2020 Sustainability Report
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**About the report**

This is the Annual Sustainability Report of A.P. Moller - Maersk A/S (hereinafter referred to as A.P. Moller - Maersk or Maersk as the consolidated group of companies and A.P. Moller - Mærsk A/S as the parent company). The report covers activities in the 2020 calendar year. Our approach to sustainability reporting is to focus on material issues and activities, in line with stakeholder concerns and relevance to our business and society in terms of context, completeness and balance. We strive for optimal accuracy, timeliness, clarity and reliability in the way we communicate. This report also represents our statutory statement on social responsibility, underrepresented gender and diversity in accordance with sections 99a & b and 107d of the Danish Financial Statements Act.

As a supplement to the Annual Sustainability Report, we prepare an ESG data overview of key performance indicators as well as SASB and TCFD index tables. The ESG overview can be downloaded at: https://investor.maersk.com under files for download at the release of the Annual Report.

Previous years' data and our UN Global Compact Communication on Progress table are also available online. Please visit https://www.maersk.com/about/sustainability/reports.
What we do and how we create value

A.P. Moller - Maersk enables its customers to trade and grow by transporting goods anywhere. We work to provide customers with end-to-end logistics products and services, taking complexity out of global value chains.

Stakeholder relationships and partnerships
We rely on constructive relationships with e.g. customers, suppliers, peers and authorities to maintain supportive framework conditions. See our key partnerships on p. 10.

Technology and IT
Technology and IT are key to enhancing our operational performance and solutions for our customers.

Assets and end-to-end delivery network
Our assets, supplier relationships and expertise in end-to-end delivery networks ensure our customers resilient supply chains.

For the environment
Our industry is a significant contributor to global GHG emissions, and we are committed to decarbonising our operations, through investments and collaboration. Read more on pp. 10-22.

For society
With global presence and potential for impact comes the responsibility and opportunity to ensure open, inclusive and sustainable trade. Read more on pp. 13-15.

For our investors
In our transformation to become the global integrator of container logistics, we continue to innovate and grow shareholder value.

Natural resources
Our business relies on natural resources, in particular steel (the main component of our vessels) and oil for fuel.

For our people
Our people bring key skills and capabilities to our business and in turn we must keep them safe and engaged while offering interesting career paths in enabling global trade. Read about our work on safety on pp. 30-31.

For our customers
By connecting and simplifying our 70,000 customers' supply chains, we enable them to focus on growing their business.

For our investors
In our transformation to become the global integrator of the container logistics, we continue to innovate and grow shareholder value.

RESOURCES

Our brand
For more than a century, we have built partnerships with customers, enabling them to prosper by facilitating global trade.

Financial capital
We have a strong balance sheet and are committed to remaining investment grade-rated.

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2020 was year of contrasts. While the pace of modern life slowed down due to restrictions on lockdowns, travel and trade, businesses can be part of a global, open, inclusive and accessible to all so that more people and businesses can be part of a global, open and inclusive trading system. Towards this end, we work to reduce complexity by digitising global trade. As physical lockdowns moved more customers online during 2020, we saw significant growth in our digital solutions, such as Maersk You, the Maersk app and Tviso.

A step-up on decarbonisation
De-carbonising logistics is where we can and must move the Needle the most for sustainable development. Maersk remains fully committed to our ambition of eliminating greenhouse gas emissions, as we continue to work towards net-zero emissions from our ocean activities in 2050, a 60% reduction in emissions from shipping by 2030 compared to 2008, and investigating how we can expand our net-zero ambition to cover our full operations and value chain across all emission scopes. We recognise that climate action is a strategic imperative for our company and have reignited our organisation in order to embed the agenda and ensure collaboration across our business activities.

In 2020, we began a process to step up our efforts on decarbonisation. I strongly believe that we, as an industry leader and with the resources available to us, have an obligation to do all we can to get to a carbon-neutral fleet as fast as possible. We will not be using transition fuels, but will instead leapfrog directly to net-zero carbon shipping. The launch of the Maersk Mc-Kinney Møller Center for Zero Carbon Shipping in 2020, made possible by our majority shareholder, the A.P. Moller Foundation; together with a group of industry-leading players, is an important step in our efforts.

Sustainability as a fully integrated business priority
Even as the urgent priorities of the pandemic and our business transformation have kept us busy, sustainability remains at the top of our decision-making. And we continue our commitment and support for the principles of the United Nations Global Compact. We see an acceleration in expectations from all stakeholders, not least customers, investors and employees. In 2020, we updated our sustainability priorities to further integrate sustainability into our business strategy, and we are accelerating our efforts to decarbonise shipping.

The pandemic has only reinforced our role in multiplying the benefits of trade and in making those accessible to all so that more people and businesses can be part of a global, open and inclusive trading system. Towards this end, we work to reduce complexity by digitising global trade. As physical lockdowns moved more customers online during 2020, we saw significant growth in our digital solutions, such as Maersk You, the Maersk app and Tviso.

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The pandemic has only reinforced our role in multiplying the benefits of trade and in making those accessible to all so that more people and businesses can be part of a global, open and inclusive trading system.

Guided by our core company values, our commitments to international standards and our engagement with customers, investors, regulators, employees and other stakeholders, we continue to address challenges across our operations and supply chains, including key areas such as ship recycling and safety.

I have taken on the task of using our leverage to drive responsible practices in the shipping industry. After four years in Raigad, India, we know that this is possible, and with still larger vessels in our fleet near end of life, it is imperative that we create opportunities for responsible ship recycling at yards outside GECO countries. We are engaging actively through the REMA committee that ensures enforcement of good international conventions while also enabling global opportunities for responsible ship recycling that benefit both shipowners and local communities.

Failing safely
The foundation for safety in Maersk is to build capacity for ‘failing safely’, acknowledging that even while all precautionary measures must be applied, some accidents and incidents are likely to still occur, but the implications of these should be as small as possible.

One of our contractors lost his life while working for Maersk in 2020. This saddens me deeply and emphasises that we need to do more to manage our risks and build the capacity we need to avoid such a tragic event.

To this end, we centralised the organisation of our safety work in 2020. The new organisation reinforces that Maersk has one shared safety culture, that we need to avoid such a tragic event.

In simple terms, we will not be satisfied until we reach our ambition of eliminating fatalities, severe injuries and severe injuries and provide safe and resilient products and services to our customers.

Social movements a timely reminder
2020 saw the renewed strength of social movements to promote race and gender equality. Our global presence means that we are affected by events and movements regardless of where they take place. Notable examples include Black Lives Matter in the US, which has spilled over to many other countries, and new waves of #MeToo serve as timely reminders that we must continue conversations on diversity and inclusion and take action where needed.

Maersk is a values-driven company. We treat our colleagues and partners with respect and dignity, and we do not tolerate discrimination or harassment of any kind. It is as simple as that. In 2020, we have addressed these issues in our organisation and clarified how we deal with them. We have clear policies in place and a whistleblower system with a range of reporting options.

For Maersk, 2020 was a year of crises in global health and economics, lockdowns, closed borders and distance – but also of new opportunities for our company, accelerated progress towards our strategic goals and a culture transformation among leaders and our employees are truly capable of.

In the coming year we will be applying our capacity to the global distribution of vaccines and to keeping supply chains open, and as such we will continue to play our part in enabling inclusive, open and sustainable trade – together.
Strategy, governance and materiality

As sustainability becomes a strategic imperative for A.P. Moller - Maersk, we have updated our sustainability priorities and governance to underpin a more targeted and integrated approach.

A.P. Moller - Maersk’s (Maersk) approach to sustainability is to take responsibility in line with our values and commitments, and to assume a leadership position on global issues where we have the necessary competencies and leverage to make a real difference. We do this through our business activities and in line with our business strategy, while we listen carefully to stakeholders’ expectations.

In 2020, this approach has led us to reassert and elevate our ambitions on sustainability, which are now further integrated in our Global Integrator strategy and the transformation of Maersk to one company. We see continued strong momentum on the sustainability and ESG (Environment, Social, Governance) agenda in society as the expectations and ambition levels of our customers, investors, regulators and civil society continue to rise. This impacts not only Maersk, but importantly also our customers, who are converting the expectations, risks and opportunities for sustainable products in the consumer market into requirements for us to deliver decarbonised and increasingly also end-to-end responsible supply chain solutions. Almost three out of four of our key clients seriously consider sustainability in their supply chains, and 90 of our top 200 customers have set or are in the process of setting ambitious science-based or zero carbon targets. ESG is moving from the niche confines of socially responsible investments to a focus on material financial impacts that matter to mainstream investors. The financial community expects companies to demonstrate a credible plan that aligns with the Paris Agreement’s 1.5-degree target across the full supply chain, and to take into account the physical effects of climate change and securize a viable business for the future.

Furthermore, lawmakers – particularly the EU – are moving rapidly on legislation related to sustainability, also on issues beyond climate change and decarbonisation. For example, the EU is enacting the taxonomy on sustainable activities, which through demands on the financial community will push requirements for transparency on ESG data across business sectors. Further initiatives are in the EU pipeline, including increased reporting obligations, ensuring sustainability in corporate governance and not least, mandatory social and environmental due diligence in supply chains. As a consequence, sustainability is becoming not only values-based responsibility for us but also a commercial and strategic imperative for Maersk as part of our proposition to customers, capital providers, employees and regulators, and foundational to our broader societal licence to operate.

Defining a sustainable business strategy

Our sustainability efforts have matured over the last decade with increasing ambitions matching the maturity of the field and expectations of our leading customers and key stakeholders. The sustainability strategy and ambitions we defined in 2017 have served well in creating positive impact along multiple dimensions. We have made significant progress on the four shared value priorities that we identified in 2017 as those where Maersk had the strongest potential to contribute towards the Sustainable Development Goals, leveraging our business expertise and assets: decarbonising logistics, multiplying the benefits of trade, contributing to halving food loss, and leading change in the ship recycling industry. We have progressively embedded responsibility for sustainability implementation into core functions and business areas, and we are now ready to integrate our sustainability priorities as an embedded part of our business strategy.

In 2020, we have defined updated sustainability priorities for the Global Integrator strategy: Enabling sustainable trade by decarbonising logistics, sustainability in our end-to-end offerings and responsible business practices. We will take leadership on decarbonising logistics as our single most important strategic sustainability priority.

Maersk to one company.

Integrator strategy and the transformation of stakeholders’ expectations.

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Key partnerships
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Material sustainability issues 2020
Based on research, stakeholder dialogue and management prioritisation, we determine how sustainability issues are material to Maersk by applying criteria and filters of risk, responsibility and strategic opportunity assessment. The most material issues are outlined below and reported on in relevant sections of this report.

Sustainable and inclusive trade

Climate change / Decarbonising logistics

End-to-end responsibility in supply chains

Changes to reporting as a result of strategy and materiality review
Our commitments to open, inclusive and sustainable trade are owned in line of business and delivered in particular through strategic investments in digitising global trade. We continue to report on our 2025 commitments as well as on key societal trends in global trade.

Air emissions continue to be a material responsibility topic, while the potential financial risk impact of IMO 2020 (lack of enforcement of the cap on sulphur in fuel oil) as reported on in previous years is reduced.

Supply chain sustainability risk is becoming more strategically relevant for us in our customer offerings. We report on it in the chapter on end-to-end sustainability in our offerings.

We no longer report on fixed loss as a separate disclosure topic but incorporate highlights from this year’s report as part of the chapter on sustainable trade.

Responsible ship recycling continues to be a material responsibility topic which we report on in the responsible business practices section.

We no longer report on human rights as a separate issue, but have integrated human rights commitments and frameworks such as the UN Guiding Principles on Human Rights and business into our governance approach and issue management processes. See overview to the right.

Materiality: Working on issues that matter
In line with our practice of reviewing materiality annually, we have updated our overview of material sustainability issues materiality drawing on the outcome of stakeholder engagement and research conducted as part of the update of strategic sustainability priorities. The research has provided insights into expectations, leading practices and emerging topics across customers, investors, and broader society, and has added to our existing knowledge and analyses from previous years including an analysis of how Maersk relates to the UN Sustainable Development Goals.

Revisions and additions to our model
We are streamlining our representation of material issues to reflect our new strategic approach, highlighting the issues that are strategic imperatives and hold the greatest potential for value creation: decarbonisation, end-to-end sustainability in our offerings, and sustainable trade. Furthermore, we continue to be guided by the perspective of double materiality in determining how sustainability issues may constitute responsibilities or risks, enabling us to understand where Maersk has a responsibility to mitigate potential negative impact on society or the environment and where issues may pose significant risk to our business.

Our disclosure of sustainability issues as potential risks to our business draws on our enterprise risk management process, which assesses top risks to achieving our business plan within a 5-year horizon. The sustainability issues that are assessed as among our top risks are safety (failure to ensure the safety and security of our employees), climate change (failure to decarbonise our end-to-end supply chain at a speed that matches our customers’ and investors’ expectations), and anti-corruption (being involved in a large compliance case).

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Human rights in this report
There are many aspects of our business that touch on human rights. Commitment to human rights is expressed in the A.P. Møller – Maersk Code of Conduct and our human rights due diligence is described on the following pages of this report.

Air emissions
The right to the highest attainable standard of health.

Safety
The right to life and the right to the highest attainable standard of health.

Diversity and inclusion
The right to freedom from discrimination and the right to family life.

Human rights principles and standards related to labour.

Responsible ship recycling
Human rights principles and standards related to labour, in particular the right to life and the right to the highest attainable standard of health.

Employee relations
Human rights principles and standards related to labour, for example freedom of association and collective bargaining, equal treatment, child labour, forced labour, working hours, compensation, privacy, rest and leisure.
Enabling sustainable trade

As the global integrator of container logistics, we work to ensure that trade is open, inclusive and sustainable.

Wherever you live, chances are that your living conditions are closely tied to how much and how well your country trades. Since 1960, Bangladesh has seen a four-fold increase in exports with poverty rates declining from 45% to less than 15% today. In South Korea, another trading nation, an average employee generates 13 times more wealth in a day than she did fifty years ago. In Korea, the typical consumer can attribute a third of their real income to lower prices enabled by trade.

**Lessons from a pandemic**

During 2020, we saw how fragile this progress can be – a real-time demonstration of what can happen when economies shut down. The International Labour Organization has estimated that as a result of the pandemic, global labour incomes have declined by more than 10% in 2020, corresponding to hundreds of millions of jobs. The economic hardships caused by COVID-19 are not equally distributed, and inequalities within and among countries are likely to widen. According to the World Bank, during the pandemic the number of people living in extreme poverty (living on USD 1.90 a day) has gone up for the first time in twenty years and there is a real risk that we will not reach the UN Sustainable Development Goal of eradicating extreme poverty by 2030.

At the same time, 2020 also demonstrated the power of open trade and well-designed logistics. The pandemic has been a demand-side crisis, but bar the initial shut-down in China, and initial shortages of face masks, it has not been a supply-side crisis. Logistics supply chains have kept moving throughout the pandemic. Three factors in particular explain why this has been the case. First, the extraordinary efforts of those on the frontline that make trade move: seafarers, dockworkers, warehouse staff, truck drivers and many more. Throughout the crisis, they have kept supply chains moving. For our seafarers and their families this has come at great personal sacrifice (see p. 26).

Second, the investments we have made into operational excellence, expansion of our portfolio of services and new digital solutions over the past years have made supply chains much more resilient. Comparing 2020 to 2019, the Maersk App nearly doubled the number of business transactions – from an average of about 2,400 per week in 2019 to an average of about 4,600 per week in 2020. Similarly, business transactions on Maersk.com – one of the world’s largest B2B-sites – are up by 18% year on year. As the pandemic disrupted the global economy, our strategic focus on building end-to-end supply chain visibility helped our customers slow down, speed up and redirect supply as shut-downs rolled through global markets. Third, governments have on the whole consciously worked to keep trade open in order to preserve jobs and economic activity, enabling logistics companies to do their job.

**Using trade to drive recovery**

The learnings that helped us during the crisis will also be essential for the rebuild that lies ahead. Open, inclusive and sustainable trade should be at the centre of this effort.

Much attention has been focused on the US-China trade war, but trade protectionism has been on the rise among all the G20 economies since the 2009 global financial crisis, and US and EU tariffs account for no more than a quarter of protectionist measures since 2017. This can no longer afford. The removal of protectionist measures can offer a multi-billion-dollar stimulus to the global economy without burdening taxpayers and public finances.

The pandemic has been particularly hard on small and medium-sized businesses that account for two-thirds of all jobs globally. Boosting their access to trade is critical for an inclusive recovery. Furthermore, helping SMEs grow and diversify their export markets will make them and the millions who depend on them more resilient to future crises.
Maersk is committed to helping connect national economies to global containerised trade to digital solutions by 2025.

Delivering on our commitments

Through Twill, our digital logistics offering for small and medium-sized customers, and Maersk Growth, A.P. Møller - Maersk’s (Maersk) corporate venture arm, we pursue our commitment to connecting 100,000 SMEs, including women-operated business, to international trade by 2025. As part of this work, we recognise that trade finance is one of the key barriers to trade for small businesses, and for this reason we have invested in MODIFI, which specialises in making trade finance accessible to small companies. In 2020, we integrated MODIFI’s offering into Twill. Women-owned businesses and women entrepreneurs hold particular promise in making trade work better for inclusivity. In 2020, we continued our collaboration with the Skoler Business and the Sheller Initiative of the International Trade Centre, with the aim of connecting more women to trade. As shippers, logistics providers, customs officers and more, many more supply chain actors have been held up at home around the world, digital platforms have enabled them to keep operating. Maersk is committed to helping connect 50% of global containerised trade to digital solutions by 2025. The potential impact of reaching this target was demonstrated in an analysis of our terminal in Mumbai in India concluded in 2019. This showed that digitising trade processes can help reduce costs for exporters and importers by up to USD 260 million annually in Mumbai alone, equal to approximately 15% of total costs.

Our aim is to help realise this potential on a global scale. In 2019, Maersk entered into an innovative partnership with the Government of Germany and the United Nations Conference on Trade and Development (UNCTAD). The aim of the collaboration is to develop AYSHUR, a digital platform with National Single Windows administrations globally to exchange digital shipping information with platforms such as Tradelens, an open and neutral supply chain platform developed by Maersk and IBM. The AYSHUR solution will enable customers to have greater visibility of goods entering and leaving their countries, while drastically cutting down on the time cost for importers and exporters to clear their goods. Development of the solution was completed in 2020 and it will be tested by customs authorities in Cambodia and Sri Lanka during 2021.

The link between trade and climate change

We recognise that concerns over the sustainability of global consumption patterns remain and that in the light of the pandemic, this debate has come to include the added dilemma of jobs and livelihoods lost in production countries in particular. Our premise is that fighting climate change should not be at the expense of trade, because this will lead to another set of sustainability challenges: lack of decent work, increases in poverty, hunger, lower availability of funds to invest in sustainable transformation and new infrastructure and more. As the past year has shown us, keeping trade up and running positively impacts the chances of sustainability staying on the global agenda.

Maersk is best positioned to impact two aspects of making trade and consumption more sustainable: by ensuring access to trade by removing friction in trade as explained above, and decarbonising logistics, described in detail on pages 16-22, which will result in the decoupling of the climate crisis and the emissions driving transportation from economic growth.

Decarbonising logistics is only one part of the sustainability challenge related to consumption. It is the one which we are able to impact directly, as opposed to consumption external resources, build-up of non-recyclable waste, etc., which are issues that must first be dealt with in the systems where they occur.

In simple terms, we are working to decarbonise how container cargo is moved around the world. The sustainability of what is inside the container is not within our direct sphere of influence, and must as a start point be dealt with by the cargo owners.

Minimising food loss with customers

We are helping to drive a transition away from paper-based transportation as an integral part of our Cold Chain Logistics business, focusing on developing and scaling solutions to connect and integrate our custumers cold chain. Substantial extra efforts were required during 2020 to minimise disruptions brought on by COVID-19 and ensure all elements across the cold chains including cold stores and trucking could continue to run smoothly, and ensure the stability of global food supply.

During 2020, the Cold Chain Logistics area expanded and now serves several hundred customers across nearly 50 countries globally. We opened one new cold chain facility and are progressing on three construction or expansion projects to develop our network of cold storage warehouses.

We work with customers to test solutions that target produce or livestock and ensure that the potential solutions are as easily adopted as possible. Our customers included quality preserving processes related to packing, handling and temperature control in the cold chain resulting in less food loss, as well as minimising emissions from the cold chain.

For example, Fliit, a Germany-based digital freight forwarder specializing in food logistics, Ripe.io — a platform leveraging blockchain technology and tradeLens to provide insights along the food supply chain, and Spedler diary, a company building a marketplace for discounted perishables.

Our focus during 2020 has been on efforts to create change on the ground, and we continue to engage in the development of a metrics framework and broader partnerships to guide and document our impact on food loss in the supply chain remains a work-in-progress.

Serena Skou,
CEO, A.P. Møller - Maersk A/S

Closing the trade finance gap

In 2019, Maersk concluded an agreement with the global insurance company Aon to help SMEs access trade finance. TradeLens has integrated with over 220 organisations, including data from more than ten ocean carriers and more than 600 ports and terminals, resulting in coverage of nearly half of the world’s ocean container cargo. Integrations of CMA CGM and MSC owned terminals is being planned.

TradeLens is a blockchain-based platform developed by Maersk and IBM. It provides a secure, transparent and immutable record of the entire trade journey on a blockchain. TradeLens uses blockchain technology to streamline and speed up the delivery of goods. By sharing data on a blockchain, partners can track and trace shipments as they move through the supply chain, reducing paperwork and handling and the time it takes to verify that goods are legitimate. This is a win-win for everyone involved, from shippers and carriers to customers and governments.

TradeLens has already helped companies reduce their supply chain risk, improve their visibility of goods, and increase their sustainability. For example, it has helped to reduce carbon emissions by allowing companies to track and reduce the amount of fuel consumed during transport. It has also helped to reduce fraud and security risks, and improve supply chain transparency.

In 2020, TradeLens helped to connect more than 500 suppliers and customers, including more than 200 small and medium-sized enterprises (SMEs), to the global supply chain. This has helped to reduce the time and cost of trade for SMEs and increased their access to financing and other resources.

By the end of 2020, we had invested in 21 start-ups enabling trade for SMEs. These start-ups reach more than 15,000 customers across nearly 50 countries globally.

We did not make progress in 2020 on the development of a metrics framework and broader partnerships to guide and document our impact. However, we are continuing to work with partners to develop a metrics framework and broader partnerships to guide and document our impact on food loss in the supply chain.

At the end of the eight weeks, Rocio and her team were ready to apply what they had learned. They had the confidence that with the support of the coaches, they could continue to grow and develop as entrepreneurs.

Rocio’s experience is not unique. In 2019, nearly 15,000 women participated in the Twill coaching programmes, which have shown that coaching can be a powerful tool to help women entrepreneurs succeed.

A.P. Moller - Maersk      Sustainability Report 2020

With over 800 staff and 130 years of experience, Maersk is one of the most important players in the global containerized shipping industry. We are helping to connect national economies to global containerised trade to digital solutions by 2025.
Decarbonising logistics

Decarbonisation is a strategic imperative for our industry and our company. We are intensifying our efforts to achieve net zero emissions and support our customers to decarbonise their supply chains.

Two years after setting our net zero ambition in December 2018, we have come further than we imagined possible at that time. In 2018, a 2050 net zero ambition for shipping was a moonshot goal. Today, we see it as a challenging target, but clearly possible to reach. Customers, investors and authorities are accelerating their ambitions, and their expectations are rising fast for A.P. Moller - Maersk (Maersk) and our industry to deliver more solutions, more visibility and more help in decarbonising supply chains.

Decarbonisation can make or break us

In 2020, we conducted a strategic review of global climate scenarios and transition pathways (see box on page 21). The conclusion was that climate action is a strategic imperative for all companies, and our company in particular, as we – due to our size and industry reach – have the opportunity to be a driving force in decarbonising shipping and logistics. We are both able and willing to take that role upon us.

There are specific trends in our stakeholder environment that underscore the need for urgent action on decarbonisation. First, a logistics provider without an ambitious plan for decarbonisation risks becoming irrelevant in the market, because it would become increasingly difficult for customers to embed services offered into their product offerings. This means that our company cannot be behind the curve on the carbon journey.

Second, political action is gradually but continuously beginning to reflect the reality of climate change. Spurred on by science, the evident rise in the number of extreme weather events, as well as pressure from a broad range of stakeholders, lawmakers are working on taxation or other pricing mechanisms as well as disclosure requirements related to CO₂ emissions, to incentivise transformation in all parts of society. These actions both emphasise and potentially mitigate the financial risks of climate change to companies, asset owners and societies. For example, while Maersk supports the introduction of uniform pricing regimes for CO₂, the potential added cost from a regulatory instrument such as a carbon tax might end up being calculated in billions of dollars for Maersk alone, if we do not decarbonise our operations.

Our commitments on decarbonisation

<table>
<thead>
<tr>
<th>2030</th>
<th>2050</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>60% relative CO₂ reduction from shipping</strong></td>
<td><strong>Net zero vessels in operation</strong></td>
</tr>
<tr>
<td>By 2030, deliver 60% relative reduction in CO₂ emissions compared to 2018 levels.</td>
<td>By 2050, have commercially viable, net zero vessels operating in our fleet.</td>
</tr>
<tr>
<td><strong>60%</strong></td>
<td><strong>Net zero CO₂ emissions</strong></td>
</tr>
<tr>
<td>By 2050, have net zero CO₂ emissions from our own ocean operations.</td>
<td></td>
</tr>
</tbody>
</table>

**Continued progress on efficiency**

By end 2020, we had achieved 46.3% reduction in emissions compared to 2008, with 2.5% of that achieved in 2020 alone.

**Future fuels and vessels**

Our research shows that net zero technologies are available, and we will not use transition fuels (such as LNG) but leapfrog to fully net zero fuels.

**Pathways to 2050**

We are working with customers, partners and regulators to build the market, fuel supply chains and policy frameworks to support net zero emissions shipping.
Mærsk has a history of pioneering solutions and being ahead of our customers’ demand. We have a strong history of innovation in the fuel field and we have been committed to set a science-based target, and we are actively engaging our customers, in 2020 we implemented a new commission where we ask our customers to participate in their development to scale. We are engaged in several fuel projects for both methanol and ammonia, just as our participation in the LED coalition continues, where we in collaboration with partners incl. customers and researchers work on the lignin fuel option in the table above. In combination, these projects will deliver substantial towards the power needs of our entire fleet, albeit price premiums may remain a barrier to uptake. The first green fuel projects command premiums, but technology maturity will improve and production costs are expected to decrease once production is scaled.

**Lack of fuel infrastructure**

Today, there is very limited infrastructure in any port to handle net zero emissions fuels. We will collaborate with fuel suppliers to develop a fueling network that serves our needs.

**Safety-related issues**

For bio-methanol and ethanol, there are issues related to flammability that will have to be resolved. There are already some operational experiences available for methanol as a shipping fuel. For ammonia, the main issue is toxicity, and safe solutions will have to be developed, and solutions for its safe use as marine fuel should be possible. Much work remains to be done in this area, and it is one of the areas that the Maersk McKinney Møller Center for Zero Carbon Shipping will investigate (see box on the next page).

**Impact on company profitability**

Leadership on the decarbonisation agenda comes with a near-certain increase in costs but also, we believe, with a potential for competitive advantage that far outweighs the costs and potential risks.

We believe that the right thing to do is to leapfrog to pure net zero vessel technology without any transitional technologies.

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**Four priority fuels for net zero emissions shipping**

<table>
<thead>
<tr>
<th>Fuel</th>
<th>Key advantages</th>
<th>Key limitations/risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biofuel</td>
<td>- Can be used as drop-in fuel in existing vessels and engines</td>
<td>- Limited availability of biomass feedstock a challenge to scalability</td>
</tr>
<tr>
<td>Methanol (bio-methanol and e-methanol)</td>
<td>- Already in operation as marine fuel</td>
<td>- Price pressure due to high demand from competing industries</td>
</tr>
<tr>
<td>Lignin fuels</td>
<td>- Lignin fuels are potentially the most price-competitive net zero fuel with the lowest price estimate almost on a par with fossil fuels</td>
<td>- Bio-methanol Production at scale is challenged by uncertainty over availability of biomass</td>
</tr>
<tr>
<td>Ammonia (green ammonia)</td>
<td>- Fully zero emissions fuel. Can be produced at scale from renewable electricity alone</td>
<td>- E-methanol: Availability of biogenic CO2 source at production site, cost and maturity of electrolyser technology</td>
</tr>
</tbody>
</table>

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**How decarbonisation affects consumer prices**

<table>
<thead>
<tr>
<th>Item</th>
<th>Original Cost</th>
<th>Cost Increase</th>
<th>Percentage Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>A pair of running shoes for $100</td>
<td>+$0.06</td>
<td>+0.06%</td>
<td></td>
</tr>
<tr>
<td>A computer for $800</td>
<td>+$0.60</td>
<td>+0.08%</td>
<td></td>
</tr>
<tr>
<td>1 banana for $0.25</td>
<td>+$0.01</td>
<td>+5%</td>
<td></td>
</tr>
</tbody>
</table>

Source: Calculations by Mærsk

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**The future of fuels**

Over the past two years, we have conducted an extensive analysis of the available technology and fuel options for net zero carbon operations. Based on this work, we have concluded that there are technologies that are mature enough for us to participate in the development to scale by acting as an ambitious customer. A selection of technologies were examined and the four primary pathways we are now pursuing can be seen in the table above. As part of this process, we also selected a number of potential technologies. For example, bio-methanol and liquefied natural gas, for fuel cells, nuclear and onboard carbon capture due to concerns related to one or more of the steps in the fuel transformation supply chain see [figure on the next page]. For bio-methanol and liquefied natural gas, for example, we are very concerned with levels of marine emissions, and the rise of low carbon fuels is a risk of failing marginal CO2 reductions rather than transfer to real in net zero emissions solutions. Fuel cells were put on hold because they are not ready to be produced efficiently at scale and costs are high, but we monitor this technology closely.

Our analysis shows that the technologies are available. As a result, and in response to the increased urgency of delivering on decarbonisation, we believe that the right thing to do is to leapfrog to pure net zero vessel technology without any transitional technologies.

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**Introduction**

**Strategic sustainability priorities**

**Decarbonising Logistics**

**Responding to a pandemic**

**Responsible business practices**

**Progress overview**

**Data and assurance**

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Vincent Clerc Executive Vice President and CEO Ocean and Logistics, A.P. Møller - Maersk A/S

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Our conversations with customers are increasingly focused on supporting them to decarbonise their supply chains, and ensuring flexible and resilient transport solutions.
The need for broad-based action
The final piece of our decarbonisation strategy relates to the policy frameworks established to further this process. Policies must not only secure that low-performers are held accountable, but also that the first movers are truly rewarded for the risks taken on behalf of the whole industry. With very few exceptions, the political and legislative debate is currently not moving fast enough to fulfil its role. The International Maritime Organization (IMO) must start to address concrete long-term measures in order to close the competitiveness gap between fossil and renewable fuels. Global measures to accelerate the transition and create a more level playing field are essential, and for this reason the limited outcome of the IMO meeting in 2020 was disappointing. We also advocate that lawmakers build incentive structures that reward first movers and remove a share of the financial risk related to decarbonisation. There is a very real danger that regulators are out of sync with the progress and development pushed by industry, which would be to no one’s benefit. At regional level, there is no doubt that shipping will be part of the EU Emissions Trading System, which is the worst scheme biggest for trading greenhouse gas emissions allowances, also known as CO2 credits. However, this needs to be done with the objective of actually lowering shipping emissions and with a view to supporting an international greenhouse gas reduction agreement. Moreover, the many related EU initiatives must also fit into a puzzle whereby greenhouse gas emissions overall are lowered while still supporting modal shift of cargo to sea, which will remain the most sustainable way of transporting large quantities of cargo. The transition will not happen without strong regulatory frameworks. IMO Member States have a fundamental role in securing progress. These processes take time, but there is real benefit to having a global solution which is enforceable and protects first-movers.

In parallel, private action and advocacy initiatives should also continue. We are very proud to have been part of the recent launch of the Maersk–McKinney Møller Center for Zero Carbon Shipping (see box). This independent centre will engage scientists from all over the world in trying to find solutions for shipping. Additionally, we have joined hands with Ørsted, the largest energy company in Denmark, and other leading Danish companies in establishing a project to develop a new hydrogen plant, which can be part of the solution for creating e-fuels in the future. We have also received external funding to further intensify our research and development of different types of lignin-alcohol fuels. We continue to engage actively in the G20 to Zero coalition, and beyond our own sector we have joined with a group of other leading companies in the Transform to Net Zero initiative, launched in July 2020, which aims to lead by example, developing guidance and pilot projects to enable all businesses to achieve net zero emissions.

The indicators underlying our relative CO2 reduction target is EEOI, Energy Efficiency Operational Indicator, calculated as g CO2/(Ton x Nm). From 2020, we are disclosing our progress towards net zero emissions reduction through the following indicators and targets for decarbonisation, please read this chapter of the report.

The physical effects of climate change are already evident in the form of heat and water stress, precipitation, storms, and rising sea levels. The effects will intensify regardless of remedial actions taken, impacting customer supply chains and potentially Maersk’s ability to deliver a reliable product. These scenarios confirm the urgency of climate action to mitigate the risks to our own business and stay relevant in the market by supporting our customers to decarbonise their supply chains. Climate change, more specifically the risk of not decarbonising our end-to-end supply chain at a speed that matches our customers’ and investors’ expectations, was in 2020 confirmed by our executive leadership as one of the top enterprise risks to Maersk.

Towards 60% CO2 emissions reduction
We are also from 2020 disclosing our progress on CO2 efficiency in both actual efficiency (measured in EEOI, gCO2/ton-nm) as well as relative to our baseline year 2008. The graphs above show performance according to both the old calculation, used in our 2019 Sustainability Report, and the improved calculation which we will be using going forward.

The Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping
The Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping is an independent, non-profit, leading-edge research and development centre launched in June 2020. Mobilising around 100 of the best minds from industry, academia, energy, fuel and shipping technology, regulatory affairs and finance, the centre will work to create overviews of decarbonisation pathways, accelerate the development of selected decarbonising energies and powering technologies as well as support the establishment of regulatory, financial and commercial means to enable and drive a net zero emissions future. We need to be certain that a company has charted a credible and comprehensive course to decarbonisation, taking into account added investments and costs, just as we need to know that the transformation is anchored at the highest leadership level.

A.P. Moller – Maersk
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Towards 60% CO2 emissions reduction

Progress and increased disclosure on CO2 efficiency Our target is to deliver 60% relative CO2 reduction by 2030 (compared to 2008 baseline). By the end of 2020, we had reduced emissions by 46.3%. We are from 2020 using an improved methodology to calculate relative reductions, which enhances the accuracy. We are also from 2020 disclosing our progress on CO2 efficiency in both actual efficiency (measured in EEOI, gCO2/ton-nm) as well as relative to our baseline year 2008. The graphs above show performance according to both the old calculation, used in our 2019 Sustainability Report, and the improved calculation which we will be using going forward.

Climate-related risks and opportunities to our business
In 2020, we conducted a strategic review to analyse the likelihood and implications of different pathways for global warming, and how these might impact our business in terms of both physical and transition risks. Limiting warming to 2.0 degrees appears to be the most plausible outcome. Reaching this goal will require significant policy measures and one of our top enterprise risks to Maersk. To help meet these challenges, Maersk is committed to a 2050 net-zero emissions target. Towards this goal, Maersk also participates in the UN-supported Global Compact for the private sector on climate change (2018). The company’s strategy is to reduce its absolute carbon footprint by 2030 and achieve net-zero emissions from its operations by 2050. This is consistent with limiting global warming to 1.5°C, which is the upper limit of the 2°C limit agreed in the 2015 Paris Agreement. The company’s strategy also involves the development of new technologies and processes that can help to reduce its carbon footprint. Maersk ESG data table, which can be downloaded from the company’s sustainability report, shows progress towards its 2030 target relative CO2 emissions reduction.
The main contributors to the 2.5% reduction in 2020 are related to a series of energy efficiency initiatives: retrofitting of our fleet, the further integration and use of Star Connect and improved utilisation of vessels.

Star Connect is a monitoring system being implemented on all our vessels to provide visibility on the efficiency of the engine and the most effective sea voyage, with live data helping crews adjust and choose the most efficient path forward. We are also implementing a more limited version of the system on chartered vessels. Further efficiency improvements are dependent on a continued and enhanced energy efficiency drive, different fuel types, more modern vessels and technological advances.

Decarbonising end-to-end logistics

As part of our efforts to sustain leadership on decarbonisation and match customer needs and stakeholder demands, we are exploring ways in which we can work to include all emissions - our own, those related to the purchase of energy and those in our supply chain - in our decarbonisation efforts.

As the graphic below shows, the vast majority of our emissions come from our own operations (scope 1), which do not include significant asset ownership, and consequently emissions from our logistics supply chain (scope 3) are set to grow.

We are exploring how best to engage our suppliers in support of an end-to-end decarbonisation ambition, and we are working to expand our net zero solutions to customers to encompass offerings across end-to-end logistics, including trucking, rail and warehousing, as well as digital solutions to provide visibility on emissions end-to-end.

Our role in decarbonising logistics will be very different compared to our role in ocean transport, where Maersk holds a leadership position and is a significant asset owner in an industry dominated by relatively few, large companies. The inland logistics industry landscape is very different, and we typically have limited operational control of the assets such as trucks, trains, warehousing. This will imply a different, more collaborative, approach where we partner with our logistics suppliers to work towards decarbonisation of our end-to-end logistics offerings (scope 2 and scope 3, as well as the small portion of our scope 1 emissions outside ocean transport).

As part of this, we are working towards integrating environmental sustainability into procurement criteria in tenders.

In 2016, we launched our Global Integrator strategy of connecting and simplifying the customers’ supply chain. Since then, we have transformed A.P. Moller - Maersk (Maersk) to a focused and integrated global logistics company. Working with sustainability in logistics is a different challenge from that of decarbonising container shipping which is dominated by major market players, of which we are one of the largest. In contrast, the logistics industry is fragmented with its thousands of suppliers of trucking, warehousing, manning agencies, rail services etc. For example, Maersk works with more than 1,000 suppliers of trucking services. As we grow our logistics business, we are determined to apply our commitment to responsible business practices, our willingness to use the leverage of our business to affect change - by ourselves and through partnerships – and our ambition of decarbonising our business and enabling open, inclusive and sustainable trade.

We have investigated the implications of the Global Integrator strategy on sustainability-related risks, opportunities and responsibilities. One conclusion is that our exposure to risks on social issues, anti-corruption, environment and CO2 emissions grow substantially as we take our customers’ business on land. This includes risks of corruption and working conditions – including safety and health - for workers not hired by us, but working for us.

It is clear to us that our customers expect their logistics partner to demonstrate responsible business practices, and expect us to help them address their supply chain challenges on emissions and waste (read more on decarbonising end-to-end on the right).

Our investigations led us to conclude that while we have a good foundation of responsible business practices within our own operations, on which we can build, our set-up can be improved for delivering on the expectations to our customers, and the approach going forward will be integrated across functions and into our product offerings as a base component.

**Maersk's CO2 footprint 2020**

- **64%** Maersk's business activities, including emissions from carriers transported under vessel sharing agreements.
- **36%** of Maersk’s business activities, including emissions from carriers transported under vessel sharing agreements.
- **<1%** emissions come from bunker fuel.

Emissions created in the value-chain as result of Maersk’s business activities, including emissions from carriers transported under vessel sharing agreements.

**Note:** Data and assessment of material categories for scope 3 emissions for 2020 is based on analysis of procurement and accounting data performed by an external provider, and have not been in scope for PwC’s review of this report.

**Sustainability in our end-to-end offerings**

Managing all aspects of our customers' logistics supply chains includes taking on responsibility for sustainability performance. We are developing a more comprehensive approach to ensuring sustainable practices across our end-to-end offerings.

“Responsible practices in our supply chain are important for maintaining our societal license to operate. We require our suppliers to live up to international standards on responsible business conduct, and this is equally important in transportation and logistics as it is in our factories and raw materials supply.

When we hand over our logistics needs from end-to-end to an external party, we are looking for a logistics partner who can ensure responsibility and ultimately support positive societal and environmental impact in our logistics supply chain.”

Johanna Pirinen
Senior Vice President Sustainable Sourcing and Logistics, Stora Enso
Better oversight of contract labour in African ports

In 2020, we investigated working conditions for contracted labourers in ports on the African continent. We focused on ports where Maersk vessels call, but which are not owned by us. This broader investigation was the result of unacceptable working conditions first reported by a Danish NGO in the port of Mombasa in 2019, which had found use 24-hour shifts with minimal breaks, to pay wages below the Kenyan hourly minimum wage and to lack provision of safety equipment for workers. This is not acceptable to us.

Local Maersk staff reviewed the practices of all the suppliers used for contracting labour in third-party operated ports in Africa and compared these to our supplier code of conduct. In most cases there were minor gaps which were addressed through improvement plans. However, most of the contracted labourers working in these ports are hired by the port operators, and we have had little insight into the content of their contracts.

Recognising that this is a high-risk area for ports, we are working to develop new audit and follow-up regimes to ensure our standards are met.

Improving working conditions for truck drivers

We are active participants in the Responsible Trucking project run by CSR Europe, which focuses on enabling better working conditions for truck drivers in the EU. In 2020, the project drafted a set of social guidelines that set out minimum standards, which serves as a public stance from private organisations in support of better working conditions for truck drivers, and at the same time addresses the specific challenges this profession faces.

Spot check tools and methodologies were also created for the group to use to understand the challenges on the ground, and for companies to have an indication of the extent to which these challenges are present in their own supply chain.

The guidelines will be published 2021, after which implementation of tools can begin.
In March 2020, the executive leadership defined three priority focus areas to guide our response to the COVID-19 crisis.

**Helping society in the fight against COVID-19**

- We received one request for deployment of a cold chain to transport COVID-19 vaccines in response to the COVID-19 pandemic in 2020. The Logistics Emergency Team, the disaster response partnership which Maersk has been a part of since 2013, was activated. The response partnership which Maersk has been a part of since 2013, was activated.

- The Maersk Cadiz crew share a positive message with all their colleagues at sea.

**Organising new exports to save products**

On 24 March 2020, India came to a sudden standstill. As Prime Minister Narendra Modi announced a strict nationwide lockdown to contain the COVID-19 pandemic, Maersk and its customers, this meant a massive disruption of supply chains. To this end, Maersk and Maersk established a global logistics partnership to distribute up to a billion doses of a COVID-19 vaccine worldwide in 2021.

- As members of the World Economic Forums Supply Chain & Transport Industry Action Group, we also endorsed a charter in support of globally inclusive, safe and sustainable distribution of COVID-19 vaccines. The charter calls for engagement, trust, competency and expertise sharing, and support for UNICEF's distribution efforts.

- In Maersk, seafarers in particular were called upon to go the extra mile. Alongside the threat to global health, the risk of collapsing economies with extensive job losses and shortages of goods grew as the pandemic progressed. While economies and individual livelihoods were widely impacted, global trade lanes and supply chains remained in service. Because of flexible supply chains and digital connectivity, countries and businesses were able to maintain essential services and supplies, even as half the global population was in lockdown.

- Heroes trapped at sea

At exactly 12:00 local time, on 1 May 2020, Maersk captains around the world stood their horns in a celebration of the essential frontline workers who were keeping supply chains running – at sea, on the road, in ports, warehouses and factories across the world.

- In Maersk, seafarers in particular were celebrated as “the unsung heroes of the COVID-19 pandemic”, as they continued to play an essential role in maintaining the flow of vital goods, such as food, fuels and medical supplies, that people everywhere need.

- For many of our seafarers, the hero status was underlined by the fact that crews experienced prolonged stays on the same vessel, as crew changes were hindered by government restrictions.

- Normally, a crew member stays on a vessel anywhere from two to six months. The Maritime Labour Convention states that crews can spend a maximum of 11 months on board. These norms were all broken in 2020.

- Across the Maersk network, a total of 6,000 seafarers of 40 nationalities on 700 vessels worked to ensure the flow of goods around the world. When the build-up was at its highest, more than 2,000 colleagues had completed their contracts, but could not be relieved of their duties. Another, although much smaller, set of colleagues were hurt by the fact that they were unable to board vessels and fulfill their contracts.

- To accelerate the process of bringing crew home, we gathered a cross-functional task force to create agreements with governments, airlines, airport operators, hotels and port authorities that would enable crews to obtain essential seafarer status to safely travel to and from major port hubs with major international airports, including on special Maersk charter flights. Moreover, an IT solution was put together to help track seafarer locations and maximise the number of people we could move, and procurement teams helped book over 100,000 hotel nights and 200,000 meals during the summer alone.

- To overcome the multitude of bottlenecks we found on land, we created our own quarantine safe centres in strategic locations such as Manila and Mumbai, where crew could be tested and certified as healthy to travel to join a vessel. We also created hubs for local quarantine in high-volume areas such as the Suez, Europe, Nigeria, Malaysia and Panama, which helped seafarers reach their destinations.

- By the end of the year, we had succeeded in helping overdue crew members on or off vessels.

**Enabling global trade has been A.P. Moller – Maersk’s (Maersk) finest task for decades, but there was arguably never more pressure to keep goods moving flowing than in 2020. In extraordinary circumstances, our employees across the world have gone to extraordinary lengths to serve customers in new and creative ways, while taking extra care of each other and helping society to get through the crisis.**

**“Being onboard for more than ten months was quite an experience. I had my holiday on board, celebrated my birthday as well, and never knew the next time I would go ashore.”**

- It was all about waiting and hoping for possibilities to off-board, carrying on terms with cancelled flights and changing schedules. In the meantime, we found ways to keep a positive attitude and break the monotony of the sleep–eat–work cycle.

**What kept me going was the encouragement and bond of the crew, families made possible by the improved internet connectivity, drawing portraits and constant prayers. All of this made the physically challenging and mentally draining life on board with an overdue contrast a little lighter.”**

Helping society in the fight

Beyond our support to employees and customers, Maersk contributions to support society in the fight against COVID-19 have taken the form of donations of containers, freight, storage space, logistics expertise, face masks and other personal protective equipment (PPE), and in some cases monetary donations. All cash donations are reviewed by Maersk’s Compliance team. All donations were made in accordance with our COVID-19 donations policy and approved by our internal Crisis Management Team. The total amount donated by Maersk in the fight against the effects of COVID-19 is USD 4.2 million. Some examples of donations are shown below, in addition to some of the large operations our business was involved in to secure delivery of medical supplies and PPE to governments.

Europe

Maersk Bridge
A.P. Moller Holding initiated and coordinated an air bridge and supply chain operation to secure delivery of personal protective equipment (PPE) to healthcare workers in Danish hospitals.

Maersk sourced the equipment and transported it to the hospitals.

3D visor and ventilator tech
Colleagues at APM Terminals Algeciras used 3D printing to help make protective visors for hospitals, rescue workers and health centres.

Asia

Clean water
In small villages near the Indian port of Pipavav, APM Terminals installed vending machines that dispense clean water so local people would not need to travel long distances for healthy drinking water where they might risk spreading COVID-19.

Relief effort
Maersk provided commercial logistics support to UNICEF to provide warehousing, transportation and distribution of critical supplies for Pakistan’s national relief effort.

Health care
As part of our continued engagement in the delivery of health care in India, we helped fund thermal screening for 13,000 workers at the ship-recycling yards in the area, and distribution of 33,000 protective masks. 170 COVID-19 awareness sessions reached over 8,400 workers.

America

Masks
Maersk offices in Brazil donated funds to purchase masks, hand sanitisers and more to a local hospital.

Medical supplies
Donations of medical equipment including ventilators, thermometers and PPE to Villanueva Public Hospital in Guatemala.

Reefers
Maersk in San Antonio, Chile loaned two 40-foot reefers to the local hospital, so it could store pharmaceuticals.

Africa

Urgent supplies
APM Terminals funded a flight carrying 10,000 test kits, 15 oxygen concentrators, PPE and health kits for the Nigerian Government’s COVID-19 Response Plan and UNICEF’s work in support of healthcare workers, children and families.

Sanitisers
Maersk supported the Kenyan government requests for 35 20-foot containers to transport raw materials for sanitiser from Mombasa to Nairobi for distribution to hospitals and medical workers.

Food for schools
Maersk in Angola provided disinfectant gels, cleaning materials, gloves and masks as well as food and water to multiple local projects and schools.

Vaccine infrastructure
In response to a Logistics Emergency Team request, we deployed a cold chain consisting of three reefer containers with generator sets in three locations in South Sudan, where they serve as adequate storage for vaccines, and the backbone of a medical supply chain for 10 million people.

Responsible business practices are first and foremost about values, our commitments and meeting expectations of our stakeholders. It is also the foundation on which our entire value proposition of sustainable end-to-end offerings rests.

In this section, we report on our most material issues, with a more in-depth look into the issues of safety, responsible ship recycling and diversity and inclusion.

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In this section, we report on our most material issues, with a more in-depth look into the issues of safety, responsible ship recycling and diversity and inclusion.
A.P. Moller - Maersk’s (Maersk) safety strategy is grounded in our Safety Differently philosophy, where the central premise is that safety is defined by having the capacity to manage risks under variable conditions. This must be enacted through leadership that engages with front-line employees and provides the support they need to make safe operations easier.

This philosophy is also evident in our safety targets, which do not highlight the absence of accidents, but rather the presence of leadership, that continuously engage to eliminate as many as possible of the factors that contribute to the occurrence of accidents, and to manage the outcome of the accidents that still occur. We pursue the targets through activities in three tracks: engaging with workers, building capacity and promoting a learning culture. See 2020 progress on the next page.

**Aligning standards everywhere**

Up until 2020, Maersk’s safety organisation was highly decentralised, which in some cases hindered the implementation of our safety strategy and we have therefore reorganised our work to reinforce that Maersk has one, and only one, safety strategy, which is implemented and enforced equally across the company.

The new central Safety and Resilience team creates a strong pool of resources and tools including implementation support available at all levels across the company. In this way, we are able to match and mirror the integrated company that Maersk is becoming, and assure our customers that when they leave their supply chain obligations in our hands, we have the capacity for safe operations in place. (Read more about sustainability in our end-to-end offerings on pp. 23-24).

**Managing risks through learning teams**

Over the past few years, we completed a number of projects, based on identification of the most critical risks related to fatal and severe injuries across our operational contexts. These include cargo fires, warehousing operations, dropped objects, mooring operations, man overboard and working at height.

The risks were identified and solutions developed using a core element in the Safety Differently toolbox, namely the learning teams approach, where front-line workers share their experiences with leadership teams, allowing for a shared understanding of the risks and possible solutions, which can inform the allocation of resources and responsibility. In support of this approach, our port terminals organisation developed a leader-lad programme, including an app that helps structure learning conversations. By the end of 2020, there had been more than 36,000 recorded activities using the app since its launch in March 2020, and 4,831 times where unsafe work or working conditions were stopped before an incident occurred.

**Safer mooring ropes through crew engagement**

One learning teams example is our work on mooring, which is one of the most dangerous operations on a vessel. When a mooring rope breaks, it can move at over 800 km/hour and snapback incidents can potentially cause severe injuries and fatalities. Through crew engagement, this risk was identified and exploration and potential solutions were suggested. As a result of these conversations, a SnapBack Arrestor, where a broken mooring rope simply drops to the ground, instead of snapping back in unpredictable paths, was rolled out in early 2021.

**Why is it important**

Safety at work is a basic human right, and workplace conditions directly impact influence workers as well as their families and communities.

**Ambitions**

We want to protect our people, the environment and our business, eliminate fatalities and severe injuries, enable Maersk to be a preferred employer and provide safe and resilient products and services to our customers.

**Targets**

2020:
- Top 300 leaders have completed Leading Safety Differently workshops
- Verification of effectiveness of critical controls
- Continuous improvement in employee engagement, measured through our Gallup survey

**Progress in 2020**

A health, safety, security and environmental (HSSE) framework was developed throughout 2020 and launched early in 2021, aligning how safety processes and critical controls are implemented across all our operations, including the allocation of core safety responsibilities and accountabilities of both employees and leaders at all levels across the business.

We have set targets and actively pursue progress within our focus areas.

**Leadership**

The majority of the planned Leading Safety Differently workshops had to be cancelled due to COVID-19 travel restrictions. However, 80 of our targeted top 300 leaders completed virtual sessions in 2020.

We designed a new leadership programme which we expect to launch in 2021. This consists of a toolkit for leaders to direct, lead and manage safely with easily accessible and inspiring content that is real and relevant to their role and will help them integrate it into their daily business.

**Building capacity**

The collaborative approach to critical risk project management, where different parts of our company work together to uncover risks, create controls and evaluate and validate those, was integrated into the business. Results include risks related to mooring, crane operations, access to cargo areas and more, as well as a new vessel inspection app.

**Adapting to the COVID-19 pandemic**

We developed a virtual delivery solution for learning teams, which was tested late in 2020 and is being rolled-out in early 2021.

**Culture**

We see safety as a fundamental contributor to employee engagement, and in line with our target the overall score in our engagement survey improved throughout 2020.

The annual Global Safety Day had a somewhat smaller reach than in previous years due to COVID-19. Where possible, the day was celebrated under the theme ‘Learning from each other’. This included more than 600 learning teams working on critical risks in their operations and on mental health and well-being, an area of great importance in 2020 due to the effects of COVID-19 on the well-being of our people. All learning collated from the frontline will inform the 2021 strategy and planning.

**Fatailities in 2020**

Sadly, a person lost his life working on one of our facilities. We realise that there is still much more for us to do, to learn and to improve in addressing our workplace risks.

**Business segment**

Container

**Location**

Nigeria

**Description and learnings**

A 23-year old worker lost his life when a scaffold collapsed after being hit by the boom of a towering crane. We identified multiple factors that contributed to this tragic incident. Our employees and contractors have since used the Learning Teams approach to see if the gaps exist in other facilities, and how to close them.

**Enrolled by**

Subcontractor

**Terminals & Towage**

Apapa Terminal, Nigeria

A 23-year old worker lost his life when a scaffold collapsed after being hit by the boom of a towering crane. We identified multiple factors that contributed to this tragic incident. Our employees and contractors have since used the Learning Teams approach to see if the gaps exist in other facilities, and how to close them.
Over four years after we landed our first vessel at the Shree Ram yard (Plot 78), taking our declaration of wanting to change the ship recycling industry from words to action, the 10-km stretch of beach with recycling yards in Alang is a different world. We are proud of the progress made in Alang and are expanding our ambition to focus on creating opportunities for responsible ship recycling globally.

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This situation is detrimental to the momentum achieved at Alang over the past five years, as well as to the shipowners. We do not agree with the claims made that the BBA now superseded the EUSR and the IMC Hong Kong Convention (once it enters into force). Both the EU and IMC regulations offer equal levels of protection, as the Basel Convention and general legal principles dictate the application of the specific legislation on ship recycling rather than the general provisions of waste handling. Our positions hold, based on thorough legislative analysis, that there are legal options available to the EU and we are engaging with a multitude of stakeholders to find short- and long-term solutions to resolve this gridlock.

Changing our ambition

A further challenge is the fact that in the next few years, globally a big wave of post-panamax vessels, whose category name is derived from the fact that they are too large to pass through the Panama Canal, will near their end of life. Very few yards included in the EU List are capable of handling post-panamax vessels, and even fewer wish to accept these, with repairs/offshore/military vessel recycling their priority due to higher margins. Thus, there is today a lack of capacity for responsible recycling of mainstream, commercial, post-panamax vessels, regardless of which flag they sail under and where the responsible recycling facilities are located.

With proven results from Alang that engagement on the ground leads to change, we are confident that opportunities to remedy this situation can emerge from India and other non-OECD countries. Thus, Maersk’s ambition for our work with responsible ship recycling has changed from radiatingly transforming the industry beginning in Alang to focusing on creating opportunities globally.

We are in active dialogue with a few global greenfield projects, for example one in the African continent, where we as interested-end users assist in researching, developing the business case and performing initial due diligence.

Why it is important

Despite many shipowners having policies for responsible ship recycling, around 90% of the vessels recycled globally are under poor health, safety and environmental conditions. As a leader in the shipping industry, we can make a real impact by driving opportunities for responsible practice-driven, financially viable recycling.

Ambitions

To create opportunities for responsible ship recycling globally for the benefit of workers and the environment as well as responsible yards and shipowners.

Targets

2020:
• Continue to invest in and work with selected yards in Alang
• Develop the wider Alang area

2021:
• Create opportunities for responsible ship recycling of post-panamax ships globally
• Work with industry stakeholders to support yards globally, including non-OECD countries, to achieve EUSR-compliance and thereby increase actual capacity on the EU List
• Continue development of the wider Alang area
• Actively support and participate in the development of the Ship Recycling Transparency Initiative

Audit results all yards

Number of findings in vessel landing month and in December 2020 (or at completion of vessel) at all yards with Maersk vessels in 2019 and 2020.
Diversity and inclusion

2020 was a year of increased focus on inclusion and non-discrimination in much of the world, with movements such as Black Lives Matter originating in the US, as well of new bursts of attention to LGBTQ+ rights and continued focus on #metoo around the world.

Our global presence means that we are affected by events and movements regardless of where they take place, and they impact us to take specific actions and provide input to A.P. Moller - Maersk (Maersk) continued, global conversations on diversity and inclusion. Diversity and inclusion are part of our value system, and our support for social justice and anti-discrimination is also expected by our employees. In the North American part of our company, we took time to reflect on what discrimination means and how this impacts our teams. Conversation with our leaders began with virtual sessions focused on race discrimination, providing them with a framework to support discussions within their teams. We also ramped up our focus on allyship, where you work for change even if you are not personally affected by what you are aiming to change, it is not new to Maersk but we find that its importance to the diversity agenda is growing.

Containers sending a message

While we recognise the need for our company to work harder to improve on our own targets on diversity and inclusion, we also believe that symbolic statements can help create global awareness of fundamental rights.

In that vein, we branded two Maersk containers in rainbow colours. They made their debut in Mobile, USA and are now travelling the world with goods from our customers, and making appearances at select events for our company. The containers have raised interest from many of our customers who are also committed to driving inclusion in their organisations. In partnership with our customers, we will see these containers spread this important message. In 2020 both containers were deployed to deliver humanitarian relief to victims of Hurricane Laura in Louisiana, and later left Los Angeles to arrive in Shenzhen in China, whereafter they connected to Europe.

Openness relies on psychological safety

We have clear policies in place stating that we do not accept discrimination, and we have a whistleblower system with a range of options for our employees to communicate grievances. It can be daunting raising grievances on such sensitive issues and we want to do more to encourage our employees to speak up and report any concerns of harassment and/or discrimination at Maersk.

We are doing this through increasing awareness and capability in building psychologically safe teams and cultures. We build this into our leadership programmes and provide separate virtual learning sessions available to all employees.

In 2021 we will be conducting our first global inclusion survey that aims to increase our understanding on issues such as discrimination, harassment, diversity and inclusion. The results from the survey will be used to focus our priorities going forward. We have taken the decision to set up an ombuds office to specifically hear out grievances that employees do not feel comfortable reporting to human resources departments, line managers or posting to the whistleblower system.

Unconscious bias work continues

Our initiatives on diversity and inclusion support our drive towards targets on gender and nationality representation in management. Our key approach is employee engagement and capability building, and over the past three years, we have worked on creating awareness of unconscious bias and related effects, establishing inclusion networks covering our global organisation.

As is the case for race, gender, beliefs, disabilities and more, it is a basic human right not to be discriminated against due to one’s sexual orientation. In support of human rights, we have participated in Pride activities since 2018. 2020 saw our planned Pride celebrations move to a virtual platform and we used this opportunity to reflect on the history and evolution of Pride, among other things through a series of global webinars to understand its past and essence: the ability to freely and safely express oneself. This also allowed us to address the racial conversations that were dominating societies around the world and the importance of talking about racism as well as where we stand as a company.

Why is it important

It is a basic obligation and a core element of our values not to discriminate against our employees. Discrimination bars people from living up to their full potential, creates inequality and less stable and prosperous societies. We also want to leverage the competitive advantage that diverse teams and inclusive cultures can bring to our business, and meet our employees’ demand for working in a company that values diversity and inclusion.

Ambitions

We aspire to create an inclusive culture where all employees can have a sense of belonging and contribute to their fullest. In doing this, we will be in a prime position to attract people from the widest talent pool, specifically increasing the gender and nationality diversity at our senior levels.

Targets

Our target is to have three women on the Board of Directors, if the Board consists of less than twelve members, and four women, if the Board consists of twelve or more members.

Progress in 2020

The target for representation of women on the A.P. Moller – Maersk Board of Directors was met in 2020.27 However, we are still not satisfied with the progress we have made towards our goal. Our Board targets on gender and national representation in senior management. We have been implementing new controls and processes to drive improvements, and during 2021, we will set and share updated targets for the period from 2021 - 2025.

Our progress on women in management is adversely impacted by the fact that the share of women working in logistics and technology – which are areas in which we recruit many candidates – is very low. In January 2020, we joined an initiative hosted by the Danish Shipping Association focused on attracting more women to shipping and logistics, and we have established a women’s network in our global technology function.

As part of our global maternity policy, we have a target of reaching a 90% retention rate for women returning to work after maternity leave. In 2020, this was the case for 79% of the target group. Maersk’s gender diversity and inclusion policy provides details of our actions to increase gender diversity. It is available on Maersk’s website.28

Representation of women on the A.P. Moller – Maersk A/S Board of Directors (2020)
Employee relations

Why is it important
The way we treat our employees is fundamental to the way we want to do business, and our employees are essential to the success of A.P. Møller - Maersk (Maersk).

This begins with ensuring respect for internationally recognised human rights and labour standards in all our workplaces.

Ambitions
All our employees will be treated fairly in a safe and healthy working environment, and we are committed to creating a working environment where each employee feels valued and can prosper.

Targets 2020
- Ensure compliance with our Commit Rule on Global Employee Relations, which is based on internationally recognised labour standards.
- Conduct bi-annual labour rights assessments.
- Help to make employee engagement and workforce management integral to the development of end-to-end logistics.
- Ensure that new ways of working (e.g. flexible working hours, digitisation/automation) are introduced responsibly and involving relevant stakeholders.

Progress in 2020
Our work on employee relations rests on the core belief that employees are essential to the development and success of our business. We act in accordance with international conventions, and we are committed to compliance with local legislation where we operate. Our leadership have access to support for their negotiations with employee representatives, where they discuss the local collective bargaining agreement.

Working with unions during COVID-19
During 2020, we engaged with trade unions at all global and local levels to discuss the needs of our employees both at sea and on land and to make a joint effort in protecting their health. Our leadership had discussions with the International Transport workers Federation’s leadership to align our approach on COVID-19 and explore options for collaboration. This resulted in sharing of information and knowledge about our solutions to make the necessary new changes and get seafarers home, just as we coordinated our discussions with the ILO, which led to a resolution in December 2020, recognising seafarers as essential workers.

In 2020, we also focused on the needs of our seafarers, especially during the COVID-19 pandemic, ensuring they had access to vital supplies and protection measures.

Responsible procurement

Why is it important
Through our operations and purchasing decisions we have an impact on social, environmental and economic conditions in our industry and global supply chains. Monitoring and addressing sustainability risks in our supply chain strengthens our stakeholders’ trust in our brand and increases our preparedness for arising regulatory attention on due diligence in supply chains.

Ambitions
Manage the risk of supplier non-compliance with our Supplier Code of Conduct to support our commercial ambitions of end-to-end sustainable product offerings.

Targets 2020
- Ensure that all purchasing activities are aligned with Responsible Procurement requirements.
- Expand scope of Responsible Procurement in line with ambitions to strengthen sustainability in end-to-end offerings.
- Operationalise post-sourcing audits for trucking, warehousing and third-party labour providers.
- Prepare for legalisation on supply chain due diligence.

Progress in 2020
The A.P. Møller - Maersk (Maersk) Supplier Code of Conduct (Code) sets out minimum requirements on responsible business practices for our direct suppliers and select sub-suppliers, to operate in accordance with responsible business principles and local environmental laws and regulations. In our own supply chain, we work through our Responsible Procurement Programme. Increasingly, this also serves a commercial purpose, as our global integrator strategy leads to purchasing solutions to make the end-to-end offerings, from the widest variety of suppliers.

Control actions carried out
- Shipyard audits
- Other audits

Audits and assessments in 2020

<table>
<thead>
<tr>
<th>Control actions carried out</th>
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<tr>
<td>Shipyard audits</td>
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<td>Pre-qualification assessments</td>
<td>Qualified suppliers</td>
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12 of our 15 high-risk categories are trucking and intermodal, warehousing services, facility management, outsourced labor, terminals, depot and yard operations, security services, procure-to-pay items, customs agents, security/locks/construction, chemicals and paint, equipment, maintenance and repair, container sealing/locks and shipping/landing.

10 We have 15 high-risk categories: Trucking and intermodal, warehousing services, facility management, outsourced labor, terminals, depot and yard operations, security services, procure-to-pay items, customs agents, security/locks/construction, chemicals and paint, equipment, maintenance and repair, container sealing/locks and shipping/landing.

Qualified suppliers
Air emissions

Why is it important
Air emissions from ocean-going shipping have negative effects on human health and the natural environment, as they cause diseases and premature death.

We support regulation such as the cap on sulphur content in fuel oil, which will significantly reduce these effects and create a level playing field for socially and environmentally responsible practices in the industry.

Aim
To continue to be an industry leader working towards reducing air emissions from international shipping, particularly in regard to SOx and NOx emissions, which are important in port areas and when sailing close to shore.

Progress in 2020
Across A.P. Moller - Maersk’s (Maersk) activities, we strove to minimise the known negative impacts related to our operations. This is also true for air emissions which include SOx, NOx, and particulate matter. While all of these are potentially harmful to human health and the environment, our focus is to fully comply with regulatory demands to limit air emissions and strive to minimise the impacts.

On January 1, one of the largest changes in the maritime industry in decades came into effect with the International Maritime Organization’s (IMO) 0.5% global cap on the content of sulphur in fuels. One of the enforcement mechanisms for this legislation is a ban on carrying non-compliant fuels on vessels, except for vessels where scrubbers are installed to clean exhaust gases. Mainly due to the IMO 2020 sulphur cap, Maersk complies with through the use of low-sulphur fuels as well as scrubbers on a share of our vessels. SOx emissions have dropped significantly from approx. 569,000 tonnes in 2019 to approx. 102,000 tonnes in 2020.

The main concern in the years leading up to the cap taking effect was uneven enforcement, as it was estimated that a large container vessel could save around USD 750,000 sailing from a port in Asia to a port in Europe when using non-compliant 3.5% marine fuel instead of 0.5% fuel. While the level of control is not always as stringent as we would have hoped for, we have reassured no indication that compliance is lacking. Looking at which oil types are sold on the global market is a useful proxy for evaluating compliance, and it appears that the low-sulphur fuel uptake is at the expected level. However, it should also be noted that due to COVID-19, port state controls have been made more difficult. We therefore hope that enforcement campaigns can resume in 2021.

The use of scrubbers to clean the vessel exhaust of SOx remains a discussion point and no independent global survey of the effects of scrubbers has yet been produced to support global legislation. Still, more national and regional legislation is being implemented, for example in the EU, US states and Australia, requiring vessels to shut off the scrubber system when entering near-coastal waters and switch to low-sulphur oil. As a result, more ports are expected to declare a ban of open-loop scrubbers.

Reducing the impact of SOx
Research has shown that the annual, ship-related global health impacts from using fuel with 3.5% sulphur instead of 0.5% fuel are approx. 137,000 premature deaths and 7 million childhood asthma cases.

This is the driver behind the IMO’s legislation on SOx, which from 2020 requires the entire global fleet to sail on fuels with 0.5% sulphur content.

Ocean health
Why is it important
The global oceans redistribute CO₂ and heat, supply people and communities with food, water, renewable energy, and build livelihoods through tourism, trade and transport. The health of the ocean is rapidly deteriorating due to increasing temperatures, acidification, depletion of natural resources and pollution from land and sea, including large quantities of plastic waste.

Ambitions
We see ourselves as citizens of the oceans and are committed to doing no harm whilst at the same time actively participating in restoring ocean health and resilience and protecting animal habitats.

Targets
- Zero non-contained oil spills above 10 m³.
- Fully comply with rules and regulations to minimise negative impact on ocean health, including waste management and ballast water systems.

Progress in 2020
Our first obligation as citizens of the oceans is to comply with rules and regulations that safeguard ocean health. For A.P. Moller - Maersk (Maersk), this includes managing fuels or chemical substances to avoid spills into water, managing waste to keep it out of the oceans and living up to the regulation on ballast water. We have policies and procedures to manage and mitigate all these risks.

The compliance measures approved by the IMO are carrying and using only low-sulphur fuels on vessels.

The ocean health
- Continue collaboration with The Ocean Cleanup. Support ocean science research through data collection and partnerships.

Expanding our support for The Ocean Cleanup
Since 2018, Maersk has been proud to partner with The Ocean Cleanup, providing offshore support for their plastic waste cleanup system in the Pacific Ocean. A new, three-year partnership agreement was established during 2020. It expands the collaboration to include both maritime and end-to-end logistics services, in line with the anticipated scale-up of The Ocean Cleanup’s ocean activities as well as the expansion to include systems deployed in larger rivers.

Maersk’s assistance will range from shipping, customs clearance and warehousing and storage management.

On the offshore side, in addition to deployment services, Maersk will contribute to developing a maritime and end-to-end logistics approach with alternative fuels and new vessel design. Maersk’s support is provided as full or partial donations, or on favourable terms.

The Ocean Cleanup’s goal is to reach a 90% reduction of floating ocean plastic by 2040. This is an important issue to many of our seafarers as well as to colleagues on land, and in 2020 we ran a campaign among our seafarers and employees to encourage our support for The Ocean Cleanup’s assistance.
Anti-corruption

Why is it important
Corruption undermines social and economic development. It distorts the business environment and adds to the cost of participating in global trade. It affects external confidence as well as company morale. Non-compliance with legislation on bribery and corruption may lead to legal and reputational risks, exca costs, rediffficulties in our business, fines, imprisonment and ultimately departure from markets.

Ambitions
We aim to eliminate corruption in the industries where we are active through both multistakeholder collaboration and actions in our own operations.

Targets
Comply with legislation on anti-corruption practices, which ultimately translates to zero bribery and elimination of facilitation payments.

Progress in 2020
The risk of corruption in our ocean business relates primarily to interactions with authorities in ports and at border controls, and mostly as facilitation payments. In our terminals, the risk is greatest when negotiating at border controls, and mostly as facilitation payments.

When third parties act on our behalf
Working through third parties has been corruption risk to our business. To improve risk mitigation, we have invested in a third-party management system, and in 2020 we developed and initiated the roll-out of a structured risk-based third-party management process across Maersk.

In the first year of operations,
- 1200 leaders and employees have been trained
- 250 third parties have been or are being processed
- 5 third-party engagements were canceled or stopped on ethical grounds

Through this process, we select the third parties best suited for our business based on their competence, integrity, and other relevant capabilities. We also have a process for comprehensive due diligence on acquisition targets, joint venture partners and shareholders through which we reviewed 60 potential partners in 2020, as well as created a process for timely and orderly integration of the acquired entity into existing compliance programme structures.

Why is it important
Well-functioning tax systems globally and internationally help finance education, infrastructure and other public services that support sustainable development, local societies, business and trade.

Ambitions
Be a compliant and accountable taxpayer with transparent and responsible tax practices.

Targets
- Ensure full compliance with tax regulations in all countries where we operate.
- Continue to engage in dialogue with stakeholders on tax matters.

Progress in 2020
A.P. Møller – Maersk’s (Maersk) total tax charge in 2020 was 407 million USD, compared to 458 million in 2019. See the A.P. Møller – Maersk A/S Annual Report 2020 for more details.

We continue our dialogue with stakeholders including the B Team, learning and sharing best practices with other companies who have also endorsed the B Team’s Tax Principles.

We are in the process of updating the Maersk Tax Principles, providing more relevant information to our stakeholders and explaining the different tax rules, under which Maersk operates. In particular how our shipping activities are taxed under the tonnage tax regime. This is a methodology using vessel tonnage to determine the taxable income on which corporate tax is paid. As a result, liner entities are not taxed on actual commercial profit or loss. As our business grows on land, more of our income will be taxed according to regular corporate tax rules and based on actual profit.

As part of our updated Maersk Tax Principles, we will be disclosing tax payments, in accordance with the OECD Country-by-Country Reporting (BCR) principles, for the largest taxpaying countries per region. We have chosen this disclosure approach to achieve the right balance between our support for additional transparency on corporate tax and ensuring the relevance of the disclosed information.

Our updated Maersk Tax Principles and CBCR tax payments will be available on the Maersk.com website in Q1 2021, when the 2020 CBCR tax numbers are available.

The EIU list of noncooperative tax authorities for 2020 comprises twelve countries, of which Maersk has activities in four: Due to a prior year adjustment, in Panama we paid USD 789,000 in taxes on a profit of USD 450,000, in the US Virgin Islands we paid USD 423,000 in taxes on a profit of USD 131,000 and in Barbados we paid USD 15,000 in taxes on a profit of USD 47,100. We have very minor profits (less than USD 1,000) and tax payments in Trinidad and Tobago.

In December 2020, as per the deadline for 2019 CBCR tax numbers, we disclosed full country by country reporting to the Danish tax authorities in accordance with our legal obligations.
Summary of targets and progress across all issues

This table provides an overview of our ambitions in the context of the UN Sustainable Development Goals, summary of targets and progress in 2020, and how the issues are governed.

### Issues

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### Progress

**Governance**
- **A.P. Moller – Maersk**
  - medium-sized traders.
  - 8.5
  - 8.3
  - 8.2
- **Twill, Maersk Growth, and Cold Chain**
  - areas and brands, including TradeLens,
  - and driven though the relevant business
- **several hundred customers across**
  - SMEs, reaching more than 15,000
- **webinars and coaching programmes.**

**Development and growth of our cold**
- chain business.

**Decarbonising logistics**
- **project to automate advance sea cargo**
- **organisations, including ocean carriers**
- **TradeLens integrated with over 220**
- **development and growth of our cold**
  - Contribute to halving food loss in

**Sustainability**
- By 2025:
  - Connect 50% of global
  - **Decarbonising logistics**
- By 2050: Complete Safety, Environmentally
- **responsible ship recycling**
  - **for roll-out in early 2021.**
- **Contributed to supporting**
  - public sector corruption
  - **Collaborating through the global**
  - **collaboration through the global**

**Data and assurance**
- **Responding to a pandemic**
  - **responsible ship recycling**
  - **ensuring that new ways of**
  - **to their fullest. In doing**
  - **responsible ship recycling**
  - **citizens of the oceans and**
  - **citizens of the oceans and**
  - **to approx. 102,000**
  - **to approx. 102,000**
  - **to approx. 102,000**

**Disaster response**
- **chaos chain due diligence.**
- **for legislation on supply**
  - **aircraft.**

**Responsibility**
- **against each other.**
- **company and a dedicated function**
  - was created to accelerate progress
  - **and implementing**
  - **to zero bribery and**
  - **to zero bribery and**
  - **We see ourselves as**
  - **able to treat all**
  - **to approx. 102,000**
  - **to approx. 102,000**
  - **to approx. 102,000**

**Responsible tax**
- **compliance on Global Employee**
  - **of the Ship Recycling**
  - **participate in the development**
  - **compliant recycling to Alang**

**Responsible business practices**
- **to fully net-zero fuels.**
- **fuels (such as LNG) but leapfrog**
- **Continued research on priority**
  - **on Safety Differently, and**
  - **develop the wider**

**Data and assurance**
- **responsible ship recycling**
  - confirms that net-zero
  - future fuels (biodiesel, methanol,
  - Continued research on priority
  - reduced CO₂ emissions by 46.3%
  - decarbonisation of shipping
  - fuels supply chains and policy
  - worked with customers, partners
- **economy towards reducing**
  - ultimately translates to
  - Continue collaboration with the Global
  - Zero unaccounted oil spills above 10 Tm.

**Decarbonising logistics**
- **to advance inclusion of**
  - Turkey. For audit results,
  - ** Confirm that net-zero**
  - **for COVID-19.**
  - **with international sulphur**

**Responsible tax**
- **to our clients despite**
  - 4 women,
- **to approx. 102,000**
- **to approx. 102,000**
- **to approx. 102,000**

**Responsible business practices**
- **through an audit.**
  - 11 of which are substantiated.
  - 11 of which are substantiated.

**Data and assurance**
- **Atms and subsequent retailer plans**
  - and implementing
to minimise

**Disaster response**
- **to approx. 102,000**

**Data and assurance**
- **from expansion on**
  - **levels of enforcement**
  - **Continued advocacy in the EU**
  - **on behalf of Alang; develop the wider**

**Responsible tax**
- **to continue to be an**
  - **to zero bribery and**
  - **compliance on Global Employee**
  - **to approx. 102,000**
  - **to approx. 102,000**
  - **to approx. 102,000**

**Data and assurance**
- **compliance with rules and regulations to**
  - **We see ourselves as**
  - **collaboration and actions in**

**Disaster response**
- **to approx. 102,000**

**Data and assurance**
- **continue**
  - **to comply with rules and regulations to**
  - **to comply with rules and regulations to**
  - **to comply with rules and regulations to**

**Disaster response**
- **or public sector corruption**
  - **responsible ship recycling**
  - **responsible ship recycling**

**Responsible tax**
- **to continue to be an**
  - **to zero bribery and**
  - **to zero bribery and**
  - **to zero bribery and**

**Data and assurance**
- **to our clients despite**
  - 4 women,

**Responsible tax**
- **to our clients despite**
  - 4 women,

**Disaster response**
- **to approx. 102,000**

**Data and assurance**
- **to continue to be an**
  - **to zero bribery and**
  - **to zero bribery and**
  - **to zero bribery and**

**Disaster response**
- **to approx. 102,000**

**Data and assurance**
- **to continue to be an**
  - **to zero bribery and**
  - **to zero bribery and**
  - **to zero bribery and**

**Disaster response**
- **to approx. 102,000**
### Performance data

#### R.P. Møller – Maersk

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<thead>
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<tbody>
<tr>
<td><strong>Social performance</strong></td>
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<tr>
<td><strong>Our employees</strong></td>
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<tr>
<td>Number of employees (FTEs)</td>
<td>85,624</td>
<td>86,279</td>
<td>85,681</td>
<td>85,624</td>
<td>85,512</td>
<td>82,806</td>
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<td>2,767</td>
<td>2,885</td>
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<td>Women in leadership (%) based on headcount</td>
<td>28%</td>
<td>27%</td>
<td>25%</td>
<td>28%</td>
<td>27%</td>
<td>25%</td>
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</tr>
<tr>
<td>Gender - female/total (%) based on headcount</td>
<td>28%</td>
<td>26%</td>
<td>27%</td>
<td>28%</td>
<td>26%</td>
<td>27%</td>
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<tr>
<td>Target nationalities in leadership (%) based on headcount</td>
<td>42%</td>
<td>58%</td>
<td>57%</td>
<td>42%</td>
<td>58%</td>
<td>57%</td>
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<tr>
<td>Total nationalities/value based on headcount</td>
<td>72%</td>
<td>73%</td>
<td>75%</td>
<td>72%</td>
<td>73%</td>
<td>75%</td>
<td>72%</td>
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<td><strong>Fatalities (headcount)</strong></td>
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<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
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<td><strong>Lost-time injury frequency (based on exposure hours)</strong></td>
<td>1.27</td>
<td>1.16</td>
<td>1.20</td>
<td>1.27</td>
<td>1.16</td>
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<td><strong>Environmental performance</strong></td>
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<tr>
<td>Fuel oil (1,000 tonnes)</td>
<td>10,568</td>
<td>11,173</td>
<td>11,017</td>
<td>10,568</td>
<td>11,173</td>
<td>11,017</td>
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<td>Gas fuels (1,000 tonnes)</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
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<td>10</td>
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<td>Other fuels (1,000 tonnes)</td>
<td>120</td>
<td>120</td>
<td>100</td>
<td>120</td>
<td>120</td>
<td>100</td>
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<td>Refuels (1,000 tonnes)</td>
<td>52</td>
<td>52</td>
<td>52</td>
<td>52</td>
<td>52</td>
<td>52</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Renewable technologies (1,000 MWh)</td>
<td>58</td>
<td>-</td>
<td>-</td>
<td>58</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>Electricity (1,000 MWh)</td>
<td>864</td>
<td>656</td>
<td>732</td>
<td>864</td>
<td>656</td>
<td>732</td>
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<td>Energy consumption (total, T J)</td>
<td>432,767</td>
<td>463,815</td>
<td>498,209</td>
<td>432,767</td>
<td>463,815</td>
<td>497,233</td>
<td>-</td>
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<td>97</td>
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<td><strong>Greenhouse gas (GHG) emissions</strong> (1,000 tonnes CO2 eq)</td>
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<td>Direct GHG emissions (scope 1 GHG Protocol)</td>
<td>53,902</td>
<td>56,204</td>
<td>58,818</td>
<td>53,902</td>
<td>56,204</td>
<td>58,749</td>
<td>-</td>
<td>-</td>
<td>77</td>
</tr>
<tr>
<td>Indirect GHG emissions (scope 2 GHG Protocol) - location-based</td>
<td>328</td>
<td>247</td>
<td>339</td>
<td>328</td>
<td>247</td>
<td>339</td>
<td>-</td>
<td>-</td>
<td>1</td>
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<tr>
<td>Indirect GHG emissions (scope 2 GHG Protocol) - market-based</td>
<td>337</td>
<td>-</td>
<td>-</td>
<td>337</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Value chain GHG emissions (scope 3 GHG Protocol)</td>
<td>19,017</td>
<td>-</td>
<td>-</td>
<td>19,017</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>Relative CO2 reduction (percentage of 2008 baseline)</td>
<td>-46.3%</td>
<td>-44.9%</td>
<td>-42.1%</td>
<td>-45.3%</td>
<td>-44.9%</td>
<td>-42.1%</td>
<td>-</td>
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<tr>
<td><strong>Other air emissions</strong></td>
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<tr>
<td>SOx (1,000 tonnes)</td>
<td>102</td>
<td>106</td>
<td>105</td>
<td>102</td>
<td>106</td>
<td>105</td>
<td>-</td>
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<tr>
<td>NOx (1,000 tonnes)</td>
<td>824</td>
<td>888</td>
<td>955</td>
<td>824</td>
<td>888</td>
<td>955</td>
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<tr>
<td><strong>Other resource consumption</strong></td>
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<tr>
<td>Waste (1,000 m³)</td>
<td>283</td>
<td>299</td>
<td>340</td>
<td>283</td>
<td>299</td>
<td>340</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Water (1,000 m³)</td>
<td>1,735</td>
<td>1,506</td>
<td>2,258</td>
<td>1,735</td>
<td>1,506</td>
<td>2,244</td>
<td>-</td>
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<tr>
<td><strong>Spills (hydrocarbon)</strong></td>
<td></td>
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<tr>
<td>Fuel oil (1,000 tonnes)</td>
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<td>-</td>
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<td>-</td>
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<tr>
<td>Biofuels (1,000 tonnes)</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Renewable technologies (1,000 MWh)</td>
<td>-</td>
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<td>-</td>
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<tr>
<td>Energy consumption (total, T J)</td>
<td>-</td>
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<tr>
<td><strong>Economic performance</strong> (Billion dollars)</td>
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<td></td>
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<tr>
<td>Revenue</td>
<td>59,260</td>
<td>58,891</td>
<td>59,207</td>
<td>59,260</td>
<td>58,891</td>
<td>59,207</td>
<td>-</td>
<td>508</td>
<td>1,277</td>
</tr>
<tr>
<td>EBITDA (profit/loss before depreciation, etc.)</td>
<td>8,226</td>
<td>5,712</td>
<td>4,958</td>
<td>8,226</td>
<td>5,712</td>
<td>4,958</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>CAPEX</td>
<td>1,552</td>
<td>2,055</td>
<td>3,219</td>
<td>1,552</td>
<td>2,055</td>
<td>3,219</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>Tax for the year</td>
<td>407</td>
<td>418</td>
<td>598</td>
<td>407</td>
<td>418</td>
<td>598</td>
<td>-</td>
<td>0</td>
<td>247</td>
</tr>
</tbody>
</table>

**Comments on 2020 performance data**

#### Social performance

**Our employees**

FTE data is taken from the audited 2020 Annual Report of A.P. Møller - Maersk A/S, where more information can be found.

Considered focus on our targets has helped us make a slight improvement in our leadership numbers for women and target nationalities.

Further comments on our performance on diversity and inclusion, along with our targets and performance on representation of women on the Board of Directors and representation of women and persons from countries that are not in the OECD high-income countries list, can be found on pages 54-55.

One fatal accident relates to a subcontractor in the Apapa terminal in Nigeria (see more on p. 15). LTIf is calculated as an number of injuries relative to exposure hours. It has increased due to improved recording of injuries sustained by contractors in our inland logistics business area, while the exposure hours for contractors were not available.

#### Environmental performance

**Energy consumption**

Decrease is due to improved efficiency and strategic focus on decarbonisation. Because of COVID-19, fewer vessels were in operation with less cargo in Q2 and Q3 2020.

Small increase in gas fuel consumption is mainly due to improved reporting in terminals.

Decrease is due to among others a change to reporting based on actual invoices rather than office standards. This is partly offset by an increase in air charter.

Increase in consumption of biofuels for the Maersk ECO Delivery shipping service and use for and in terminals.

Consumption of renewable energy is reported separately for the first time in 2020. This is made possible due to improved reporting in terminals.

Increase is mainly due to improved reporting based on actual invoices rather than office standards, offset by reductions due to reduced vessel calls and working from home.

Decrease in total energy consumptions is due to the decrease in fuel oil consumption.

**Greenhouse gas (GHG) emissions**

50% of our scope 1 emissions come from the operations of our fleet. Decrease is due to improved efficiency and our strategic focus on decarbonisation.

Increase in indirect GHG emissions is due to increases in electricity consumption.

Indirect GHG emissions are reported using the market-based method, in accordance with the GHG Protocol for the first time in 2020.

Value chain GHG emissions are reported in accordance with the GHG Protocol for the first time in 2020. See p. 22 for more information.

Improvement in operational energy efficiency has been achieved through both technical and operational improvement initiatives.

**Other air emissions**

SOx is produced from the combustion of heavy fuel oil. Decrease in SOx emissions is due to the shift to low sulphur fuel and the use of scrubbers with regards to IMO2020.

**Other resource consumption**

RDs is produced from the reaction of nitrogen and oxygen gases in the air during combustion of fuels. Decrease in RDs emissions is due to the decrease in fuel consumption.

Increase is mainly due to improved reporting and change to reporting based on actual invoices rather than office standards, offset by reductions due to working from home.

**Spills (hydrocarbon)**

Two uncontrolled spills above the threshold of 93 m³. One spill to land in the Maasvlakte 2 Terminal (10 m³), and another spill to water in MSS resulting from mud spill (20 m³).

**Economic performance**

Financial data is taken from the audited 2020 Annual Report of A.P. Møller - Maersk A/S. Note 2018 is presented as if IFRS 16 had been implemented in 2018, for comparison purposes.

The annual accounts and independent auditors’ report can be found at http://investor.maersk.com/for comparison purposes.
Financial scope is applied for all other sustainability data, and is defined as follows:
- Data from assets that are partly owned by contractual arrangements. This approach excludes management of the people, processes and responsibility for health, safety and environmental performance.

**Data sources**

A.P. Moller - Maersk has defined two categories of data: documented and probable data.

- **Documented data comprises:**
  - Our data sources include:
    - 1. CO₂ - Based on fuel consumption, from voyage 1 to voyage 3, multiplied with relevant CO₂ factor (3142 for HFO, 3,106 for MDO).
    - 2. Ton cargo – Calculated via draft and ballast water.
    - 3. NPS – Distance from voyage 1 to 3.

**Scope**

Sustainability accounting principles

**Reporting framework**

A.P. Moller - Maersk does not apply a specific reporting framework. The company is a member of the Global Reporting Initiative’s (GRI) G4 Sustainability Reporting Guidelines as a guideline to determine what is being reported in line with the company’s materiality and stakeholder inclusiveness, sustainability context, completeness, balance, comparability, accuracy, timeliness, clarity and reliability.

**Controls**

While regarding number of employees, women in leadership, gender and target nationalities are generated from our HR systems, data regarding accidents, fatalities, exposure hours, energy consumption, waste and water are reported through our consolidated reporting tool based on submitted data from all reporting entities within A.P. Moller - Maersk. This tool is validated via internal audit, with manuals and online training in place. As a result, generally accepted accounting principles for sustainability has been established, which defines the reporting rules, processes and responsibilities. A controlling guideline has been distributed to help secure the businesses’ own assurance of submitted data, before sign-off by the respective CEOs and COOs. Furthermore, all businesses are obliged to provide explanation sheets on significant data developments. The data reported under financial scope is included 100%. Joint ventures and associated entities are excluded. Using financial consolidation methodology, data is included up to the data of the demerger/sale.

**Comparability**

We report on relative CO₂ emissions reduction using EEECO (Energy Efficiency Operational Indicator) methodology. Benefits gained from use of renewable energy. Emissions are calculated based on (1) direct GHG emissions, (2) emissions from purchased electricity and district heating, (3) emissions from purchased fuel and ballast water, and (4) emissions from purchased district heating.

**Conversion factors**

- direct emissions are defined as the emissions released directly to the atmosphere.
- indirect emissions are defined as the emissions released from the production of goods and services that are purchased and used by the company.

**Reporting period**

Our reporting covers the period from January 1 to 31 December 2020.

**Emission conversions and calculations**

With regard to greenhouse gases, the reporting tool, but with an inherent risk of being incomplete.

Financially scoped probable data (water and waste) must always be defendable, and if assumptions are necessary due to lack of documentation, then the assumptions made must be verifiable. If no evidence exists, then assumptions based on the probable data must be made in writing and shall be verified by the external assurance provider.

Operationally scoped probable data (safety and spills) along with gender and nationality, is the weakest data quality, as it is not possible to ensure validity and completeness.

**Overview of material categories**

The data reported under financial scope is included in the following:
- **Scope 1 emissions:**
  - 1. CO₂ - Based on fuel consumption, from voyage 1 to voyage 3, multiplied with relevant CO₂ factor (3142 for HFO, 3,106 for MDO).
  - 2. Ton cargo – Calculated via draft and ballast water.
  - 3. NPS – Distance from voyage 1 to 3.

In practice we calculate EEECO on voyage level and aggregate it in the following way:

If g) CO₂ (in tonnage) in voyage 1 + g) CO₂ (in tonnage) in voyage 2 + g) CO₂ (in tonnage) in voyage 3 = g) CO₂ (in tonnage) in voyage 1 + 2 + 3.

The data sources are as follows:

- **Scope 1:**
  - CO₂ - Based on fuel consumption, from voyage 1 to voyage 3, multiplied with relevant CO₂ factor (3142 for HFO, 3,106 for MDO).
  - Ton cargo – Calculated via draft and ballast water.
  - NPS – Distance from voyage 1 to 3.

In 2020, the baseline for EEECO has been recalculated to include missing data points for historical data.

Scope 1: 2. CO₂ emissions are reported in two ways:
- Location-based and market-based. The latter, market-based factors are used for EU countries and the US, while IEA factors are used for other countries.

For Scope 1, 3. CO₂ emissions are reported in accordance with the GHG Protocol. Of the 15 scope 3 categories in the Protocol only nine categories are relevant for our businesses: the activities excluded: Cater. B upstream leased assets, Cater. A downstream transportation and distribution, Cater. B other goods, Cater. C downstream leased assets, Cater. C franchises and Cater. A investment, were determined to be of significant relevance to Maersk’s business model. From a reporting perspective we have therefore more diversified to apply a materiality threshold of 1% of the total scope 3 emissions which excludes the following categories: Cater. A trade use in generated in operations, Cater. B lease of goods, Cater. C transportation, Cater. D lease of capital goods and Cater. E distribution of treatment sold products. Scope 1 reporting excludes some remaining categories with no material significance.

**Emission factors**

Subsection 2.1 includes a detailed look at the emission factors used by A.P. Moller - Maersk for greenhouse gases.

A.P. Moller - Maersk has a definition of capital goods, which is reported as capital goods. Category 14 franchises and Cat. 15 investment, were defined as part of Maersk’s business model. From a reporting perspective we have therefore more diversified to apply a materiality threshold of 1% of the total scope 3 emissions which excludes the following categories: Cater. A trade use in generated in operations, Cater. B lease of goods, Cater. C transportation, Cater. D lease of capital goods and Cater. E distribution of treatment sold products. Scope 1 reporting excludes some remaining categories with no material significance.

**Economic significance**

Commercially scoped probable data (water and waste) must always be defendable, and if assumptions are necessary due to lack of documentation, then the assumptions made must be verifiable. If no evidence exists, then assumptions based on the probable data must be made in writing and shall be verified by the external assurance provider.

Economic significance and calculations

Financially scoped probable data (water and waste) must always be defendable, and if assumptions are necessary due to lack of documentation, then the assumptions made must be verifiable. If no evidence exists, then assumptions based on the probable data must be made in writing and shall be verified by the external assurance provider.

**Reporting Initiative’s (GRI) G4 Sustainability Accounting Principles**

A.P. Moller - Maersk does not apply a specific reporting framework. The company is a member of the Global Reporting Initiative’s (GRI) G4 Sustainability Reporting Guidelines as a guideline to determine what is being reported in line with the company’s materiality and stakeholder inclusiveness, sustainability context, completeness, balance, comparability, accuracy, timeliness, clarity and reliability.

**Controls**

While regarding number of employees, women in leadership, gender and target nationalities are generated from our HR systems, data regarding accidents, fatalities, exposure hours, energy consumption, waste and water are reported through our consolidated reporting tool based on submitted data from all reporting entities within A.P. Moller - Maersk. This tool is validated via internal audit, with manuals and online training in place. As a result, generally accepted accounting principles for sustainability has been established, which defines the reporting rules, processes and responsibilities. A controlling guideline has been distributed to help secure the businesses’ own assurance of submitted data, before sign-off by the respective CEOs and COOs. Furthermore, all businesses are obliged to provide explanation sheets on significant data developments. The data reported under financial scope is included 100%. Joint ventures and associated entities are excluded. Using financial consolidation methodology, data is included up to the data of the demerger/sale.

**Comparability**

We report on relative CO₂ emissions reduction using EEECO (Energy Efficiency Operational Indicator) methodology. Benefits gained from use of renewable energy.

**Conversion factors**

With regard to greenhouse gases, the reporting tool, but with an inherent risk of being incomplete.

Financially scoped probable data (water and waste) must always be defendable, and if assumptions are necessary due to lack of documentation, then the assumptions made must be verifiable. If no evidence exists, then assumptions based on the probable data must be made in writing and shall be verified by the external assurance provider.

Operationally scoped probable data (safety and spills) along with gender and nationality, is the weakest data quality, as it is not possible to ensure validity and completeness.

**Emission conversions and calculations**

GHG emissions are calculated indirectly via default conversion factors for energy consumption and other GHG gases. 

**Scope**

Operational scope is applied for safety and spills data when A.P. Moller - Maersk is a majority or sole owner of its subsidiaries, which have the governing authority and responsibility for health, safety and environmental management of the relevant entity.

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**Reporting period**

Our reporting covers the period from January 1 to 31 December 2020.

**Emission conversions and calculations**

With regard to greenhouse gases, the reporting tool, but with an inherent risk of being incomplete.

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With regard to greenhouse gases, the reporting tool, but with an inherent risk of being incomplete.
Independent assurance report

To the stakeholders of A.P. Møller - Maersk A/S


Our conclusion

Based on the procedures we performed and the evidence we obtained, nothing came to our attention that causes us not to believe that the Performance data is free of material misstatements and prepared, in all material respects, in accordance with the Sustainability Accounting Principles as stated on pages 44–47 (the “Sustainability Accounting Principles”).

This conclusion is to be read in the context of what we state in the remainder of our report.

What we are assuring

The scope of our work was limited to assurance over Performance data as stated on page 44 in the A.P. Møller - Maersk A/S Sustainability Report 2020.

Scope 3 carbon emissions have not been in scope for the 2020 Performance data.

We performed a limited assurance engagement in connection with our review of the Performance data. In doing so, and based on our professional judgement, we:

• Conducted interviews with management at corporate level and internal control procedures at corporate level and reporting entity level regarding the Performance data;
• Performed an assessment of materiality and the selection of topics for the Sustainability Report and comparison to the results of a media search;
• Conducted an analytical review of the data and trend explanations submitted by all reporting entities to A.P. Møller – Maersk Accounting & Controlling for consolidation;
• Conducted an analysis of the data and trend explanations submitted by all reporting entities to A.P. Møller – Maersk Accounting & Controlling for consolidation;
• Established objective Sustainability Accounting Principles for preparing Performance data; and
• Measured and reporting the Performance data in the Sustainability Report based on the Sustainability Accounting Principles.

Our responsibility

We are responsible for:

Planning and performing the engagement to obtain limited assurance about whether the Performance data for the period 1 January – 31 December 2020 are free from material misstatements and are prepared, in all material respects, in accordance with the Sustainability Accounting Principles; Forming an independent conclusion, based on the procedures performed and the evidence obtained; and Reporting our conclusions to the stakeholders of A.P. Møller – Maersk A/S.

Our independence and quality control

We have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which includes independence and other ethical requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. Our work was carried out by an independent multidisciplinary team with experience in sustainability reporting and assurance.

Understanding reporting and measurement methodologies

The Performance data needs to be read and understood together with the Sustainability Accounting Principles on pages 46–47 which Management are solely responsible for selecting and applying. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time.

Work performed

We are required to plan and perform our work in order to consider the risk of material misstatement of the Performance data. In doing so and based on our professional judgement, we:

• Conducted interviews with management at corporate level and Branch level responsible for the sustainability strategy, management and reporting;
• Performed an assessment of materiality and the selection of topics for the Sustainability Report and comparison to the results of a media search;
• Conducted an analytical review of the data and trend explanations submitted by all reporting entities to A.P. Møller – Maersk Accounting & Controlling for consolidation;
• Conducted an analysis of the data and trend explanations submitted by all reporting entities to A.P. Møller – Maersk Accounting & Controlling for consolidation;
• Established objective Sustainability Accounting Principles for preparing Performance data; and
• Measured and reporting the Performance data in the Sustainability Report based on the Sustainability Accounting Principles.

Management’s responsibilities

Management of A.P. Møller – Maersk A/S is responsible for:

• Designing, implementing and maintaining internal control over information relevant to the preparation of the Performance data and information in the Sustainability Report that are free from material misstatement, whether due to fraud or error;
• Establishing objective Sustainability Accounting Principles for preparing Performance data; and
• Measuring and reporting the Performance data in the Sustainability Report based on the Sustainability Accounting Principles.

Stay up to date

We value your feedback

We welcome any questions, comments or suggestions you might have to this report and our performance. Please send your feedback to:

A.P. Møller - Maersk
Epsomadean 5D
1048 Copenhagen K
Denmark
Attn: Sustainability

You can also send an email to: sustainability@maersk.com

https://www.maersk.com/about/sustainability

Print

Printed in Denmark in 2021 by Rosendal’s, an environmentally certified printing agency on Arctic Matt.

Overview of brands that are part of A.P. Møller - Maersk

Editor
Luna Bjørn Serpa
Project manager
Julia Hoffmeister
Reporting coordinator
Angelika Ton
Writer
Eva Harpeth Sjøkilde
Creative editor
E Erikson Enriquez
Design and layout
SPRING Production

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Additional CSR content can be found on our website: https://www.maersk.com/about/sustainability

Suggested read about: Sustainability

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