

A.P. Møller - Mærsk A/S

Sustainability Report 2014

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Our approach to reporting

Following G4 Sustainability Reporting Guidelines


Maersk uses the Global Reporting Initiative's (GRI) G4 Sustainability Reporting Guidelines to determine content and quality in terms of materiality, stakeholder inclusiveness, context, completeness, balance, comparability, accuracy, timeliness, clarity and reliability. GRI-specific disclosures are not applied.


Web-based sustainability reporting

The report covers all of the Maersk Group's material sustainability issues. In some places, references are made to further background information on www.maersk.com. Our website provides additional information on how we manage issues, explaining implementation, progress and relevant commitments and frameworks. The website also includes an overview of the UN Global Compact requirements describing how Maersk fulfils these (Maersk COP), as well as the Group's Sustainability accounting principles.

How we report on progress

Throughout this publication, we report on the progress made against targets and ambitions using the following categories:

-  **Satisfactory** – Final and/or interim results are in line with ambitions and corresponding timelines.

-  **Unsatisfactory** – Final and/or interim results are not in line with ambitions and corresponding timelines.

INTRODUCTION

This is Maersk

The Maersk Group is a worldwide conglomerate operating in 130 countries. In addition to owning one of the world's largest shipping companies, Maersk is involved in a wide range of activities in ports, logistics, and the oil and gas industries. The Maersk Group has five core businesses¹.

FACTS

\$47.6 billion
revenue

\$5.2 billion
profit

89,200
employees



A leading global container shipping company

619
vessels



An international oil and gas exploration and production company

251,000
barrels of oil equivalent per day (entitlement production)



A specialist in offshore drilling for oil in ultra-harsh and deepwater environments

21
offshore drilling units across the world and three under construction



A global port operator

Interests in **64**
port and terminal facilities across the world and seven under construction



A provider of shipping-related services through four industry leading business units

Includes:
Maersk Supply Service (58 supply vessels)
Maersk Tankers (113 vessels)²
Svitzer (434 towage and salvage vessels)
Damco (manages the logistics of 3.2 million containers (TEU) annually)



¹ Besides the five core businesses, the Group has also strategic investments, which are also included in this report; amongst others Maersk Container Industry.
² This number includes owned and TC-in – but not commercially operated vessels

Foreword by the CEO

Our efforts in sustainability rest on one premise: they must support both society and our business activities. This was also the case five years ago, when Maersk joined the United Nations Global Compact (UNGC). We then became one of a group of companies publicly committed to corporate sustainability. This has proven a worthwhile decision, as the UNGC principles guided us in determining where to focus our efforts and explore the broader impacts of our business activities. We will continue our commitment to this initiative.

We must improve on safety

Long before we adopted our more comprehensive approach to sustainability, we knew that the safety of our employees is our responsibility. We are, however, still not living up to our own expectation of zero fatalities. In 2014, 11 people lost their lives in 11 separate incidents while working in operations under our control. This is unacceptable and each of these lives lost is a source of deep regret for me.

There is no excuse for serious or fatal work place injuries. That safety comes first in our operations should not be doubted for one second, and every employee or visitor or contractor on our premises needs to know and feel that this is the case. This must be given continued priority by all management teams.

Another key priority is improving process safety related to prevention of oil spills. In our offshore business, we have improved our performance and are seeing fewer incidents. Nevertheless, this remains a continuous area of emphasis, one where we can never let down our guard.

Business-driven solutions

Our approach to business will improve living conditions for many people. For example,



we do this by providing our employees in low-income countries with an education, as we do in Angola, or by cleaning up highly contaminated areas and reclaiming natural habitats when we build ports, as was the case in Brazil. Our efforts to ensure human and labour rights in our supply chain by assessing and auditing suppliers in China and South Korea or by fighting corruption in all our businesses are other examples.

Decoupling growth and CO₂ emissions

Unlocking growth through trade has a large potential for helping social development while strengthening our business.

700 million fewer people now live below the poverty line compared to twenty years ago. Trade and better integration of low-income countries into the global economy have helped drive that transformation. With 90% of world trade travelling by sea, we have an important job to do.

However, we are committed to growing responsibly. To achieve this, Maersk Line, which accounts for around 80% of our

“Unlocking growth through trade has a large potential for helping social development while strengthening our business.”

CO₂ emissions, has raised the bar and committed itself to the 2020 target of reducing the average CO₂ impact per container by 60%.

We will use this target to sustain our efforts at decoupling growth from resource consumption. For the first time, our projections show that this is possible also over the period up until 2020. Consequently, we are raising our 2020 Group-wide target for improving our CO₂ efficiency from 20% to 30% (2010 baseline).

Motivated to carry on

True to our name and values, our business is about more than the bottom line. It is about improving peoples' lives, and our sustainability efforts help us do just that, and at the same time drive our competitiveness and secure that our company will thrive in the long-term.

A handwritten signature in black ink, which appears to read 'N. S. Andersen'. The signature is fluid and cursive.

Nils S. Andersen
CEO of the A.P. Moller - Maersk Group

GOVERNANCE AND MATERIALITY

How we govern and report on material issues

Governance is instrumental in driving progress. As part of our governance processes, we analyse and define the Group's most material issues every year for reporting purposes.

How we govern sustainability issues

Maersk's Sustainability Council has been and continues to be an important driver of progress. The Council, which is chaired by an Executive Board member, governs under mandate from the Executive Board and is composed of senior executives from the businesses, as well as Group Procurement and Group Sustainability.

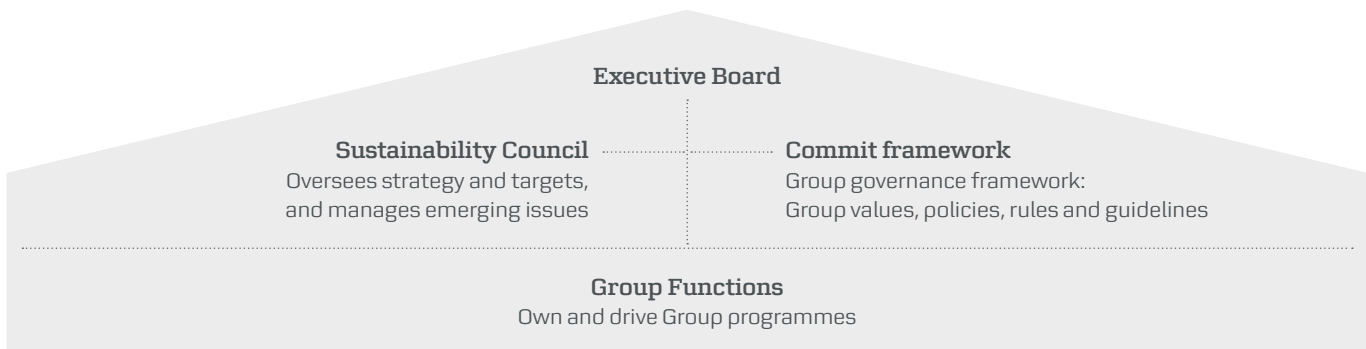
The Group's Governance framework, Commit, comprises all policies, rules and guidelines issued by the Group. Sustainability programmes and guidelines are integrated into these.

In 2014, focus was placed on strengthening the performance management needed to support the integration of sustainability in the businesses. To this end, our sustainability dashboard tool which measures progress of integration was updated and simplified.

How we define materiality in Maersk

Materiality varies from industry to industry, and business to business. Issues such as process safety, oil spill mitigation and local content regulation are most material in our oil and gas businesses, whereas energy consumption and CO₂ emissions are more relevant for our shipping activities. Employee safety and labour standards are important in all

Sustainability governance framework 2014



BUSINESS PERFORMANCE

Performance management

Sustainability Dashboard Sustainability Reporting Sustainability CEO Reviews

Engagement

Executive Sustainability Day Leadership Training Employee Engagement Survey

businesses, but the challenge is greater in more labour-intensive businesses such as our ports and container terminals.

Our method and process

When we determine materiality, we look at both risks to and the impact of our business, and consider the importance of the issues to our stakeholders as reflected in our issue owners' and businesses' ongoing interactions with them. In this way, we integrate input provided by our key stakeholders, including customers. A workshop was conducted with Group programme owners to align and verify the quality of the assessment in 2014. Finally, the outcome was vetted with the businesses' own materiality assessments.

Focused reporting

The map shows which sustainability-related issues are most material to our business based on their impact on cost,

revenue, compliance and reputation, and correlating this with the estimated level of importance to employees, customers, regulators, the media, investors, local communities and NGOs.

Maersk's most material issues and priorities remain strengthening process and personal safety, avoiding major oil spills, and ensuring responsible business practices. This report focuses on issues indicated in the top right-hand box of the matrix. Other issues are covered due to the Global Compact's importance to A.P. Moller - Maersk commitments or regulations.

issues have become more or less important to the stakeholders and/or because our analysis has become more mature.

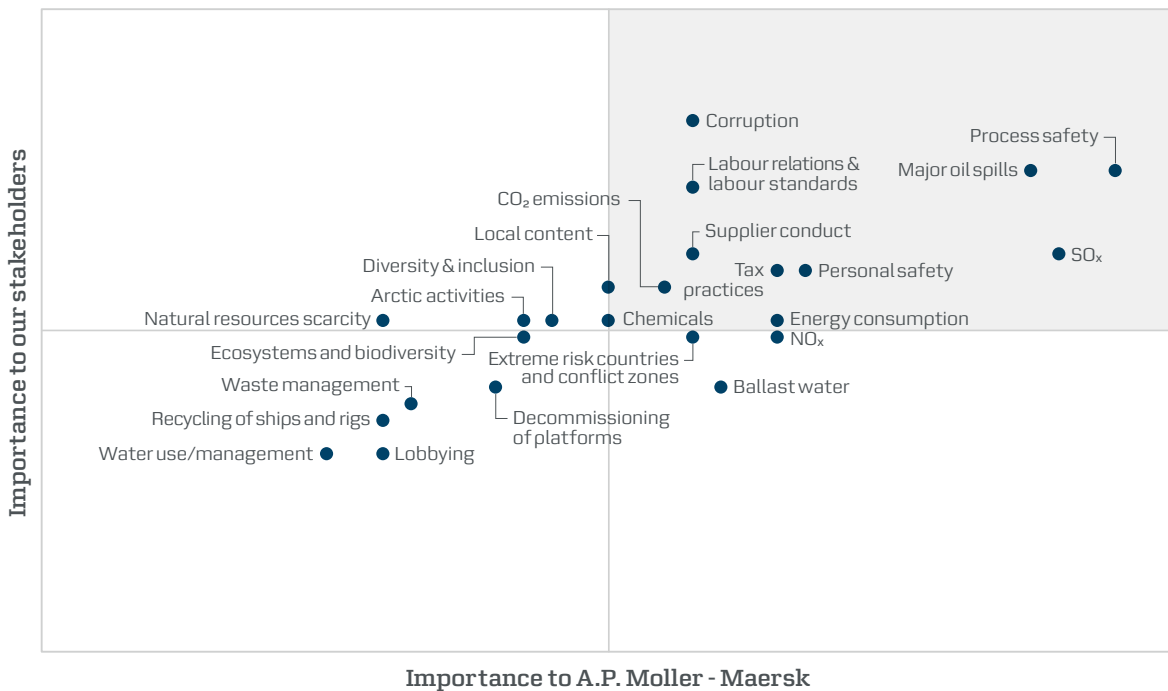
The importance of process safety has been rated higher, due to a reassessment which highlighted that process safety risks should be given increased visibility and attention. While such incidents happen very infrequently, they can have major consequences for people, the environment and the company. Personal safety and our goal of zero incidents remain our top priority and is a value-based priority.

SO_x emissions increased in both business and stakeholder importance due to concerns over weak enforcement of new legislation which will be introduced in 2015 for European waters.

What changed in 2014?

Some issues have moved position compared to where they were in the 2013 matrix. This may be because the issues have developed, and/or because the

Maersk materiality matrix 2014

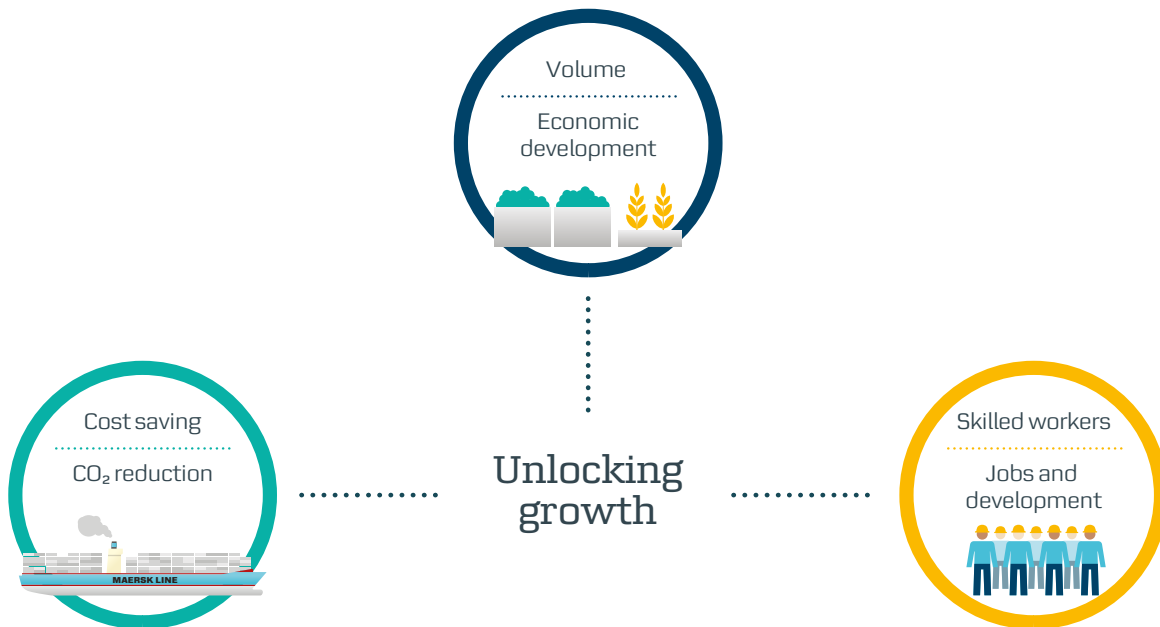


Our sustainability strategy

Unlocking growth and raising performance

The purpose of our sustainability strategy is to address sustainability challenges in society which also constitute bottlenecks to Maersk’s growth. We focus on three areas of opportunity

where we can accelerate the positive impacts of our business. At the same time, we will continue to integrate sustainability in our operations, mitigating risks and raising performance levels.



● **ENERGY EFFICIENCY**

Why is this important?

Climate change and costs

By raising the bar on energy efficiency, we can respond to a global challenge, supporting the need to decouple economic growth from CO₂ emissions while lowering our cost.

● **ENABLING TRADE**

Why is this important?

Economic development and volume

Access to global markets can help generate economic development and employment, supporting businesses and people through new opportunities for exports and income.

● **INVESTING IN EDUCATION**

Why is this important?

Jobs and skills

Education and employment provide opportunities for people and communities to develop and prosper while strengthening our talent pipeline.

A PHASED APPROACH



Group performance highlights

Environment

21%

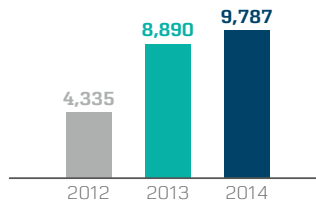
Relative Group CO₂ improvement
2010–2014



Anti-corruption

9,787

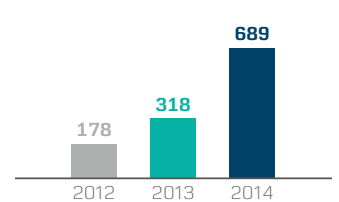
Employees trained in
anti-corruption in 2014



Responsible procurement

689

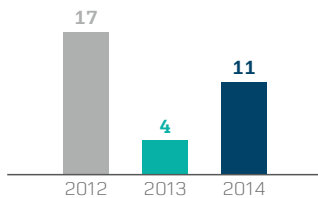
Suppliers assessed in 2014



Safety

11

Fatal incidents in 2014



Oil spills

1

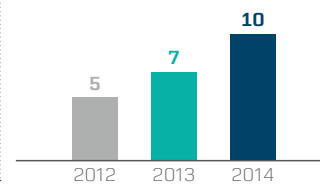
Significant oil spill
(Category 2)



Diversity

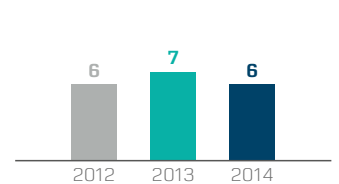
10%

Women in Vice President
positions in 2014



6%

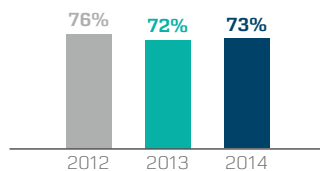
Non-westerners in Vice
President positions in 2014



The voice of employees

73%

Employee engagement
score



81%

Of employees agree that Maersk is
making a genuine effort to be socially
and environmentally responsible



ENABLING TRADE

Unlocking trade growth and opportunities for economic development

We are working in partnership with others to improve the conditions for businesses to participate in global trade. This also supports the container transport sector and creates opportunities for economic development in growth markets.

Trade – a tool for social and economic development

Trade and better integration of low-income countries into the global economy have helped millions of people escape poverty.

Trade still holds vast potential for advancing economic development for many more people. Calculations have shown that global GDP could increase by USD 2.6 trillion by reducing supply chain barriers only half the way to global best practice standard¹.

At Maersk, we recognise our role in enabling trade as one of our most important contributions to society. This is because trade supports economic development, job creation and improved living standards. Therefore, we are engaging in partnerships with organisations to improve the conditions for trade, by addressing barriers that businesses and sectors in

growth markets face in connecting with other markets and exporting goods quickly and cost-effectively.

A partnership with TradeMark to unlock growth in East Africa

To identify ways of reducing trade barriers for SMEs and perishable products out of East Africa, Maersk is partnering with TradeMark East Africa, a not-for-profit organisation working to accelerate poverty reduction in the region through trade growth. The aim is to support companies in East Africa gain easier entry to the world market and at the same time develop our business.

As a first step, the partnership uncovered the numerous documentation requirements involved in transporting flowers and avocados from growers in East Africa to retailers in the Netherlands. More than 30 individuals or institutions are involved in the handling of documentation. There

WHAT IT MEANS TO MAERSK

Improved trade conditions can lead to economic growth and development in emerging markets. Expanding trade in these markets supports Maersk's growth strategy.

OUR AMBITIONS

Enable trade through activities to:

- Improve the business environment for trade
- Improve local ability to access global markets
- Influence governmental infrastructure investments

PROJECT PIPELINE

TradeMark partnership:
Reduce administrative trade barriers for farmers in East Africa

ConnectAmericas project:
Training companies in the Americas in logistics and transport capabilities

East Indonesia project:
Lifting the tuna fishing industry in East Indonesia together with key stakeholders

The right social and political conditions need to be in place

Trade is no guarantee for socially inclusive growth. A number of potential challenges from trade and globalisation are often cited. These include dependency on foreign businesses in developing countries, increasing inequality and

income disparities, and environmental impacts. The foundation for sound economic growth powered by international trade is made up by investments in education and healthcare, strong institutions and good policies.

“In East Africa, up to 70% of GDP is created close to the two main trade corridors travelling north and south of Lake Victoria. If we can create increased efficiency in the way trade flows, it will produce growth for an entire region. It has been great to find a private sector player who sees the potential in this and is willing to invest in growth for society, the local private sector as well as their own business.”

Frank Matsuert

CEO, TradeMark East Africa



are about 200 different communication interactions with public officials and between different companies.

Consequently, the cost of time spent waiting on paper stamps and e-mail replies is equal to the cost of the actual shipment. This increases total cost and limits the market reach for producers in Kenya.

We are now working with TradeMark East Africa and partners in the region to demonstrate how to digitise this process completely, reducing the cost of administration and bureaucracy for everyone. A pilot project has been set up to document the effect of such a change.

Helping traders in the Americas access global trade

The Maersk Group has committed to deliver educational content to a social network called ConnectAmericas, which is hosted by the Inter-American Development Bank.

The project seeks to connect producers, traders and customers in the Americas for the promotion of foreign trade and international investments to support the economic development in the region.

The goal is to make them less dependent on small, local markets and limited economies and increase earning potentials as participants in international trade.

Other corporate partners are DHL, Alibaba, Google and VISA who will contribute to the project's three focus areas, connectivity, education and financing, as relevant.

New opportunities for fishing communities in East Indonesia

In the Bitung area of East Indonesia, Maersk Line has in recent years begun calling on the port of Ambon with a range of goods. To get the full benefit of this increased liner connectivity, a proper infrastructure for landing, registering and processing fish needs to be developed.

Maersk is investigating the potential for upgrading the area's tuna fishing by providing knowledge and capital. The result is intended to move from today's non-certified product to a higher-end product with access to the EU and other markets, while supporting community development. We will be working with the World Bank to design, implement and fund this project.

How we select pilot projects

To enable trade, the Maersk Group will invest exclusively in the developing world. In deciding which projects to invest in, we consider:

Scope beyond "Business as usual" – Does the project innovate beyond "business as usual", for example establishing new business models or new ways of intervening in the business context?

Shared value – To what extent is the project addressing value creation for both society and Maersk? How deep an intervention is needed to create value?

Local buy-in – To what extent is co-financing needed? Or positive response and traction by the involved stakeholders?

Risks – What are the risks associated with the project, including ability to deliver and a potential exit from the project?

Scalability – How likely is it that the approach applied can be replicated in other geographies?

MEASURING OUR IMPACTS ON SOCIETY

Understanding the impacts of trade

We continue our efforts to measure and document the impact of our business, of liner shipping and trade more generally, on socio-economic development.

Studies inform business strategy

In 2014, the Group conducted a number of studies adding to our understanding of the Group's actual and potential impacts across value chains. The results are used to inform our Group initiatives on Enabling Trade, Education and Climate Change, as well as local business development in our businesses.

West African trade helped by new ships and better ports

Trade into West Africa has in recent years been served by a new line of vessels, the WAFMAX, introduced by Maersk Line. They carry 4,500 containers (TEU) and were designed specifically to accommodate the lower drafts in West African ports.

The 22 new container ships were assumed to reduce logistics cost in the region and in this way enable increased trade. An impact study was conducted in 2012 projecting significant impacts on the key parameters of port productivity in the largest West African port in Apapa, Nigeria. In 2014, Maersk conducted a follow-up study to learn if projections had held up.

As expected – and more

The overall conclusion is that introducing WAFMAX vessels into the West African trade lanes has indeed brought gains and benefits. One port call from a WAFMAX vessel replaces three other calls from the

averaged-sized vessels, compared to two forecasted in the original study.

With fewer ships needed to deliver the same number of containers, waiting times are shorter. The higher capacity of the WAFMAX also affects the amount of time ships need to spend in the port, unloading and reloading cargo (the so-called turnaround time). This has dropped a full 50% since 2011, much higher than the projected 20% drop in the original study. The higher than expected impact is a result of the WAFMAX vessels and investments in new cranes and improved berthing conditions for larger vessels. The lower port

turnaround time and higher scheduling reliability have resulted in savings for shippers and cargo owners. This is due to fewer transportation days and lower inventory levels.

Something to build on

The introduction of WAFMAX to West African trade is a good example of how combined efforts by port authorities, terminal operators and shipping lines can bring important benefits to buyers and producers in developing markets where improved transport efficiency and connectivity are important prerequisites for growth and development.





Soy trade gains from the use of containers

Before containers were invented in the 1950s, 30% of the price of a traded product came from the cost of shipping. Today it is less than 1%. Acting as building blocks of global trade, containers connect producers and customers across the world.

The producers and traders of soy beans have only recently begun to profit from the use of containers. This is still the case in the highly concentrated soy market, where nearly all beans are transported in bulk vessels carrying 60,000 tonnes. In contrast, only 28 tonnes are needed to fill a container.

The container therefore serves as an enabler of smaller and medium soy producers (300–500,000 tonnes per year production), for whom it is nearly impossible to finance exports of up to 20% of their annual production at one time. However,

all of the estimated 243,000 producers in the Brazilian soy supply chain will be able to benefit.

More options and financial gains

In 2014, Maersk analysed the potential impact on Brazilian soy production and exports from adding containerised trade to the existing business model.

There are a range of benefits:

- Smaller and medium soy producers will be able to connect to global trade, with container-based trade overcoming known barriers such as storage costs, bank credits and cost of vessel charter.
- Lower cargo loss during transportation and lower storage costs will benefit producers financially.
- Increased transparency and traceability allows for greater differentiation and choice for buyers.

- Due to transportability, containers create access to new soy markets and buyers, which cannot be reached by bulk carriers.

A welcome new tool

In this market, a small number of trading companies play a crucial role in balancing supply and demand, providing storage facilities, trading contacts and organising transport. These companies see the transfer of a share of trade to containers not as a threat but as an opportunity for them to diversify the range of services they offer.

FACTS ABOUT SOY

The vast majority of the nearly 300 million tonnes produced globally per year comes from the US, Brazil and Argentina.

One third of global production is traded internationally. China buys more than 60% of exports.

Close to 90% of the soy trade is controlled by a few companies.

CLIMATE CHANGE AND ENERGY EFFICIENCY

Decoupling trade growth from CO₂ emissions

Through our container shipping business we support the need to decouple growth from CO₂ emissions and thus enable trade at lower CO₂ intensity. This is an important contribution to creating value to society while supporting our business at the same time.

Responding to a global challenge

The global challenge is to increase economic opportunities for a growing population without incurring corresponding increases in CO₂ emissions, i.e. decoupling emissions and economic growth. The United Nations acknowledge this as one of the biggest global challenges over the coming decades¹. With 90% of goods being transported on ships and shipping accounting for 3% of global CO₂ emissions, there is a need for energy efficiency to be high on shipping companies' agendas.

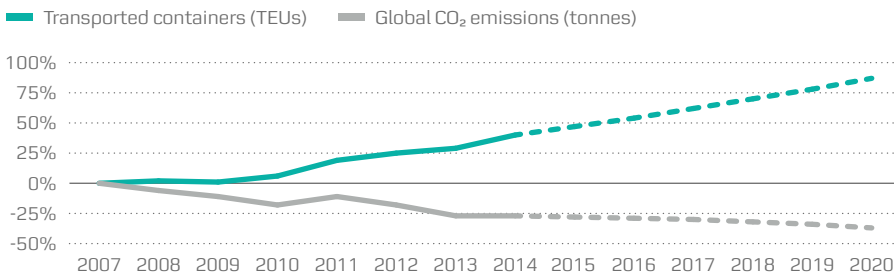
Decoupling growth in container volumes from CO₂ emissions

More than 80% of the Group's emissions comes from our container shipping

business. With Maersk Line adopting a new target of reducing CO₂ by 60% per container moved by 2020 (2007 baseline), we continue our drive to decouple growth from CO₂ emissions. We expect to carry 80% more volume in 2020 and when reaching the 60% improvement in efficiency (CO₂ per container moved), Maersk Line will emit 40% less CO₂ than in 2007 (comparing total emissions).

The new Maersk Line reduction target corresponds to emissions of 30.8 g CO₂ per container (TEU) per kilometre compared to the current Maersk Line level of 46.7 g. This is well below the emissions of some of the largest and most efficient container vessels in use today². In comparison, the current industry average is 58.3 g³.

Development of volume transported and CO₂ emissions



The graph shows actual and projected development in volume transported and CO₂ emissions by Maersk Line. Our projections indicate that we will grow our shipping business by 80% and help increase trade without increasing our CO₂ emissions.

1 United Nations: Climate change and the development challenge, www.un.org
 2 E-class vessels (11,000 container TEU capacity)
 3 Source: Clean Cargo Working Group (2013 data)

WHAT IT MEANS TO MAERSK

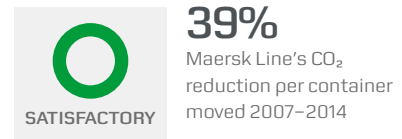
Through energy efficiency we can help increase trade without increasing CO₂ emissions and at the same time reduce operational costs for Maersk.

OUR AMBITIONS

Influence climate change positively through actions to:

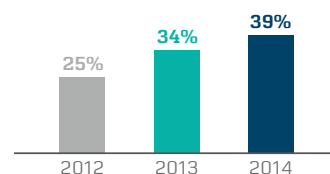
- Enhance CO₂ efficiency in our container shipping business to enable trade at lower carbon intensity
- Promote efficient supply chains

OUR PROGRESS

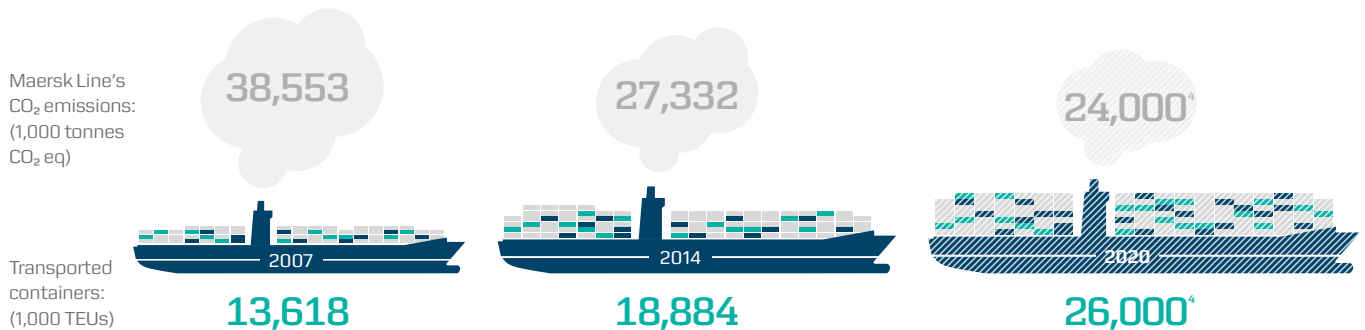


Energy efficiency in Maersk Line

Average CO₂ reduction per container (2007 baseline)



More volume, lower emissions



The projected 80% growth in volume traded by Maersk Line corresponds to an extra, more than twelve million twenty-foot containers travelling the globe annually, with ships emitting 14 million fewer tonnes of CO₂ equivalents. This is the same as annual greenhouse gas emissions from over 2.5 million passenger vehicles⁵ which is approximately the same as all passenger cars in Norway.

Smart sailing improves fuel efficiency



In 2014, Maersk Line vessels completed about 37,000 voyages calling at 335 ports and using 472 terminals in 115 countries. Optimising these 37,000 voyages is crucial in achieving energy efficiency, and Maersk Line's Global Voyage Centre is an important tool for this.

The Global Voyage Centre helps drive efficient sailing. It has a team of senior

seafarers who monitor the ships 24 hours daily, armed with real-time data and positioning information. They compare each ship's voyage plan to the best-in-class in their database, ensuring the ship keeps to the plan and following up when deviations occur.

The close monitoring and onshore-offshore collaboration help in saving on

bunker fuel and reducing CO₂ emissions. This is crucial if Maersk Line is to achieve the 2020 target of a 60% reduction in CO₂ emissions per container over 2007 levels.

In 2014, the Global Voyage Centre contributed towards optimising bunker consumption and was integral to reducing Maersk Line's overall CO₂ emissions by 530,000 tonnes.

⁴ Projection. Projected growth in volume is based on estimates of an 8% growth in the number of containers (TEU) from 2013–2014 and 5% year on year from 2014 to 2020.

⁵ Travelling 18,000 km per year at nine kilometres per litre of petrol.

INVESTING IN EDUCATION

Lifting local skills and development

Investing in skilled, local professionals for our main industries provides us with motivated employees and assists countries in creating an educated population to drive economic development.

Building our long-term talent pipelines

In many growth markets, Maersk faces a shortage of local expertise and basic skills in key offshore and maritime industries. This skills shortage challenges our ability to live up to local content requirements from many host nations, i.e. demands for hiring and sourcing locally. Over the longer term, it also limits our ability to develop diverse and inclusive talent pipelines.

The shortage of industry-specific skills is often a symptom of a broader educational deficit. This not only limits industrial growth but more generally holds back economic and social development, where many regions are already battling high youth unemployment rates with associated risk of social unrest¹.

New models for earlier engagement in education

In 2014, we initiated a project to establish a new model for education pipeline development for the Group. The key assumption is that investing in secondary school and basic vocational training will facilitate long-term industry growth and support future employment. The project will test scalable investment models and deliver guidance for our businesses on key criteria and priorities for strategic investments in education.

Providing training in Angola

In Angola, an entire generation has been excluded from education due to the civil war, and for some age groups 70–94% of the labour force lack any vocational training. Foreign oil and gas companies operating in the country are required to have workforces which are at least 70% Angolan, and many of our business units operating in Angola have developed training programmes including managerial courses, language training and vocational training.

Earlier this year, Angola's first Maritime Training Centre was set up. This is a USD 80 million project funded by the Angolan state company Sonangol, Maersk and other partners. The centre will house up to 200 students and will provide both advanced and basic training. So far 20 students have signed up for training in the first year².

Expanding offshore training opportunities

In the first week of 2015, Maersk Training announced the purchase of offshore drilling company Transocean's global training facilities. For at least five years, Maersk Training will deliver advanced simulator training and practical training in survival, safety and human factor for Transocean's offshore crew, as well as administration of all training activities for Transocean.

WHAT IT MEANS TO MAERSK

Investing in education can help societies' growth and development, as well as counter the skills shortage that challenges Maersk's growth strategy.

OUR AMBITIONS

Ensure access to skills and talent through projects that

- Invest in training and education in high-growth markets
- Improve social inclusion as part of the training programmes

PROJECT PIPELINE

Developing a new education project pipeline model

With this agreement, Maersk Training grows substantially and is set to make a strong contribution to the ambition of lifting skill levels in our core industries. Maersk Training is now present in 10 global maritime and offshore production hubs, providing access to courses that strengthen safety and operational performance in the maritime, wind, oil and energy industries.

¹ World Economic Forum, Education and Skills 2.0: New Targets and Innovative Approaches, 2014

² Source: First maritime training centre opens in Angola, www.macauihub.com.mo

Chile: An inclusive approach to building containers

Maersk Container Industry is opening a new factory in San Antonio, securing closer proximity to major fresh fruit and vegetable suppliers located on the west coast of South and Central America. It is the first factory outside China producing insulated reefer containers.

Single mothers get to work

In San Antonio, single mothers account for around one-third of family breadwinners³, and they are disproportionately affected by unemployment. Having decided to locate the factory in San Antonio, Maersk Container Industry saw an opportunity to make a difference for unemployed single mothers.

“At our factories in China, the daily workflow seems to benefit from a relatively high number of women working in production. We think this will be the same in Chile. Even more importantly, we know that the women in our factories generally pay very high attention to safety, which is



Jocelin Salgado makes a living as a production painter at Maersk Container Industry's reefer container factory in Chile. She is the single parent of two young girls.

crucial to us,” says Stig Hoffmeyer, CEO of Maersk Container Industry.

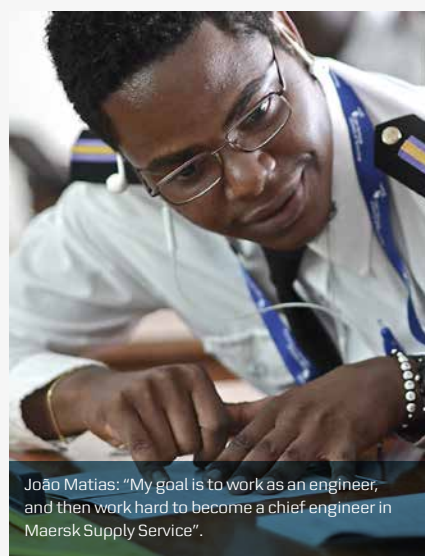
Local government educates

To improve the technical expertise, the San Antonio government launched an inclusive skills development programme in 2013, providing a positive opportunity for unemployed women and others.

“For me it is important to work here in the factory, not only for my own personal

development. I have two small daughters, and I can now give them a better life,” says Jocelin Salgado, who is a production painter at the factory.

A socio-economic impact assessment conducted by Maersk Container Industry has found that the factory will help reduce the unemployment rate in the San Antonio area by 50% by 2018⁴.



João Matias: “My goal is to work as an engineer, and then work hard to become a chief engineer in Maersk Supply Service”.

Preparing for a job at sea

A batch of eight aspiring Angolans is studying hard to become junior officers on board **Maersk Supply Service** vessels. They have already had close to two years of intensive training in Cape Town, South Africa.

João Matias is one of them. “My father is a mechanic. I used to help him out repairing cars,” says João Matias who makes use of his technical skills in his studies. In 2015, João Matias is getting to practise what he has learned in text books on board a Maersk Supply Service vessel. For many of the cadets, it is their first time at sea.

“I have learned a lot about marine mechanical engineering and now I am aware of what I am going to do at sea,” says João Matias.

Maersk Supply Service has initiated a number of training programmes for Angolan nationals since 2012, feeding a pipeline of qualified seafarers into their vessels in Angola.

During 2014, 71 Angolans were enrolled in the programmes equipping them for positions ranging from stewards and cooks to officers and engineers on board supply vessels.

³ Instituto Nacional de Estadísticas (INE) (2012)

⁴ By 2018, the factory is expected to be operating at full capacity. The reduction in unemployment is based on the expected number of direct, indirect and induced jobs created as a result of the factory.

WORKPLACE AND HUMAN RIGHTS

How we integrate human rights

In line with our values and commitments, we work to ensure that we respect human rights throughout our activities.

A need to strengthen human rights due diligence

In 2014, we assessed the processes of managing and mitigating human rights risks within the Group and developed a new Action plan for 2014–2015. We identified the need to strengthen due diligence capabilities in our businesses. We also identified a gap in relation to remediation processes for human rights grievances and developed guidelines to ensure that they are implemented consistently across the Group.

In addition to activities in the action plan, human rights risks are also managed as part of Group programmes such as Responsible Procurement, Global Labour Principles, and Anti-Corruption, as well as Health and Safety, Maersk's enterprise risk management system and in the due diligence process for mergers and acquisitions. A working group to align risk management efforts was also established.

Working systematically with human rights

When **Maersk Drilling** takes steps to enter a new market, the company also takes steps to address human rights risks. First, a general human rights assessment at country level is made. If deemed necessary, a specialised risk assessment for Maersk Drilling needs is organised on site.

Third party experts perform the analysis based on a bespoke questionnaire and analysis methodology developed by Maersk Drilling. The outcome is used by the team preparing the site for operations. When the rig team arrives, the report serves as input to the first CSR plan.

Hiring directly is better

Common human rights risks for Maersk Drilling relate to recruitment and em-

ployment, such as discrimination, unfair labour conditions and involuntary labour.

In Cameroon, after a year of operation, a risk-screening process resulted in the company changing to hire directly rather than through manning agencies.

"By hiring employees directly, we are better able to protect our crews' labour and human rights. By making sure they are paid on time and that salaries are paid directly into their accounts, they are able to apply for bank loans." says Britt de Vlaminck, who is Training Coordinator for Maersk Drilling in Cameroon.

Furthermore, all employees receive the standard benefits offered by Maersk Drilling, which local manning agencies would normally not be providing.

WHAT IT MEANS TO MAERSK

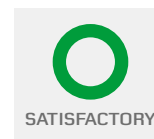
Driving our business with respect for human rights allows us to mitigate risks of disruptions to operational stability, and supports our activities in having a positive impact on human rights in the countries where we operate.

OUR AMBITIONS

Ensure no negative influence on human rights from our activities. Current themes supporting this ambition are part of the 2014–2015 Human Rights Action plan. These are:

- ◆ Strengthen human rights due diligence capabilities
- ◆ Identify and prioritise heightened human rights risk areas

OUR PROGRESS



SATISFACTORY

Human Rights training to strengthen the capabilities of our CSR employees managing human rights risks

Development of guidelines for grievance mechanisms

Keeping trade lanes open to Ebola-hit countries



Maersk continued service to the Ebola-stricken countries and allocated up to USD 1 million to support UN efforts against the outbreak.

Throughout the Ebola crisis in West Africa, **Maersk Line** has maintained its weekly calls to Guinea, Liberia and Sierra Leone. The company dedicated four vessels in one specific service loop to ensure adequate trade into these countries. Sea transport is vital to the region that imports a large share of food and other everyday products, and without sustained supplies the crisis could have worsened.

In Monrovia, Liberia, **APM Terminals** continued operating the port while taking the necessary precautions to ensure employees were not exposed to the virus. Following the advice of the WHO, access to ships was tightly controlled, crews were not allowed to disembark in ports and no crew changes were made in the area.

APM Terminals Liberia also carried out preventative awareness campaigns on site, not only for employees and visitors, but also for the hundreds of subcontractors that work at the facility every day.

“The Ebola response critically needed logistics support. Maersk and other corporate partners supported the humanitarian aid community in shifting gear to keep up with the huge challenge we were facing.”

Wolfgang Herbinger

Logistics Director, World Food Programme

Since the crisis spans international borders, it presents various logistical and operational challenges for an effective humanitarian response. Direct logistical reinforcement, coordination, and support

are necessary to ensure supplies reach the most vulnerable people affected by the outbreak quickly and effectively.

To support the humanitarian response, the Maersk Group allocated up to USD 1 million to support the UN’s logistics efforts against the outbreak. The response includes free ocean freight, use of assets such as containers, reefers and forklifts, as well as access to our local logistics experts.

FACTS

66 shipments carrying over 390 containers of food, medicine and vehicles to the affected countries.

59 containers and reefers donated for storage and inland transportation.

Safety is a continued priority

We focus on creating a working environment where safety is woven into behaviour and performance. Our employees and their families must be confident that working for Maersk means returning home safe and sound at the end of a working day.

Increase in fatal incidents

Fatal incidents are unacceptable to us, but we must sadly report that the Maersk Group experienced eleven fatalities in 2014.

APM Terminals saw ten separate incidents leading to fatalities.

“One fatality is always one too many and it shows we must continue our work and be vigilant. It’s not about profit or productivity, it’s about people. Safety is our biggest leadership challenge,” says Kim Fejfer, APM Terminals CEO.

In response, APM Terminals reviewed the most serious incidents and fatalities occurring in the organisation. This review highlighted a number of recurring fatality-potential risks and APM Terminals is currently concentrating efforts on five major risk areas: transportation, suspended loads and lifting, working at heights, stored energy and contractors.

“We might be able to explain each and every one of these fatalities. But from an ethical standpoint it does not matter, it’s just not acceptable to have fatalities,” Kim Fejfer says.

One crew member on a US flagged container vessel was washed overboard during a storm. The vessel carried out search and rescue operations but the crew member was not found. Following

the incident, **Maersk Line** promoted awareness of safety measures for work on deck during heavy seas.

Maersk’s Safety Committee has established a process to carry out independent reviews of fatal incident investigations and recommend improvements to the Group’s Sustainability Council.

Responding to our safety challenges

Every business has invested in safety initiatives to address individual challenges and progress towards incident-free environments. The Group has increased its focus on safety leadership and culture, driving change through personal safety objectives for leaders and working to implement safety key performance indicators for all businesses.

In an effort to improve the safety performance across the container industry, **Maersk Line** initiated the Container Ship Safety Forum. It brings together seven major shipping lines to share best practices and establish a benchmark for container ship safety. Maersk Line experienced an increase in injuries, primarily a high number of finger injuries. A special campaign was rolled out drawing attention to the need to prevent this type of injury.

Maersk Drilling’s improved safety performance is driven by empowerment,

WHAT IT MEANS TO MAERSK

Maersk operates in challenging workplace environments and keeping our people safe is a primary responsibility for the company.

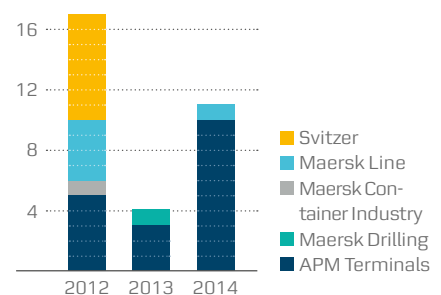
OUR AMBITIONS

- Offer workplace environment with ZERO fatalities

OUR PROGRESS



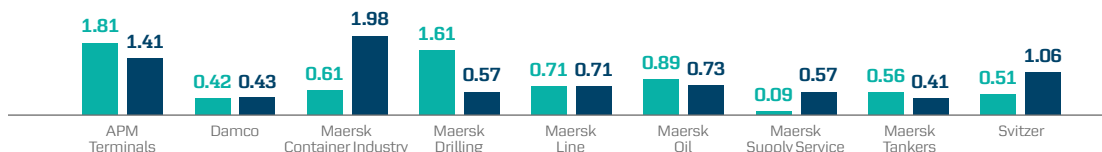
Fatalities



Safety performance

Lost-time injury frequency per business

■ 2013 ■ 2014



The lost-time injury frequency numbers are not directly comparable due to different scopes applied. The graph is intended to show only how the individual business performed compared to the previous year.

transparency and ownership. To support rigs and offshore teams, an online repository of safety initiatives has been created. Maersk Drilling is stepping up efforts on well control response capabilities to reduce the likelihood of catastrophic incidents and training has been made mandatory for selected positions. In 2014, 87 drilling crew members participated in team-based well control training, while 422 out of a potential 472 employees on Maersk Drilling’s new-builds participated in performance enhancement training. The target for 2015 is 83 participants.

In **Maersk Oil**, the number of personal injuries increased, particularly injuries to hands. To reverse the trend, Maersk Oil is focusing on control of work, contractor management, leadership and supervision. This requires, for example, all new employees and contractors to attend a

safety induction course as part of their induction programme.

The process safety incidents in 2014 concern gas leaks and equipment damage due to operating errors. Maersk Oil experienced ten high-potential process safety incidents, compared to twelve in 2013. In Maersk Oil’s Danish business a safety improvement programme was initiated to reverse the trend. In Qatar, a major programme to replace valve-retaining bolts is underway after a number of gas leaks were linked to material specification.

Maersk Supply Service experienced an increase in the severity of personal injuries as well as four high-potential incidents which involved employees working on deck where wire and rope under tension posed a safety risk. The risks have been addressed and a target has been set for management

representatives to visit vessels on a regular basis to raise commitment to safety.

Maersk Tankers works to reinforce its safety culture through reporting, incident investigation and senior management involvement, and concluded 2014 with the lowest lost-time injury frequency to date. This is also well below the industry average.

In **Svitzer**, most incidents happen during the preparation phase for operations. This has led to the installation of rigid procedures and checklists for this phase, and these have all been included in Svitzer’s newly implemented global safety management system which replaces seven different systems.

Maersk Oil, APM Terminals and Svitzer held Global Safety Days to help build their global safety cultures around the world.

Fatalities in 2014

Business unit	Location	Description	Employed by
Maersk Line Limited	Pacific Ocean	Man lost overboard	Maersk Line Limited
APM Terminals	Arica, Chile	Man killed in explosion during tire replacement operation	Contractor
APM Terminals	Pipavav, India	Driver crushed whilst underneath truck	Visitor (external truck)
APM Terminals	Apapa, Nigeria	Vessel supervisor trainee struck by spreader	APM Terminals
APM Terminals	Port Said, Egypt	Man killed when two containers fell from the stack onto truck	APM Terminals (contracted labour pool)
APM Terminals	Aqaba, Jordan	Driver crushed by own truck	Visitor (external truck)
APM Terminals	Buenos Aires, Argentina	Man fell from height while working on warehouse roof	Contractor
APM Terminals	Miami, USA	Man struck by reach stacker while walking through yard	APM Terminals
APM Terminals	Johannesburg, South Africa	Driver crushed between truck and trailer	Contractor
APM Terminals	Onne, Nigeria	Man struck by container in ships hold	APM Terminals (contracted labour pool)
APM Terminals	Cotonou, Benin	Driver crushed between truck and stack	Visitor (external truck)

When incident strikes

"The task is simple: every day all employees must return from work unharmed. Fulfilling this task is not as simple. People still get hurt and we cannot live with that. It is one of the most important management responsibilities we have."

It is 1 October 2014 and Global Safety Day in **APM Terminals**. Using a megaphone, Johan Uggle, CEO in APM Terminals – Cargo Service A/S in Aarhus, Denmark, is passing on his views on workplace safety to employees. In 60 other countries, APM Terminals managers are giving speeches on safety.

The next speaker is 28-year-old Jan Houlberg, who is sitting on a chair with a

set of crutches leaning against his legs. Many of the employees have been over to say hello and ask how he is.

Struck by a container

Jan Houlberg is one of their own as well as an example of how incidents still happen. On 3 July 2014, Houlberg was closing a container after cleaning, when it was bumped into by one of the terminal's many large vehicles. The container moved forward a metre and gave Jan "a massive slap in the face", as he puts it. Even worse, Jan Houlberg's right foot got stuck and was badly injured.

At the hospital, the staff initially thought they needed to amputate the foot;

however, they decided to try and save it first. Jan Houlberg was hospitalised for the next two weeks and went through a total of four operations. During that time, management and colleagues came to visit him on different occasions.

"I used to be self-employed. In a situation like this, I am glad I work for a large company and with people who take care of you. I wasn't just left to myself," Houlberg says.

Separating man from machine

The incident is an example of the potential danger involved in having men and machines working in the same space at the same time. Preventing this is a primary focus area – in APM Terminals globally and in Aarhus specifically. In the long term, the way a container moves through the terminal in Aarhus will change to limit the number of at-risk situations. Measures were introduced straight after the incident as well.

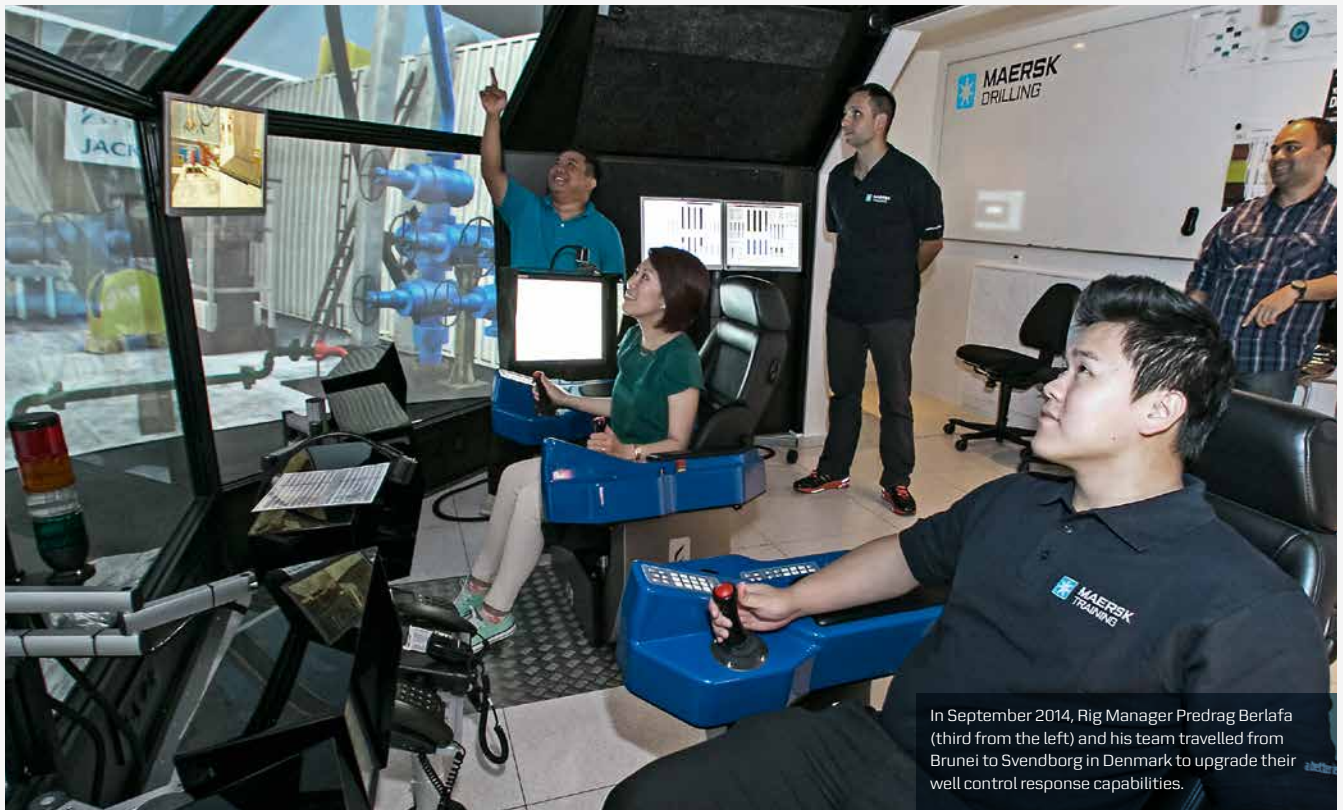
"We use containers to create a physical barrier between the machines moving containers in the terminal area and employees on the ground cleaning the containers. When people leave for the day we let the machines in to move out the clean containers and move in dirty ones, which will be worked on the day after," explains Mette Linnemann, head of Health, Safety, Security and Environment in APM Terminals – Cargo Service A/S.

"We must never accept incidents as fact of life in a high-risk work environment such as ours. We need to improve and I have confidence in our organisation and our many safety initiatives," concluded Johan Uggle at the Global Safety Day in Aarhus.



Jan Houlberg's right foot got stuck and was badly injured when a container was pushed forward due to a collision with a straddle carrier. He is recovering from four operations needed to save the foot.

Gearing up on well control response capabilities



In September 2014, Rig Manager Predrag Berlafa (third from the left) and his team travelled from Brunei to Svendborg in Denmark to upgrade their well control response capabilities.

“It is not enough to be safe, you need to be a few levels above – bulletproof safe,” Predrag Berlafa says.

Pedrag Berlafa is Rig Manager of **Maersk Drilling**’s jack-up rig Maersk Completer operating off the coast of Brunei. In September 2014, he and the team travelled to Svendborg in Denmark for a drilling safety course run by Maersk Training.

Gas leak – the alarm goes off

Thursday morning, the team steps into the world’s most advanced drilling simulator. On entering the room, they were told that in the simulator everything was running smoothly and that their task was to keep drilling and also to run a few tests when they were ready.

But then the alarm goes. Sub-surface gas has entered the hole. It needs to be removed, before the cement used to stabilise and secure the well sets, and three months’ work (at USD 15 million per day) is lost. Or even worse: this situation could, in the worst case scenario, lead to a blow-out.

Preparing for the unexpected

‘Blow-out’. One of the least favourite terms in the off-shore vocabulary. A blow-out from an oil well can potentially cause deaths and oil spills, and lead to major financial consequences for local communities and companies involved.

“Over time, we have learned that gas leaks occur so infrequently that a solid system of processes and indicators is

needed, because there is no experience to fall back on,” Manish Kumar says, Rig Superintendent at Brunei Shell Petroleum.

Difference between a simulator exercise and real events

Fortunately, with knowledge, extensive process safety training and team collaboration, there is usually time to fix the problem. In the simulator exercise being run, the drilling team has found that they have 2–3 hours before the cement hardens. After an hour the team agrees on a strategy that would solve the problem.

“We would always stop work if necessary. Rushed decisions do not exist in this operation,” Predrag Berlafa says.

Developing a diverse talent pipeline

We believe that Maersk's future competitiveness relies on the ability to attract and retain a diverse workforce.

Continued moderate progress on diversity

In 2014, we saw continued progress against our diversity goals. We are committed to pushing for increased progress through focused effort in external recruitment, a strengthening of the internal talent pipeline and a dedicated talent management process. Regional talent reviews have been introduced to accelerate the careers of talented non-western employees.

Challenging the norms

Increase the representation of women and non-westerners in leadership positions requires a focus on:

- Developing the diverse people we already employ, understanding motivators and supporting them in reaching their full potential.
- Broadening our talent pool and looking beyond traditional sources to find and attract a diverse group of people.

- Identifying and eliminating any perceived or real barriers that our people may face in their careers.

Addressing the risk of unconscious bias

We recognise that some of the challenges in achieving diversity and inclusion may exist in behaviour and culture. In 2014, we piloted Unconscious Bias programmes aimed at helping employees to recognise and manage any potential bias that may exist in decision making. This resulted in training of 15 HR professionals who are now able to train others on how to make more inclusive decisions when it comes to recruitment. Further programmes will be planned in 2015 to support Maersk in building a more inclusive culture.

Development opportunities for women

Since 2012, Maersk has been running a number of dedicated courses for female leaders globally to accelerate the development of our talent pipeline along with creating a global network for female leaders. To date, 587 female employees have participated.

WHAT IT MEANS TO MAERSK

As a global company we want to attract the best and brightest people from the broadest pool possible, ensuring access to the skills we need to pursue our growth strategy.

OUR AMBITIONS

Ensure diversity in our workforce and improved representation of women and non-westerners at management level.

► See our 2016 targets in the table below

OUR PROGRESS



Representation of women 2014 results

Representation of non-westerners 2014

See the table below

Targets and performance on diversity and inclusion¹

Representation of women	2012	2013	2014	2016 targets ²	Representation of non-westerners	2012	2013	2014	2016 targets ²
Board of Directors ⁴	2	2	3	2/3 ⁵	Vice President	6%	7% ³	6% ³	8%
Vice President	5%	7% ³	10% ³	10%	Director	11%	14% ³	15% ³	16%
Director	10%	11% ³	12% ³	17%	General Manager	24%	27% ³	29% ³	28%
General Manager	20%	20% ³	21% ³	23%					

¹ In 2015 all diversity and inclusion reports and targets will be reviewed in line with the new levels that will be introduced across the Group.

² The Group targets are based on a consolidation of the targets set by seven businesses (APM Terminals, Damco, Maersk Drilling, Maersk Line, Maersk Oil, Maersk Tankers and Svitser).

³ The figures in the tables are based on headcounts where global figures do not include blue collar workers and some joint ventures.

⁴ For A.P. Møller - Maersk A/S

⁵ By 2017 the board should have at least two women board members if the board consists of less than 12 members, and at least three women board members if the board consists of 12 or more members. In both cases, the women should be elected at the annual general meeting.

Diversity through consciousness and involvement

“Diversity and inclusion is not a choice, it’s a strategic necessity,” Rachel Osikoya says.

As Head of Diversity and Inclusion at Maersk, Rachel is talking about why Maersk dedicates time and effort getting women and employees from growth markets to choose a career with the company.

“The imperative is even greater for Maersk than for many other companies as we are global in the true sense of the word. Attracting and retaining talent from our growth markets is an essential element to our future success,” Rachel continues.

Ambitious and realistic

Attracting and retaining women is important in terms of having access to the widest possible talent pool. However, whilst it is a priority, we recognise that our ambitions also need to be realistic.

“We operate in traditionally male dominated industries. If only 20% of people trained in a certain field globally are women, it might not make sense for Maersk to have a goal of 50% women in this field,” explains Rachel.

However, research shows that more and more women – some estimate up to one billion women – will be entering the workforce and global economy in the next 15 years.

“We must anticipate the advantages that these demographic changes can bring to our organisation,” Rachel adds.

Getting involved

There are many elements in securing your visibility and attractiveness as an employer. In the end, it is about making choices.

“You want to expand the pool of talent from which you are hiring. To do that, we need to work internally on processes and mindsets. At the same time, we must invest in creating awareness in schools and higher education of the exciting career options Maersk offers. After all, talent does not come in one gender, nationality or background, it is in essence diverse.”

There are personal choices to be made as well.

“In previous roles, I have asked both men and women to imagine a CEO. When I



After working with diversity and inclusion in the UK and South Africa for a decade, Rachel Osikoya, Head of Diversity and Inclusion at Maersk, knows that change in this area is all about mindset and choices.

have asked the groups to tell me what gender they have imagined the CEO to be, they have generally all replied – male. We all have a personal choice to open our minds up to the many different forms of talent that exist. If we don’t we will miss out on a wealth of opportunity and potential.”



Working to ensure oversight and consistency in global labour relations

We are committed to living up to our global labour principles wherever we operate. However, we still have some way to go in ensuring oversight and a common approach.

New strategy to gain more traction

The Group's intention is to promote good relationships between company and workers, in all locations and industries. Managing labour relations is to a large extent a local responsibility guided by local regulations and customs. Nevertheless, we need a shared approach to how we treat our employees and their representatives. This is the only acceptable way to engage the critical asset our employees are.

In the past, it has been a challenge to ensure oversight and an aligned approach

to global labour relations as well as gaining traction on assessing labour risks. A new Labour Relations programme was developed in 2014 adding new components: a reporting tool for labour issues and a management training programme on negotiation through improved communication and mutual respect. If necessary, we also provide training for employee representatives.

To support the implementation of the programme, a new Global Labour Relations Council will be formed. A new network of managers involved in labour relations will also strengthen the exchange of good practice across the Group.

A new agenda for North Africa and the Middle East

One current theme is collaboration with the newly formed unions in Arab countries, and a community of practice for labour relations was established for the Arabic and Middle East Region in 2014.

Success in Morocco

In 2014, as the first company in the ports industry in Morocco, **APM Terminals** in Tangier signed a collective bargaining agreement.

In November 2011, the parties agreed to a six-month period of stability, following a time of strikes and diversion of

cargo to nearby ports. During that time, common ground was found in a wish to create stable work and business conditions. The resulting agreement regulates terms and conditions as well as conflict resolution procedures and collaborative forums on health and safety, social affairs and business performance.

"Having good labour representation and satisfied employees is the best way to secure continuous improvements and mitigate the risk of work stoppages," says Hartmut Goeritz, Managing Director of APM Terminals Tangier S.A.

WHAT IT MEANS TO MAERSK

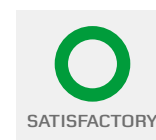
Fair labour conditions for all employees help us attract and retain employees, reduce the risk of workplace disputes and make a positive impact on human rights.

OUR AMBITIONS

Ensure that all Maersk businesses live up to our global labour principles. Current activities are part of the 2014–2016 Labour Relations programme. These are:

- Communicate and implement a new vision and strategy for labour relations
- Enhance management knowledge and skills regarding labour relations
- Implement a reporting tool to register labour issues

OUR PROGRESS



SATISFACTORY

Approval of plans for all areas of the Labour Relations programme

Establishment of a first community of practice for labour relations

Life on a drilling rig

David MacDonald has worked on drilling rigs offshore for more than 30 years. Over the last 18 years, he has worked for **Maersk Drilling** in locations as diverse as Venezuela, Iran, Qatar, Egypt, Azerbaijan and Brunei, being on the drilling rig for 28 days followed by 28 days off.

The one and a half day commute, and the fact that you are away from family and friends for extended periods of time are the only two downsides to working offshore that David can think of. "You know it is part of the deal as an offshore man. Most of us can't imagine working any other way. I know I can't," he says.

Things have changed, especially in terms of safety

"When I started, you did not need any kind of training in this industry. At 18, by chance I met a guy who told me to call a company that was hiring. I called on a Monday, met him on Tuesday and was off to my first rig on Wednesday," MacDonald recalls.

"At that time, if there were an incident, we just kept going. That would never happen today. They would shut the rig down and have a full investigation. Make sure everyone was okay to continue work and not traumatised in any way."

Offshore we're professionals

Today, David is a Drilling Section Leader, leading the drilling crew and making sure the operation is safe at all times. "Offshore, it's about work. The crews work straight 12-hour shifts," says MacDonald.

To refuel for the next shift, there are facilities on a rig to keep crews comfortable and occupied: a gym, TV-room, games room and a galley where you can always stop by for a bite to eat.

Rigs are diverse environments, with an international workforce, and more and more locals working on the rigs. "It does not really matter where your are from or if you are a man or a woman. We're here to do the work. That's what it is about," says MacDonald.

A softer approach

In the past, offshore life was also marked by the rough tone and language between crew members. And while it is still very much a man's world – typically only four or five of perhaps 130 people on the rig are women – there has been a definite change in communication.

"Today, people will walk away from conflicts or ask for a meeting to find out what is wrong. I myself used to shout all the time. I can't remember the last time I did, though. It is just not efficient – it does not get you the results you want," David says.

A sense of achievement

Working offshore is not for everybody, but for David it turned out to be a career and a rewarding lifestyle.

"I enjoy the work. When you finish drilling the well on time and without incidents, it is a real sense of achievement."



David MacDonald: "On the Maersk Completer we look out for each other. Try to notice if everyone is all right and help if they have something on their mind."

ENVIRONMENTAL PERFORMANCE

Reducing our environmental impacts

We assume responsibility for the environmental impact of our activities by integrating environmental management and targets into our business processes.

Adjusted CO₂ target

We take responsibility for our carbon footprint across the Group's businesses and have a consolidated Group CO₂ improvement target of 20% relative reduction in 2020, compared to 2010.

As we exceeded this target by one per cent in 2014, we had adjusted the Group consolidated target, which is now to achieve a 30% relative reduction in CO₂ emissions by 2020.

Our CO₂ performance in 2014

In 2014, the Maersk Group improved its CO₂ efficiency by 5%. This was driven mainly by approximately 8% efficiency improvements in **Maersk Line**, amounting to a reduction in absolute CO₂ emissions of 530,000 tonnes and fuel savings of USD 98 million. The other two sizeable contributors to the Group's carbon footprint, **Maersk Oil** and **Maersk Tankers**, saw minor improvements in CO₂ efficiency in 2014.

Robust enforcement of maritime sulphur regulations needed

The use of fossil fuel also leads to other air emissions including SO_x, NO_x and particulate matter. This impacts both the environment and human health.

From 2015, the permitted sulphur content in fuel will be 0.1% in Emission Control Areas¹. We are concerned about

the possibility that enforcement of regulations will remain weak, particularly in the European ECA, as non-compliance will harm the competitive landscape and weaken the positive effect on air quality.

To address this issue, Maersk has joined the Trident Alliance in 2014, a coalition of shipping companies.

"Our industry alliance was formed to advocate for stronger enforcement of sulphur regulation to ensure there is a level playing field for business and also decrease the environmental and human health impacts of shipping."

Roger Strevens

Chairman of the Trident Alliance.

Maersk Line and Maersk Tankers are preparing vessel tanks and fuel systems for the switch to low-sulphur fuel. Approximately 40% of Maersk's fleet of vessels, nearly 400 ships, will be required to use the new 0.1% sulphur fuel, adding costs of an additional USD 200–250 million per year, based on current fuel prices.

The US enforces ballast water regulation

The US has moved ahead of the International Maritime Organization (IMO) and enforced regulation on ballast water.

Maersk Line has ballast water treatment systems installed on all Triple-E vessels and 14 other vessels. These systems were granted a temporary acceptance by the

WHAT IT MEANS TO MAERSK

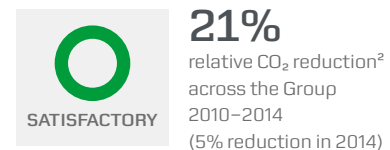
Environmental impacts are significant in our industries. We focus on efficiency gains and employ technological innovation in minimising our own, while advocating enforcement of regulations to create a level playing field for business and improved conditions for the natural environment.

OUR AMBITIONS

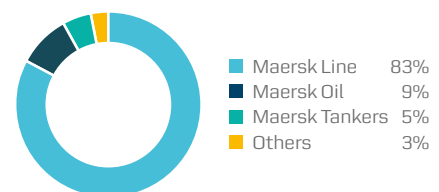
Reduce the Group's consolidated carbon footprint. Our 2020 target is:

➔ **30%**
relative CO₂ reduction² 2010–2020

OUR PROGRESS



Share of total CO₂ eq. emissions



¹ The Baltic Sea, the North Sea, areas within 200 nautical miles off the US and Canadian coastlines as well as part of the Caribbean Sea are defined as Emission Control Areas.

² The Group relative efficiency is based on an index, weighing business relative CO₂ efficiencies (defined per business) in terms of their share of the total Group CO₂ emissions.

US Coast Guard, which has not issued general approval for any ballast water treatment technologies yet. The rest of the fleet will be retrofitted pending the IMO Convention's entry into force. **Maersk Tankers** is installing treatment systems on the six tanker vessels under construction and preparing five vessels for installation.

Hot topic: Recycling ships

Worldwide, more than 1,000 large end-of-life ships are recycled every year. Many of these ships are recycled under poor working conditions for employees and creating severe environmental damages.

In 2014, one **Maersk Line** ship was sold and placed at a shipbreaking facility in China for recycling. A **Maersk Supply Service** ship was recycled at a shipbreaking facility in Belgium. Both facilities meet our requirements for ship recycling and the work was supervised by an independent third party.

Encourage but not demand

Maersk's policy is to recycle the ships we own in a way that follows the Hong Kong Convention. We also encourage other ship owners to recycle their ships in a responsible way, including those owners from whom we charter ships.

During 2014, Maersk was criticised for not ensuring that chartered ships once owned by Maersk and sold off to other owners were not recycled responsibly at the end of their contracts.

Two cases were cited, where the vessel owners decided to recycle the vessels on beaches in India and Bangladesh after the charter contract with Maersk ended. In both cases, we followed our policy which states that we do not sell off ships for unregulated scrapping. However, while



we continuously encourage responsible recycling, we are not able to force our policy on to others.

What is needed is a global level playing field on ship recycling, which would be achieved if more nations were to ratify the Hong Kong Convention.

Arctic activities

We recognise the sensitive and unique Arctic environment and that the safety and natural environment of this region and its people must not be compromised. Significant amounts of analysis still lie ahead before we can decide on any potential future offshore operation in the area.

Maersk Oil retains its 47.5% interest in an exploration licence for an area off the coast of North West Greenland. In 2014, Maersk Oil was awarded three new licences in the Barents Sea in Norway and now holds four licences in the region, all of which are operated by others.

Maersk Tankers has since 2012 been delivering oil to Greenland and is

Regulating ship recycling

In 2009, to improve ship recycling conditions, the Hong Kong Convention was adopted by the IMO and corresponding guidelines followed. However, the convention has been ratified by only three countries.

In 2014, the ship recycling debate was reinvigorated by the EU drafting new requirements for ship recycling facilities. These will enter into force in the coming years.

supporting the implementation of standards and regulations to ensure safe shipping activities in the Arctic region.

Maersk Drilling is exploring the possibility and potential of developing Arctic drilling solutions as part of ongoing dialogue with customers, including an all-year solution for drilling in the Arctic. In 2014, the technical elements of such a solution were further developed and an Arctic risk universe was explored.

Mitigating oil spills

We are committed to managing this material business risk, protecting the environment and preventing harm to our surroundings.

Oil spill performance and risk mitigation

In 2014, the Group had one category 2 spill and a number of minor spills.

Svitzer experienced a significant spill of 9 m³ (category 2) in Australia when marine gas oil spilled into the harbour. A clean-up procedure was initiated immediately and the marine gas oil was either recovered or evaporated. The investigation revealed that the incident occurred due to human error, when an engineer left the vessel during transfer of marine gas oil between internal tanks, in spite of rigid procedures being in place.

Maersk Oil had 36 spills – all of them below 0.1 m³ (category 5 spills). The company's oil spill mitigation measures include stringent operational controls, regular equipment maintenance and training, drills for emergencies and oil spill response. The systems are independently reviewed and audited, for example, in the ISO14001 third-party audits.

The majority of the volume spilled from **Maersk Drilling's** rigs is a result of water-based mud being accidentally discharged into the sea. Maersk Drilling experienced a total of 18 spills in 2014 (all category 3, 4 or 5 spills). Maersk Drilling operates with several containment systems to ensure that any discharges happen in a planned and controlled way in accordance with discharge permits.

Maersk Supply Service had six minor spills (category 5) mainly due to incidents

during liquid transfer processes. To prevent spills Maersk Supply Service focuses on stringent operational procedures, training, oil spill prevention campaigns, drills and exercises.

Maersk Tankers experienced two minor oil spills into the sea (category 5). Maersk Tankers' customers visit each vessel three times per year to ensure that safety standards are met. Even in the absence of spills, poor safety standards will debar the vessels from trade operations.

Maersk Line experienced 4 spills: 2 oil spills of 5.3 m³ (category 4) caused by a leakage due to malfunction of a seal of the stern tube and 2 at or below 0.1 m³ (category 5) due to leakages in thrusters. All overboard oil spills are registered and monitored in the environmental management system and action is taken where needed. Vessels are instructed to report contained spills and near-misses to learn from and improve on prevention and mitigation actions. They are inspected twice annually by internal auditors and technical superintendents.

APM Terminals had one (category 5) spill related to the bursting of hydraulic fluid tube on a crane. Spills occurring in port terminals are typically leaks from machinery occurring on the quay and are quickly contained.

The Group's businesses involved in shipping, drilling or oil production have externally approved oil spill response plans in place in the event of a spill occurring. Training is carried out on both prevention and response.

WHAT IT MEANS TO MAERSK

Nearly all of our businesses have activities where the risk of oil spills must be mitigated to avert both human and environmental impacts as well as financial liabilities.

OUR AMBITIONS

- Ensure that our operations have ZERO significant oil spills

OUR PROGRESS



UNSATISFACTORY

1
significant oil spill
(category 2)

Group oil spill categories

Category	Harbour < 1 mi (m ³)	Coastal < 12 mi (m ³)	Open Sea > 12 mi (m ³)
1	>10	>100	>1000
2	>1	>10	>100
3	>0.1	>1	>10
4	>0.01	>0.1	>1
5	Oil film	0.01	0.1

Land-based spills will be included in our 2015 data collection and report.

PROMOTING RESPONSIBLE BUSINESS PRACTICES

Fighting corrupt behaviour and demands

We have zero tolerance towards bribery and work against all forms of corrupt practice.

Fight against corruption shows results

Demands for facilitation payments remain a challenge in the shipping industry, in particular in high-risk ports. We are satisfied that our company stance and anti-corruption actions, including the innovative efforts of our captains, are making an impact and we have registered a further reduction in facilitation payments in 2014.

We do not work alone

Maersk cooperates with key commercial, government, NGO and other relevant stakeholders to reject corrupt demands.

Among these is the Maritime Anti-Corruption Network (MACN), a global business network working for a maritime industry free of all types of corruption. Activities in an anti-corruption action plan in Nigeria were implemented in 2014. This includes drafting improved and harmonised public officials' port clearance procedures. Anti-corruption training of selected officials was conducted, and anti-corruption policies are under development.

The Group developed an overview of key corruption risks in African ports and practical ways to avoid these risks. We also collaborate with the Brazilian shipping association and port agents to combat demands for facilitation payments in Brazilian ports.

Strengthening risk mitigation

Maersk's anti-corruption rule is generally implemented across the Group. To achieve our high compliance goals, we have increased focus on areas such as consistent use of compliance contract clauses, enhanced due diligence processes on relevant service providers and agents, and expanded recording of facilitation payments made by third parties on our behalf. In 2014, nine site visits were conducted by the Group in Brazil, Angola and China to verify the local compliance status. The Group also began conducting anti-corruption compliance audits on board ships.

Maersk Oil further developed due diligence instructions in 2014, describing the scope and level of investigation expected in relation to business partners and social investments. Also, training sessions were conducted in high-risk countries, including Angola and Kazakhstan, to increase awareness of corruption risks typical for the oil and gas industry, and how to deal with such risks.

Reports of corruption investigated

In 2014, 13 corruption allegations were registered in the Group whistle blower system. To date, two have been substantiated, resulting in remedial actions, two have been unsubstantiated and nine are under investigation. Registered reports increased in 2014 because corruption allegations reported outside the whistle blower system are now, upon receipt, registered in the system.

WHAT IT MEANS TO MAERSK

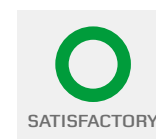
In line with our values, we fight corruption and bribery in all its forms. Corruption is an unwanted and harmful cost for everyone and eliminating it will support growth for both businesses and communities.

OUR AMBITIONS

Improve the business environment by working to:

- Reduce facilitation payments
- Collaborate with stakeholders to combat corruption
- Ensure due diligence practices and compliance contract clauses are used consistently across the businesses

OUR PROGRESS



SATISFACTORY

Conducted 12 site visits at selected facilities and vessels globally to assess compliance implementation

Involvement in projects combatting facilitation payment demands in Nigeria and Brazil

Generating various improved compliance tools aimed at enhancing compliance implementation

FACTS

9,787 employees in total trained in anti-corruption across the Group in 2014.¹

¹ Anti-corruption e-learning is available for all employees and provides basic anti-corruption training. In addition, face-to-face training is conducted which focuses on employees working in positions in high-risk countries with relevant functions. The amount of face-to-face training is based on a consolidated number for all relevant business units.

Testing local anti-corruption systems and processes

In 2014, **Maersk Drilling** went beyond anti-corruption training and introduced anti-corruption review visits to its local offices. These offices handle the relations with public authorities, customers and the local community.

So far, the compliance outreach and monitoring activities have reached employees in Luanda, Angola, Duala, Cameroon, Baku, Azerbaijan and Cairo, Egypt.

Main risk areas in the drilling industry are related to the choice of joint venture partners, recruitment practices and procurement. During the three-day visits, training sessions are conducted and a review is carried out on contracts, processes and transactional records related to petty cash handling, gifts, travel, entertainment and local procurement. This is also the case for local recruitment and employee compensation. Finally, meetings are held with agents that represent Maersk Drilling in relations with local authorities.

“We try to get into everything. In the oil and gas industry, everything counts. Nothing is too big and nothing is trivial. You need to be thorough and detailed,” says Thomas Etter, the Maersk Drilling Compliance Officer who carried out the visits.

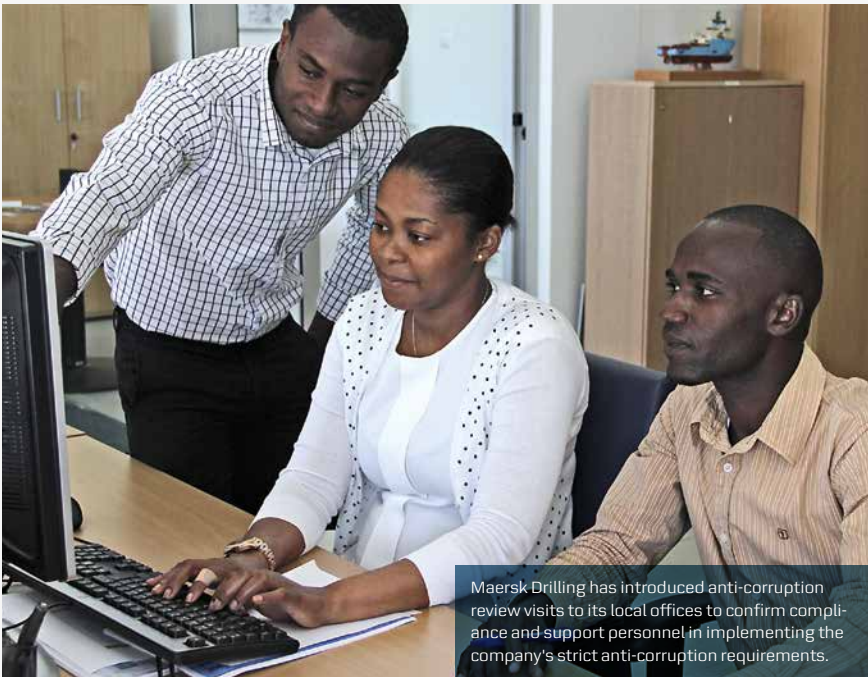
Strict anti-corruption requirements and warranties are included in all new drilling contracts.

“We have zero tolerance towards corruption and bribes. Moreover, if we fail to deliver, the contracts can be terminated and Maersk Drilling will be exposed to the risk of legal proceedings. We need systems and procedures in place to prevent improper payments and to test these systems from time to time,” Thomas Etter continues.

Positive outcomes

Thomas Etter explains that no illegal or improper practices were identified in the countries, and areas of improvement were isolated to handling of petty cash and small procurement contracts where documentation was missing.

“We firmly believe that we can continue to operate in those countries in full compliance with applicable anti-corruption laws and the strict customer expectations we have to live up to.”



Maersk Drilling has introduced anti-corruption review visits to its local offices to confirm compliance and support personnel in implementing the company's strict anti-corruption requirements.

Responding to media allegations

In May 2014, the Brazilian newspaper, Epoca, implicated **Maersk Tankers** in a corruption and money laundering investigation against a former Petrobras executive. The paper alleged that a brokerage firm used by Maersk Tankers transferred commissions

from Maersk Tankers to a Petrobras executive in the years 2006–2010.

The Brazilian authorities have not raised any allegations against Maersk Tankers but have requested information as part

of the investigation. Maersk Tankers have actively sought and willingly provided information to the investigating authorities, and has rejected the allegations, reiterating their firm stance on and many activities within anti-corruption.

Hard work to stand firm

Every time Captain Soelvar Michelsen of **Maersk Tankers** gets ready to call on a port with Kirsten Maersk, he braces himself. It is not about berthing the tanker ship's 183 times 27 metres – that part runs smoothly.

Instead, the captain prepares to pass port inspections without resorting to the decade-long tradition of the trade: demands from officials for facilitation payments; threats when they are refused.

You have to prepare well

The Maersk Group's stand on facilitation payments is clear. The payments have to be eliminated over time.

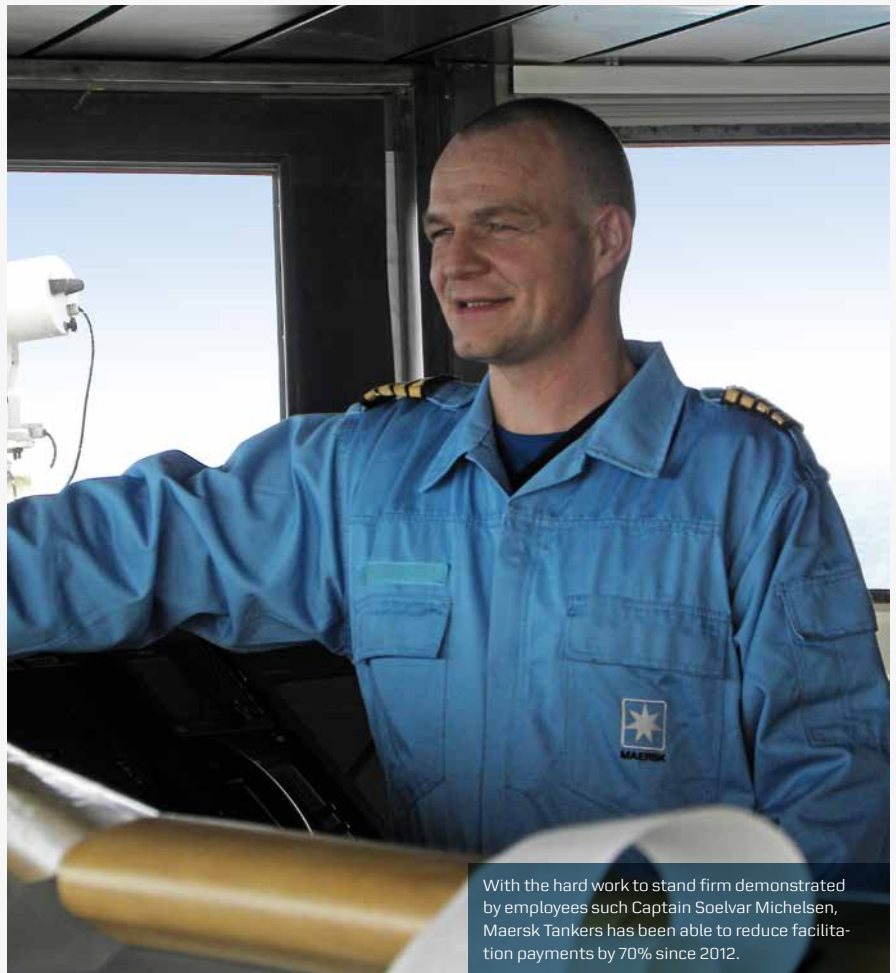
Prior to calling on a port, Captain Michelsen will have e-mailed all relevant authorities and agents to inform them of the policy. He and his crew will also have attended to the smallest of details on the ship, paying special attention to the official inspection findings made the last time the ship called on the port in question.

"If you are a creative official you can always find something to put down as 'non-compliance'. I have been met with officials' findings such as a crew list being a copy and not the original, dissatisfaction with the size of crews, and a vessel being fined for having digital rather than paper-based documentation on board," the Captain says.

At the mercy of personal opinion

In the port, the Captain works to forge a personal connection with the inspectors.

"It is their personal opinions that determine our immediate situation. I try to make sure that we connect on a personal level before the inspections get started. We greet them at the bottom



With the hard work to stand firm demonstrated by employees such as Captain Soelvar Michelsen, Maersk Tankers has been able to reduce facilitation payments by 70% since 2012.

of the gangway, invite them for a cup of coffee or a small meal, make conversation about families and health," Captain Michelsen explains.

Invariably, the Captain will find himself explaining that the company policy does not allow him to give cigarettes, or anything else for that matter.

Usually, this is received with some frustration and thinly veiled threats of delaying the ship's departure. Often repeated by one or more of the several sets of inspectors who will board the

ship over a 10–12 hour period. Every time the Captain stands firm and emphasises the company policy.

A big battle – which can be won

Captain Michelsen's experiences highlight the battle fought by captains and crew in ports across the world every day.

A couple of years into the fight, Maersk Tankers is able to prove that it is possible to win and that their captains' and crews' firm stance makes a difference. Since 2012, facilitation payments have been reduced by 70% in Maersk Tankers.

Zooming in on critical suppliers

Through collaboration with our suppliers we manage and drive positive change to improve the social and environmental footprint created in our value chains.

Mitigating social and environmental impacts

As part of our Responsible Procurement programme, we integrate international anti-corruption, social and environmental business standards into our own as well as our suppliers' purchasing processes. The focus is primarily on suppliers whose operations are exposed to high social and environmental risks, e.g. shipyards, construction companies, manufacturers of cranes, containers and drilling rigs, as well as manning agencies and security firms.

Assessing high priority suppliers

In 2014, we focused on assessing social and environmental practices of critical suppliers¹ to mitigate our most important supply chain risks. In total, 1,185 suppliers were assessed and 51% were found either in compliance with our Third-Party Code of Conduct or partially in compliance with

minor improvements needed. With more than 650 suppliers in need of or having an action plan, we acknowledge that a sizeable amount of effort is still needed to ensure that all suppliers with major and critical issues act on plans to reach compliance. The key areas in need of improvement continue to be labour and human rights.

Twenty-two audits were conducted of strategic and high-risk suppliers located in China, Cameroon, Korea, Singapore and Turkey. The findings point to health and safety, working hours and compensation, and environmental performance as key areas for improvement.

The Group's internal assurance process revealed that the Responsible Procurement contract clause is not consistently included in supplier contracts across the Group's locations. Actions are being taken to address the gaps.

Auditing our South Korea shipyard facility

One of the largest shipyards of commercial vessels is Daewoo Shipbuilding & Marine Engineering (DSME) in Korea. DSME is constructing 20 Triple-E vessels for Maersk Line. DSME was audited in 2014 as a follow-up on a previous audit in 2010. The audit was conducted by Maersk together with an external auditing party. Meetings were held with management, office staff and workers, and the yard management system was

reviewed. Particular focus was put on workplace safety and incident prevention, as well as working conditions of migrant workers and subcontractors, who account for a large share of the 30,000 workers on the site. An improvement plan outlining the need for enhancing safety awareness and integrating social issues in the existing subcontractor management programme was agreed on.

WHAT IT MEANS TO MAERSK

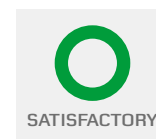
Working with our high risk suppliers is an opportunity to influence the impact of our business activities in a positive way, while at the same time mitigating the risk of reputational and financial damages.

OUR AMBITIONS

Ensure that we effectively mitigate risks in our supply chain. Key activities are part of the 2014–2015 Responsible Procurement programme. These are:

- ▶ Continue implementing Supplier Development programme
- ▶ Formalise improvement plans for suppliers who are not in compliance with the Group Third-Party Code of Conduct, or partially in compliance with major improvements needed

OUR PROGRESS



3,663 suppliers registered in the Responsible Procurement programme in total, 1,063 in 2014

1,185 suppliers assessed in total, 689 in 2014

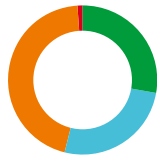
¹ Our risk classification considers country location and product specification, volume of spend, business criticality and financial dependency to our company. High-risk locations and human rights issues are other key factors.

Supplier compliance with the Group Third-Party Code of Conduct

We have been working with suppliers to achieve improvements in all four areas of the Code of Conduct.



Anti-corruption



Health & safety



Labour & human rights



Environment

■ In compliance
 ■ Partially in compliance but minor improvements needed
 ■ Partially in compliance although major improvements are needed
 ■ Not in compliance and critical improvements are needed

FACTS

74% Of suppliers have joined the Maersk's Responsible Procurement Programme since 2010 (out of 4,955 selected high-risk, high-spend or strategic suppliers invited to register in the programme).

Training suppliers in growth markets

In 2014, the Responsible Procurement team travelled to Cote d'Ivoire, Myanmar, Angola, Cameroon and China to conduct supplier development workshops.

Seventy-four suppliers have participated in the workshops since the programme began in 2013. The purpose is to encourage close and constructive dialogue around sustainability challenges with

selected suppliers in strategic locations and to help them lift their social and environmental practices.

Workshop brings Myanmar suppliers on board

A buzzing new market with a supplier base composed of mainly small and medium-sized companies. A history leading to international scrutiny when it comes to human rights and labour practices. Myanmar offers both opportunities and challenges for businesses.

Among the first international logistics companies to enter Myanmar, **Damco** and **Maersk Line** obtained their licence to operate in the country in 2013.

An important part of the entry strategy has been to ensure responsible business practices throughout our operations and amongst suppliers. Group Procurement conducted a training workshop on responsible business practices for our local trucking, warehousing, terminal and service suppliers in Myanmar.

The workshop provided training for 15 attendees from nine local companies in how to integrate social and environmental

considerations in their operations. Subsequently, seven out of nine suppliers registered in the Group's Responsible Procurement programme, followed by an assessment of their business practices.

We are still working to register the two remaining suppliers. The workshop also enabled Maersk Line and Damco teams in Myanmar to enhance their supplier engagement and dialogue.



A responsible approach to tax

Public debate continues to raise questions about the level of tax information multinationals provide and their approach to managing their tax affairs.

The OECD's Base Erosion and Profit Shifting (BEPS) project aims to ensure that income is taxed in the countries where value is created. It also aims to increase disclosure requirements for multinationals, providing revenue authorities with full access to global information.

In addition, initiatives from the International Financial Reporting Board and the EU Commission will propose new public disclosure requirements for tax.

We are preparing our systems to generate the increased disclosures and reviewing our transfer pricing policies to ensure they will comply with the new requirements. We will comply with all of these when they come into force.

Responsibility and quality in handling tax

For Maersk, responsible tax is defined in our tax policy as complying with applicable tax regulations and paying taxes as required by law.

This policy applies to all countries where we operate and means that we must identify applicable regulations, ensure compliance with rules and disclosure requirements and adopt a justifiable tax position where tax regulations allow for different interpretations or choices.

We wish to ensure that we meet all reporting requirements and maintain high quality in handling tax responsibilities across the Group, while taking advantage of relevant incentives.

During 2014, the Group established Country Tax Centres in 11 key locations where we have a critical level of activity. Maersk Line also upgraded its tax organisation, introducing a global network of regional tax managers.

Gaining clarity on complex issues

Complex cross-border issues makes management of international tax challenging, as international businesses are regulated

WHAT IT MEANS TO MAERSK

The taxation of global business activities are complex with lack of clarity and consistency. Reduced uncertainty will improve the ability of countries and companies to make forecasts.

FACTS

During 2014 Maersk established Country Tax Centres in Denmark, Angola, Australia, Brazil, China, India, Netherlands, Nigeria, Singapore, the UK and the USA.

Tax payment

(USD million)	2012	2013	2014
Profit before tax	6,914	6,620	5,311
Tax	3,161	3,237	2,972
Percentage of profit before tax	46%	49%	56%

The charge for impairment of Maersk Oil assets in Brazil and Norway is not deductible against taxable income, leading to a very high tax for the year compared to the result in 2014.



by national/local tax legislation normally applied to individual companies. The consequences are potentially double or triple taxation, grey zones of interpretation or double non-taxation. Changing interpretations by revenue authorities adds to the complexity.

Inconsistencies between different national tax systems are resolved via a global network of tax treaties and

information exchange agreements. The OECD BEPS project should ideally result in a set of much clearer principles regarding international transactions. We provide input into this process via the International Alliance for Principled Taxation.

Preparing for the new EU Accounting Directive

The EU Accounting Directive 2013/34/EU, adopted in June 2013, requires that

EU member states pass legislation or regulations to require companies in the extractive industry to report on payments including taxes to host governments on a project-by-project basis. EU member state requirements must be in place by July 2015. **Maersk Oil** is currently gearing systems and procedures to be in compliance with the expected requirements.

Stakeholder dialogue

Maersk is actively engaged in developments in international taxation and involved in constructive dialogue with the various stakeholders at home and abroad. Our key message continues to be that we want to promote legislation and international conventions that ensure a comparable level of taxation with our competitors especially by eliminating double taxation wherever possible.

In 2014, we:

- engaged with policymakers, revenue authorities, advisors, NGOs and academics via the International Fiscal Association.
- engaged with NGOs and development organisations at Maersk's annual sustainability conference on the topic of responsible tax.

- were part of KPMG's consultation on responsible tax advice.
- participated on the Tax Committee of the International Chamber of Commerce, and contributed to the work of the UN Committee of Experts on the international taxation of shipping.

Independent Assurance Report

To the readers of the Sustainability Report 2014

We were engaged by the Management Board of A.P. Moller - Maersk A/S (further 'the Group') to provide assurance on the Sustainability Report 2014 (further 'The Report'). The Management Board is responsible for the preparation of The Report, including the identification of material issues. Our responsibility is to issue an assurance report based on the engagement outlined below.

Scope

Our engagement was designed to obtain limited assurance on whether The Report is presented, in all material respects, in accordance with the reporting criteria.

We do not provide any assurance on the achievability of the objectives, targets and expectations of the Group.

Procedures performed to obtain a limited level of assurance are aimed at determining the plausibility of information and are less extensive than those for a reasonable level of assurance.

Reporting criteria and assurance standard

The Group applies internally developed criteria as described in the Group's sustainability accounting principles 2014. It is important to view the performance data in the context of these criteria. We believe these criteria are suitable in view of the purpose of our assurance engagement.

We conducted our engagement in accordance with the International Standard for Assurance Engagements (ISAE 3000): Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board. This standard

Amsterdam, 25 February 2015

KPMG Sustainability
Part of KPMG Advisory N.V.



Wim Bartels
Partner

requires, among others, that the assurance team possesses the specific knowledge, skills and professional competencies needed to provide assurance on sustainability information, and that they comply with the requirements of the Code of Ethics for Professional Accountants of the International Federation of Accountants to ensure their independence.

Work undertaken

Our procedures included the following:

- A risk analysis, including a media search, to identify relevant sustainability issues for the Group in the reporting period.
- Reviewing the suitability of the reporting criteria/guidelines, including conversion factors used.
- Interviewing management at corporate and business level responsible for the sustainability strategy, management and reporting.
- Interview with relevant staff and reviewing internal control procedures on the data in The Report.
- An analytical review of the data and trend explanations submitted by all business units for consolidation at corporate level.
- A visit to Svitzer Scandinavia Cluster to review the environmental and safety data on regional level.
- Evaluating internal and external documentation, based on sampling, to determine whether the information in The Report is supported by sufficient evidence.

Conclusion

Based on the procedures performed, as described above, nothing came to our attention to indicate that the The Report is not presented, in all material respects, in accordance with the reporting criteria.

Copenhagen, 25 February 2015

KPMG
Statsautoriseret Revisionspartnerselskab



Henrik O. Larsen
State Authorised Public Accountant

Performance on social, environmental and economic indicators

	SOCIAL PERFORMANCE							ENVIRONMENTAL PERFORMANCE			
	Our employees							Energy consumption			
	Number of employees	Gender (female/total)	Women in leadership (Vice President, Director and General Manager)	Fatalities	Lost-time injury frequency	Employee engagement (percentage favourable)	Fuel oil	Diesel	Gas	Electricity	
	FTEs	% based on FTE	% based on FTE	headcount	based on exposure hours	% based on headcount	1,000 tonnes	1,000 tonnes	1,000 tonnes	1,000 MWh	
A.P. MOLLER - MAERSK GROUP											
2012	89,550	25	n/a	17	n/a	76	11,081	163	658	729	
2013	88,909	24	14	4	n/a	72	9,755	166	608	745	
2014	89,207	23	14	11	n/a	73	9,388	189	651	739	
MAERSK LINE											
2012	32,527	36	n/a	4	0.76	78	10,048	11	3	109	
2013	32,865	37	17	0	0.71	75	8,845	8	4	126	
2014	32,622	36	16	1	0.71	75	8,699	8	4	63	
MAERSK OIL											
2012	3,830	23	n/a	0	0.75	77	95	48	651	40	
2013	4,111	23	13	0	0.89	76	82	49	600	67	
2014	4,475	24	14	0	0.73	73	72	59	639	102	
APM TERMINALS											
2012	20,685	13	n/a	5	2.53	79	2	97	1	425	
2013	20,270	9	14	3	1.81	73	5	102	1	418	
2014	20,639	10	15	10	1.41	74	4	116	1	429	
MAERSK DRILLING											
2012	3,434	14	n/a	0	1.12	73	2	0	0	2	
2013	4,028	9	11	1	1.61	76	0	0	0	3	
2014	4,741	9	10	0	0.57	81	14	0	0	3	
MAERSK SUPPLY SERVICE											
2012	2,146	7	n/a	0	0.83	74	38	0	0	1	
2013	2,104	7	2	0	0.09	74	21	0	0	1	
2014	2,114	8	3	0	0.57	73	33	0	0	1	
MAERSK TANKERS											
2012	3,284	4	n/a	0	0.89	72	823	0	0	1	
2013	3,087	3	3	0	0.56	74	740	0	0	0	
2014	2,487	3	3	0	0.41	73	501	0	0	0	
DAMCO											
2012	10,778	46	n/a	0	0.55	73	0	4	1	35	
2013	11,388	37	23	0	0.42	70	0	4	1	38	
2014	11,313	38	24	0	0.43	68	0	3	4	38	
SVITZER											
2012	2,963	6	n/a	7	1.46	66	59	0	0	8	
2013	2,843	5	6	0	0.51	70	58	0	0	9	
2014	2,723	6	16	0	1.06	72	51	0	0	10	
OTHER BUSINESSES											
2012	9,248	10	n/a	n/a	n/a	n/a	13	3	2	106	
2013	7,565	11	6	n/a	n/a	n/a	3	3	2	81	
2014	7,365	10	5	n/a	n/a	n/a	13	3	3	91	
UNALLOCATED AND ELIMINATIONS											
2012	655	40	n/a	0	0.00	n/a	1	0	0	2	
2013	648	40	23	0	0.00	n/a	1	0	0	2	
2014	728	42	24	0	0.00	n/a	1	0	0	2	

■ Financial scope. Covered by the Group's Generally Accepted Accounting Policies and controlling guideline.

■ Operational scope. Covered by the Group's Generally Accepted Accounting Policies.

■ Described in the Group's Generally Accepted Accounting Policies, but data coming from other sources than the financial and operational scoped data.

ECONOMIC PERFORMANCE

Energy consumption (total)	Greenhouse gas (GHG) emissions			Other air emissions		Other resource consumption		Spills	Revenue	Profit for the year	Tax for the year	Electricity costs
	GHG emissions	Direct GHG emissions (Scope 1 GHG Protocol)	Indirect GHG emissions (Scope 2 GHG Protocol)	SO _x	NO _x	Waste	Water	Category 1 & 2				
GJ	1,000 tonnes CO ₂ eq	1,000 tonnes CO ₂ eq	1,000 tonnes CO ₂ eq	1,000 tonnes	1,000 tonnes	1,000 tonnes	1,000 m ³	m ³	USD million	USD million	USD million	USD million
491,969,841	38,039	37,650	388	589	1,156	391	2,546	n/a	49,491	4,038	3,161	102
435,679,587	33,876	33,494	382	520	1,008	379	2,519	n/a	47,386	3,777	3,237	97
423,596,283	32,784	32,406	378	500	978	456	2,666	n/a	47,569	5,195	2,972	94
410,426,732	31,618	31,556	61	537	910	303	383	0	27,117	461	64	18
361,330,812	27,862	27,794	68	473	795	272	423	0	26,196	1,510	61	20
355,129,057	27,332	27,294	38	466	771	338	345	0	27,351	2,341	163	11
36,956,339	2,797	2,774	22	4	60	16	56	0	10,154	2,444	2,884	2
34,206,114	2,719	2,683	36	4	55	35	66	0	9,142	1,046	3,004	4
36,096,523	2,791	2,737	54	4	47	41	327	0	8,737	-861	2,327	5
5,185,786	514	318	196	2	5	21	1,183	0	4,206	701	163	60
5,479,004	553	365	188	2	8	28	1,220	7	4,332	770	56	53
6,024,967	557	366	190	2	12	31	1,242	0	4,455	900	234	56
92,190	7	7	1	0	2	2	10	0	1,683	347	94	0
11,161	1	0	1	0	0	0	12	0	1,972	528	119	0
619,876	50	49	1	0	11	0	16	0	2,102	478	123	0
1,630,020	131	130	0	1	28	3	12	0	749	95	10	0
910,737	73	73	0	0	16	2	17	0	772	187	20	0
1,422,216	114	114	0	1	26	1	18	0	778	201	18	0
33,626,463	2,591	2,591	0	43	104	6	5	9	1,977	-315	2	0
30,212,204	2,339	2,339	0	39	82	11	4	0	1,625	-317	-2	0
20,449,908	1,588	1,588	0	26	62	11	3	0	1,175	132	-1	0
323,072	35	14	20	0	2	5	202	0	3,229	55	36	5
348,066	37	15	22	0	2	5	211	0	3,212	-111	22	6
481,089	44	22	22	0	2	5	215	0	3,164	-293	52	7
2,537,980	204	201	3	2	39	3	39	0	820	7	38	2
2,491,347	203	198	5	1	45	2	36	0	831	156	21	2
2,210,872	181	176	5	1	40	3	46	9	812	-270	20	2
1,140,471	138	56	84	0	5	32	652	n/a	2,387	681	-1	14
636,618	84	24	61	1	4	24	524	n/a	1,475	400	17	11
1,108,653	123	57	67	0	6	26	448	n/a	1,480	408	6	12
50,788	4	3	1	0	1	0	4	0	-2,831	-438	-129	0
53,524	5	3	1	0	1	0	6	0	-2,171	-392	-81	1
53,122	4	3	1	0	1	0	6	0	-2,485	2,159	30	1

We value your feedback

We welcome any questions, comments or suggestions you might have to this report and our performance.

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Forward-looking statements

The report contains forward looking statements on expectations regarding the achievements and performance of A.P. Møller - Mærsk A/S and the A.P. Møller - Maersk Group. Such statements are subject to risks and uncertainties, as various factors, many of which are beyond A.P. Møller - Mærsk A/S and the A.P. Møller - Maersk Group's control, may cause actual results and development to differ materially from expectations contained herein.



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