the responsible Board Member in the Kuehne+Nagel International Management Board. In addition, competence catalogues are available at regional level with validity for certain regions; these must be communicated to the International Management Board in Schindellegi, Switzerland.

Each Business Unit or Business Field within Kuehne+Nagel is accountable for developing a strategy that aligns with the organization’s goals and objectives. Kuehne+Nagel’s strategy process adheres to the Plan-Do-Check-Act principles, utilizing various tools, systems, and processes.

For further information on Kuehne+Nagel’s organizational structure, please refer to section 2 of this manual. Responsibilities are clearly outlined and documented in organization charts, job descriptions, and the competence catalog.

### 5.2 Customer Focus

#### 5.2.1 Customer Requirements


The person accepting a customer order must check its feasibility and make necessary preparations to meet requirements. For more details, see IMS Manual Section 8 ‘Operation’.

Sales personnel, key account managers, or others can check customer requirements. The person accepting the order must start the appropriate process and ensure all preparations are made.

Kuehne+Nagel maintains a customer tool called ‘myKN’ for tracking and tracing shipments. It produces standard and customized reports to monitor data quality, focusing on completeness, accuracy, logical correctness, and overall quality. This tool helps improve shipment data quality and customer satisfaction.

| <b>Classification</b>  | <b>Effective date</b> | <b>Expire date</b> | <b>Issuing BU/FU</b>   |
|--|-----------------------|--------------------|------------------------|
| OFFICIAL   | 12 Dec 2024           | 12 Dec 2026        | HCM QSHE               |
| <i>Printed documents may be out of date, check version status in KN Documents before use</i> |                       |                    | Think before you print |



|  |                 |                |                     |  |
|--|-----------------|----------------|---------------------|--|
| <b>Doc no.</b>                                   | <b>Doc type</b> | <b>Version</b> | <b>Release date</b> |  |
| 2  | Policy (POL)    | 7              | 12 Dec 2024         |  |
| <b>IMS - Integrated Management System Manual</b> |                 |                |                     |  |

### 5.2.2 Customer Communication

Communication with customers is ensured through the methods outlined in section 5.2.1. Additionally:

- a) Global Offers: Requests involving multiple business fields are routed to the appropriate tender center, which coordinates internally and with the customer until requirements are met.
- b) Customer Suggestions: Suggestions from audits, meetings, QBRs, and visits are reviewed and implemented if approved.
- c) Complaints: All complaints are forwarded to the responsible person, who identifies the root cause, takes corrective action, and informs the customer to improve satisfaction.
- d) External Communication: Includes interactions with authorities, informing local fire stations, engaging with local communities, and other parties. Major communications are coordinated by the Corporate Communication Department.
- e) Communication can be verbal, written, or electronic, with arrangements made as needed.

### 5.2.3 Internal Customer Principle

Kuehne+Nagel aims to satisfy its external customers, and every employee contributes to this goal, regardless of their role. Employees also have internal customers with their own requirements and deadlines within the supply chain.

For example, a sea freight import employee in New York relies on the work of the export clerk in Rotterdam. If one fails, customer satisfaction is affected. Therefore, Kuehne+Nagel focuses on meeting the needs of both internal and external customers. The principle is: “A chain is only as strong as its weakest link.” All employees are committed to teamwork, trust, and mutual respect.

### 5.2.4 Customer Process


Kuehne+Nagel continuously reviews their processes to ensure they meet customer and regulatory requirements and improve them. This includes both operational and administrative processes across all units. Risks and opportunities affecting product and service conformity are addressed (see sections 6.1 ‘Risk Management’ for details).

For special customers, Standard Operational Procedures (SOPs) can be created if needed. Employees must handle customer property carefully and report any damage, incident, deviation, or loss promptly.

Customers can track their consignments using the myKN tool, which provides global supply chain visibility for air, sea, and overland shipments.

Kuehne+Nagel also offers 4PL/integrated logistics services to manage global supply chains, including design, implementation, execution, and delivery.

| <b>Classification</b>  | <b>Effective date</b> | <b>Expire date</b> | <b>Issuing BU/FU</b>   |
|--|-----------------------|--------------------|------------------------|
| OFFICIAL   | 12 Dec 2024           | 12 Dec 2026        | HCM QSHE               |
| <i>Printed documents may be out of date, check version status in KN Documents before use</i> |                       |                    | Think before you print |

|  |                 |                |                     |   |
|--|-----------------|----------------|---------------------|---|
| <b>Doc no.</b>                                   | <b>Doc type</b> | <b>Version</b> | <b>Release date</b> | <br><b>KUEHNE+NAGEL</b> |
| 2  | Policy (POL)    | 7              | 12 Dec 2024         |   |
| <b>IMS - Integrated Management System Manual</b> |                 |                |                     |   |

### 5.3 QSHE-related functions

The basic QSHE Management principle is: Every employee is responsible for the quality, health & safety, security and environmental impact of her/his work, but management as well as the following functions have a key influence on the support and tracking of it: every line manager, QSHE managers, and data quality managers. The global QSHE governance structure is described in 'QSHE Governance and Organizational Structure' (GUI 2870).

### 5.4 Communication & Policy

An effective communication is one of the essential prerequisites within Kuehne+Nagel to deliver high quality services to our customers. For details about the communication with customers please refer to section 5.2.3. 'Customer Communication' above.


The Kuehne+Nagel internal communication takes place with a variety of media as basically described in the IMS Manual Section 7.3 'Awareness/Information', to ensure continuous improvements, and that documented information is available and maintained.

QSHE related communication is detailed in the guideline 'QSHE Communication' (GUI 2872), which is for Kuehne+Nagel internal use only. Communication about the effectiveness of the management system takes place as follow-up action of the Management Reviews as well as a result of other meetings, audits, etc.

Our global statements on environment, security and safety & health ensure that our services and products are applied by staff and third parties to reduce risks and impacts to people, environment, and assets.

The statements are signed by corporate head office and available to the public in Kuehne+Nagel webpage.

| <b>Classification</b>  | <b>Effective date</b> | <b>Expire date</b> | <b>Issuing BU/FU</b>   |
|--|-----------------------|--------------------|------------------------|
| OFFICIAL   | 12 Dec 2024           | 12 Dec 2026        | HCM QSHE               |
| <i>Printed documents may be out of date, check version status in KN Documents before use</i> |                       |                    | Think before you print |

|  |                 |                |                     |   |
|--|-----------------|----------------|---------------------|---|
| <b>Doc no.</b>                                   | <b>Doc type</b> | <b>Version</b> | <b>Release date</b> | <br><b>KUEHNE+NAGEL</b> |
| 2  | Policy (POL)    | 7              | 12 Dec 2024         |   |
| <b>IMS - Integrated Management System Manual</b> |                 |                |                     |   |

Our [Foundation for Excellence](#) is based on our values.

## Our Foundation for Excellence

Our road to becoming the most trusted supply chain partner supporting a sustainable future.



**Customer Experience**

We consistently achieve excellence through our high-class services and unwavering commitment to delivering on our promises.



**Quality**

We prioritize quality and trust, continuously and efficiently enhancing our services to deliver superior quality.



**Employee Experience**

Through continuous learning and development, we shape our future, recognizing that we are stronger when we work together.



**Governance**

We adhere to laws, regulations, and standards, conducting ourselves in accordance with our Code of Conduct.



**Safety & Health**

We uphold uncompromising standards for safety and health, living by the principle of "NO HARM" to people.



**Living ESG/Sustainability**

We actively embrace Environmental, Social, and Governance responsibility, wholeheartedly supporting a sustainable future for our planet.



**Security**

We prioritize the security of our personnel and concentrate on safeguarding our customers' supply chains and assets.



**Risk Management**

We systematically monitor and mitigate risks, recognizing that effective risk management contributes to the creation of sustainable value.




**Passion**

We take pride in delivering service excellence for our customers with a combination of passion and a touch of fun.

January 2024
KUEHNE+NAGEL 

| Classification   | Effective date | Expire date | Issuing BU/FU          |
|--|----------------|-------------|------------------------|
| OFFICIAL   | 12 Dec 2024    | 12 Dec 2026 | HCM QSHE               |
| <i>Printed documents may be out of date, check version status in KN Documents before use</i> |                |             | Think before you print |

|  |                 |                |                     |   |
|--|-----------------|----------------|---------------------|---|
| <b>Doc no.</b>                                   | <b>Doc type</b> | <b>Version</b> | <b>Release date</b> | <br><b>KUEHNE+NAGEL</b> |
| 2  | Policy (POL)    | 7              | 12 Dec 2024         |   |
| <b>IMS - Integrated Management System Manual</b> |                 |                |                     |   |

## 6 Planning

### 6.1 Risk Management

Kuehne+Nagel monitors the needs and expectations of stakeholders by managing requirements and risks.

Various systems handle potential risks, such as environmental, financial, operational, and personal. The strategy process helps identify commercial and financial risks and opportunities.

The Corporate Services Department conducts financial audits to detect risks and take corrective actions, including reporting major insurance claims in a Quarterly Claim Report to the Legal/Risk Management teams.

Information system risks are managed by the global Information Security organization. Operational risks are assessed at both strategic and day-to-day levels, incl. executing transport, physical handling, cross-docking solutions and supplier collaboration.

Further details on risk management are outlined in the annual financial and sustainability reports and respective Kuehne+Nagel Standards.

#### 6.1.1 Legal and other Requirements


Measures to address risks and opportunities help improve the effectiveness of Kuehne+Nagel's Integrated Management System. Each Business Unit (Sea, Air, Road, Contract Logistics) and Functional Units (such as HR) define, measure, and monitor these efforts.

Key activities include

- involvement
  - in major contracts related to the legal affairs,
  - with major lawsuits, legal proceedings,
  - in the legal aspects of insurance matters including major claims and risk management matters,
  - in major cases with a penal liability of a Kuehne+Nagel company / employee / other,
- execution of voting rights at major board meetings of subsidiaries / affiliates,
- appointment of lawyers in major cases,
- identification of major risk areas and execution of the corresponding risk management.

Special guidelines cover these responsibilities, and the company ensures compliance with laws and regulations, among others, in the important areas of Quality, Safety & Health, Environment, Security and Dangerous Goods. More details are found in internal procedures such as "QSHE Regulatory Requirements and Assessment of Risk" (GUI 2877), and a Legal Disclaimer on the company's website.

| <b>Classification</b>  | <b>Effective date</b> | <b>Expire date</b> | <b>Issuing BU/FU</b>   |
|--|-----------------------|--------------------|------------------------|
| OFFICIAL   | 12 Dec 2024           | 12 Dec 2026        | HCM QSHE               |
| <i>Printed documents may be out of date, check version status in KN Documents before use</i> |                       |                    | Think before you print |

|  |                 |                |                     |   |
|--|-----------------|----------------|---------------------|---|
| <b>Doc no.</b>                                   | <b>Doc type</b> | <b>Version</b> | <b>Release date</b> | <br><small>KUEHNE+NAGEL</small> |
| 2  | Policy (POL)    | 7              | 12 Dec 2024         |   |
| <b>IMS - Integrated Management System Manual</b> |                 |                |                     |   |

## 6.2 Objectives and Targets

Top management of business and functional units set annual targets aligned with the global strategy, which are cascaded through the organization.

The same applies to global QSHE targets; additional QSHE-related targets are set at appropriate levels and overseen by the responsible managers. Twice a year, QSHE targets and objectives are reviewed from country to corporate level.

## 6.3 Changes

The need for change may arise from various sources, including performance reviews, audits, customer feedback, regulatory requirements, or internal improvement initiatives. A formal change request must be submitted, detailing the rationale, expected outcomes, and proposed timeline.

Planned changes include, but are not limited to:

- Changes to processes or workflows
- Implementation of new technology or systems
- Changes to personnel roles and responsibilities
- Modifications to documentation and policies
- Resource allocation and infrastructure adjustments

The responsibility for changes is restricted according to the Catalogue of Competences. (see also 5.1 'Management Responsibility / Foundation for Excellence' and 8.2 Process Requirements / Design and Development.)

# 7 Support

## 7.1 Resources


### 7.1.1 People

Effective Human Resources management is crucial for Kuehne+Nagel's success, as service quality depends on motivated and qualified personnel. This is reflected in our Foundation for Excellence, our behaviors, in the wide range of training courses available in our LMS, and the performance review process.

Key points include:

- a) Defining qualifications, competence, and training for new and existing staff
- b) Ensuring new hires meet requirements through education, training, skills, and experience
- c) Conducting internal and external training at various levels
- d) Documenting competence

| <b>Classification</b>  | <b>Effective date</b> | <b>Expire date</b> | <b>Issuing BU/FU</b>   |
|--|-----------------------|--------------------|------------------------|
| OFFICIAL   | 12 Dec 2024           | 12 Dec 2026        | HCM QSHE               |
| <i>Printed documents may be out of date, check version status in KN Documents before use</i> |                       |                    | Think before you print |

|  |                 |                |                     |   |
|--|-----------------|----------------|---------------------|---|
| <b>Doc no.</b>                                   | <b>Doc type</b> | <b>Version</b> | <b>Release date</b> | <br><b>KUEHNE+NAGEL</b> |
| 2  | Policy (POL)    | 7              | 12 Dec 2024         |   |
| <b>IMS - Integrated Management System Manual</b> |                 |                |                     |   |

- e) More details on training measures and the use of external providers are available on BlueNet and in Kuehne+Nagel Standards

### **7.1.2 Infrastructure and operational environment**

Kuehne+Nagel's top management prioritizes the Integrated Management System, providing resources for its implementation and continuous improvement to enhance customer satisfaction. This involves all employees and business units, supported by functional units.

Respective business- and functional units maintain the necessary infrastructure, including workspace, utilities, hardware, software, and communication media. For example, the Corporate Purchasing Guideline ensures maintenance of critical equipment by qualified vendors. IT maintains a state-of-the-art IT-landscape and delivers comprehensive business solutions (see 8.4.11 System Development LifeCycle).

Our compliance program provides an operational environment by focusing on antitrust and anti-corruption, with training and documentation.

### **7.1.3 Monitoring and Measuring Resources**

Tracking and tracing assets are used to monitor services.

For special agreements requiring specific conditions, like temperature control or precise measurements, Kuehne+Nagel ensures compliance with customer requirements, including device calibration. Routine use of scales for general purposes, where exact precision is not needed, is not covered by this section.

### **7.1.4 Organizational knowledge**

Kuehne+Nagel identifies necessary knowledge for its processes through collaboration between business- and functional units and HR. This knowledge is maintained and updated as needed.

To address changing needs and trends, they assess current knowledge and determine how to acquire additional information.


Organizational knowledge comes from:

- Internal sources: Intellectual property, experience, lessons learnt from failures and successful projects, and process improvements.
- External sources: Standards, conferences, and insights from customers or providers.

## **7.2 Competence**

To ensure our employees remain highly qualified and knowledgeable, we prioritize continuous training and development. This commitment to ongoing education helps us maintain the highest standards of expertise and service.

| <b>Classification</b>  | <b>Effective date</b> | <b>Expire date</b> | <b>Issuing BU/FU</b>   |
|--|-----------------------|--------------------|------------------------|
| OFFICIAL   | 12 Dec 2024           | 12 Dec 2026        | HCM QSHE               |
| <i>Printed documents may be out of date, check version status in KN Documents before use</i> |                       |                    | Think before you print |

|  |                 |                |                     |  |
|--|-----------------|----------------|---------------------|--|
| <b>Doc no.</b>                                   | <b>Doc type</b> | <b>Version</b> | <b>Release date</b> | <br>KUEHNE+NAGEL |
| 2  | Policy (POL)    | 7              | 12 Dec 2024         |  |
| <b>IMS - Integrated Management System Manual</b> |                 |                |                     |  |

Huma Resources is focusing on personal development training like behaviors, leadership, succession management while Business Units (BU) and Functional Units (FU) handle functional training.

### 7.3 Awareness / Information

Every Kuehne+Nagel employee accesses necessary information from various internal and external sources. Some information is documented and filed as described in section 7.5 'Documented Information', while other information is obtained through the Internet/Intranet, Sharepoint/Teams, phone calls, emails, letters, external databases, EDI, newsletters, stand-up meetings, etc.

Department heads must ensure their employees can access required information and organize alternative methods if Internet/Intranet access is unavailable, such as email news, hardcopies, circulars, verbal updates, or posters. Updates for hardcopies must be maintained.

### 7.4 Communication

Effective communication is essential at Kuehne+Nagel for delivering high-quality services to our customers. For more details on customer communication, please refer to Section 5.2.3, 'Customer Communication'.

Our internal communication is facilitated through various channels such as emails, meetings, and internal platforms (e.g. BlueNet) to ensure seamless information flow and collaboration.

External communication with clients and stakeholders is managed through professional correspondence, customer service interactions, and public relations efforts to maintain transparency and build strong relationships.

Our global statements highlight our commitments to environmental issues, quality, health & safety, security, and the handling of dangerous goods. These statements are publicly accessible on the Kuehne+Nagel website.


### 7.5 Documented Information

Kuehne+Nagel's document management system, "KN Documents," maintains the company's controlled documents, ensuring validity, ownership, and proper approval processes. Controlled documents have limited validity and must be reviewed by the owner at the end of this period. Printed documents are uncontrolled; users must refer to the original source for the latest version.

For external documents like local laws, the responsible manager ensures updates are available and employees are informed.

Kuehne+Nagel keeps all records consistently, as required by customers, country-specifics, and Kuehne+Nagel regulations. Records are legible, well-maintained, and retrievable. Any alterations are authorized and justified.

| <b>Classification</b>  | <b>Effective date</b> | <b>Expire date</b> | <b>Issuing BU/FU</b>   |
|--|-----------------------|--------------------|------------------------|
| OFFICIAL   | 12 Dec 2024           | 12 Dec 2026        | HCM QSHE               |
| <i>Printed documents may be out of date, check version status in KN Documents before use</i> |                       |                    | Think before you print |

|  |                 |                |                     |   |
|--|-----------------|----------------|---------------------|---|
| <b>Doc no.</b>                                   | <b>Doc type</b> | <b>Version</b> | <b>Release date</b> | <br><small>KUEHNE+NAGEL</small> |
| 2  | Policy (POL)    | 7              | 12 Dec 2024         |   |
| <b>IMS - Integrated Management System Manual</b> |                 |                |                     |   |

Refer to the guidelines 'Control of Documented Information & Records' (GUI 2871) and 'Document Retention' (GUI 16794) for details. Retention periods are defined unless otherwise specified by customer or local regulations.

## 8 Operation

### 8.1 Processes

All Kuehne+Nagel operations in the Business Units follow a prescribed, IT-based forwarding process.

For example, the basic process steps for a Sea or Air shipment are:

- 1) Enquiry and Quote,
- 2) Order confirmation,
- 3) Booking,
- 4) Check of Credit Limit,
- 5) Execution,
- 6) Monitoring,
- 7) Invoicing and
- 8) Filing

These process steps follow the 'Supply Chains Operations Reference' (SCOR) model, also utilized by Kuehne+Nagel's Integrated Solutions. Detailed specifications of these standard processes are provided in guidelines within major business and functional areas, accessible in online process repositories, primarily Kuehne+Nagel Documents.

### 8.2 Process Requirements / Design and Development


Customer orientation is a key success factor for Kuehne+Nagel, as detailed in Section 5.2 'Customer Focus' of this manual. Section 5.2.5 'Customer Process' introduces related processes. As a leading logistics provider, Kuehne+Nagel offers tailored logistics solutions. More details are provided under 8.4 'Solution and Service Provision'.

For Kuehne+Nagel, the term 'Product' in ISO 9001 and other standards refers to their logistics services, as outlined in Sections 2.2 'Overview/Scope of IMS' and 8.4 'Solution and Service Provision.'

For example, our standard air freight products offer different service levels. Consignments transported on behalf of our customers are considered customer property (see section 8.4 'Solution and Service Provision'). Documented information must be available for review results and any new product/service requirements. Changes will be implemented as planned requiring updated documentation.

| <b>Classification</b>  | <b>Effective date</b> | <b>Expire date</b> | <b>Issuing BU/FU</b>   |
|--|-----------------------|--------------------|------------------------|
| OFFICIAL   | 12 Dec 2024           | 12 Dec 2026        | HCM QSHE               |
| <i>Printed documents may be out of date, check version status in KN Documents before use</i> |                       |                    | Think before you print |



| Doc no.  | Doc type     | Version | Release date | <br>KUEHNE+NAGEL |
|--|--------------|---------|--------------|--|
| 2  | Policy (POL) | 7       | 12 Dec 2024  |  |
| <b>IMS - Integrated Management System Manual</b> |              |         |              |  |

As noted in section 5.1 ‘Management Responsibility / Foundation for Excellence’, the management board is accountable for developing new services/products and/or changes in services offered:

- a) **Design and Development Planning:** Plans are based on customer requirements/contracts and updated as needed. Resource needs are evaluated, relevant parties involved, and feasibility checked. Communication is maintained throughout.
- b) **Design and Development Inputs:** Inputs are gathered during the enquiry phase, considering customer demands, statutory requirements, and previous designs. All inputs are reviewed for adequacy and completeness, with potential failure consequences and conflicts resolved.
- c) **Design and Development Controls:** Continuous reviews are conducted, discrepancies addressed, and changes initiated if needed. Performance is monitored, and verification/validation is done through self-checks, audits, meetings, pilot phases, and sales follow-ups to ensure requirements are met.
- d) **Design and Development Output:** Outputs for new/revised services are documented and checked for compliance with requirements. For consignments, outputs are confirmed by order acceptance, including special arrangements if applicable.
- e) **Control of Design and Development Changes:** Major changes are communicated and agreed with customers beforehand and logged. Discrepancies are analyzed for root causes, and corrective/preventive actions are taken as part of the continuous improvement process.

### 8.3 Supplier Management / Purchasing

As a non-asset logistics service provider, Kuehne+Nagel typically does not operate its own trucks, vessels, or planes. Instead, it purchases these services from carriers and subcontractors.


A strict supplier code of conduct is in place, and selection criteria are established for suppliers, incl. requirements for the consideration of climate change aspects. A central database with statuses of “approved,” “not approved,” or “pending” is maintained.

Preferred carriers for sea and air freight are listed based on corporate partnership programs. New suppliers may undergo test shipments as outlined in vendor management guidelines for supplier evaluation. Service discrepancies are managed according to Section 10 ‘Improvement’.

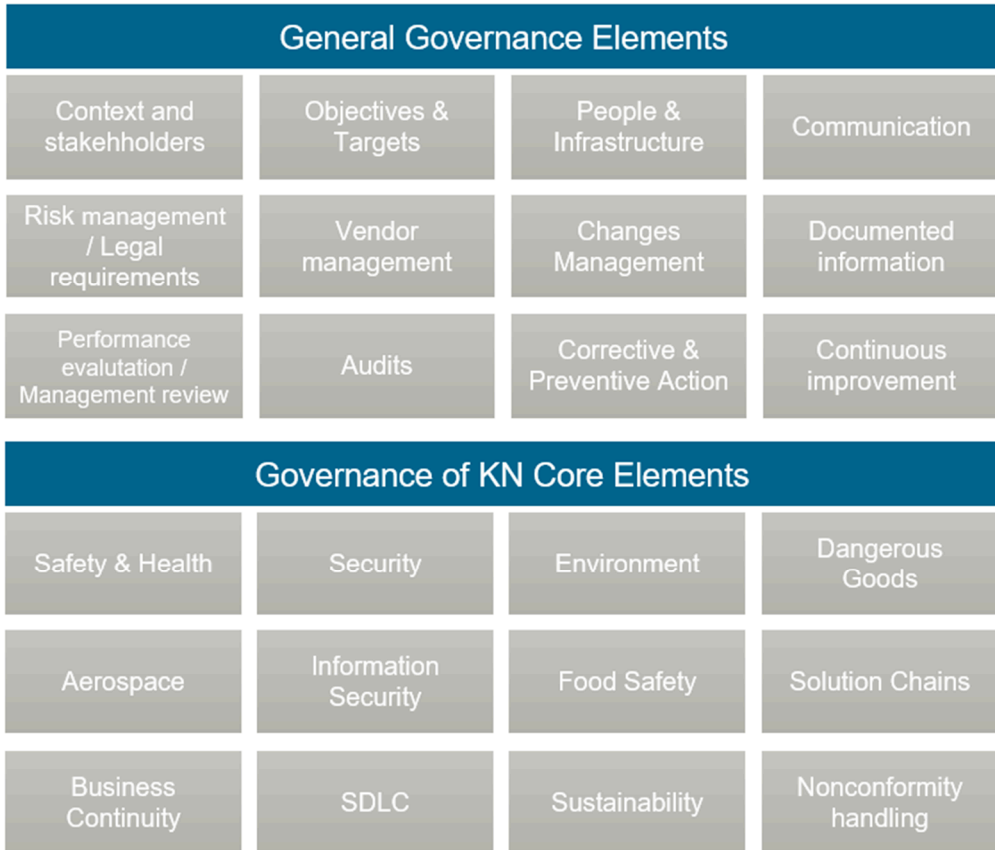
### 8.4 Solution and Service Provision

Kuehne+Nagel established guidelines and instructions to meet regulatory, customer, and industry-specific standards as well as to ensure all services are conducted under controlled conditions throughout the supply chain. Processes are validated as needed, with identification and traceability managed via myKN software, as detailed in Section 5.2.5 ‘Customer Process’. Status codes guide forwarding processes and prompt actions for any discrepancies. Customer property is carefully handled to prevent loss or damage.

| Classification   | Effective date | Expire date | Issuing BU/FU          |
|--|----------------|-------------|------------------------|
| OFFICIAL   | 12 Dec 2024    | 12 Dec 2026 | HCM QSHE               |
| <i>Printed documents may be out of date, check version status in KN Documents before use</i> |                |             | Think before you print |

| Doc no.  | Doc type     | Version | Release date |  |
|--|--------------|---------|--------------|--|
| 2  | Policy (POL) | 7       | 12 Dec 2024  |  |
| <b>IMS - Integrated Management System Manual</b> |              |         |              |  |

The Kuehne+Nagel IMS is composed of general and core elements to ensure proper governance.



#### 8.4.1 Safety & Health Management

The Global Safety & Health Management System enables Kuehne+Nagel locations and operations to manage their safety and health impact, aiming for a 'No Harm' standard.

More information can be found in the 'General Guideline Safety & Health' (GUI 2882).

#### 8.4.2 Environmental Management


The Environmental Management System ensures Kuehne+Nagel employees uphold environmental responsibility by managing the impact of their activities to preserve and protect the environment.

More details can be found in the 'Global Environmental Policy' (GUI 2897).

#### 8.4.3 Dangerous Goods Management

Kuehne+Nagel's global Dangerous Goods Management System ensures safe and compliant storage, handling, forwarding, and transportation of dangerous goods across Kuehne+Nagel's network. It helps mitigate risks associated with dangerous goods in storage and all

| Classification   | Effective date | Expire date | Issuing BU/FU          |
|--|----------------|-------------|------------------------|
| OFFICIAL   | 12 Dec 2024    | 12 Dec 2026 | HCM QSHE               |
| <i>Printed documents may be out of date, check version status in KN Documents before use</i> |                |             | Think before you print |

|  |                 |                |                     |   |
|--|-----------------|----------------|---------------------|---|
| <b>Doc no.</b>                                   | <b>Doc type</b> | <b>Version</b> | <b>Release date</b> | <br><small>KUEHNE+NAGEL</small> |
| 2  | Policy (POL)    | 7              | 12 Dec 2024         |   |
| <b>IMS - Integrated Management System Manual</b> |                 |                |                     |   |

transportation modes, focusing on preventing accidents, environmental damage, and harm to health, property, and reputation.

More details can be found in the ‘Global Dangerous Goods’ (POL 1515).

#### **8.4.4 Security Management / SecureChain**

The global Security Management System outlines methods to assess and manage security threats in global supply chains, aiming to establish a harmonized, risk-based security standard. It applies to all Kuehne+Nagel entities, subsidiaries, subcontractors, and vendors, safeguarding employees, business partners, and customer assets from unlawful interference and reducing supply chain vulnerabilities.

Based on ISO 28000, the security policy meets regulatory security standards, including the World Customs Organization’s SAFE Framework of Standards such as US Customs and Border Protection Agency sponsored Customs-Trade Partnership against Terrorism (C-TPAT). It assists Kuehne+Nagel entities in meeting the applicable Authorized Economic Operator (AEO) criteria or equivalent programs such as Partners in Protection (PIP) and subsequently fostering respective certification by competent national customs authority.

The Kuehne+Nagel SecureChain certification standard was designed to meet the specific enhanced security requirements by customers whose products are attractive to terrorist or organized crime groups.

More details are available in the ‘Global Security Policy’ (POL 38349).

#### **8.4.5 SemiconChain**

The requirements and guidelines outlined in the ‘Kuehne+Nagel Semicon General Guideline’ (GUI 16991) apply to all Kuehne+Nagel facilities involved in transporting, storing, handling, and distributing for semiconductor industry companies. These methods ensure that handling meets security and product quality standards. The Semicon standards are based on the Security Management System detailed in section 8.4.4.


#### **8.4.6 Healthcare Quality Management / HealthChain**

The requirements and guidelines outlined in the ‘Global Quality HealthChain Guideline’ (GUI 2823) apply to all Kuehne+Nagel facilities involved in transporting, storing, handling, and distributing for healthcare industry companies. These defined methods ensure regulated goods meet the requirements of safety, identity, strength, product quality and purity characteristics.

#### **8.4.7 Food Safety Management / FreshChain**

The requirements and guidelines outlined in the ‘Global Perishables and Food Safety Policy’ (POL 2880) apply to all Kuehne+Nagel facilities involved in transporting, storing, handling, repacking, and distributing food products. It outlines methods to ensure safe handling in compliance with international food standards like HACCP (Codex Alimentarius), ISO 22000, IFS Logistics, BRCGS, and GMP.

| <b>Classification</b>  | <b>Effective date</b> | <b>Expire date</b> | <b>Issuing BU/FU</b>   |
|--|-----------------------|--------------------|------------------------|
| OFFICIAL   | 12 Dec 2024           | 12 Dec 2026        | HCM QSHE               |
| <i>Printed documents may be out of date, check version status in KN Documents before use</i> |                       |                    | Think before you print |

|  |                 |                |                     |   |
|--|-----------------|----------------|---------------------|---|
| <b>Doc no.</b>                                   | <b>Doc type</b> | <b>Version</b> | <b>Release date</b> | <br><b>KUEHNE+NAGEL</b> |
| 2  | Policy (POL)    | 7              | 12 Dec 2024         |   |
| <b>IMS - Integrated Management System Manual</b> |                 |                |                     |   |

#### **8.4.8 Aerospace Quality Management**

The requirements and guidelines as documented within the 'Global Aerospace Manual' (GUI 2881) apply to any Kuehne+Nagel facility that provide logistics services for the Aerospace industry and seeking compliance with International Aerospace Quality Group (IAQG) developed Quality Management Systems standards EN 9100.

#### **8.4.9 EngineChain**

The requirements and guidelines as outlined in the 'Engine Logistics Policy' (POL 70121) apply to any Kuehne+Nagel facility that transports, stores, handles and distributes aircraft engines. This policy outlines methods to ensure safe handling and product quality, complying with IATA and ICAO regulations for dangerous goods. It also considers the basic standards of the Standard Ground Handling Agreement (SGHA). Additionally, it specifies Kuehne+Nagel procedures to ensure facilities and workforce meet EASA standards when servicing customers with qualifying products.

#### **8.4.10 Information Security Management**

Effective Information Security management requires a coordinated approach across all areas. Kuehne+Nagel's Information Security Management System (ISMS), based on ISO 27001, sets requirements and rules for all business and functional units to ensure process quality and information security.

The 'Information Security Policy' (POL 72763) is the key document for the Information Security Management System (ISMS), outlining high-level principles to support governance and enterprise values. It is part of Kuehne+Nagel's integrated management system, incorporating common elements like auditing and document management with specific components for ISMS such as risk management, KPIs, and incident management.

The Chief Information Security Officer (CISO) oversees the implementation, maintenance, and evolution of the ISMS.

#### **8.4.11 System Development Life Cycle**


Kuehne+Nagel provides IT solutions to meet business needs and services. Systems designed for Kuehne+Nagel production environments must adhere to a System Development Life Cycle (SDLC) to ensure quality and compliance. The 'System Development Life Cycle' policy (POL 23509) serves as Kuehne+Nagel's quality standard for IT products.

#### **8.4.12 Business Continuity Management**

Aligned with Kuehne+Nagel's strategic objectives, Business Continuity Management (BCM) addresses the essential requirements for preparing and managing unexpected disruptions and their potential negative impacts, particularly on time-critical business processes, IT services, and infrastructure.

Kuehne+Nagel's business continuity approach is based on the ISO 22301 standard for Business Continuity Management Systems.

| <b>Classification</b>  | <b>Effective date</b> | <b>Expire date</b> | <b>Issuing BU/FU</b>   |
|--|-----------------------|--------------------|------------------------|
| OFFICIAL   | 12 Dec 2024           | 12 Dec 2026        | HCM QSHE               |
| <i>Printed documents may be out of date, check version status in KN Documents before use</i> |                       |                    | Think before you print |

|  |                 |                |                     |  |
|--|-----------------|----------------|---------------------|--|
| <b>Doc no.</b>                                   | <b>Doc type</b> | <b>Version</b> | <b>Release date</b> | <br>KUEHNE+NAGEL |
| 2  | Policy (POL)    | 7              | 12 Dec 2024         |  |
| <b>IMS - Integrated Management System Manual</b> |                 |                |                     |  |

## 8.5 Control of nonconforming outputs

Kuehne+Nagel treats discrepancies as opportunities for improvement to prevent recurrence. Discrepancies can arise from various internal or external sources, leading to complaints, claims, or other issues. All discrepancies are handled and followed up, regardless of their origin.

The internal guideline 'Handling of Nonconforming Results/Outputs' (GUI 2876) applies to all kind of deviations. Various systems are in place to address non-compliance with requirements, and customers are informed of major discrepancies such as claims or damages. The 'Tool to Improve Processes' (TIP) is widely used for managing discrepancies.

The responsible individual must:

- Analyze the problem, perform a root cause analysis.
- Ensure corrective action is taken.
- Follow up until the issue is resolved.
- Inform the customer and relevant Kuehne+Nagel personnel.
- Initiate preventive action to avoid recurrence.

Effectiveness of actions is reviewed case by case, through audits, and other means. This approach also applies to managing risks related to environment, safety, health, and security.

## 9 Performance evaluation

### 9.1 Monitoring & Measurement

Kuehne+Nagel's primary goal is absolute customer satisfaction. To ensure this, customer requirements are closely monitored as described in Sections 9.1.1 'Customer Satisfaction' and 5.2.1 'Customer Requirements'.

Monitoring and measuring processes are conducted throughout the entire Kuehne+Nagel group. Corrective and preventive actions are taken if planned results are not achieved. Monitoring methods include management control, employee self-checks, spot checks, claim report evaluations, financial report evaluations, manager visits, data quality statistics evaluations, IMS audits, chain audits, data quality audits, external audits, and financial audits.


Periodical reviews, analyses, and evaluations from above mentioned sources as well as customer/employee surveys, improvement projects, strategy initiatives, and KPI data analysis from the transport management systems (TMS) are executed at all levels.

#### 9.1.1 Customer satisfaction

To safeguard continuous customer focus Kuehne+Nagel ensures customer requirements are met through:

- a) Customer Surveys: Conducted and evaluated regularly.

| <b>Classification</b>  | <b>Effective date</b> | <b>Expire date</b> | <b>Issuing BU/FU</b>   |
|--|-----------------------|--------------------|------------------------|
| OFFICIAL   | 12 Dec 2024           | 12 Dec 2026        | HCM QSHE               |
| <i>Printed documents may be out of date, check version status in KN Documents before use</i> |                       |                    | Think before you print |

| Doc no.  | Doc type     | Version | Release date | <br>KUEHNE+NAGEL |
|--|--------------|---------|--------------|--|
| 2  | Policy (POL) | 7       | 12 Dec 2024  |  |
| <b>IMS - Integrated Management System Manual</b> |              |         |              |  |

- b) Sales Feedback: Sales staff gather and share customer satisfaction info, working with operations to improve services.
- c) Key Account Managers: Assigned to top customers to maintain contact and ensure satisfaction.
- d) Management Oversight: Top management and department heads receive and act on customer feedback to drive improvements.

## 9.2 Internal Audits

Internal IMS audits follow audit plans and use checklists. These audits verify the effective implementation and maintenance of the IMS, ensuring conformance to:

- e) a) Kuehne+Nagel procedures and customer requirements,
- f) b) International ISO and other standards,
- g) c) Relevant laws and regulations.

Auditors do not audit their own work to avoid conflicts. Audit results are summarized in reports, and data quality and other audits are conducted by major business fields, often using status code statistics.


Corporate headquarters may use meetings and other methods for audits. Corporate audits by the Internal Audit department, and specialized audits for information security and technology, complete the audit activities.

For more details, including the risk-based audit program, auditor qualifications, and handling of audit discrepancies, refer to the guideline 'IMS Audit Program' (GUI 2900).

## 9.3 Management Review

Management Reviews are conducted at all levels of Kuehne+Nagel at least once a year to ensure the effectiveness of the management system and to initiate necessary changes or improvements. The guideline 'Global Management Review' (GUI 1364) provides details on review inputs, outputs, and topics to be addressed.

| Classification   | Effective date | Expire date | Issuing BU/FU          |
|--|----------------|-------------|------------------------|
| OFFICIAL   | 12 Dec 2024    | 12 Dec 2026 | HCM QSHE               |
| <i>Printed documents may be out of date, check version status in KN Documents before use</i> |                |             | Think before you print |

|  |                 |                |                     |  |
|--|-----------------|----------------|---------------------|--|
| <b>Doc no.</b>                                   | <b>Doc type</b> | <b>Version</b> | <b>Release date</b> |  |
| 2  | Policy (POL)    | 7              | 12 Dec 2024         |  |
| <b>IMS - Integrated Management System Manual</b> |                 |                |                     |  |

## 10 Improvement

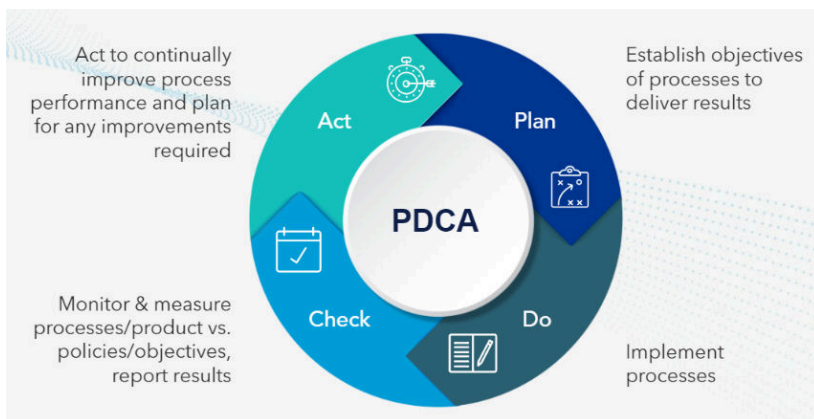
### 10.1 Corrective & Preventive Action

As part of Kuehne+Nagel's continuous improvement process, corrective and preventive actions are essential to prevent discrepancies from recurring and to seize improvement opportunities, enhancing customer satisfaction. Discrepancies are reviewed, and their causes are identified, often using root cause analysis methods like the 5 Why method, Ishikawa (fishbone diagram), Pareto analysis, 4-8D, DMAIC, and more.

Details are provided in the guideline 'Handling of Nonconforming Results/Outputs' (GUI 2876). Once actions are determined, they are implemented and followed up to ensure their effectiveness.

For more information, refer to the guideline 'Corrective and Preventive Action' (GUI 2903).

### 10.2 Continuous Improvement




Kuehne+Nagel is dedicated to continuous improvement, encouraging every employee to contribute with ideas and participate in implementing improvements within their responsibilities. These initiatives follow the Plan-Do-Check-Act cycle, as defined by international standards.

Continuous improvement is driven by various programs and methods, including customer-specific projects, the KNPS program in warehouses, and the Kuehne+Nagel strategy program. Each BU/FU, and country defines improvement initiatives for internal and external stakeholders.

Special techniques and projects, such as compliance with the Safety and Quality Assessment System (SQAS) by the European Chemical Industry, are implemented where useful. Kuehne+Nagel strives for excellence and is winning several awards annually. These achievements are published on Kuehne+Nagel's website, intranet, Annual Report, and Annual Sustainability Report.

| <b>Classification</b>  | <b>Effective date</b> | <b>Expire date</b> | <b>Issuing BU/FU</b>   |
|--|-----------------------|--------------------|------------------------|
| OFFICIAL   | 12 Dec 2024           | 12 Dec 2026        | HCM QSHE               |
| <i>Printed documents may be out of date, check version status in KN Documents before use</i> |                       |                    | Think before you print |

|  |                 |                |                     |  |
|--|-----------------|----------------|---------------------|--|
| <b>Doc no.</b>                                   | <b>Doc type</b> | <b>Version</b> | <b>Release date</b> |  |
| 2  | Policy (POL)    | 7              | 12 Dec 2024         |  |
| <b>IMS - Integrated Management System Manual</b> |                 |                |                     |  |

## 11 Document History

Audit trail on review and approval information are recorded in Kuehne+Nagel Documents.

### Document Changes Summary

| Version              | Rev. Date           | Changes  |
|----------------------|---------------------|--|
| <b>old 1.0</b>       | 14-Feb-2013         | Initial Release  |
| <b>old 2.0</b>       | 25-May-2017         | Various edits throughout to ensure process adequacy and compliance to the 2015 revisions of ISO 9001 and 14001 standards requirements. As a result a number of edits and additions are made.<br>See Chapter 11 for Structural changed to TOC and document<br>Other Misc. edits   |
| <b>old 2.1</b>       | 03-May-2019         | Inclusion of Information Security and Business Continuity in the QMM<br>Renamed Kuehne+Nagel Integrated Management System Manual<br>Reference added in several chapters to the Strategy process of Kuehne+Nagel. Minor corrections and clarifications  |
| <b>old 3.0</b>       | 09-Dec-2019         | Ch. 1: Added IMS process map, IMS framework, reference to KN Documents nad transition OHSAS18001 to ISO 45001<br>Ch. 3: Added reference and listing of Kuehne+Nagel Care principles<br>Ch. 5: Added Commitment to Excellence poster<br>Ch. 5.2: Added reference to P501 QSHE Governance and Organizational Structure<br>Ch. 6.2: Removed certain risk paragraphs as this is now covered in Risk guideline<br>Ch. 6.3: Added CEO review of 'QSHE Global Target Review'<br>Ch. 7.1: Added reference to Kuehne+Nagel Behaviours and PPR process<br>Ch. 7.5: Removed reference to Typo3 and Kuehne+Nagel owners, added reference to Kuehne+Nagel-C0457<br>Ch. 8.4: Added visualization of IMS blocks<br>Ch. 10.1: Referenced types of root cause analysis methods<br>Ch. 10.2: Added CI basis of Plan-Do-Check-Act<br>Other minor corrections and clarifications |
| <b>KN Docs v 3.0</b> | 20-Oct-2020         | Moving from transition document to controlled document flow in KN Documents. No content changes.   |
| <b>4.0</b>           | As per KN Documents | Periodical review. Adjustment of structure, ensuring same language used, like Kuehne+Nagel Standards for policies, guidelines, procedures, etc.; updated IMS Overview and other charts, added SemiconChain.  |
| <b>5.0</b>           | As per KN Documents | Added SDLC   |
| <b>6.0</b>           | As per KN Documents | Complete review.   |

|  |                       |                    |                        |
|--|-----------------------|--------------------|------------------------|
| <b>Classification</b>  | <b>Effective date</b> | <b>Expire date</b> | <b>Issuing BU/FU</b>   |
| OFFICIAL   | 12 Dec 2024           | 12 Dec 2026        | HCM QSHE               |
| <i>Printed documents may be out of date, check version status in KN Documents before use</i> |                       |                    | Think before you print |