

# Performance data

	A.P. Moller - Maersk			Continuing operations			Discontinued operations		
	2019	2018	2017	2019	2018	2017	2019	2018	2017
<b>Social performance</b>									
<b>Our employees</b>									
Number of employees (FTEs)	86,279	85,689	N/A	83,512	82,806	N/A	2,767	2,883	N/A
Women in leadership (% based on headcount)	27%	25%	23%	27%	25%	26%	–	10%	16%
Gender – female/total (% based on headcount)	29%	27%	26%	29%	27%	28%	–	8%	10%
Target nationalities in leadership (% based on headcount)	39%	37%	31%	39%	37%	40%	–	12%	9%
Target nationalities/total (% based on headcount)	71%	70%	69%	71%	71%	74%	–	23%	40%
Fatalities (headcount)	5	7	7	5	7	6	–	0	1
Lost-time injury frequency (based on exposure hours)	1.16	1.29	0.89	1.16	1.30	0.93	–	0.91	0.58
<b>Environmental performance</b>									
<b>Energy consumption</b>									
Fuel oil (1,000 tonnes)	11,173	12,017	10,369	11,173	11,994	10,318	–	23	50
Gas fuels (1,000 tonnes)	10	17	369	10	17	17	–	0	352
Other fuels (1,000 tonnes)	130	118	160	130	118	109	–	0	51
Biofuels (1,000 tonnes)	8	–	–	8	–	–	–	–	–
Electricity (1,000 MWh)	656	732	816	656	730	700	–	2	116
Energy consumption (total, TJ)	463,815	498,209	449,578	463,815	497,233	428,381	–	976	21,197
<b>Greenhouse gas (GHG) emissions</b> (1,000 tonnes CO <sub>2</sub> eq)									
GHG emissions	36,491	39,165	35,981	36,491	39,087	33,864	–	78	2,117
Direct GHG emissions (scope 1 GHG Protocol)	36,204	38,826	35,579	36,204	38,749	33,519	–	77	2,060
Indirect GHG emissions (scope 2 GHG Protocol)	287	339	402	287	338	345	–	1	57
Relative CO <sub>2</sub> reduction (percentage vs. 2008 baseline)	41.8%	38.6%	35.9%	41.8%	38.6%	35.9%	–	–	–
<b>Other air emissions</b>									
SO <sub>x</sub> (1,000 tonnes)	569	615	531	569	615	530	–	0	1
NO <sub>x</sub> (1,000 tonnes)	888	955	826	888	953	820	–	2	6
<b>Other resource consumption</b>									
Waste (1,000 tonnes)	299	340	272	299	338	256	–	2	17
Water (1,000 m <sup>3</sup> )	1,696	2,256	2,971	1,696	2,244	2,661	–	12	310
<b>Spills (hydrocarbon)</b>									
>10 m <sup>3</sup> (number of spills)	0	0	0	0	0	0	–	0	0
<b>Economic performance</b> (USD million)									
Revenue	N/A	N/A	N/A	38,890	39,280	N/A	308	1,977	N/A
Profit/loss before depreciation, etc. (EBITDA)	N/A	N/A	N/A	5,712	3,809	N/A	N/A	N/A	N/A
Capex	N/A	N/A	N/A	2,035	3,219	N/A	N/A	N/A	N/A
Tax for the year	N/A	N/A	N/A	458	398	N/A	0	247	N/A

See the Sustainability Accounting Principles on <https://www.maersk.com/about/sustainability/reports> for more information on data definitions and scope.

- Financial scope.
- Operational scope.
- Data from other sources than the financial and operational scoped data. Since 2017 gender and nationality data is reported by headcount, previously by FTE.
- Scope is limited to shipping operations and includes Hamburg Süd data from 2017. In 2019, we changed the indicator underlying our relative CO<sub>2</sub> reduction target. Relative CO<sub>2</sub> reduction is now measured using EEOI (Energy Efficiency Operational Indicator) as defined by IMO in MEPC.1/Circ.684 and calculated as g CO<sub>2</sub>/(Ton x Nm).

## Comments on 2019 performance data

### Social performance

#### Our employees

FTE data is taken from the audited 2019 Annual Report of A.P. Moller - Maersk.

The increase in diversity on both gender and target nationalities, both at leadership level and across A.P. Moller - Maersk, is due to having a higher retention rate of women and target nationality groups. Further comments on our performance on diversity and inclusion, along with our targets and performance on representation of women on the Board of Directors and representation of women and persons from countries that are not in the OECD high-income countries list, can be found on p. 38.

LTIF has decreased due to a drop in the number of LTI cases particularly in our terminals and freight forwarding operations. More details about our safety performance can be found on pages 30–31.

### Environmental performance

#### Energy consumption

Decrease in fuel oil consumption in 2019 is mainly due to reduction in the sailing distance of vessels as well as a decrease in time chartered vessels.

Decrease in gas fuel consumption is due to several factors including closure of factories and office locations.

Increase in other fuels consumption mainly due to increase in terminals.

Consumption of carbon-neutral biofuels for shipping service launched in 2019.

Decrease is mainly due to closure of factories and decrease in office space occupancy.

Decrease in total energy consumption (total, TJ) is due to the decrease in fuel oil consumption.

#### Greenhouse gas (GHG) emissions

Decrease in GHG emissions is due to the decrease in energy consumption.

97% of our scope 1 emissions come from the operations of our fleet. Decrease in direct GHG emissions is due to the decrease in fuel oil consumption.

Decrease in indirect GHG emissions is partly due to decrease in electricity consumption.

Improvement in operational energy efficiency has been achieved by technical retrofitting and by improving planning and optimising of networks.

#### Other air emissions

SO<sub>x</sub> is produced from the combustion of heavy fuel oil. Decrease in SO<sub>x</sub> emissions is due to decreases in fuel oil consumption.

NO<sub>x</sub> is produced from the reaction of nitrogen and oxygen gases in the air during combustion of fuels. Decrease in NO<sub>x</sub> emissions is due to decreases in fuel oil consumption.

#### Other resource consumption

Decrease is due to a change in the categorisation of hazardous waste, as well as closure of factories and decrease in office space occupancy.

Decrease is partly due to closure of factories and decrease in office space occupancy.

#### Spills (hydrocarbon)

No uncontained spills above the threshold of >10 m<sup>3</sup>.

### Economic performance

Financial data is taken from the audited 2019 Annual Report of A.P. Moller - Maersk.

The annual accounts and independent auditors' report can be found at <http://investor.maersk.com/>

# Sustainability

## accounting principles 2019

### Reporting framework

The report was prepared using the Global Reporting Initiative's (GRI) G4 Sustainability Reporting Guidelines as guidance to determine report content and quality in terms of materiality, stakeholder inclusiveness, sustainability context, completeness, balance, comparability, accuracy, timeliness, clarity and reliability. A.P. Moller - Maersk no longer applies GRI-specific disclosures.

### Reporting period

Our reporting covers the period from 1 January to 31 December 2019.

### Controls

While data regarding number of employees, women in leadership, gender and target nationalities are generated from our HR systems, data regarding accidents, fatalities, exposure hours, energy consumption, waste, water and spills are reported through our consolidated reporting tool based on submitted data from all reporting entities within A.P. Moller - Maersk. The consolidated reporting tool used by our businesses to report performance data is validated via IT audit, with manuals and online training in place. A set of generally accepted accounting principles for sustainability has been established, which defines the reporting rules, processes and responsibilities. A controlling guideline has been distributed to help secure the businesses, own assurance of submitted data, before sign-off by the respective CEOs and CFOs. Furthermore, all businesses are obliged to provide explanation sheets on significant data developments. The data reported under financial scope is included in the framework used to assure risks and controls for financial reporting (Danish Statements Act §107b, section 1, no 6).

### Scope

Operational scope is applied for health and safety and spills data when A.P. Moller - Maersk or one of its subsidiaries has the governing authority and responsibility for health, safety and environmental management of the people, processes and facility – either directly or indirectly

via third-party contractual arrangements. This approach excludes data from assets that are partly owned by A.P. Moller - Maersk but operated by another company (i.e. a non-operated joint venture). Mobile assets are included when operated by A.P. Moller - Maersk. For vessels, the International Safety Management Code Document of Compliance must be held by A.P. Moller - Maersk to include the data.

Financial scope is applied for all other sustainability data, and is defined as follows:

- Owned assets and leased in assets that A.P. Moller - Maersk uses: A.P. Moller - Maersk is liable for consumption, emissions and other environmental elements
- Owned assets that are leased out: A.P. Moller - Maersk is not liable for consumption, emissions and other environmental elements – the lessee is.

Technical management of an asset on behalf of third parties does not change the responsibility. Thus, consumption and emissions still belong to the asset owner / lessee who uses the asset.

With regard to greenhouse gases, the reporting must be compatible with the Greenhouse Gas (GHG) Protocol: direct emissions from own assets (Scope 1), indirect emissions from purchased electricity and district heating (Scope 2). Within our current climate change policy, we report on scope 1 and 2 GHG emissions. In 2019, we are reporting for the first time on biofuel consumption.

Diversity and inclusion data includes all brands, global service centres, corporate functions, and Boards. Joint ventures are out of scope. For 2019, gender and nationality data, which includes women in leadership, gender – female/ total, target nationalities in leadership, target nationalities/total, is reported by headcount. Data was extracted from SAP HR as of 31 December 2019.

### Comparability

We no longer report on brands and business units separately. In line with the business

strategy and organizational integration of A.P. Moller - Maersk, we report on sustainability performance as One Maersk. Maersk Supply Service has been reclassified as continuing operations, following the Board of Directors' decision to no longer pursue a separation solution. All sustainability and financial data for Maersk Supply Service has been reclassified to continuing business and prior periods have been restated. Maersk Drilling is not part of sustainability reporting for 2019 although it is part of the discontinued operations on the economic performance indicators (up to the date of the demerger 2 April 2019). Maersk Oil is part of sustainability reporting for 2017 as discontinued operations whereas the economic performance indicators are included up to the date of the sale 8 March 2018. For Maersk Drilling and Maersk Oil sustainability data is not included in the year of separation from A.P. Moller - Maersk.

### Consolidation

For operational scope, 100% of the data reported from the operated assets is included irrespective of percentage ownership. Financial scope uses our financial consolidation methodology; data is collected per legal entity per activity, and the figures are consolidated line-by-line. Subsidiaries in which A.P. Moller - Maersk has full control are included 100%. Joint ventures and associated companies and other companies, in which A.P. Moller - Maersk does not have control, are excluded. Using financial consolidation principles allows us to compare sustainability indicators directly with financial data, thereby providing context for our performance.

### Data categories and accuracy

A.P. Moller - Maersk has defined two categories of data: documented and probable data. The reason for this split is that some data is more difficult to document than other data; consequently, reporting on probable data is based on data received and controlled in the Group's consolidated reporting tool, but with an inherent risk of being incomplete.

- Documented data comprises: our employees (FTE), energy consumption, air emissions, transport work (for EEOI), and financial data
- Probable data comprises: safety (fatalities and LTIf), waste, water, spills, gender and nationality.

Documented data (financial and non-financial) is valid and complete and is essentially at the same quality level.

The reliability of probable data is somewhat lower but is still provided to the best of the management's knowledge.

Financially scoped probable data (water and waste) must always be defensible, and if assumptions are necessary due to lack of documentation, then the assumptions made must be verifiable. The documentation demand is that we use ISA 500 evidence, to the extent that it exists. If no such evidence exists, then assumptions based on the probable data must be made in writing and shall be verified by the reviewer, whereby the data are always defensible.

Operationally scoped probable data (safety and spills data), along with gender and nationality, has the weakest data quality, as it is not possible to ensure validity and completeness. The data is still provided to the best of the management's knowledge, bearing the practices of the individual business units' industries in mind and reported through the Group's consolidated reporting tool.

### Emission conversions and calculations

Our GHG emissions are calculated indirectly via default conversion factors for energy consumption and other GHG gases. The conversion factors for 2019 have been updated. The basis of the update was the annual update of these factors, by the International Energy Agency.

Primary schemes used are API (updated 2009), DEFRA (updated 2014) and IEA (updated 2019). The principles for choosing among the schemes for default conversion factors are:

- Newest schemes are preferred
- Internationally recognised generic schemes are preferred
- A scheme must always be used in full. Thus, no combined schemes are allowed unless specific elements were not included in the primary scheme
- Specific industry schemes can be included when not in conflict with the above.

From 2019, we report on progress towards the relative CO<sub>2</sub> emissions reduction target, calculated with the help of EEOI (Energy Efficiency Operational Indicator) methodology.

This has previously been reported with data based on the methodology of the Clean Cargo initiative. EEOI performance is monitored and reported by the Fleet Management Team (Fleet Optimisation). The EEOI is defined by IMO in MEPC.1/Circ.684 and is calculated in

$$\frac{(g\ CO_2)}{(Ton\ cargo\ x\ Nm)}$$

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

$$\frac{(g\ CO_2\ voy1 + g\ CO_2\ voy2 + g\ CO_2\ voy3)}{((Ton\ cargo\ x\ Nm)\ voy1 + (Ton\ cargo\ x\ Nm)\ voy2 + (Ton\ cargo\ x\ Nm)\ voy3)}$$

The data sources are:

- g CO<sub>2</sub> – Based on fuel consumption, from departure voyage 1, to departure voyage 2. Multiplied with relevant CO<sub>2</sub> factor (3.114 for HFO, 3.206 for MDO).
- Ton cargo – Calculated via draft and displacement tables, subtracting vessel weight and ballast water and fuel stock.
- Nm – GPS distance from departure voyage 1, to departure voyage 2.

### Definitions:

- Number of employees measures the average number of full-time equivalents (FTEs). FTEs are calculated based on the total number of compensable hours (days) in a work year compared to the number of hours (days) in a 'norm' work year. Excluded are employees on unpaid leave, contractors and temporary staff.
- Headcounts are defined as regular employees not on leave, on paid leave and on unpaid leave. Excluded are contractors and temporary staff.
- Women in leadership is the percentage of women in level 5, 6, 7, 8 and 9, corresponding to Senior Managers, Leaders, Senior Leaders, and Executives, compared to total headcount of the same levels.
- Gender – female over total is the percentage of women employed based on headcount.
- Target nationalities in leadership is the percentage of leaders with non-high-income OECD nationalities in level 5, 6, 7, 8 and 9, corresponding to Senior Managers, Leaders, Senior Leaders, and Executives, compared to total headcount of the same levels.
- Fatalities is the headcount number of accidents leading to the death of the employee.
- Lost-time injuries (LTI) is the sum of fatalities, permanent total disability (PTD), permanent partial disability (PDD) and lost work day case (LWC). A Lost Workday Case (LWC) is any work-related injury, other than a fatal injury, which results in a person being unfit for work on any day or shift after the day of occurrence of the occupational injury. "Any day" includes rest days, weekends, leave days, public holidays or days after ceasing employment.
- Any time spent on delays in connection with medical assistance is not included in this determination. Permanent Partial Disability (PDD) is any work injury which results in the complete loss, or permanent loss of use, of any member or part of the body, or any impairment of functions of parts of the body, regardless of any pre-existing disability of the injured member or impaired body function, that partially restricts or limits an employee's basis to work on a permanent basis at sea. Such an individual could be employed ashore but not at sea in line with industry guidelines. Permanent Total Disability (PTD) is any work injury which incapacitates an employee permanently and results in termination of employment on medical grounds (e.g. loss of limb(s), permanent brain damage, loss of sight) and precludes the individual from working either at sea or ashore.
- LTIf (Lost-Time Injury frequency) measures the number of lost-time injuries per million exposure hours. LTIs include fatalities, PTD, PDD, and LWC, but excludes suicide or attempted suicide, criminal or terrorist activity, and incidents which occur off the ship but where the consequences appear onboard at some later time.
- Energy consumption encompasses fuel oil, gas fuels, other fuels (diesel, gasoline, kerosene, and heating oil), and biofuel as well as the consumption of electricity / district heating.
- Direct GHG is the sum of all six Kyoto gasses converted to CO<sub>2</sub> equivalents. Kyoto gasses comprise: CO<sub>2</sub>, CH<sub>4</sub>, and N<sub>2</sub>O, which are calculated based on fuel consumption/ combustion, and HFC, SF<sub>6</sub>, NF<sub>3</sub> and HCFC, which are based on direct consumption.
- Indirect GHG is the CO<sub>2</sub> equivalents' converted sum of CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O, calculated on consumed electricity and district heating bought from a third party.
- Other air emissions include SO<sub>x</sub> and NO<sub>x</sub>, which both are calculated based on fuels consumed multiplied by generally accepted conversion factors for the respective fuels.
- Amount of waste is the sum of all waste types generated.
- Amount of water is the sum of all water consumed, excluding ballast water and water for re-injection.
- Uncontained oil spills are defined as any type of spills of hydrocarbon liquids greater than ten m<sup>3</sup>, resulting from any unintended, irreversible release associated with current operations.
- To secure completeness, office standards have been developed based on 2019 data, which can be used for offices with no production or warehousing, etc. These standards are only to be used if other more accurate information is not available.