

# 2022 Sustainability Report

ALL THE WAY



MAERSK

## About the report

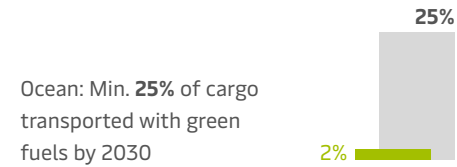
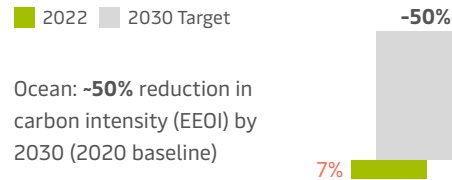
This is the Annual Sustainability Report of A.P. Møller - Mærsk A/S (hereinafter referred to as A.P. Møller - Maersk or Maersk as the consolidated group of companies and A.P. Møller - Mærsk A/S as the parent company). The report covers activities in the 2022 calendar year and represents our statutory statement on social responsibility, underrepresented gender and diversity and data ethics in accordance with sections 99a, b, d and 107d of the Danish Financial Statements Act, and our compliance with the EU Taxonomy disclosure requirements.

As a supplement to the Annual Sustainability Report, we prepare an ESG Factbook with key performance indicators as well as SASB and TCFD index tables. The ESG Factbook can be downloaded at [maersk.com/sustainability](https://maersk.com/sustainability).

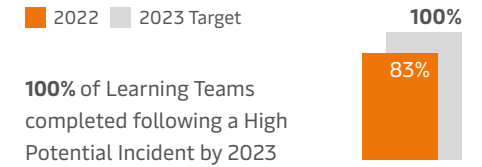
Previous years' reports and data tables are also available online. Please visit [maersk.com/sustainability](https://maersk.com/sustainability).

# ESG performance highlights

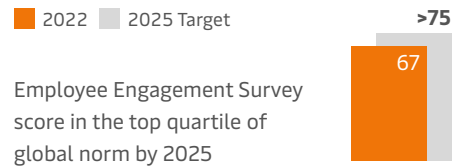
## Climate change



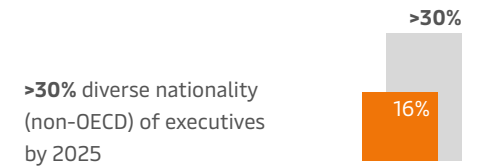
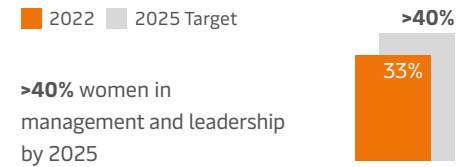
## Safety and security



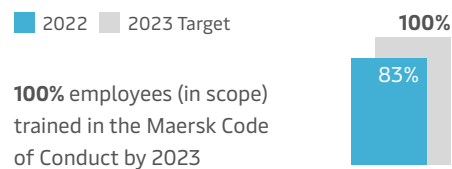
## Human capital



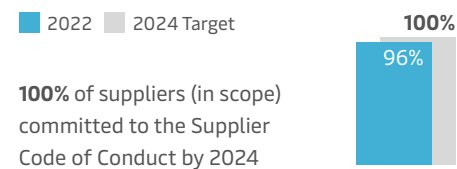
## Diversity, equity and inclusion



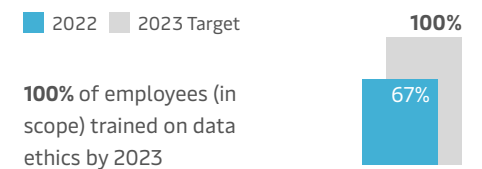
## Business ethics



## Sustainable procurement



## Data ethics



See full ESG performance data overview on pp. 58-63

# Integrating the world

As an integrated container logistics company, A.P. Moller - Maersk is working to connect and simplify our customers' supply chains. Every day, we facilitate and impact global trade by offering end-to-end logistics solutions across oceans, ports, air and on land. Our global network enables people in every corner of the world to trade with anyone, anywhere – ultimately creating opportunities for people and communities to thrive, and for businesses to grow.



## Facilitate and impact

Customers worldwide, large and small	100,000+
Containers moved in the world by the Ocean fleet	~16%
Countries on all continents where we call on 500+ ports	130+
Net zero GHG emissions across our business	2040
Green methanol-enabled vessels on order	19

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# Letter from our CEO

2022 was yet another unpredictable year. While the pandemic is largely behind us, the war in Ukraine, the energy crisis and the ensuing recession have deeply impacted people and businesses around the world.

However, amidst these challenges, we cannot forget the urgency of the global climate crisis.

## ESG at the core of our purpose and values

In 2022, we accelerated our decarbonisation targets and made significant progress towards delivering on our ESG commitments.

Fulfilling our ESG goals is extremely important to our customers, making our efforts a competitive differentiator and essential to our value proposition. Acting on our ESG strategy is also core to our long-held values and our newly articulated company purpose: Improving life for all by integrating the world.

This purpose is what drives us to deliver a more connected, agile and sustainable future for global logistics. But our efforts must be matched at the industry level in order to successfully accelerate a green and equitable energy transition. Together with industry-leading customers and partners, we're calling for ambitious policy and action to ensure this happens. We're also fully committed to doing our part to make this vision a reality.

## Making green shipping a reality

While we take a holistic approach to ESG, our greatest opportunity for change is within the environmental category. In our global operations, we emit millions of tonnes of greenhouse gases every year. We recognise that we are part of the problem.

We are, however, also part of the solution and uniquely placed to decarbonise the logistics industry by using our resources and technical expertise. In 2022, we made significant progress towards our ambitious 2030 and 2040 targets by investing in additional green methanol-enabled vessels, bringing the total order to 19 vessels.

To power these vessels, we signed memorandums of understanding with nine green fuel producers around the world.

We also took steps to move away from fossil fuels to electric energy in our terminals and logistics networks, including the order of 400+ heavy-duty electric vehicles in North America.

## Our responsibility in the war in Ukraine

Our commitment to global citizenship made the choice clear when it came to Russia's invasion of Ukraine. Given the severity of damage and loss of life, Maersk decided it was no longer possible to responsibly conduct business in Russia or Belarus. We made the decision to exit both markets, ensuring operations were wound down responsibly with care for our employees. We have supported humanitarian efforts in Ukraine, working with UN partners and global humanitarian organisations to secure a stable flow of aid and relief supplies.

## Addressing our shortcomings

While 2022 had many wins, there were areas where we failed to live up to our commitments. Foremost is the tragic loss of nine colleagues and people operating on Maersk's premises. I am deeply saddened by these losses and, of course, we find any loss of life completely unacceptable. We are doing our utmost – in terms of our operations, management and culture – to ensure that everyone in our duty of care goes home safely every single day.

We are also taking major steps to transform the culture in our ocean fleet to address the harassment cases that came to light in 2022. Every instance of sexual harassment is inexcusable and will not be tolerated. I encourage you to read more about the concrete measures we're taking to address this later on in the report.

Creating a more integrated world isn't something we can accomplish on our own. This is why we support the UN Global Compact and recognise the importance of collaboration to reach our ambitious goals. I would like to personally thank our customers, partners, stakeholders and Maersk's global team for making this truly the decade of action: forging sustainable, responsible supply chains to improve life for all.

**Vincent Clerc**  
CEO of A.P. Møller - Mærsk A/S



## What we depend on

### Purpose-driven people and our culture

Our talented, diverse team of 110,000+ employees.

### Our brand

For over a century, we have built partnerships with customers, enabling them to prosper by facilitating global trade.

### Stakeholder relationships and partnerships

We rely on constructive relationships with customers, suppliers, peers and authorities. See our key partnerships on p. 19.

### Natural resources

Our business relies on natural resources such as steel for vessels and oil for fuel.

### Assets and end-to-end delivery network

Our assets, supplier relationships and logistics expertise ensure resilient supply chains.

### Financial capital

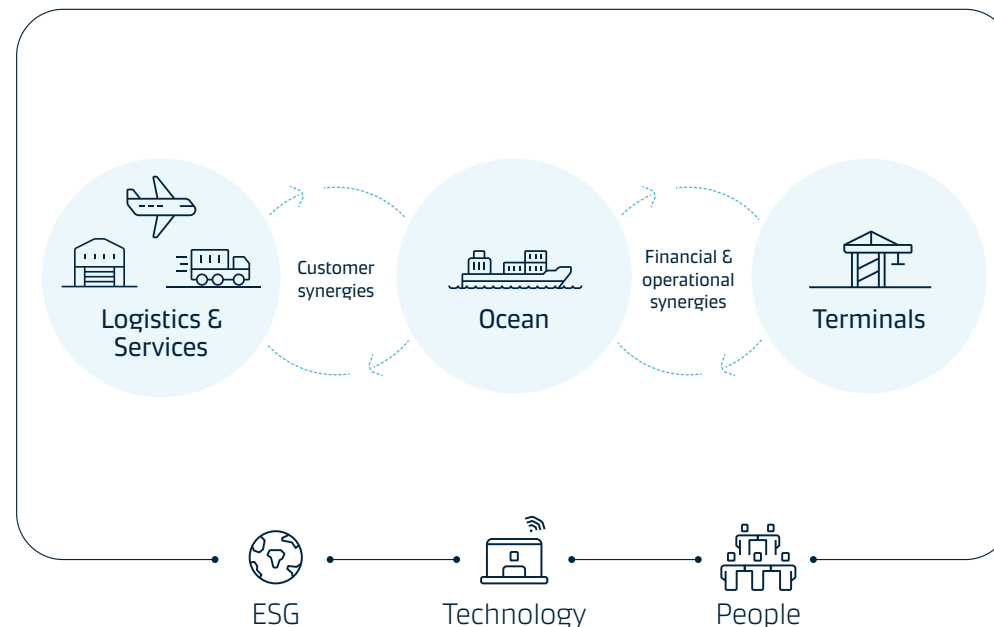
We have a strong balance sheet and are committed to remaining investment grade-rated.

### Technology and data

Technology and data are key to connecting and simplifying supply chains.

# Our business and how we create value

A.P. Moller - Maersk is a purpose-driven company and always has been. Increasing complexity in global supply chains drives the need for integrated logistics. We aim to fulfil that need by sustainably and responsibly delivering better, simpler and more reliable outcomes for our customers – **improving life for all by integrating the world.**



## Value created for

### Our customers

We aspire to provide truly integrated logistics for 100,000+ customers' supply chains. Read more on pp. 8-11.

### Our people

We keep our people safe and engaged while offering equitable and interesting career paths. Our people We keep our people safe and engaged while offering equitable and interesting career paths. Read more in the Social section on pp. 40-47.

### Society

By integrating global logistics, we improve the flow of goods and materials that sustain people, businesses and economies the world over and contribute to improved quality of life and prosperity.

### The planet

Our industry is a significant contributor to global greenhouse gas emissions, and we are committed to realising net zero supply chains by 2040. Read more on pp. 21-33.

### Shareholders

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

Driven by purpose and guided by values, we actively manage ESG risks and opportunities in global logistics supply chains

## Social

- 

**Human rights**  
Building internal capabilities and risk-based due diligence processes, ensuring a just, green transition (p. 47)
- 

**Human capital**  
Embedding new attraction, retention and development initiatives including a new performance management approach (p. 43)
- 

**Safety and security**  
Building capacity in new risk areas, frontline and leader engagement, active monitoring of security risks (p. 41)
- 

**Diversity, equity and inclusion**  
Improving gender diversity and attraction processes, focus on anti-discrimination, harassment and bullying policy (p. 44)



## Environment

- 

**Decarbonisation**  
Investments in more green methanol-enabled vessels and green fuel partnerships. Defined roadmap to 2030 targets across our business and value chain (p. 21)
- 

**Responsible ship recycling**  
Working with stakeholders on policy reforms, building capacity and shipyard safety and work conditions (p. 38)

## Governance

- 

**Sustainable procurement**  
Addressing ESG risks in our supply chains, with key focus on safety, labour and decarbonisation (p. 50)
- 

**Business ethics**  
Managing the risk of corruption in our business with strong governance, digitising controls and driving a speak-up culture (p. 49)
- 

**Citizenship**  
Supporting priority causes, including humanitarian relief in Ukraine, The Ocean Cleanup, local GoGreen initiatives (p. 54)

# The new drivers of inclusive, sustainable trade

Over the past two years, supply chains have seen unprecedented disruptions. While the worst of the pandemic-related disruptions are easing, new disruptions are coming into play, including an increase in extreme weather events and ongoing geopolitical conflicts.

Against this backdrop, some of the fundamental drivers of supply chain logistics are also changing and prompting many A.P. Moller - Maersk (Maersk) customers to rethink their supply chains.

These drivers include a slowdown in globalisation, the growing impact of technology, faster shifts in marketing channels towards customers, increased prioritisation of resilience – and not least the imperative of decarbonisation. While challenging for many Maersk customers, this rewiring of global supply chains is also an important opportunity to ensure that ESG considerations are built in and deeply embedded into tomorrow's supply chains.

A fundamental focus of our business strategy for the coming decade is to help customers through this transition, from our decarbonisation strategy to helping customers responsibly manage their supply chains and reduce the impact on society and the planet.

## Globalisation slows

2022 was a year that saw globalisation slow due to geopolitical, social and market forces. Trade policy and social attitudes are less supportive of open trade, and there is a rise in protectionism and more insular policies – especially in national security interests – as nations look to reduce dependency on global markets and vulnerable

supply chains. This was accentuated by a global energy crisis and shocks to the world's food supply chains as a direct result of Russia's war in Ukraine (see below).

Coupled with the complexity of operating global supply chains and rising emerging market labour costs, this means that more companies are rewiring supply chains from offshoring to nearshoring and from single sourcing to multi-sourcing. Maersk is helping customers through this transition, so that supply chains across air, land and sea can be sustainably operated with fewer intermediate products being traded over long distances.

While globalisation and free trade undeniably have the potential to benefit socio-economic growth and lift populations out of poverty, there is also a risk of negative social costs in many sectors from fishing, farming and food production to retail manufacturing and more. This includes risks of inequality, exploitation of workers, and human rights abuses such as forced or child labour, or unsafe working conditions. Maersk is actively working with customers, experts, policy makers and partners to develop platforms and support initiatives that can

## A values-based response to the Ukraine invasion

This year saw the outbreak of war in Europe, bringing destruction, suffering and loss of life. Considering the severity of the harm from Russia's invasion of Ukraine, and the nature of Maersk's essential logistics and infrastructure operations, we decided that it was no longer possible to conduct business responsibly in Russia. On 28 February 2022, we communicated the suspension of new bookings to and from Russia followed by Belarus, and we have since ceased all activities in both countries aside from those directly related to the closing of our operations and the sale/disposal of local assets.

Maersk's response to this crisis was driven by our Core Values – taking Constant Care of today and the future, looking after our Employees, and having the Uprightness to do the right things – and guided by our policies on human rights and responsible business practices.

Our approach to supporting Ukraine focuses on two priorities: keeping our people safe, and using the weight of our global logistics expertise to provide acute humanitarian relief.

At the start of the invasion, we created a dedicated task force to support our Ukrainian colleagues and their families, led by our Crisis Management Team and supported by regional management and local employees. Our local activities and team included ocean services to the port of Pivdennyi, an office in Odessa, and around 500 Ukrainian seafarers – half of which were at sea when the war began.

The task force supported employees and their families in evacuating Ukraine, setting up aid hubs in Romania and Poland and providing interim accommodation and financial assistance. Maersk also provided relocation help, offering employees and their families the opportunity to relocate to the country of their choice and assistance in finding new positions within Maersk.

These efforts resulted in the successful evacuation of 148 colleagues and their families. Maersk was fortunate to be in a unique position to fast-track humanitarian relief to the Ukraine. For more on how we supported these efforts, please see p. 54.

In addition to looking after our Ukraine colleagues, it has also been a priority to ensure the well-being, safety, and financial security of our approximately 500 employees in Russia upon our departure. We supported them with a formal commitment and financial security for six months, and access to mental health support through our Employee Assistance Programme.

Maersk continues to comply with all applicable international sanctions imposed on Russia and has stopped all business there and in Belarus. We continue to monitor transactions with a possible Russian or Belarus nexus to ensure compliance and to live by our values. We also provide regular and transparent public updates via our customer advisories and through media.



## Coaching women-owned SMEs to access global markets

Trade is a key driver of economic growth, new employment opportunities and better livelihoods, as also expressed in the UN Sustainable Development Goals related to growth and jobs, infrastructure, production and partnerships. To make trade more inclusive, and maximise the contributions to poverty reduction, it is vital to support small and medium-sized enterprises (SMEs) to trade, particularly women-owned SMEs. Globally, 40% of SMEs are owned by women, and the number of women-owned enterprises is increasing faster than that of male-owned ones.

Since 2018, Maersk has been a partner to the ITC SheTrades Initiative, supporting women entrepreneurs with technical assistance, online training and special discount rates to enhance trade readiness, boost supply chain solutions and unlock market access. A tailored coaching programme was launched in 2020, involving 25 women entrepreneurs receiving one-on-one coaching from employees of Twill, Maersk's digital logistics solution for SMEs. An impact survey of this programme in 2022 found that 90% of the women entrepreneurs reported improved business operations to respond to COVID-19 induced challenges, and the women also reported enhancing their exports to new international markets and creation of new jobs<sup>1</sup>.

*"Thanks to the programme, we were able to get a more global view of our project and sharpen our focus and strategy to get there. Through our coach, we are growing our business and our confidence to go into more markets and connect with allies."*

### Elizabeth Cortés Rodríguez

CREID BI: Best Ingredients – women-owned small business in Mexico

support global trade to benefit more people by becoming more sustainable and more inclusive. One example is our partnership with ITC SheTrades (see box).

### Technology still a key to visibility and optimisation

Technology is continuing to have a profound impact on the sustainability performance of global supply chains, with advances in digital platforms, cloud computing and artificial intelligence playing disruptive roles. Maersk is continuing to work with its customers to unlock the full potential of digitally enabled solutions while also leveraging data to improve environmental performance. Greater data visibility, for example, allows performance factors such as vessel routing and speed to be taken into consideration in network optimisation decisions.

In addition to enabling integrated logistics solutions, visibility has a multiplier effect on the returns of other technology investments such as predictive analytics and inventory management that stand to further sharpen supply chains and reduce greenhouse gas (GHG) emissions through efficiency gains.

### New opportunities and ESG challenges from e-commerce

The rise of e-commerce – which already gathered momentum before the pandemic – has a substantial impact on supply chains and creates new sustainability challenges. The increased use of direct-to-consumer sales channels and omnichannel (virtual and physical shops) fulfilment, coupled with fast delivery expectations, has added significant complexity to the logistics supply chain. It has also driven a rise in the use of transportation modes with a higher carbon impact, such as air freight, less-than-container-loads, and last mile trucking to accommodate more granular orders.

These changes are creating a large demand for more digitally integrated logistics offerings that ensure a smooth and optimised flow of cargo across the entire supply chain – 'from factory to sofa'. This optimisation between the physical and digital worlds can also help improve sustainability performance. Warehouses for example are frequently under-utilised outside of peak periods and can lack the best footprint to efficiently support next- or even same-day delivery expectations. By pooling warehouse capacity as part of an end-to-end logistics solution, networks can be optimised, and costs

lowered while also reducing the carbon intensity of both warehouses and last- or middle-mile delivery.

### Two key levers for reaching net zero supply chains

There are two key shifts that must take place in order to make significant progress in decarbonising the world's supply chains.

The first is that supply chains need to be engineered to be more sustainable by design – building on the momentum to be closer to consumers and making the most of technology and new, integrated solutions that reflect today's markets while also transporting goods in a sustainable way.

The second is that logistics providers need to be able to offer green, sustainable products for these redesigned supply chains – from low GHG ocean and landside transportation to smarter logistics networks and warehouses. Developing these green solutions is a critical focus for Maersk and core to helping our customers on their own decarbonisation journeys.

Maersk remains focused on deepening the strategic partnerships with its customers through this industry-wide rewiring, ensuring that supply chains provide resilience while meeting ESG standards and urgently addressing the need to combat climate change. In this report, we outline our targets and progress across all elements of this journey.

### Resilience on the rise, impacted by sustainability risks

Resilience in supply chains has become a Board-level topic for many companies, as the pandemic and climate-impacted severe weather events have caused major challenges in recent years. Broader social and environmental risks impact the resilience and sustainability of supply chains, with increasing urgency in the requirements from consumers, regulators and the finance community to ensure that supply chain design is compatible with ESG commitments.

To help meet these complexities and manage resilience risks, many customers are shifting from a solely cost-driven logistics procurement model to a strategic partnership approach; outsourcing supply chain management in part or full, or emphasising better visibility and direct supply chain control in-house. Maersk is supporting the needs of its customers through this journey, and the shift towards strategic partnerships is an opportunity to embed ESG and increase collaboration on shared sustainability commitments.

<sup>1</sup> ITC SheTrades and Twill by Maersk whitepaper (2023), Harnessing the Private Sector to foster Gender Equality

### Translating the drivers into customer value

The pressing need for resilience, combined with the aforementioned market and technology disruptors, are creating sustainability opportunities and challenges for Maersk's customers – especially given the imperative of decarbonising supply chains.

To date, 70% of our top 200 customers have set carbon goals, including science-based targets – many of which are on aggressive timelines to reach carbon neutrality by 2040 or even earlier.

To support customers in reaching these goals, Maersk is helping to decarbonise and future-proof supply chains through offering low GHG emission solutions for all transport modes. This is core to our global integrator vision and ESG strategy.

### Maersk's current logistics decarbonisation offerings

Today Maersk offers ECO Delivery for Ocean and is developing and piloting future low-carbon solutions for Air, landside transportation (across truck, barge and rail) and Contract Logistics.

Since its 2019 introduction, demand for ECO Delivery Ocean has grown by more than three times, year-on-year. The solution is being used by over 200 customers, and 35% of these are from emerging markets – affirming that decarbonisation is not only on the agenda of mature, wealthy economies.

In addition to the need for low GHG solutions, customers have a strong need for GHG emission visibility and optimisation across their logistics. Maersk's Emissions Dashboard helps our customers simplify the often-complex challenge of consolidating emissions data across all carriers and transport modes. The tool provides visibility and intelligence to help optimise emissions, for example by shifting modes of transport, while also supporting emissions reporting compliance requirements.

### Partnering and strategic advisory

An increasing number of customers need assistance to advance their sustainability agenda in logistics. Our current solutions are mostly being developed product by product. Our aim however is to offer more integrated end-to-end, low or zero-GHG emission solutions in the future in a partnership-oriented way, rather than a transactional, product-driven approach.

This also includes targeting logistics legs or facilities with the highest emissions for maximum impact.

Maersk customers are at different stages and levels of maturity in their sustainability journey (see graphic on right). We place our customers into four different categories, based on, for example, the integration of sustainability metrics into their logistics decision-making and their willingness to co-create and invest in sustainable logistics. This categorisation allows us to better understand their needs and which logistics sustainability offerings will provide the most value.

The majority of our top 200 customers are either at a basic level of defining priorities and seeking guidance (Risk Managers) or have progressed on integrating sustainability into their logistics operations (Explorers), while 20% have taken the next step to also invest into green logistics solutions (Leaders and Implementers). Generally, we see a strong upwards trend toward maturing in sustainable logistics. Our goal is to help our customers advance their agendas by moving to a more integrated and strategic approach to sustainable logistics.

At the highest level of collaboration, Maersk is working with its customers to co-innovate green solutions and create transformational partnerships with customers who are sustainability leaders within their own industries. No one company can do this alone, and such partnerships and investments are critical to the uptake, scaling and maturing of ground-breaking solutions that are urgently needed for net zero supply chains.

*"We can't do it alone. Most of our emissions are in scope 3. And of course, our suppliers are a part of this ecosystem. So it is important that all our suppliers, and in particular companies like Maersk, help us in this journey."*

**Magdi Batato**  
Executive VP & Head of Operations, Nestlé

Maersk customers share their views on the importance of sustainability collaboration.



Watch Video →

## Sustainability in logistics: Understanding our customers' journeys

### Leaders 5% of our top customers



- Visible, transformational first movers
- Strong interest in long-term partnerships and co-innovation
- High willingness to invest in long-term sustainable logistics transformation

### Implementers 15% of our top customers



- Ambitious sustainability strategy, with integrated logistics decisions
- Contribute to industry-level sustainability
- Willing to invest in sustainable logistics options

### Explorers 35% of our top customers



- Integrate sustainability into logistics decisions, with basic minimum requirements
- Engage with industry forums
- Are considering investing in sustainable logistics options

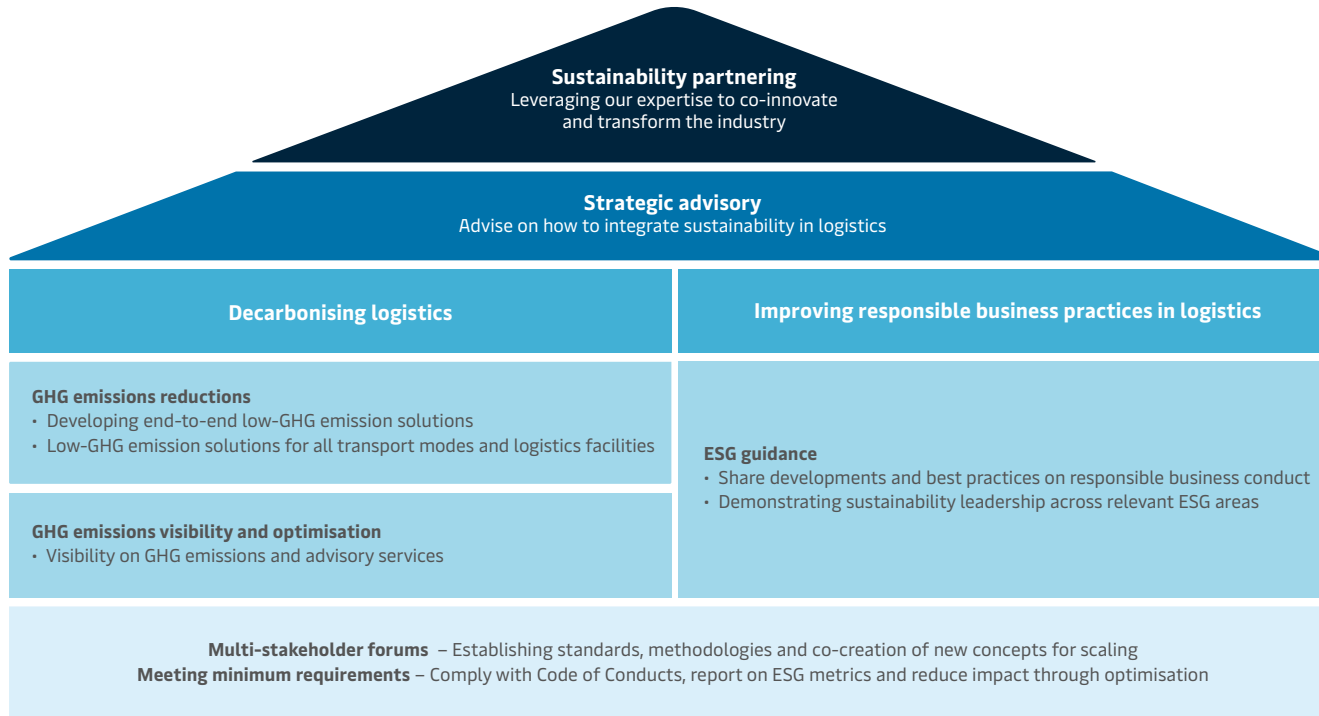
### Risk Managers 45% of our top customers



- Acknowledge importance of sustainability in logistics
- Are defining priorities and seeking suppliers
- Need guidance on sustainable logistics options to consider investing over time

## Maersk sustainability solutions

We are developing solutions based on our customers' needs, supporting their sustainability ambitions



### Engagements beyond decarbonisation

Maersk can make the largest contribution to our customers' sustainability goals through our green solutions. But sustainability goes beyond decarbonisation impacts, and Maersk works with its customers to support responsible business practices across all relevant sustainability areas.

This includes sharing best practices, cross-industry collaborations as well as insights and advisory support on material issues. One example is engaging with customers on topics like ship recycling and inviting them to join relevant initiatives such as the Ship Recycling Transparency Initiative. We also provide customers with insights into how Maersk and the wider shipping and logistics

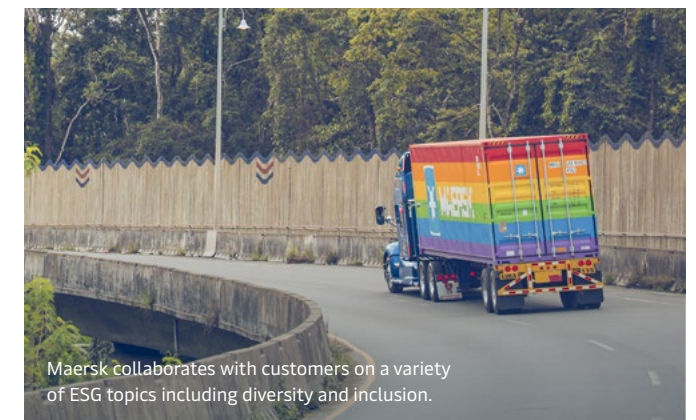
industry manages material issues such as working conditions on vessels and inland transportation.

We also work with customers to deepen broader sustainability collaboration around shared values. In 2022, for example, the Ford Motor Company of South Africa unveiled its next-generation Ford Ranger with a rainbow design coordinated with the tour of Maersk's rainbow container in South Africa, in mutual support of diversity and inclusion for all employees. The Ranger was transported with the rainbow container to each of Ford's plants – a 2200 km journey from Johannesburg to Pretoria.

### Multi-stakeholder forums

Another way to engage and collaborate with customers is through multi-stakeholder forums where best practice sharing, improvements of industry standards, and development of joint concepts are important input to the development and scaling of green solutions.

Examples include the Smart Freight Buyers Alliance (accelerating the decarbonisation of freight transportation by uniting customers and logistics providers), Clean Cargo (developing standards and best practices for tracking and reducing emissions from ocean cargo transportation), the First Movers Coalition (scaling up and commercialising green technologies), and Road Freight Zero (fast-track zero emission fleets and infrastructure).



# Strategy and governance



# ESG strategy and governance

In early 2022, A.P. Moller - Maersk (Maersk) announced a comprehensive ESG strategy along with accelerated targets to achieve net zero greenhouse gas emissions in 2040. A key focus during 2022 was to define the roadmaps and governance to realise the ambitions outlined in the updated strategy.

Building on many years of sustainability progress, the strategy charts an even more ambitious course and establishes ESG as core to our purpose, intrinsic to our strategy and operations. Working actively and strategically with all aspects of sustainability risks

and impacts is today a baseline requirement from our customers, investors, employees, regulators and broader society. The strategy encompasses all material sustainability impacts, risks and opportunities for Maersk (see below), centred around three core commitments with supporting KPIs and targets. These represent the areas where Maersk can create the most significant impact due to our company’s position, size and reach, and which are critical to the success of our Global Integrator business strategy.

Our starting point in developing the ESG strategy and defining priorities was the UN Sustainable Development Goals, ESG benchmarks, our understanding of stakeholder expectations and science-based frameworks. We reviewed the relevance of each topic for Maersk and for what we do. We considered both the risks and the opportunities we face as a company, the impact we have globally as well as the value our stakeholders have at stake.

We have determined where we want to be good, where we want to be excellent, and where we want to lead globally. In some areas

- such as decarbonisation - we leverage our unique skills, resources and strengths to move sector standards and create solutions to customer and societal pain points.

In addition to the strategic priorities and targets highlighted below, all of the 14 categories and relevant sub-categories covered by the ESG strategy have defined ambitions, KPIs and metrics which we use to track progress internally, and report on externally (see the relevant sections of this report). As external expectations on ESG issues continuously evolve, and as our efforts progress, our priorities, target-setting and reporting will also continue to evolve and mature.

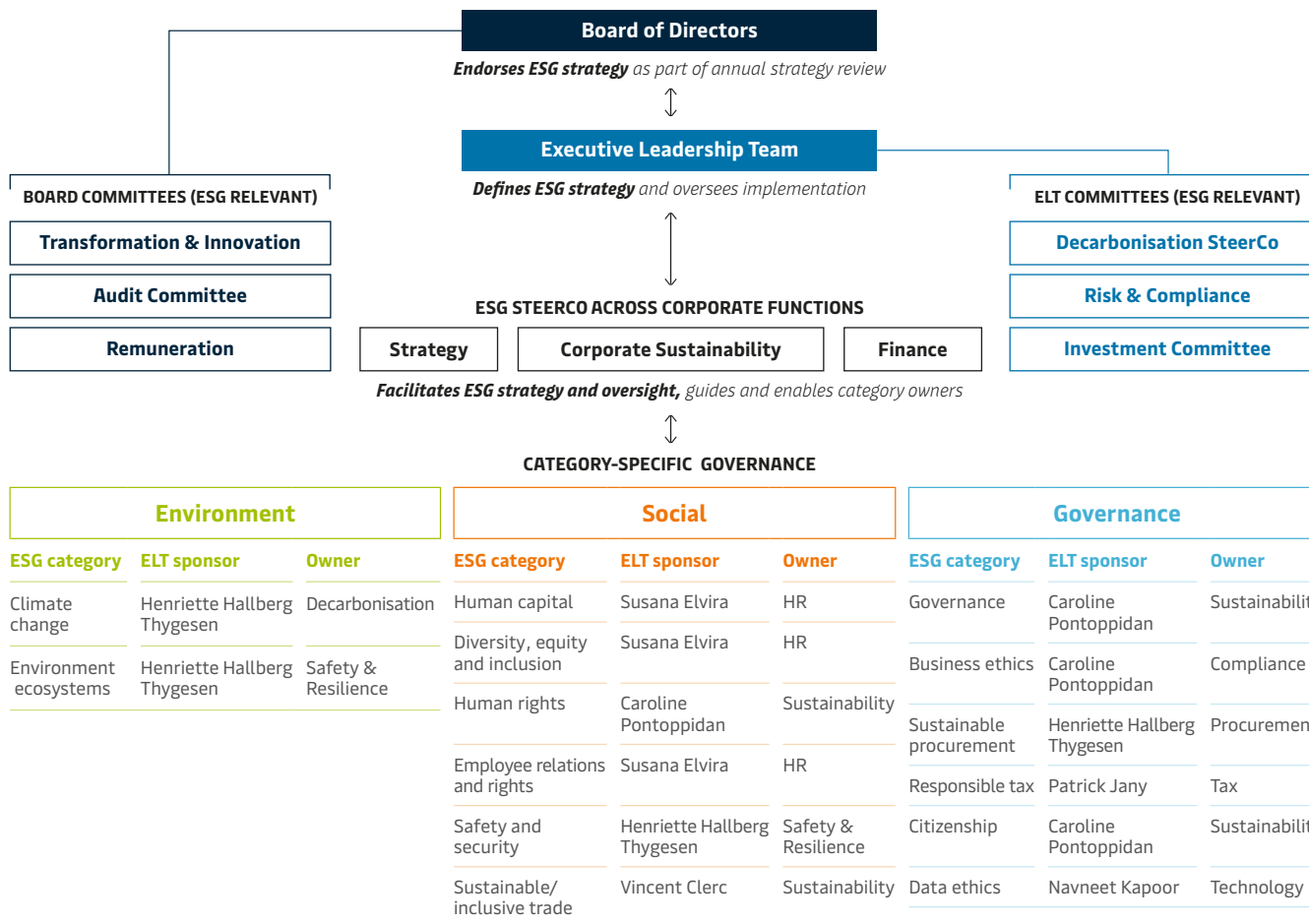
During 2022, a major focus has been on ensuring strong governance across and within each ESG category to align and drive progress on the strategic priorities, as well as on mapping and improving our end-to-end reporting processes for the new ESG KPIs included in the performance data table and covered by external assurance (see pp. 58-63).

## Maersk’s ESG strategy

	 <b>Environment</b>	 <b>Social</b>	 <b>Governance</b>
<b>Commitments</b>	<b>We will take leadership in the decarbonisation of logistics</b>	<b>We will ensure that our people thrive at work by providing a safe and inspiring workplace</b>	
	We will deliver on our customer commitment to decarbonise their supply chains in time and our societal commitment to act and have impact in this decade	We create an engaging environment for all colleagues	We facilitate diversity of thought
		We ensure everyone gets home safe by preventing fatal and life-altering incidents	
<b>Strategic targets</b> <i>All targets are for end of year</i>	<b>2040:</b> <ul style="list-style-type: none"> <li>Net zero across the business</li> <li>100% green solutions to customers</li> </ul> <b>2030:</b> <ul style="list-style-type: none"> <li>Aligned with the Science Based Targets initiative 1.5°C pathway</li> <li>Industry-leading green customer offerings across the supply chain</li> </ul>	<b>2025:</b> Employee Engagement Survey score in the top quartile of global norm	<b>2025:</b> >40% women in management and leadership >30% diverse nationality (non-OECD) of executives
		<b>2023:</b> 100% of Learning Teams completed following a High Potential Incident	<b>2023:</b> Global Leadership (Top 1,200) upskilled in Maersk safety and security principles
<b>Overview of all ESG categories</b>	<b>Climate change</b> <b>Environment and ecosystems (incl. ship recycling)</b>	<b>Employee relations and labour rights</b> – <b>Safety and security</b> – <b>Human capital</b> <b>Sustainable and inclusive trade</b> – <b>Diversity, equity and inclusion</b> – <b>Human rights</b>	
		<b>Business ethics</b> – <b>Governance</b> – <b>Responsible tax</b> <b>Sustainable procurement</b> – <b>Data ethics</b> – <b>Citizenship</b>	

\*In scope (see accounting policies, p. 64)

## Governance of ESG in A.P. Moller - Maersk in 2022<sup>2</sup>



### How the ESG strategy is governed

As illustrated in the governance model on this page, responsibility is ultimately anchored with the company's Board of Directors who endorse the overall ESG strategy and approve major investments such as the green methanol-enabled vessels. The Audit Committee takes an active role to ensure oversight of key ESG risks, and during 2022 has received regular updates on sustainability and ESG reporting process development. Furthermore, the Remuneration Committee in 2022 had particular focus on ESG-linked executive remuneration KPIs and targets: Starting in 2023, executive compensation will be directly tied to the outcomes on selected ESG targets (decarbonisation, safety and diversity) through the Long Term Incentive programme. Further details will be communicated during 2023.

All of the 14 ESG categories are owned and led by a member of the Executive Leadership Team (ELT) who drives the initiatives forward and is responsible towards the full executive team and the Board of Directors for delivering the intended outcomes. Quarterly updates on ESG strategy progress across all categories are provided to the ELT to facilitate oversight and support decision-making on strategic dilemmas and risks.

Two ELT-level committees have particular responsibility for ESG categories: The Decarbonisation SteerCo, chaired by Henriette Thygesen, is a forum for strategic discussion and decision making on behalf of the ELT on matters related to the decarbonisation strategy. In 2022, this included approval of the updated 2030 decarbonisation roadmap as outlined in the Climate Change chapter.

The Risk and Compliance Committee, chaired by Caroline Pontoppidan, has oversight of key risk and compliance processes and topics across Maersk, including the Commit governance framework and enterprise risk management. ESG topics are addressed as part of these processes, and through annual updates on key topic areas including human rights, sustainable procurement, labour rights and sustainability reporting.

The ESG SteerCo is a central committee to oversee ESG governance, performance management and external reporting. With Caroline Pontoppidan as ELT member presiding and senior participants across Strategy, Sustainability, Finance and Decarbonisation, this SteerCo guides and facilitates review

## The three key elements of Commit – Maersk's internal governance framework

Our guiding **Core Values**, which have been shaped and strengthened since our foundation in 1904. In 2022, we revitalised our Core Values to ensure they were consistently interpreted, easy to apply, and had a strong connection to our Purpose.

The **Code of Conduct** sets global standards for how we engage with colleagues, customers, suppliers, communities, authorities and other stakeholders. The Code of Conduct was updated in 2022 to align with our Purpose and ESG strategy.

The governance framework includes 21 **Rules of business ethics, governance and authority**, which are detailed internal instructions for all employees covering high-risk areas, and subject to internal controls and an annual internal assurance process.

<sup>2</sup> From 2023, ESG governance will change in alignment with changes in Maersk's executive leadership team



← Maersk used employee insights and feedback from across the organisation to revitalise its guiding Core Values in 2022.

of ESG strategy and governance and enables oversight of significant regulatory developments and trends across the ESG agenda.

Many of the ESG categories have furthermore established cross-functional SteerCos or advisory groups to facilitate progress oversight, ensure that relevant functional and business areas are looped into strategic decisions' and support on implementation. Examples include:

- The Decarbonisation Advisory Group (DAG): 17 members across functions meet quarterly to coordinate and prepare topics for decision by the Decarbonisation SteerCo. In 2022, the DAG advised on topics such as an updated Ocean decarbonisation roadmap, Maersk's position and planning for the IMO 2023 CII regulation, and an updated commercial value proposition model.
- The Sustainable Procurement SteerCo has 12 members across functions. It meets quarterly to review and support on programme progress. In 2022, this SteerCo reviewed the category roadmap and implementation plans, and discussed, among other topics, how to ensure that sustainable procurement processes meet business growth plans and are aligned with upcoming regulation.

- The Safety & Resilience Management Board is chaired by an ELT member and oversees progress and challenges across safety and resilience programme areas.
- The Health, Safety, Security and Environment (HSSE) Leaders Forum gathers HSSE leads across business units and brands to ensure coordination and practice sharing. This Forum ensures that Commit assurance is performed for the Commit rules related to HSSE.
- The Labour Relations Council supports the implementation of, and compliance with, the Global Employee Relations Commit Rule across Maersk businesses. It functions as an escalation body on issues related to labour rights and employee relations and recommends solutions for management decision-making.

**ESG in the central corporate governance framework: Commit**

As a company, Maersk ensures internal governance to provide our employees with direction and guidance on how we work and achieve our main objectives. This is set out in the Maersk Values, Code of Conduct and Maersk Rules which are all part of the Maersk governance framework called Commit. ESG topics related to compliance and responsible business practices are integrated into Commit through the Code of Conduct and Commit Rules on

HSSE, Global Employee Relations, Anti-Corruption, Sustainable Procurement, and Data Privacy & Data Ethics. Each rule has a designated owner in the organisation who is responsible for compliance. Executive oversight of compliance with Commit is managed through an annual internal assurance process, anchored with the Risk and Compliance Committee.

**Responsible inorganic growth**

Acquisitions are a key part of Maersk's Global Integrator vision, especially as we add capacity and expertise in areas like contract logistics and e-commerce to our global portfolio and local coverage. In 2022, Maersk acquired four companies with a total of over 14,000 employees. As part of our accounting policies we do not include ESG data from new entities until the year following closing of the acquisition (see further details on p. 64), allowing time to ensure robust reporting processes are in place.

To ensure that all inorganic growth targets are aligned with our own ESG strategy and commitments, we have during 2022 worked to strengthen due diligence processes by incorporating ESG risk assessment more systematically into the M&A process. This includes robust assessments of historic and current ESG performance and risks across a broad range of topics, from corruption to human rights and environmental impacts, among others.



In 2022, joint leadership teams conducted regional road shows to welcome LF Logistics employees to Maersk.

### Speaking up at Maersk

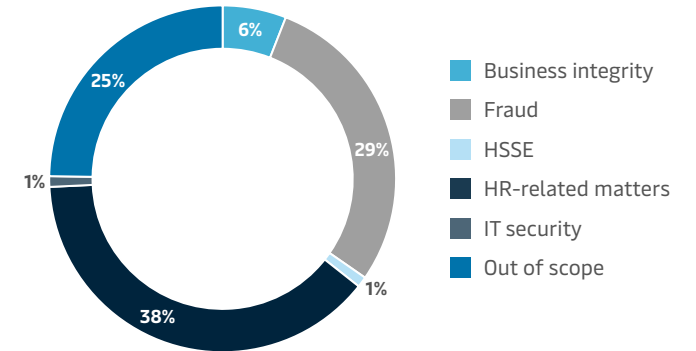
A key process anchored in the Commit framework is Maersk’s whistleblower programme which aims to create a safe and secure environment for anyone to speak up and report violations without fear of retaliation. This is supported by effective investigations led by independent and impartial investigators, and by ensuring management takes appropriate action to address violations and implement controls to avoid repetition.

Maersk fosters a speak-up culture and welcomes hearing from anyone – whether they are employed by Maersk or not – to raise questions and concerns. There are multiple ways to speak up: Employees can speak to their direct manager or any member of the Maersk management, contact specialised functions like Compliance, HR or the Ombuds function, or report via the Maersk Whistleblower system. Anyone can report anonymously through phone or internet on the whistleblower hotline, which is available in multiple languages.

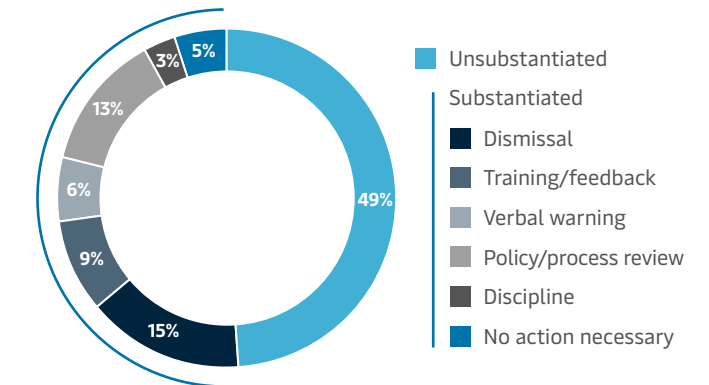
In 2022, we received 735 reports in the whistleblower system, which is higher than 634 reports received in 2021. We see the increase in reports as a positive sign that employees and partners are aware of the whistleblower system and are comfortable speaking up. 90% of the reports received in 2022 have been closed.

In 2022, the update of the Maersk Code of Conduct included the roll-out of a non-retaliation policy confirming our zero-tolerance approach to any form of retaliation against employees making a report in good faith or cooperating in a whistleblower investigation. The roll-out was supported by a global campaign focusing on the importance of speaking up and the measures we take as a company to ensure employees feel empowered to raise concerns with confidence. We also focused on upskilling and training of our investigators to strengthen the way we manage whistleblower reports.

### Whistleblower reports received per topic area in 2022



### Report outcomes and actions among closed whistleblower reports in 2022



If you see something,  
say something

Maersk offers a Global Reporting System to raise concerns confidentially

[www.maersk.ethicspoint.com](http://www.maersk.ethicspoint.com)



A 2022 whistleblower campaign helped employees feel safe and empowered to speak up.



# Materiality and stakeholder engagement

Our strategy and prioritisation of ESG topics is based on analysis applying the principle of double materiality, incorporating key standards, reporting and science-based frameworks as well as input from stakeholder engagement. In this way, we are able to determine, act and report on those issues where A.P. Moller - Maersk (Maersk) has significant impact on society or the environment, and where issues may pose significant risk or opportunity to our business. See our materiality model and assessment on p. 18.

Five stakeholder groups are prioritised when establishing our material ESG issues: customers, employees, investors, authorities and civil society. Experts across Maersk regularly engage with these groups bilaterally and in multistakeholder collaborations,

and feedback is incorporated in the identification of material issues and action plans. See p. 19 for more on stakeholder engagement activities in 2022.

## Materiality developments in 2022

In 2022 we did not add new issues to our materiality assessment but saw further strengthening of the trends and expectations underlying our 2021 assessment and ESG strategy.

Our assessment is guided by the most important global sustainability and ESG frameworks, including TCFD, SASB, GRI and the UN Sustainable Development Goals. 2022 saw major advances in the development of international sustainability reporting standards, most significantly for Maersk the EU Corporate Sustainability Reporting Directive, supported by the European Sustainability Reporting Standards which we will be required to report towards from FY 2024. We fully support the harmonisation of reporting standards, and have contributed in expert groups and dialogues with feedback to the development of both the EU standards and those of the International Sustainability Standards Board (ISSB) which, over time, will be the global baseline for ESG reporting.






Our assessment also draws on ESG ratings which are highly recognised by our customers and investors and align with our priorities,

in particular EcoVadis and CDP. Other ratings and benchmarks which are viewed as important to support our ESG leadership proposition include MSCI, Sustainalytics, Climate Action 100+ Net Zero Benchmark, and Corporate Human Rights Benchmark.

Reflecting the priorities in our ESG strategy, this year we are reporting on 13 new ESG KPIs (see the ESG performance data, pp. 58-63). A process of close engagement throughout the year with ESG category and KPI owners has aimed to improve data quality and establish a robust internal controls framework in relation to our ESG data reporting. As our ESG strategy and reporting environment matures, it is expected that our level of disclosure will continue to increase in line with the future sustainability reporting requirements.

ESG risks to our business are captured through our enterprise risk management process, which assesses top risks to achieving our business plan within a 5-year horizon (see the risk section of the Annual Report). Three ESG issues are assessed as among our top 10 ERM risks this year. These are human capital (inability to attract and scale the right workforce matching business demand), climate change (failure to decarbonise our end-to-end supply chain at a speed that matches our customers' and investors' expectations), and business ethics (being involved in a large compliance case).

## Engaging with key stakeholder groups

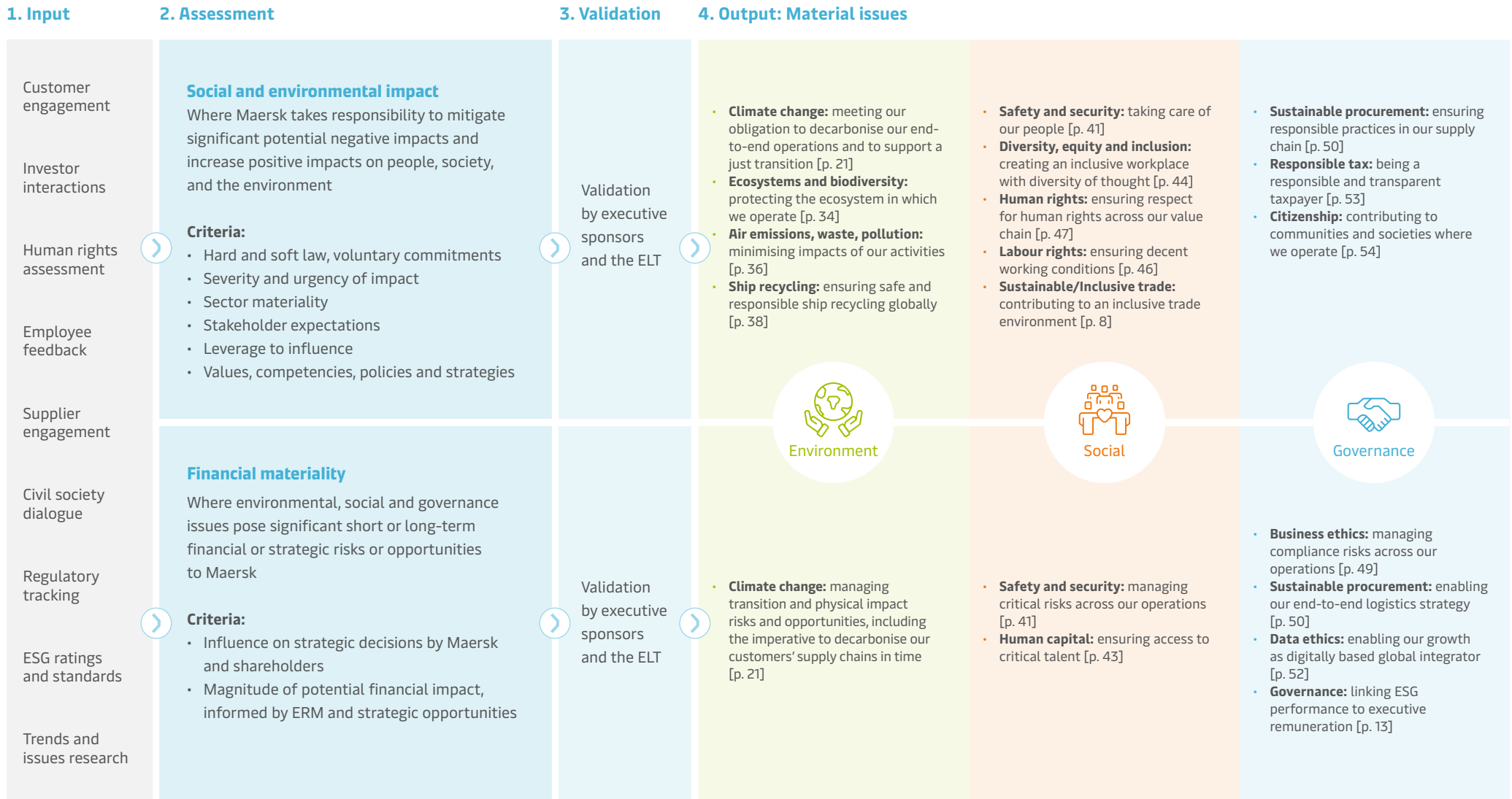
Stakeholder group	Stakeholder expectations	Engagement channels
 <b>Customers</b>	Solutions that ensure responsible business practices and net zero emissions in their supply chains	Regular business dialogue – ESG criteria in tender processes – Strategic Customer Council – Partnerships and collective action alliances
 <b>Employees</b>	Meaningful work, fair treatment and wages, a sense of belonging for all, and good development opportunities	Daily interactions between managers and colleagues – Engagement surveys – Inclusion survey
 <b>Investors</b>	Strategies and plans to mitigate short and long-term risk to the business model	Regular engagement with Investors and analysts – Investor roadshows and ESG investor calls – Investor surveys – ESG Day and Capital Markets Day – Collective action alliances
 <b>Authorities</b>	Compliance with regulation and industry leadership on transformation to net zero	Bilateral engagement with local, national, and international agencies and authorities – Engagement through industry associations – Collective action alliances
 <b>Civil society</b>	Industry leadership and accountability on sustainability topics where Maersk is perceived to have impact and leverage	Bilateral engagement – Collective action alliances and partnerships



In October 2022, Maersk and Global Compact Network Denmark co-hosted Sanda Ojiambo, Assistant Secretary General and CEO of United Nations Global Compact together with a group of executives from Danish companies, to discuss accelerating the green transition.

## Materiality assessment

Maersk assesses ESG topics through the lens of double materiality, applying both social, environmental and financial criteria across the four steps outlined below. This includes identifying the universe of sustainability issues, determining materiality based on specific criteria, validation by management, and finally identifying the ESG topics that are material to Maersk. Read more about each issue in the relevant sections of this report.



### Key engagements in 2022

Active engagement with key stakeholders is core to our ESG strategy and approach in Maersk. Stakeholder engagement informs our understanding of material issues and underpins the development of solutions and initiatives in our roadmap to deliver on ESG commitments and KPIs. On human rights issues, ongoing engagement with civil society and rightsholders is important for informing our approach, and we engage with rightsholders and their representatives including unions and local communities. Our approach to engaging with and creating value for customers is detailed on pp. 10-11.

Substantial progress was achieved in 2022 on the regulatory front, where Maersk was actively involved in the discussions on key decarbonisation regulation for our sector both at IMO and EU levels. See pp. 30-31 for more details on these measures. Other topics on our EU agenda have been the EU Taxonomy for sustainable activities,

environmental issues including air pollution and matters related to ship recycling, as well as corporate sustainability reporting and due diligence regulation.

Maersk engaged actively at executive level with high-level government representatives, customers, international and civil society organisations on global challenges of climate change, ocean health and just transition at key global summits in 2022, including COP27, UN Oceans and the One Ocean summit.

We engage in additional bilateral dialogue with NGOs to gain insight into particular topics of concern, explain positions and explore opportunities for further collaboration. In 2022, key topics discussed included biodiversity and transport of plastic waste.

We engage regularly with investors on ESG topics, including the Climate Action 100+ network. In November 2022, we held our first virtual Investor ESG Day, where Maersk executives unfolded our ESG strategy and roadmap for decarbonisation, and participated in a Q&A

with the audience. Key topics of interest included our strategy for green fuels, climate risks to our business, and biodiversity impacts.

The bi-annual employee engagement survey gives insights into employee expectations (read more on p. 43). Employees are engaged in our ESG agenda in multiple ways – as direct contributors to the development of decarbonisation solutions, participating in training initiatives across ESG topics, and by volunteering for local events in communities such as our Go Green week (see p. 54).

Across the ESG agenda, we are actively engaged in cross-industry partnerships and coalitions to set standards, develop solutions and drive common agendas. See an overview below.

We also engage with regulators through memberships in industry associations such as World Shipping Council, Danish Shipping, BIMCO and the Confederation of Danish Industries. For more detail on Maersk's advocacy and lobbying related to climate change and ESG issues, including our positions on key topics, please see [maersk.com/sustainability/our-approach](https://www.maersk.com/sustainability/our-approach).

### Key partnerships and coalitions



### Broad partnerships supporting EU Emissions Trading System progress

The inclusion of shipping into the EU Emissions Trading System (ETS) spurred continuous debate in 2022 and created a very crowded regulatory space where opinions differed widely across the sector. Regulators in Brussels were left with the difficult task of assessing and evaluating which input warranted real attention, and which positions were unhelpful to the goal of decarbonising shipping.

In this context, Maersk strongly advocated for the inclusion of life cycle considerations in the final ETS text. New shipping fuels such as methanol or ammonia can be produced sustainably, or from fossil energy. While both production pathways lead to the same product, the impact on the climate differs dramatically. Including a life cycle assessment (LCA) approach in the ETS encourages the use of green fuels and puts an accurate price on new types of fossil fuels. In 2022, Maersk partnered with the Methanol Institute, the World Shipping Council, the Renewable Hydrogen Coalition and the national shipowners' associations of Denmark, Sweden and the Netherlands to issue a joint call for the inclusion of LCAs in the EU ETS. Regulators heard and listened to these combined voices, with the result being a direct reference to LCAs in the legislation and a commitment to work on their development and refinement within the EU ETS.

# Environment

A. P. Moller - Maersk is taking a leading role in decarbonising logistics, both in our own operations and in providing green solutions to help our customers reach their ambitious climate goals. Learn more about how we are making this the decade of action to get to net zero by 2040 and minimise our impact on the natural environment.

- Climate change
- Environment and ecosystems
- Responsible ship recycling

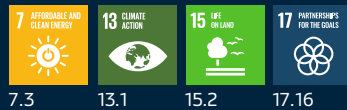


In 2022, Maersk ordered more than 400 battery-electric trucks in North America for short-haul warehouse and distribution centre operations.

## Why it matters

The world is facing a climate emergency. We see it as our obligation – as an industry leader and with the resources available to us – to do all we can to get to net zero operations as fast as possible and to help our customers decarbonise their global supply chains end to end.

## UN SDGs



## Ambition

We will deliver an emergency response to the climate crisis and take leadership in the transformation of the transport and logistics sector to net zero operations.

## Targets

### 2040

- Net zero across our business and 100% green solutions to customers

### 2030

- Aligned with a Science Based Targets initiative 1.5-degree pathway
- Industry-leading green customer offerings across the supply chain

Progress indicator

# Climate change

In 2022, our climate provided the starkest warnings yet about the importance of acting with urgency to address greenhouse gas (GHG) emissions before we as a global community overshoot the 1.5°C pathway. From record heatwaves in Europe and the Middle East, flooding that left one third of Pakistan under water, extreme rainfall and floodings in West and Central Africa, drought in China to severe storms and wildfires in the Americas - no region was untouched. As a key player in an industry responsible for 3.5 billion tonnes of annual direct emissions, A.P. Moller - Maersk (Maersk) is committed to leading the decarbonisation of logistics and taking responsibility to be part of the solution, enabling a green and just transition.

In early 2022, we announced the ambitious goal of advancing the target year for our commitment to reach net zero emissions by a full decade, to 2040. This applies to our own operations, but – even more importantly – covers all three emission scopes and supports our customers' own climate commitments.

2022 was all about defining and clarifying the roadmap to make this challenging, but achievable vision a reality. We have defined key milestones in our operations and customer offerings needed by 2030



Maersk has ordered a total of 19 dual-fuel methanol engine vessels.

to make sure the journey is on track (see our targets on the following page). These targets drive and inform decisions Maersk makes today. Activities are progressing at full speed, but in different phases across our businesses, as detailed on the following pages covering our Ocean, Logistics & Services, Terminals and strategic brands.

A positive external development in 2022 was the launch in December of the long-awaited Science Based Targets initiative (SBTi) guidance for the maritime transport sector. Maersk was part of the technical working group consulting on the methodology and based on our insights into the draft, we expect that our current targets are in line with the SBTi goal of staying on a 1.5°C pathway. We aim to submit our company-wide targets for validation with the SBTi during 2023.

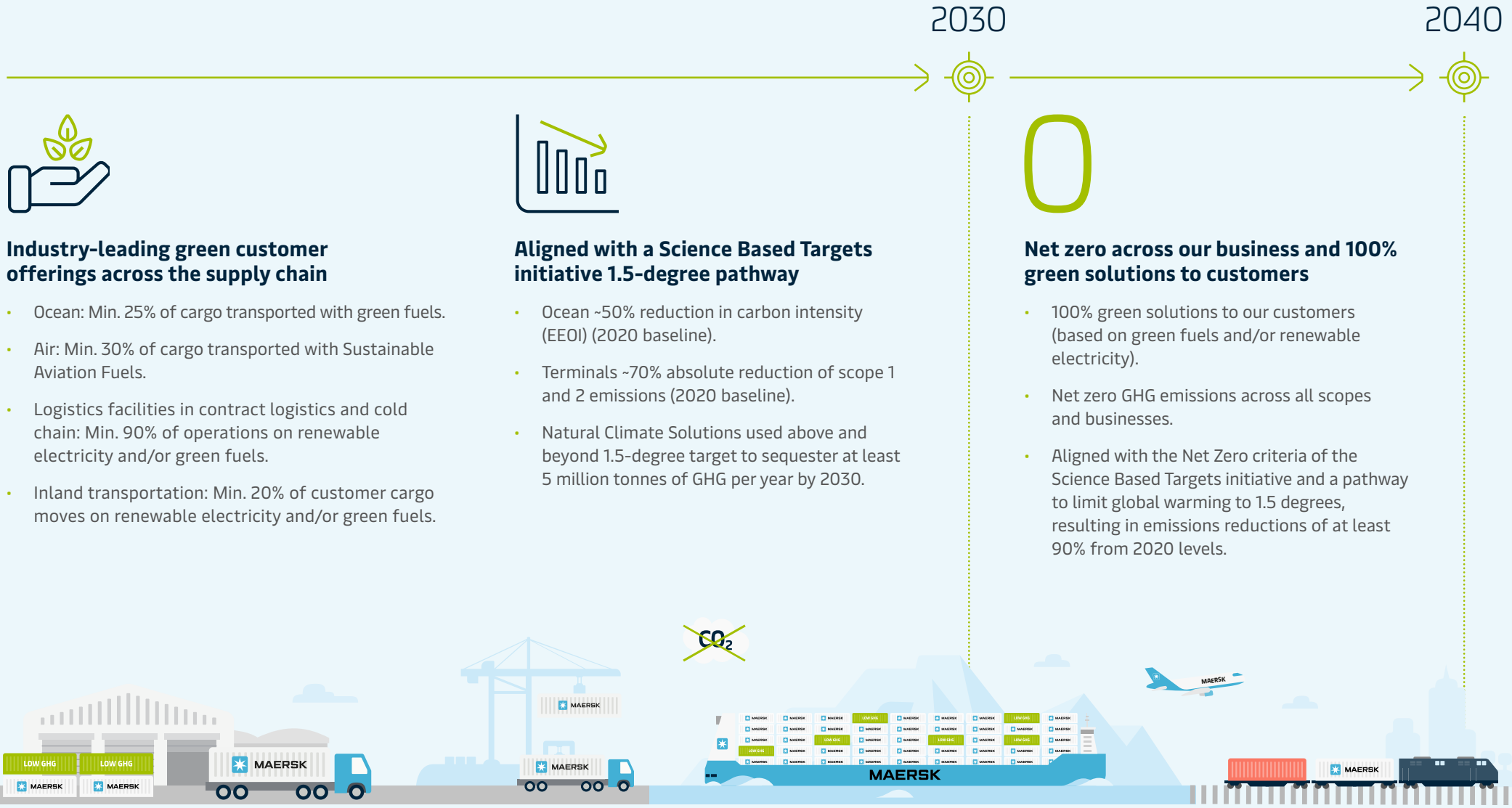
Despite strong momentum and commitments across sectors, significant challenges still risk holding back decarbonisation in shipping and logistics – from limited policy consensus and lack of a level global playing field to uncertainties in the IMO negotiations over critical regulatory topics.

Maersk's position is that we cannot allow these challenges to stand in the way of meaningful progress - that we cannot wait for a convenient or perfect time to tackle the climate emergency. Therefore, we are taking an approach of implementing while we are innovating, doubling down on working solutions such as green methanol powered vessels that we can implement today while we continue developing and scaling tomorrow's solutions. Reaching our 2040 ambition will be extremely challenging, but we believe it can – and must – be done.

## Natural Climate Solutions (NCS)

As part of our commitment to net zero and positive environmental contributions, Maersk is working with external partners to establish a portfolio of third-party-certified NCS projects. NCS covers nature-based conservation, restoration and improved land management actions that increase carbon storage and/or avoid GHG emissions, while typically also providing benefits to local communities and ecosystem biodiversity beyond direct emission reductions. This is in line with the Science Based Targets initiative Net Zero criteria, which recommends that companies compensate for emissions above and beyond abatement targets to deliver net zero. More details on NCS progress will be shared in 2023.

# Maersk's commitments to decarbonise logistics



## Industry-leading green customer offerings across the supply chain

- Ocean: Min. 25% of cargo transported with green fuels.
- Air: Min. 30% of cargo transported with Sustainable Aviation Fuels.
- Logistics facilities in contract logistics and cold chain: Min. 90% of operations on renewable electricity and/or green fuels.
- Inland transportation: Min. 20% of customer cargo moves on renewable electricity and/or green fuels.



## Aligned with a Science Based Targets initiative 1.5-degree pathway

- Ocean ~50% reduction in carbon intensity (EEOI) (2020 baseline).
- Terminals ~70% absolute reduction of scope 1 and 2 emissions (2020 baseline).
- Natural Climate Solutions used above and beyond 1.5-degree target to sequester at least 5 million tonnes of GHG per year by 2030.

2030



## Net zero across our business and 100% green solutions to customers

- 100% green solutions to our customers (based on green fuels and/or renewable electricity).
- Net zero GHG emissions across all scopes and businesses.
- Aligned with the Net Zero criteria of the Science Based Targets initiative and a pathway to limit global warming to 1.5 degrees, resulting in emissions reductions of at least 90% from 2020 levels.

2040



Note: Green is defined as fuels or energy that have low or very low GHG emissions on a life cycle basis. For details, see p. 28

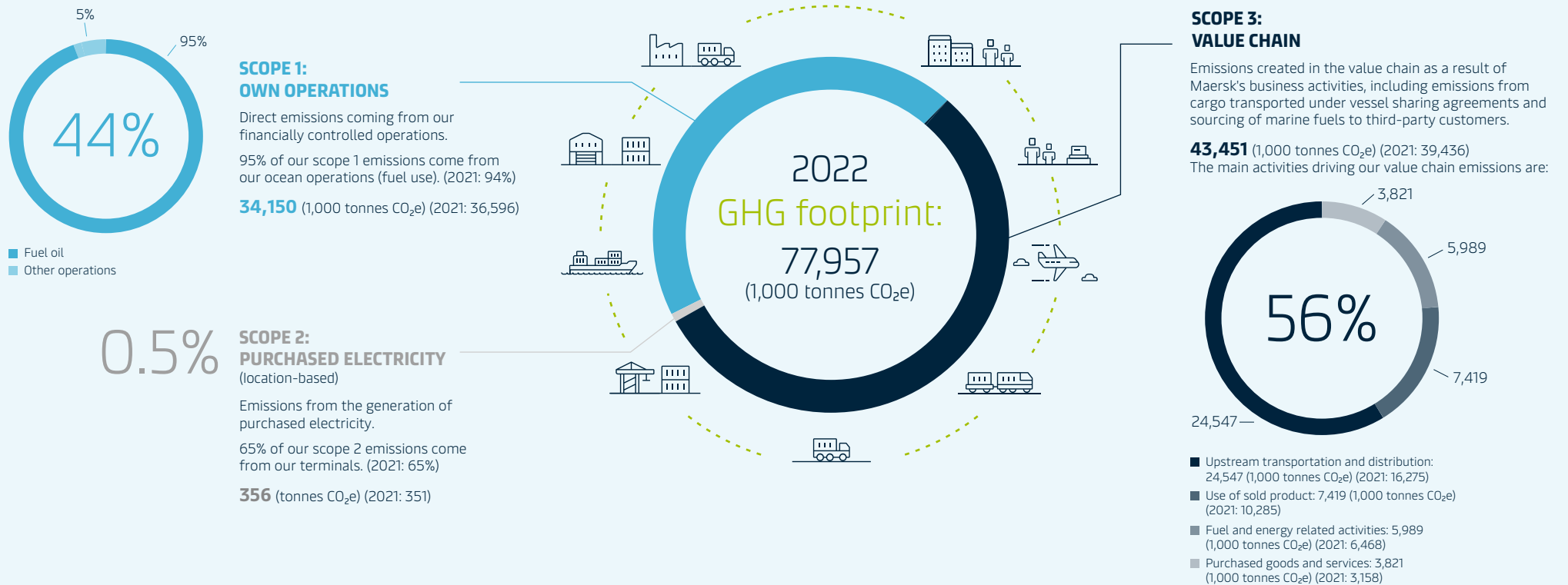
# Maersk's GHG emissions footprint for 2022

In 2022, we improved our methodologies for scope 3 calculations, allowing us to report more precise figures which increase the total emissions reported. As a result, our scope 3 emissions exceed scope 1 emissions and we have restated previous year's figures in line with our updated methodology. The sourcing, trading and use of marine fuels remains the primary source of GHG emissions across scopes for Maersk.

The fuels impact both our scope 1 and scope 3 emissions, and part of the improvement is a better way of calculating upstream emissions related to fuel production based on the FuelEU maritime standard. Other key changes include how we report emissions from Vessel Sharing Agreements, now based on the number of containers per trade lane, rather than previously using a spend-based method, and

for use of sold products, we developed a method to calculate emissions from external sales of Maersk Container Industry reefer containers.

Scope 3 calculations remain an evolving science, and our footprint will continue to evolve with more accurate data, and due to acquisitions and changes in our business.



See the detailed overview of Maersk's GHG footprint 2022, incl. the breakdown of data across all of the 11 GHG categories applicable to Maersk in the ESG Factbook, which can be downloaded from [www.maersk.com](http://www.maersk.com)

### Executing on our roadmap to decarbonise Ocean

In the Ocean business, which is our single largest source of direct GHG emissions, there are two overall decarbonisation levers: improving fuel efficiency and transitioning to green fuels.

Improving fuel efficiency is an area Maersk knows well, and it is how we reduced our carbon intensity by close to 40% between 2008 and 2022. It includes fleet and network optimisation, e.g., by relying on more efficient, larger vessels, and improving network execution such as port productivity and reducing vessel waiting times.

2022 proved to be another challenging year for the industry as a whole to implement efficiency measures due to ongoing post-pandemic port congestions and capacity shortages, and our efficiency performance for the year was below expectations (see chart p. 25). Despite a reduction in fuel consumption, carbon intensity (EEOI) increased by 1% in 2022. Maersk is, however, optimistic that these systemic issues are resolving, and we will be able to bring efficiency gains back with strong momentum in 2023.

We are also looking at retrofitting solutions, such as bow and propulsion modifications, which serve to improve both the energy efficiency and the GHG emissions of the vessels. This includes chartered vessels, accounting for around half of Maersk's annual tonnage. Many charter vessel owners are increasingly open to retrofit investments as part of their own sustainability ambitions, and in 2022 Maersk held workshops covering around half of its 400+ time-chartered fleet. Implementation is underway on around 40 vessels. Technology is also providing opportunities to share operating and emissions performance data with charter owners, leading to greater efficiency gains.

Energy efficiency improvements will continue to help Maersk reduce GHG emissions, but they will not take us all the way to our ambitious net zero target by 2040. Success will ultimately depend on a transition to green fuels.

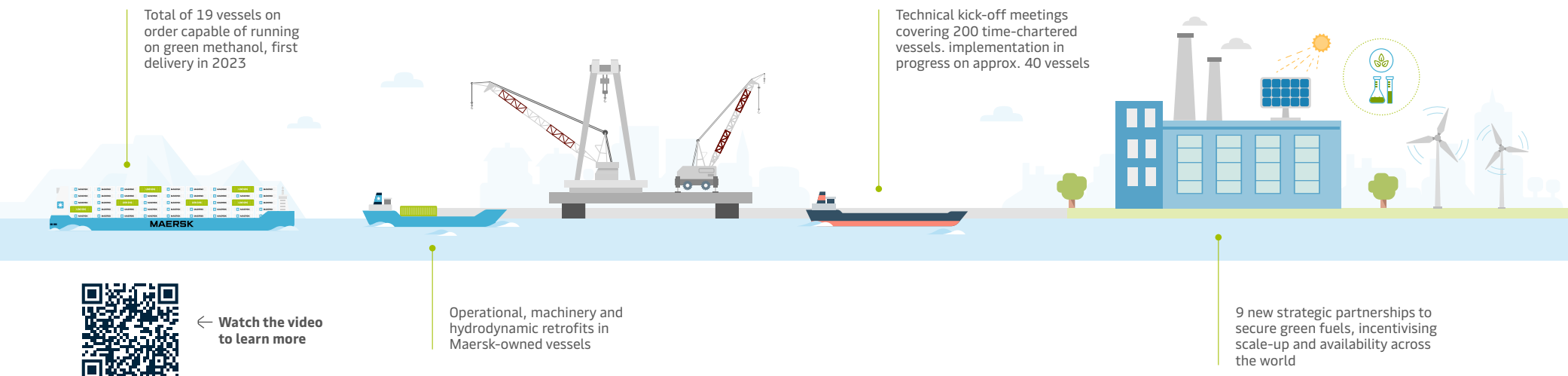
From a vessel capacity perspective, we will be able to achieve our goals through natural fleet renewal and all newbuilt vessels will

be able to run on green fuels. Like our efficiency measures, there are also opportunities to make the green transition through vessel conversions (e.g. converting existing ship engines to run on green fuels), and through use of charter vessels that can run on green fuels.

Maersk was the first container shipping company to order green methanol-enabled vessels in 2021, with the firm intention to show the industry that demand is there for green marine fuels and incentivise the scale-up of production capacity. In 2022, Maersk ordered an additional six large ocean-going vessels that can sail on green methanol, bringing the total number of dual-fuel methanol engine vessels in our order books to 19. The first vessel, scheduled for delivery in 2023, is a feeder vessel with 1,900 TEU capacity. The large ocean-going vessels of 16,000-17,000 TEU capacity are scheduled for delivery in 2024 and 2025.

During 2022, there has been a positive development with several industry peers joining in and also announcing orders for methanol-enabled vessels.

## Decarbonisation of Maersk's Ocean business: Highlights 2022





### Sourcing green fuels at scale

Securing the availability of green fuels at scale is the largest challenge to our decarbonisation ambitions, and we are actively leveraging our buying power to accelerate the development of the green fuel market. Through nine newly announced strategic partnerships this year (see table at right), Maersk has been able to sign Memorandums of Understanding that lay the groundwork for our mission to secure ~5 million tonnes of green methanol by 2030 – an extraordinary achievement together with our partners considering the market for these fuels has only existed for a few years. Such partnerships are critical to scaling up new fuels in terms of production capacity, technology and business model innovation, and we are evaluating over 30 additional partner and investment opportunities to further drive the green fuel transition.

Maersk is also working with governments that are willing to drive innovation and scale through incentives and policy. In March, Maersk signed a partnership with Egyptian authorities to explore the establishment of large-scale green fuel production in Egypt through a feasibility study on hydrogen and green marine fuel production, powered by renewable electricity. In November, Maersk and the

Spanish government signed a General Protocol for Collaboration to explore opportunities for large-scale green fuels production in Spain. Covering the full value chain, from renewable electricity sources to bunkering of vessels, the project could deliver up to 2 million tonnes of green fuels annually.

Maersk views methanol as the only scalable green fuel option this decade. It will, however, take time to reach sufficient scale to cover the demand, so an alternative 'drop in' fuel is necessary to fill the gap. Maersk's ECO Delivery Ocean product, which provides independently certified emissions savings, is currently based on biodiesel (see table below).

In 2022, the share of freight transported with green fuels in Ocean was 2%, and over 200 customers are currently testing the product. 35% of Maersk's ECO Delivery volume comes from regions outside Europe and North America, a promising sign that climate change is not only on the agenda of more mature markets.

Although many Maersk customers are willing to pay a premium for green solutions, price predictability is always an important consideration. Facilitating the scale-up of green methanol through long-term offtake agreements will help create a more cost-predictable solution for customers.

### Priority fuels for green shipping



**Biodiesel**  
(from waste and residue feedstock)

Maersk's policy is to only use second-generation bio-diesel. Can be used as a drop-in fuel for existing vessels and engines, and the market already exists. Constrained by the availability of suitable biomass feedstock and subject to fierce competition with aviation and road biofuels. Subject to volatile and unpredictable price swings and therefore not a commercially suitable long-term solution.



**Green methanol**  
(bio-methanol and e-methanol)

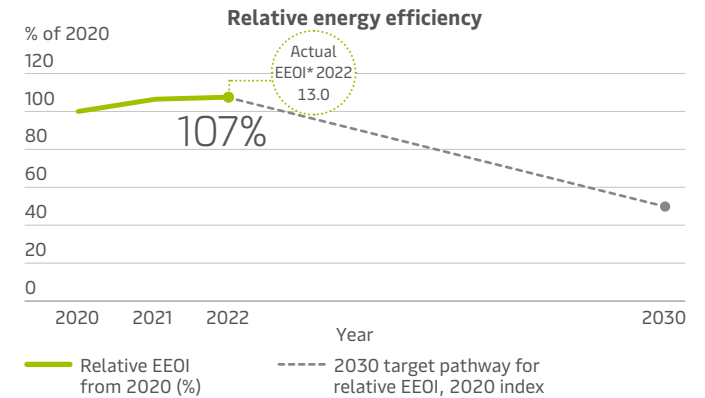
Methanol is already safely in use on vessels today and is easy to handle. Can be produced as green methanol either as bio-methanol made from sustainable biomass or as e-methanol made from renewable energy and biogenic CO<sub>2</sub>. Constrained by limited suitable feedstocks and renewable electricity availability.



**Green ammonia**  
(e-ammonia)

Contains no carbon and can be produced at scale with nitrogen, a plentiful resource. However, ammonia is highly toxic and has environmental, health and safety considerations and requires new bunkering and handling methods and special port infrastructure. It will therefore take longer to scale, but could be more promising for the future.

### Ocean energy efficiency performance, 2022



When launching our ESG strategy in early 2022, we announced a new and more ambitious 2030 target for reducing carbon intensity in Ocean, from a new baseline year of 2020. This new KPI therefore replaces the previous 'Relative CO<sub>2</sub> reduction (percentage vs 2008 baseline)', which is the same metric with a different baseline that Maersk has previously reported on<sup>3</sup>.

The 2030 pathway will be updated as part of our work in 2023 to submit targets for SBTi validation and will be disclosed in our 2023 Sustainability Report.

\*EE01: Energy Efficiency Operational Indicator

### 9 strategic fuel partnerships in 2022

Annual capacity in 1,000 tonnes expected by 2025 after incremental phase up

Partner	Fuel	Capacity	Geography
Carbon Sink	Green methanol	100,000	North America
CIMC ENRIC	Bio-methanol	200,000	China
Debo	Bio-methanol	200,000	China
European Energy	E-methanol	200-300,000	N&S America
GTB	Bio-methanol	300,000	China
Orsted	E-methanol	300,000	North America
Proman	Bio/e-methanol	100,000	North America
SunGas	Green methanol	390,000	North America
WasteFuel	Bio-methanol	30,000	South America

<sup>3</sup> Please refer to the accounting policies on p. 66 for more information on how the 'Reduction in carbon intensity (Ocean) by 2030 (baseline year 2020)' is calculated.

**Strategic pilots for decarbonised inland logistics solutions**

Given the rapidly growing needs of our customers for end-to-end logistics solutions and the importance of sustainable supply chains, addressing our Logistics and Services value chain emissions is a key focus for Maersk. For many customers, land or air freight-based GHG emissions are a larger share of their overall emissions than ocean freight. Maersk’s goal is to expand the inland network of green solutions across all transport modes, so that by 2040, we can move customer cargo from factory to sofa with only green fuels or energy.

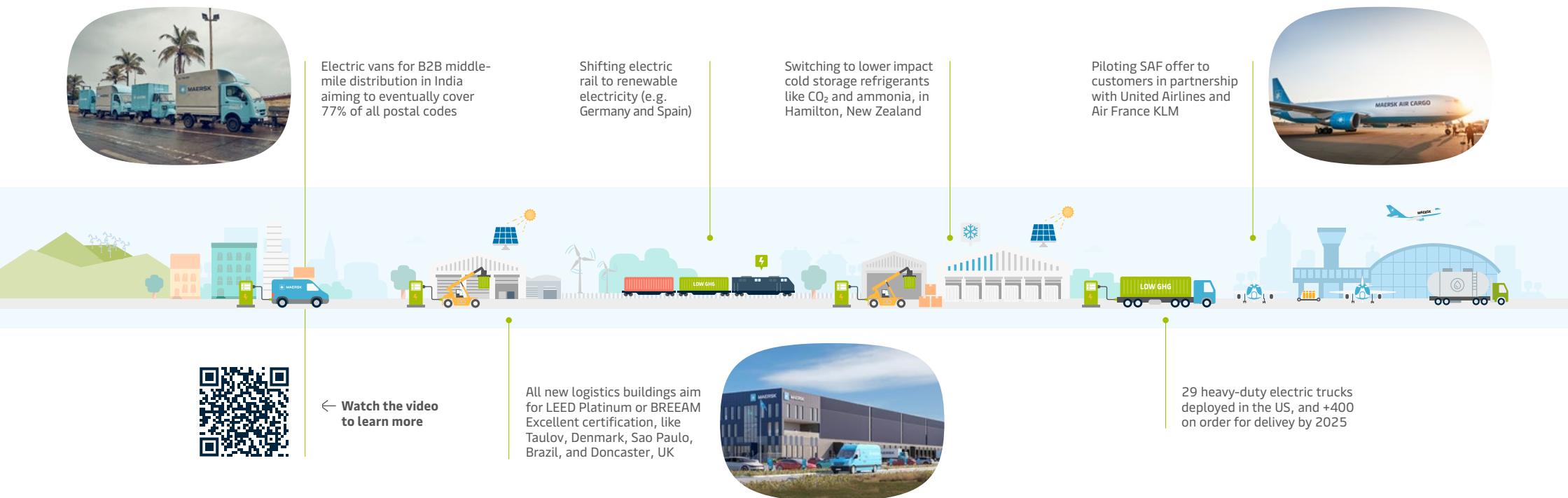
The total emissions of our Logistics and Services business, including landside transportation (medium/heavy-duty transport by truck, rail or barge), contract logistics (warehouses) and cold chain, and air freight and others, account for around 14% of our total

GHG footprint. In 2022, we conducted deep-dives on the technical pathways to translate our ambitions into opportunities. This included defining technical and energy standards, testing solutions, and exploring how we can scale them. Based on these insights, we have defined a 2030 target for inland transportation and started strategic pilots and initiatives (see highlights in the graphic below).

Depending on the product, the potential and challenges to scale vary significantly: Logistics facilities and landside transportation depend heavily on local availability of renewable electricity sources, investment needs into infrastructure, regulatory support, and willingness of suppliers to engage. Logistics facilities benefit from existing technology to improve energy efficiency of the buildings and to electrify moving assets and heating, in contrast to landside

transportation, where electric vehicles or alternative energy solutions for rail and barge only currently exist at small scale. A significantly larger challenge is decarbonising Air, as it depends on Sustainable Aviation Fuel (SAF) which is currently very costly and extremely limited in availability. We do not expect this situation to change significantly unless even more regulatory support or a technological breakthrough can be achieved, which is challenging for our high ambition of 30% SAF for our customer cargo in 2030. In 2023, we will focus on developing regional roadmaps with clear initiatives, on continuing collecting learnings from pilots and strategic engagements, and developing a commercially viable SAF sourcing strategy.

Decarbonisation of inland logistics and service offerings: 2022 highlights



### Terminals and strategic brands

Maersk's commitment to decarbonisation also applies to APM Terminals' network of owned and operated terminals that connect our ocean and landside operations. We have committed to a 70% reduction in absolute emissions by 2030 in scope 1 and 2 (compared to 2020) and net zero by 2040 across all scopes – the port industry's most ambitious target to date. The levers include switching to renewable electricity, direct electrification, battery electric mobile equipment and green fuels when needed and possible. We also deploy an energy optimisation programme that will continue to reduce our emissions.

The challenge in addressing terminal emissions is the fragmented footprint across almost 4000 pieces of equipment and nearly 40 different locations with unique infrastructure, regulatory and

concession context. To ensure a successful implementation of our global strategy, we are building local end-to-end net zero roadmaps with our terminals.

As a significant share of our terminal emissions come from purchased electricity (scope 2), our near-term focus is to double down on switching to renewable electricity from onsite and offsite solutions.

During 2022 we took several actions on this front including switching to full operations on renewable electricity for 8 terminals in Europe and Port Elisabeth, USA, based on purchase of renewable electricity from local utilities, and we commissioned a 1 MW onsite solar plant in Pipipav, India. We address scope 1 emissions through a dual equipment electrification strategy, taking advantage of existing mature alternatives and partnering with our suppliers to pilot new solutions for products with less mature options.

Maersk Supply Service (MSS) is working towards net zero in 2040 by developing offshore solutions for the renewable energy industry and leveraging operational initiatives. In 2022, MSS commissioned a wind installer vessel that will speed up offshore wind turbine installation by up to 30% compared to the conventional jack-up method, and also introduced a commercial biodiesel option.

In 2022, Svitzer became the first tug operator to announce decarbonisation targets including a 2030 efficiency target of 50% improvement in vessel CO<sub>2</sub> efficiency across the tug fleet. Svitzer's efforts focus on improving the way vessels are sailed, developing and investing in new equipment while introducing more efficient tug designs, and identifying fuels for lower emissions towage based on biodiesel.

### Decarbonising Terminals: 2022 highlights



Hybridisation of 2 Rubber Tyre Gantry Cranes in Gateway Terminals India, contributing to >50% of fuel and emission savings



APM Terminals Pipavav, India, 1 MW rooftop solar at the terminal



Container volume transported by rail via APM Terminals Gothenburg grew by 13% in 2022, a new high

180+ electric or hybrid container handling equipment ordered in 2022

## The commercial pathway to decarbonisation

In addition to the clear technology pathways to decarbonisation in our roadmap, we can also see a credible commercial pathway. This is based on the abatement cost per tonne of CO<sub>2</sub>e (CO<sub>2</sub>e), which will likely be a key purchasing criterion for our customers. For now, most green solutions are significantly more expensive than fossil alternatives. As technology and markets mature towards the end of this decade, we expect the picture to be more nuanced. As we assess the commercial viability of our future green products, we work with four categories:

- Negative abatement cost, i.e. decarbonisation is a good business case long term even without a carbon tax. This will, e.g., be the case for warehousing, where electrical equipment powered by renewable electricity and with energy efficiency measures often proves an attractive business case.
- Abatement cost below carbon tax estimates, i.e. decarbonisation is a good business case in a regime with a carbon tax (using ETS as a proxy). This will likely be the case for trucking and rail in many areas in the world, where we expect abatement cost to go below 50 USD per tonne of CO<sub>2</sub>e abated by 2030.
- Abatement cost reasonably above current carbon tax estimates, i.e. decarbonisation cannot be fully funded by a carbon price in the range of ETS but requires a willingness from the customer to pay a reasonable premium. This is the case for our Ocean business, and with our 2030 expectations for green methanol and fossil fuel, we expect that the abatement cost will come down to approximately USD 200 per tonne of CO<sub>2</sub>e.
- Abatement cost excessively above current carbon tax regime, i.e. decarbonisation will require customer willingness to pay significantly above current ETS level. This is the case for everything based on the limited biomass feedstock available for biodiesel and SAF. Here we expect abatement cost above USD 350 per tonne of CO<sub>2</sub>e.

These estimates encompass significant uncertainty and will depend on the future price of oil, renewables and green methanol.

## Safeguarding the sustainability of green fuels

As our entire business transitions to using green fuels, it is important to have fuel standards and systematic processes in place to evaluate the potential social and environmental impacts of different fuels over their entire life cycles<sup>4</sup>.

We define 'green fuels' for all modes of transport as fuels with low to very low GHG emissions over their life cycle compared to fossil fuels. Different green fuels achieve different life cycle reductions depending on their production pathway. By 'low' we refer to fuels with 65-80% life cycle GHG reductions compared to fossil fuels. This covers, e.g., some biodiesels. 'Very low' refers to fuels with 80-95% life cycle GHG reductions compared to fossil fuels. For commodity biofuels like, e.g., biodiesel for road transport and Sustainable Aviation Fuels (SAF), the minimum GHG savings are typically governed by standards like the EU Renewable Energy Directive (2018/2001), and we align our minimum reduction thresholds for fuels to those standards.

For future fuels like methanol where Maersk is involved in the projects, we strive to achieve even higher GHG savings. For most of the methanol projects we are currently engaged in with partners, higher life cycle GHG savings (up to ~95% compared to fossil fuels) can be achieved by careful selection of feedstocks, electricity and processes.

## The importance of a total life cycle approach

Climate neutrality is only achieved when there is no net addition of GHGs associated with the fuel over its life cycle, i.e. from raw material to end of life. Hence, climate neutral fuels can only be achieved when the complete fuel supply chain has been fully decarbonised or if carbon is sequestered permanently during the production process of the fuel.

Maersk evaluates all new fuels, e.g. methanol, on a life cycle basis meaning that we assess the environmental impact of the fuel in accordance with the ISO 14040-series standards for life cycle assessment (LCA). This means that we evaluate all fuels from raw material extraction/collection through production, transportation to our vessels, and combustion – 'well-to-wake/wheel' (see graphic on next page).

For the impact on climate change, we include all GHGs in the assessment with their 20 and 100-year global warming potentials. In addition to climate change, we consider a broad range of environmental indicators, such as biodiversity, ecosystem services, resources and materials depletion, human health and ecotoxicity, air and water quality.

The LCA framework can also capture the indirect effects of fuel production and feedstock use. We use consequential LCA, which means that we also consider indirect effects of fuel use such as indirect land use and other marginal effects, which is important to avoid shifting the burden of GHG emissions and impacts from one stakeholder to another. We are developing consequential LCA tools and models for fuels from by-products, wastes or biological origin. We also incorporate an assessment of potential social impacts through a just transition lens (see p. 31). This means that we consider the impacts on people and communities in the supply chains of the future fuels.

For green fuels, Maersk requires third-party certification of the GHG footprint, feedstock and proof of sustainability and recognises the Roundtable for Sustainable Biomaterials (RSB) and the International Sustainability and Carbon Certification (ISCC) standards. Maersk is an active member of both certification systems and engages in the development of certification standards for new fuels and production methods.



Maersk takes a comprehensive, science-based approach to assessing the environmental and social impacts of new fuels, such as their potential biodiversity impact.

<sup>4</sup> Please see [maersk.com/sustainability](https://www.maersk.com/sustainability) for more details on our policies and positions

**Evaluating feedstocks: beyond GHG emissions**

When it comes to the environmental impact of biofuels, the biggest impact typically comes from the biomass feedstock the fuel is produced from. With rising market demand for biofuels, feedstocks must be selected carefully in order not to create adverse social and environmental effects.

As the global population has now reached 8 billion people, we must avoid using feedstocks that compete with food and feed. Hence, we only accept waste and residues as feedstock and do not accept any first-generation crops such as corn, soy, rapeseed or palm oil, and or other first-generation biomass like wood. This is also to avoid ethical risks due to the increasing amount of fraud associated with environmental reclamation finance and projects. The palm industry is an area of particular ESG concern. The clearing of native tropical forests results in significant plant and animal biodiversity declines, and palm oil plantations are uninhabitable for a majority of forest species. Palm oil also has a high risk of fraud.

Hence, Maersk does not accept any feedstocks directly or indirectly related to the palm oil industry.

For typical second-generation/waste feedstocks for biodiesel like, e.g., used cooking oil, a challenge remains that they do not scale (there is only so much used cooking oil in the world). Methanol can be produced from a much wider range of feedstocks available in much larger quantities. For bio-methanol, we can use waste and residues from agriculture and forestry like, e.g., straw as well as the biogenic fraction of municipal waste. Sourcing these feedstock types can also have other advantages in the shape of avoided emissions from feedstocks decomposing on the fields or in landfills.

For e-methanol, we will only be using biogenic CO<sub>2</sub> as feedstock and combine it with hydrogen to produce the methanol. Biogenic CO<sub>2</sub> is a waste product from, e.g., upgrade of biogas to biomethane, biomass-fired power plants, pulp and paper mills and ethanol plants and is today otherwise emitted to the atmosphere. The hydrogen

must be produced from electrolysis of water using renewable electricity. The electricity demand for industrial-scale production of e-fuels is massive. Hence, Maersk requires that the renewable electricity used for production of these fuels is additional, meaning that new renewable electricity capacity should be added.

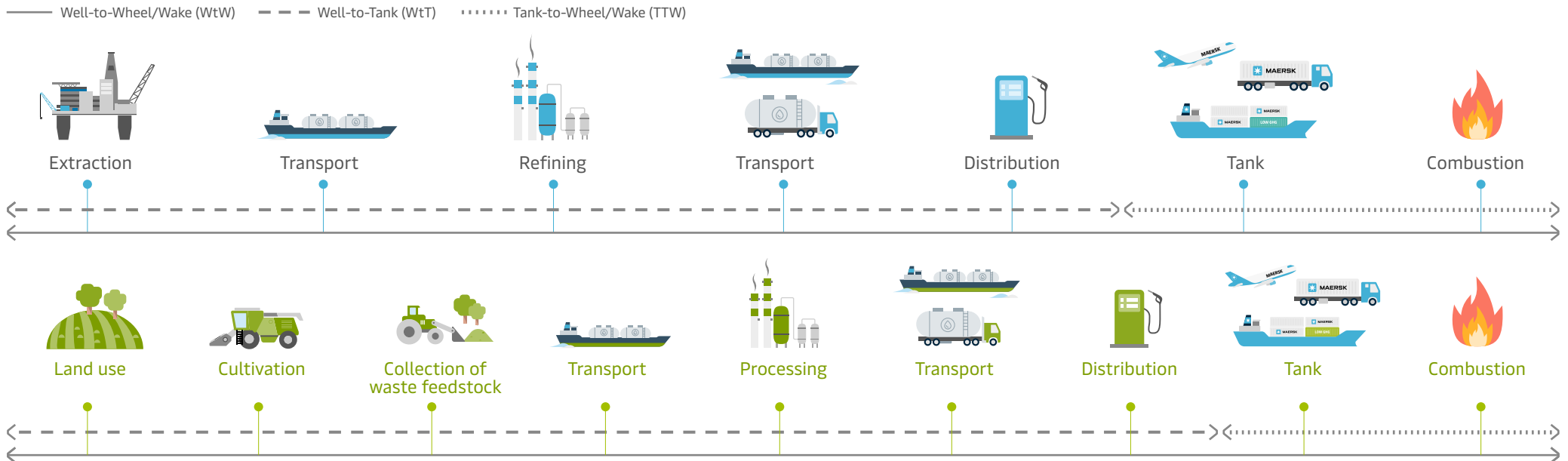
Maersk is working on establishing a baseline for our biodiversity impacts, so we can set targets based on scalable best practices. We will work towards consistent methods and indicators across Maersk operations in alignment with emerging regulations and standards, including working more systematically to enhance biodiversity in our many fuel projects. For more on our work on biodiversity, see p. 35.

Learn more about what makes green fuels green

Watch Video →



Maersk evaluates all new fuels on a 'well-to-wake' life cycle basis



**Regulatory drivers of progress**

Regulation remains a critical lever in the decarbonisation of our industry, and Maersk was pleased to see concrete progress on the development and adoption of both regional and global regulations during 2022. A stable and future-proof regulatory framework not only ensures that liner shipping competes on a level playing field, but also rewards and encourages much-needed investments in vessels, fuels and infrastructure.

**Regional measures**

We are happy to see the EU and US providing climate leadership through tangible measures and support. In 2021, the European Commission presented the Fit for 55 Package (FF55), the cornerstone of the EU's efforts to combat climate change. Throughout 2022, the European Commission, the European Parliament and the Council of the EU negotiated on several important pieces of FF55, of which the four most important elements from Maersk's perspective are:

1. EU ETS (Emissions Trading System) – the first carbon price on shipping emissions. The inclusion of shipping into the EU ETS has been long-awaited, however it was not easy to strike the right balance between advocating for higher EU ambitions while not jeopardising global progress at the IMO level. Maersk believes that the recently adopted ETS text achieves this balance, and the hope is that EU member states will bring the discussion to the IMO, especially around two fundamental cornerstones - the direct references to GHGs other than CO<sub>2</sub>, and the need to look at emissions over a fuel's total life cycle, a 'well-to-wake' approach.

2. FuelEU Maritime proposal, the first fuel standard supporting the use of green shipping fuels. It introduces increasingly stringent limits on GHG intensity on the energy used by vessels from 2025 to catalyse the increased adoption of green fuels. FuelEU has not yet been adopted, however we expect adoption imminently and believe that the standard could have a significant impact on sector emissions. Maersk has supported this proposal throughout the legislative procedure.

As a completely new proposal without any legacy issues, FuelEU Maritime includes all relevant GHGs and a well-to-wake approach. The EU also adopted a FuelEU Maritime pooling mechanism which rewards vessel owners for getting to zero emissions as soon as possible across their fleets rather than a slower, incremental vessel-by-vessel approach.

3. RED (Renewable Energy Directive) – the legal framework for the development of renewable energy, including e-fuels, across all sectors in the EU. Maersk supports the directive's ambition of raising the EU renewable energy target to 45% by 2030, and hopes the third revision of RED will also include high ambitions for the transport sector.






The RED 'additionality' principle further sets rules on electricity use for Refined Fuels of Non-Biological Origin (RFNBO) to be counted as fully renewable. Maersk supports this additionality to build more renewable capacity for use in green-hydrogen based production of green maritime fuels, sustainable aviation fuels or to supply the electricity to the grid to power e-trucks, railways and terminals.

4. The US Inflation Reduction Act (IRA) and Clean Shipping Act could enable a step change and we are confident that such programmes will make a meaningful difference for decarbonisation – also beyond logistics. IRA is expected to unlock US \$1 trillion in climate-related investments and the Clean Shipping Act sets carbon intensity standards for fuels, and calls for the elimination of in-port ship emissions by 2030 and carbon emissions by 2040.



Maersk participated in the 79th Session of the Marine Environment Protection Committee at IMO's headquarters in December, 2022. Image by IMO

Five critical policy levers for a level regulatory playing field to achieve full decarbonisation

 <p>A market-based GHG price/ carbon tax of at least USD 150/tonne is required</p>	 <p>A well-to-wake approach is required (life cycle perspective to decarbonisation)</p>	 <p>Must look beyond CO<sub>2</sub> and include all GHGs, notably methane and nitrous oxide</p>	 <p>Higher IMO ambitions for 2030 and 2050 and rigorous implementation required</p>	 <p>US and EU measures will only address part of the problem – global rules are needed</p>
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### Global short and long-term measures

Maersk is a supporter of the EU and US regulations as catalysts for change, however, we continue to strongly call for global solutions through the IMO. In 2022, the IMO finalised the adoption of two important short-term emission-reducing measures to start in 2023.

The first is the Energy Efficiency Existing Ship Index (EEXI), a technical measure for existing ships requiring them to attain a certain energy efficiency. The EEXI will have minimal impact on Maersk, e.g. the need to make a few engine adjustments on our vessels. This is an area where past efficiency investments in our fleet are paying off, as the upgrade costs for us will be relatively small.

The second measure is the Carbon Intensity Indicator (CII), which determines the operational energy efficiency performance of vessels via a rating system from A to E. The tools Maersk need for CII are, in principle, the same to deliver on our decarbonisation roadmap.

The CII marks the first operational global regulation that will significantly curb vessel emissions and, while the regulation is not perfect, it is a significant step in the right direction. Maersk's hope is that several shortcomings can be addressed in the 2026 revision. This includes hard enforcement instead of the current soft enforcement, where compliance requires only a plan to bring vessels to the required rating. CII calculations should be based on the actual cargo a vessel carries, not the vessel's dead-weight – the current calculation does not incentivise cargo optimisation. Lastly, CII rules are based on individual vessel compliance rather than a pooling or fleet approach such as FuelEU Maritime. This means ship owners must focus on incremental smaller energy efficiency gains on all vessels rather than investing in fully carbon neutral vessels that operate on green fuels – the most impactful way to drive the green transition.

During 2023, IMO Member States will work to secure the adoption of a basket of long-term measures including a GHG price and a global fuel standard. Maersk will be actively engaged in this process to ensure needed progress and higher ambitions. Maersk also supports a revision of the overall IMO ambitions and a commitment to achieving net zero in 2050. Finally, Maersk will strongly advocate for a complete modernisation of the IMO's Data Collection System as a solid data framework is required for the proposed regulations to achieve their intended results.

Learn more about the Carbon Intensity Indicator and how it will help decarbonise shipping



Watch Video →

## The importance of a just transition

Tackling the global climate crisis and realising the ambition of reaching net zero emissions in time will require massive changes in industry, governance and society. It will affect how people live and work, and the flow of goods.

In line with our Purpose, Maersk is committed to ensuring this is a just transition that improves lives and benefits society, and that our decarbonisation agenda does not have unintended negative impacts on people's rights.

We believe that a just transition should be based on respect for human rights, social dialogue, and stakeholder engagement. In 2022, we mapped our main just transition touch points and assessed expected ESG implications in these areas. Key touchpoints include:

### 1. Responsibly supporting green fuel supply chains creation

We are committed to ensuring that our green fuels are sourced sustainably, which means looking at both the potential social and environmental impacts in the value chain of green fuels.

We recognise that the development of green fuels should not come at the expense of people, including workers and local communities. In 2022 we started incorporating social indicators into our due diligence procedures on development projects for the new green fuels we are prioritising, connected with our role as off-taker, as part of our sustainability due diligence. This work will continue in 2023 as we mature in our approach and engage further with stakeholders.

### 2. Preparing the workforce of tomorrow

The green transition will create new job opportunities in the value chain, and we are committed to supporting the shift in workforce skills to enable decent work. As we transition to green fuels, for example, we will be supporting our seafarers with the reskilling/ upskilling needed to handle these fuels. We will also be looking into how we can further support the creation of decent jobs in the new green fuels supply chains, together with our partners, so that local communities can also benefit from the transition.

### 3. Policy advocacy

Whilst our size and position enable us to impact the level of decarbonisation in the shipping industry, we remain dependent on policy frameworks and commitments to further the process. We actively advocate for a low-carbon transition in the industry and promote a human-centred approach to make sure that this transition is just. We will continue dialogue with the regulators and lead the industry in advocating for a global carbon levy on international shipping. We believe that a carbon tax on ship fuel will encourage the transition to cleaner alternatives, but also that it has a potential to accelerate a just transition in less advanced economies.

We have already started integrating just transition elements from these touchpoints into our internal processes, and this work will continue in 2023. To inform our efforts, we engage in multi-stakeholder dialogues and have joined the UN Global Compact 'Think Lab on Just Transition,' launched at COP26 with the International Labour Organisation and International Trade Union Confederation and diverse representation.

## EU Taxonomy reporting

The EU Taxonomy is a classification system identifying environmentally sustainable economic activities. As such it provides companies, investors and policymakers with appropriate definitions for which economic activities can be considered environmentally sustainable. The purpose of the EU Taxonomy is to protect private investors from greenwashing, help companies to become more climate-friendly, mitigate market fragmentation and help shift investments where they are most needed.

For the first time in 2022, A.P. Moller - Maersk (Maersk) is, in addition to EU Taxonomy eligibility, reporting on the share of our activities that are 'taxonomy-aligned'. Aligned activities are the share of Maersk's eligible activities that meet both the 'substantial contribution' and 'do no significant harm' criteria outlined in the taxonomy regulation. In addition to screening Maersk's activities against the criteria for substantial contribution and do no significant harm criteria, we have also completed a group-level assessment on how we comply with the social minimum safeguards and documented that we comply with the non-alignment criteria of the EU Taxonomy.

The results of Maersk's taxonomy screening for 2022 confirm that the company has significant opportunity to have a substantial contribution towards climate change mitigation, and that it is in its early stages of the journey to decarbonise its end-to-end value chain. Hence, we see a high share of eligible revenue, Capex and Opex<sup>5</sup> but a significantly lower share of revenue, Capex and Opex related to taxonomy-aligned activities. Over the coming years, we expect to see a low and gradual increase of taxonomy-aligned revenue and a bigger and continued steady increase in the taxonomy-aligned Capex in line with our decarbonisation strategy.

### Ocean

The eligible activities in Ocean mainly relate to ocean container transport and associated services. The aligned revenue in Ocean is related to 22 existing vessels that meet the technical screening criteria. The aligned Capex relates to 1) capital expenses in relation to existing aligned vessels; 2) expenditures for existing vessels that have undergone retrofitting that meets the technical screening criteria, and 3) milestone payments for the ordered green methanol

vessels incurred during the year. Aligned Opex is the repair and maintenance expenditures in relation to aligned vessels incurred during the year. The share of non-eligible activities in Ocean mainly relates to investments in and repair/maintenance of containers and activities in Maersk Oil Trading.

### Logistics and Services

The eligible activities in Logistics and Services relate to road and rail freight. The aligned revenue is related to electrical trucking and rail freight. Maersk does not own any trains, and consequently the aligned Capex and Opex in this segment is related to the electrical trucks that came into operation in 2022. The non-eligible activities in Logistics and Services mainly relate to airfreight, warehousing and various services within supply chain management and e-commerce.

### Terminals

The eligible activities in Terminals mainly relate to port infrastructure supporting ocean-based transportation. The aligned revenue, Capex

and Opex is linked to electrical equipment that are used to operate the terminals, including cranes, trucks and lifts etc. The non-eligible activities in Terminals relate to terminal concession rights and operational software.

### Towage and Marine Services

The eligible activities in Towage and Maritime Services mainly relate to Maersk Supply Services' and Svitzer's operation of service vessels and vessels required for port operations and auxiliary activities. For Svitzer, there are currently no aligned activities. For Maersk Supply Services, revenue from aligned activities include enabling activities relating to installation, maintenance, and repair of renewable offshore wind parks. Aligned Capex relates to 1) existing service vessels that have undergone retrofitting meeting the technical screening criteria; 2) expenditures incurred in relation to an offshore electrical charging infrastructure project; and 3) milestone payments for an offshore wind installer vessel.

## A.P. Moller - Maersk taxonomy reporting for 2022

Segment		Taxonomy-eligible activities as share of		
		Revenue	Capex	Opex
Ocean	Aligned	2%	5%	2%
	Eligible but not aligned	71%	45%	44%
	Non-eligible	2%	10%	0%
Logistics & Services	Aligned	0%	0%	0%
	Eligible but not aligned	6%	2%	1%
	Non-eligible	12%	26%	0%
Terminals	Aligned	1%	1%	8%
	Eligible but not aligned	3%	6%	34%
	Non-eligible	0%	0%	0%
Towage and Maritime Services	Aligned	0%	1%	0%
	Eligible but not aligned	1%	2%	11%
	Non-eligible	1%	1%	0%
Consolidated	Aligned	3%	7%	10%
	Eligible but not aligned	82%	56%	90%
	Non-eligible	15%	37%	0%

For a detailed overview of Maersk's eligible and aligned activities, see p. 61-63. For more information on how the numbers have been prepared, see p. 68-69.

<sup>5</sup> The EU Taxonomy uses a narrow definition of Capex and Opex. Hence when referring to Capex, this only refers to Capex additions, and not all capital expenses, and when referring to Opex, this only refers to repair and maintenance costs, and not all operational expenses. Consequently, the operational expenditures associated with green fuels, which is an important lever in our decarbonisation strategy, is currently not reflected in our taxonomy reporting.



# Climate-related risk disclosures

A.P.Moller - Maersk (Maersk) recognises that climate change, and government and market actions to mitigate such change will have an impact on our operations and the consumer demand of our products and services. Our understanding of the challenges related to climate change is evolving and we continuously update our plans and actions accordingly, while being conscious of the uncertainties around tipping points that lead to large and irreversible changes in the climate system, once exceeded<sup>6</sup>.

## Climate change site assessment: Rotterdam

In August 2022, an onsite assessment was performed to assess and develop climate change impact scenarios on operations at our terminal in Rotterdam. Based on this, a climate risk analysis was completed to assess how the terminal is influenced by climate change, including in relation to exposures and climate hazards. The results of this assessment are summarised in the matrix below.

Hazard Level	Very high				Flood (coastal) ↗ Wind →	Risk Rating
	High					
	Medium	Drought ↗				
	Low	Flood ↗ Lightning → Thunderstorm → Wildfire → Subsidence ↗	Heat ↗			
		Low	Medium	High	Very high	
		Vulnerability level				

The climate risk analysis shows that the highest physical risks at this location are related to storm surge and windstorm. Subsequently, financial loss estimates were elaborated for these physical risks.

Risk mitigation solutions were identified as an outcome of the analysis. These solutions will be the basis for further investments to increase the climate resilience of the site.

In 2022, we have taken further steps building on the extensive physical risk analysis we conducted in 2021. We have initiated onsite risk and mitigation assessments on our most vulnerable land-based assets, and we further studied the disruptions that climate-related physical risks may have on global trade flows. We continuously do our utmost to abate transition risks by aspiring best-in-class decarbonisation strategies, proactively aligning with national and international regulations, and supporting our leading customers by transitioning our business in a responsible manner.

We use the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to categorise, manage and report on climate-related risks<sup>7</sup>. The risk categories are:

- |   |  |
|---|--|
| <b>1. Physical risks</b><br>a. Acute (extreme weather events)<br>b. Chronic (changing weather patterns and rising mean temperature and sea level) | <b>2. Transition risks</b><br>a. Policy and legal<br>b. Technology<br>c. Market<br>d. Reputation |
|---|--|

Maersk uses a range of climate change scenarios, SSP1-2.6 and RCP2.6 to SSP5-8.5 and RCP8.5<sup>8</sup>, which are aligned with the IPCC 6th Assessment Report from 2021. These are used to identify financial and operational risks and opportunities linked to climate change that impact the company in both the short and long term. The purpose is to ensure that our assets and operations are prepared and capable of both mitigating climate-related risks and capturing the opportunities.

### Adapting our land-based assets to physical climate risks

Our land-based assets around the world and the third-party infrastructure that we depend on are already impacted by extreme weather events such as typhoons and hurricanes, wildfires, droughts and flooding. The high vulnerability to physical climate risks led us to initiate a study in 2021 in which we assessed the impact of physical climate disruption on 107 of our key land-based assets. The study concluded that terminals are the land-based assets most at risk for physical impact of climate change, whereas the following five terminals were identified as having the highest risk of disruption:

Rotterdam, Netherlands; Port Said on the Suez Canal in Egypt; Aqaba, Jordan; Port Elizabeth, New Jersey; and Los Angeles, California.

As a reaction to these findings, in 2022, Maersk employed Zurich Resilience Solutions (ZRS) to undertake onsite climate assessments at these five port terminals to assess physical and operational site-level risks. Applying climate science, data and modelling techniques, mitigation solutions tailored to each port will be developed. See box in lower left for details on our ongoing assessment in Rotterdam, Netherlands.

### Assessing climate impact on global trade flows

In 2022, Maersk commissioned a complementary study with the purpose to help us understand how climate change, under various transition scenarios, could have broader impact by influencing patterns of global economic activity and trade flows. This study modelled three key scenarios, each reflecting different emission and temperature paths, to assess the economic impacts of climate change and the low-emission transition from 2020 up to 2070:

- **Hot House World (HHW) (>3 degrees):** The world continues to increase emissions and does little to avert the physical risks
  - **Orderly Transition (below 2 degrees):** Early and coordinated policy changes are coupled with technological improvements to meet climate goals
  - **Disorderly Transition (below 2 degrees):** Unanticipated regulatory responses are disruptive, but early enough to reach climate goals
- The result from the study shows, amongst other things, that climate inaction (HHW) over time will impact trade flows with significant impacts in the next 50 years. If the transition happens early and in a coordinated fashion (Orderly Transition), the benefit of transition will start to outweigh the cost in the mid-2050s. If the transition is late and uncoordinated (Disorderly Transition), the benefit of transition will not start outweighing the cost until a decade later.

Given the large scale of Maersk's global networks and activities across a multitude of customer verticals, and the inherent uncertainties of working with climate impact scenarios at a macroeconomic level, we cannot draw definitive conclusions. Rather, we will use the study as a foundation for continuing to explore how these global changes will affect our business model and global trade, and how we best can adapt and respond to these changes.

<sup>6</sup> www.stockholmresilience.org/research/research-news/2022-09-08-world-at-risk-of-passing-multiple-climate-tipping-points-above-1.5c-global-warming.html

<sup>7</sup> A TCFD reporting index is available in our ESG Factbook, which is available on maersk.com/sustainability.

<sup>8</sup> Representative Concentration Pathways (RCPs) are various GHG concentration trajectories which are used to project climate change scenarios until 2100. In contrast, Shared Socioeconomic Pathways (SSPs) are scenarios that project various socioeconomic global changes until 2100. SSPs are used to analyse how each RCP could be achieved within the context of the underlying socioeconomic characteristics and political assumptions of the world.

## Why it matters

We have a responsibility to minimise negative environmental impacts from our operations, in compliance with regulations, and to live up to the requirements and expectations of our customers and other key stakeholders.

## UN SDGs



## Ambition

We see ourselves as active citizens of the Earth, operating on the oceans and increasingly on land. We are committed to doing as little harm as possible while actively participating in restoring ocean and land health, as well as protecting habitats and biodiversity where we operate. We aspire to be recognised by our stakeholders for our commitment and actions.

## Targets

Within the category of Environment and ecosystems, we prioritise four key areas of action: 1) Biodiversity and ecosystem health, 2) Pollution and waste, 3) Efficient resource consumption, and 4) Responsible ship recycling (p. 38).

We set targets and measure our progress through KPIs and relevant metrics which we transparently share with our stakeholders. Please refer to each of the subject areas on the following pages to see current targets.

# Environment and ecosystems

As a global business operating across ocean, land and air, our activities at A.P. Moller - Maersk (Maersk) can impact the ecosystems that people and nature depend on. Beyond the impact of greenhouse gas emissions, this includes pollution and waste from shipping and logistics services and facilities, the resources we use, how efficiently we consume them, and how responsibly we manage their end of life. Our customers, regulators, local communities and investors expect us to take responsibility to minimise these impacts and protect the health of ecosystems in which we operate.

The irreparable effects of biodiversity loss - one of the critical planetary boundaries<sup>9</sup> defined by the Stockholm Resilience Centre - are

beginning to be recognised as equally as serious as the effects of climate change, and their impacts will be felt for generations to come. This year, we have seen increasing alignment among policymakers, industry, civil society and the financial community around the critical need to reverse global biodiversity loss. The UN COP15 global biodiversity summit resulted in an agreement on key measures including to reduce the risk of species extinction, protect 30% of land and sea, and require companies to contribute and report on their impacts. Similar to climate change, frameworks are developing for companies to set science-based targets for nature (SBTN), and account for nature-related financial risks and opportunities (TNFD). Maersk is engaging in alliances and undertaking collaborative work across a range of corporate and commercial functions to refine our understanding and develop models to manage and account for our potential negative as well as positive impacts on nature, with the aspiration of aligning to science-based targets for nature once universal standards are defined.

## The five main global drivers of biodiversity loss<sup>10</sup>: Maersk's impact and key actions



### Land and sea use

Maersk ensures that the race for biomass for tomorrow's green fuels does not result in a loss of biodiversity. We do not source any fuels from first-generation biomass – we only source from waste and residues. See Climate Change on pp. 28-29

We take a strong global stand on preventing the shipment of illegal timber.



### Over-exploitation of organisms

We are mapping out voluntary whale protection zones and adding digital geofencing to our vessel operations.

Maersk contributes to IMO guidelines for the prevention of wildlife smuggling on international vessels.



### Pollution

Maersk is a founding member of the Alliance for Clean Air.

We are implementing a global program to more responsibly manage waste everywhere we operate, and will use a waste audit in 2023 to set targets to eliminate certain waste streams and improve waste management practices in our business.



### Climate change

Our ambitious net zero emissions by 2040 commitment defines a clear and actionable roadmap in line with a 1.5°C pathway.

Maersk works in strategic collaboration with its customers, partners and top innovators to drive transformational change. See Climate Change pp. 21-33



### Invasive species and diseases

Maersk complies with all international conventions to perform pest control.

In 2022, we completed installations of ballast water treatment systems on 73% of our fleet, with 100% on track by 2024.

<sup>9</sup> The planetary boundaries are a set of nine thresholds maintaining a safe operating space for humankind. Six of these nine thresholds have already been officially crossed.

<sup>10</sup> As defined by IPBES – the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services.



## Targets – ecosystem health and biodiversity

- Avoid invasive species from ballast water
- Avoid or minimise operations in sensitive or protected areas in oceans and on land
- Support ocean health through scientific research collaborations and partnerships including The Ocean Cleanup
- Avoid transport of illegal wildlife and endangered species

### Standards and due diligence support responsible growth

We work continuously to monitor our impacts, transparently report our performance, equip our teams with the right processes, training and resources, and actively engage and collaborate with stakeholders. In 2022, we focused on strengthening environmental standards and frameworks to support growth as well as ongoing operations with a structured environmental and social framework that helps us to 'design-out' impact and issues, and maximise positive effects. We also want to make sure that we fully understand the environmental and social performance, risks and opportunities from our significant inorganic growth – especially in our landside operations. This includes implementation of a robust environmental and social due diligence process to help us understand what would be needed for a prospective acquisition to meet Maersk's ESG standards.

In our own operations, we are standardising our approach through minimum Global Environmental Requirements. During 2022, we issued such requirements across our business for a broad range of areas including waste management, spill prevention, control and response, water and chemical management. We also developed a new global requirement for environmental and social impact assessment (ESIA), to be deployed globally in 2023. These requirements are aligned with the Equator Principles (EP4) and the EU EIA Directive, requiring all projects to be screened and categorised based on their scale and potential for environmental impact.

The fast uptake of decarbonisation at Maersk, particularly the shift from fossil fuels to green fuels and renewable electricity in our landside facilities and transportation, can potentially increase demand for materials such as rare earths, lithium and cobalt. See p. 28-29 for more on the due diligence standards for green fuels and technologies.

### Ecosystem health and biodiversity

In 2022, we took steps to deepen our understanding of our most critical impacts on biodiversity and worked to mitigate negative influences on wider ecosystems. Our aim is to establish a baseline for biodiversity impacts, so we can set targets built on scalable best practices. We will develop consistent methods and indicators across our ocean and land-based businesses in alignment with emerging regulations and standards, including working more systematically to enhance biodiversity through investments in a large portfolio of Natural Climate Solutions (see p. 21

– Climate). Our work will continue in 2023 and beyond in collaboration with external partners, and we anticipate that it will form the basis for improvements in how we maintain, restore, and protect ecosystems and biodiversity.

In setting our baseline, we are also exploring state-of-the-art methods for assessing environmental impacts, for example using phylogenetic diversity indicators in LCA to characterise how land use could affect biodiversity. Phylogenetic diversity looks at the evolutionary history of different species and their relationship and closeness to other species to quantify the biodiversity harm from their loss.

### Supporting ocean and climate science

An area where we can make positive contributions is in supporting ocean health and climate science, often leveraging our assets and expertise in the initiatives and partnerships. For example, 50 vessels are equipped with automated weather stations, enabling live sharing of weather data with the National Meteorological Service of Germany to assist with weather forecasts and climate research. We also continue to support The Ocean Cleanup with offshore and logistics support in their efforts to clean plastics from the oceans. See p. 54.

### Preventing invasive species in ballast water

While our vessels carry goods across the world, we are working hard to ensure we minimise the risk of moving invasive species between ecosystems. Maersk complies with international conventions to perform pest control and are making good progress in the installation of ballast water treatment systems on our vessels. This is regulated through the Ballast Water Management Convention which requires shipowners to have treatment systems installed on all their vessels by 2024. In 2022, we completed installations on 73% of our fleet and are on track to achieve 100% by September 2024 in line with regulatory requirements.

### Protecting whales and ocean habitats

Our vessels sometimes operate in sensitive and protected marine areas. We follow all mandatory speed reduction schemes at sea and have also implemented several voluntary schemes, reducing speed or avoiding transit in restricted zones to reduce the risk of whale strikes or disturbing whales during breeding. Effective whale protection requires industry-wide collaboration and support. In 2022, we increased our engagement with the World Shipping Council to map out additional voluntary whale



APM Terminals Apapa, Nigeria's largest container terminal, is using paving blocks produced from recycled tyres for exterior paving.

← Watch Video

## Targets - waste and pollution

- Avoid spills from vessels and minimise pollution impacts across all operations
- Reduce air emissions impacts (SO<sub>x</sub>, NO<sub>x</sub> and particulate matters)
- Avoid accidental loss of containers to the sea
- Ensure strong environmental management systems in place across all operations

protection zones and added these to our digital route planning tool. Our aim is to implement geofencing across our shipping routes to ensure compliance and safe navigation for our vessels. Further work will be done in this area in 2023.

To gain more insight into the underwater noise created by our vessels, we launched an Underwater Radiated Noise study which will be a foundation for further work enabling us to consider new build designs and fleet activity, and providing input for marine regulations. We will engage with experts and academia to learn more about the link between underwater noise and marine life and develop an action plan that will alleviate underwater noise and the risks it poses to ocean habitats.

### Uniting to combat illegal wildlife trade

Trade in endangered species, banned timber and illegal wildlife is often organised crime that needs to be combated on demand and supply levels as well as in the supply chain. Like corruption, banned goods must be fought through collaboration across industries and with authorities. As a signatory to the Buckingham Palace Declaration and a member of the United for Wildlife Transport Taskforce, Maersk takes active part in the fight against illegal wildlife trade. Our zero-tolerance policy towards such trade is available online [here](#). In 2022, we worked with the World Shipping Council to provide input and feedback to IMO Guidelines on prevention of wildlife smuggling. We are committed to avoiding such transport and will continue to work with stakeholders, including NGOs, authorities and customers to eliminate the risks. We are continuously developing our screening tools to stop or prevent the transport of banned goods.

### Pollution and waste

Our commitments to reduce pollution and waste cover impacts to land, air and oceans. We focus in improving our management systems and methods for accounting and reporting on air emissions, waste and environmental incidents (spills and containers lost).

### No significant spills

In 2022, there were no uncontained hydrocarbon spills above 10 m<sup>3</sup> to the environment. We plan to expand and align our spills reporting with upcoming regulatory requirements in the EU to include more types of chemical spills. This year, we have focused on rolling out the definition

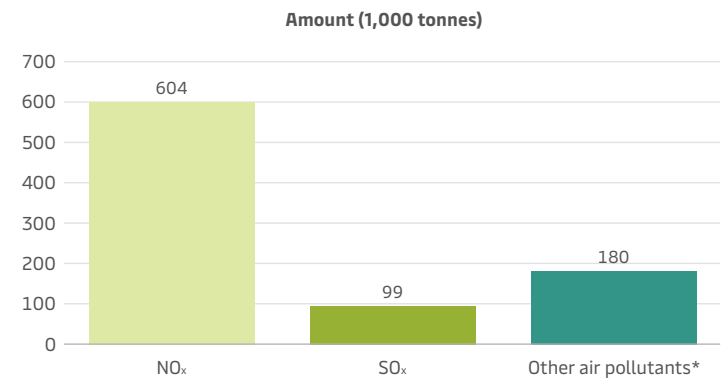
of chemical spills across the organisation. This will enable us to start reporting on chemical spills from next year.

### Enhancing reporting on emissions to air

Air pollution, with the broad ranging effects of fuel combustion and related emissions, has the potential to significantly impact public health and permanently disrupt earth's natural balance. It is essential that we continue to generate robust and increasingly detailed emissions data on SO<sub>x</sub>, NO<sub>x</sub> and particulate matter (including black carbon) to help better understand and mitigate these impacts.

Through our membership of the Alliance for Clean Air, in 2022 we have contributed to the development of a pioneering methodology for measuring corporate emissions across value chains. This work means that we are able to report on particulate matter emissions (see below) and develop more granular air emissions inventories, baselines and mitigation strategies. In piloting the methodology, developed by the Stockholm Environment Institute (SEI), we have calculated our emissions associated with electricity generation, fuel combustion and industrial processes. Our first emissions inventory shows that our ocean business is currently the largest emitter, contributing heavily to Maersk's nitrogen oxide (NO<sub>x</sub>) emissions. However, our expansion into landside transportation will entail further increase in our air emissions.

### Air emissions



\*Other air pollutants are carbon monoxide, non-methane volatile organic compounds, particulate matter (10 and 2.5), and black carbon. See more details in the ESG Factbook on [maersk.com/sustainability](https://maersk.com/sustainability).

### Lost containers at sea

Maersk reports on the loss of containers to all relevant authorities and salvage where possible. In 2022, 118 containers were lost from three vessels: Laust Maersk lost a single container, while the chartered vessels Marcos V and Dyros lost 26 and 91 containers, respectively.

To prevent such losses in future, we are pursuing many different initiatives, both internal and in collaboration with external partners. Among others, Maersk is taking an active role in the TopTier project, a joint industry collaboration which aims to address the root causes of container losses from large container vessels.

### Improving waste management

In 2022, a key goal was to develop a baseline understanding of waste generation and management across our organisation. For 2023,

we are commissioning a global waste audit to provide further details on the waste we are producing and how it is being managed, so that we can strengthen our waste policies and enable target-setting. We are also rolling out new global waste management requirements in our growing landside footprint of warehouses, distribution centres and over truck and rail networks. New environmental awareness training for our landside operations, covering waste management, is being developed for 2023 delivery.

In 2022, we generated a total amount of nearly 459,877 tonnes of waste, an increase from 357,252 tonnes in 2021. The increase is driven mainly by a significant increase of non-hazardous waste in Terminals and a general increase in waste generation in Logistics & Services and Ocean. Of the 459,877 tonnes, 222,161 is hazardous waste and 237,716 is non-hazardous.

### Efficient resource consumption

Reducing impacts of resource consumption is of vital importance to Maersk and essential to delivering on our ESG agenda. Our expanding landside footprint has the potential to put even greater stress on available water resources where we operate.

In 2022 our consumption of freshwater increased ~16% from 2.15 to 2.5 million m<sup>3</sup>. This increase is driven by a number of factors including improved reporting processes, acquisitions, and operational reasons, and highlights the potential impact we could have on water resources.

As part of an initiative started in 2021, we continue to analyse, interpret, and report our data within relevant environmental and social contexts. In 2022 we expanded the use of this contextual data to our water consumption reporting.

Using Aqeduct 3.0 data from the World Resources Institute (WRI), we have been able to provide water stress context to ~2.13 million m<sup>3</sup> of our total 2022 consumption. Starting with 2022, we are reporting on water consumption across all our landside operations (office sites, Logistics & Services, and Terminals, see table on left). This approach helps us to better understand our water use and target water resource management measures in the locations with the greatest environmental pressures.

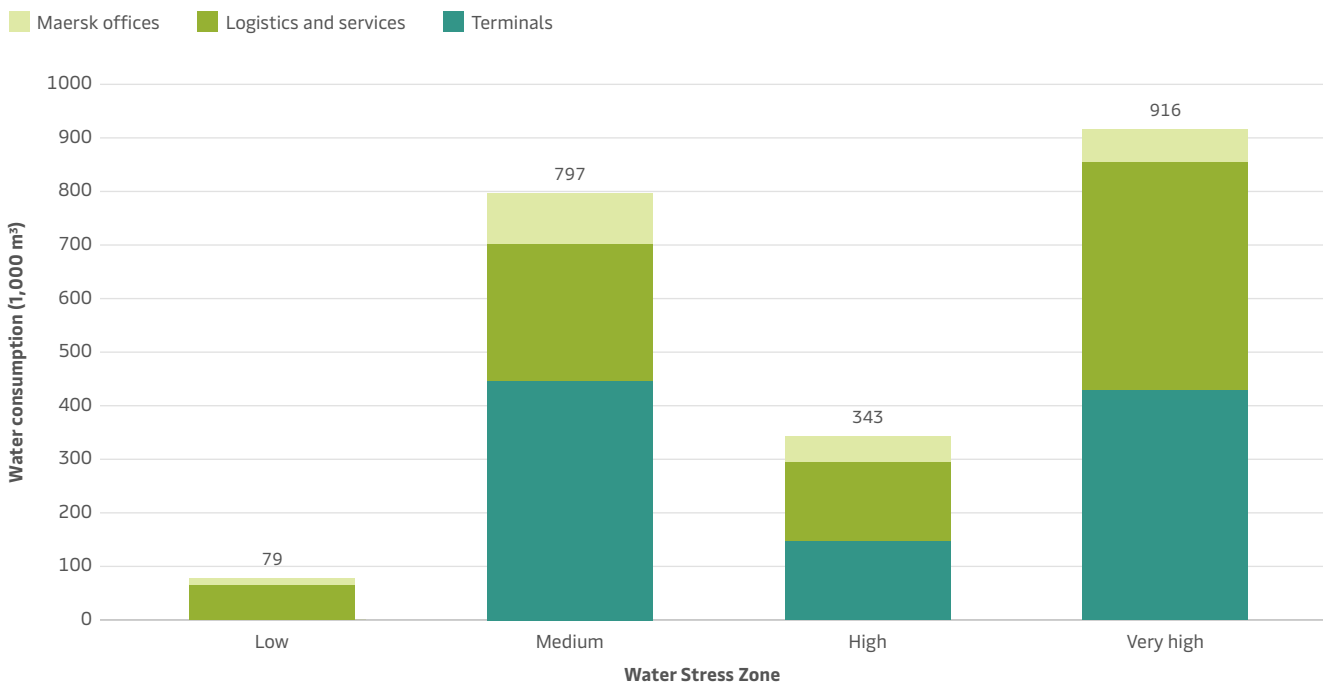
One example is the use of this type of water stress assessment in the design of our new facilities and operations. With a commitment to achieve BREEAM / LEED sustainability accreditation, our process now prioritises water efficiency measures in areas assessed as High and Very High water stressed.

Nearly 60% (~1.25 million m<sup>3</sup>) of Maersk's assessed water consumption occurs in High and Very High water stress zones, with 42% in Very High stress zones. Of our global landside footprint, APM Terminals is the largest contributor to our Very High water stress zone consumption.

In addition to identifying improvement priorities, these WRI-based contextual insights allow us to better measure the impact of our current efforts. They also allow us to better plan for the future, for example projecting how climate change over the coming years could impact our potential water consumption risks.

In 2023 we will work to apply this same context-based methodology to air emissions (NO<sub>x</sub>, SO<sub>x</sub>, Particulate Matter), waste management and physical presence / land use.

Water consumption in water stress zones, by landside operation type



## Why it matters

Only a small share of all vessels globally is recycled responsibly. The projected growth in demand for recycling capacity of large vessels add to the urgency of creating new responsible practice-driven, financially viable solutions. While leveraging these volumes, shipping can contribute towards decarbonisation of the global steel value chain. As a leader in the shipping industry, we have a responsibility to use our leverage to make a positive impact.

## UN SDGs



## Ambition

Ensure safe and responsible ship recycling globally to the benefit of workers, environment, responsible yards and shipowners.

## Targets

- Create global opportunities for responsible post-Panamax ship recycling
- Work with stakeholders to support EUSRR compliance and the Ship Recycling Transparency Initiative
- Continue wider Alang area development
- Identify Maersk's role in decarbonising the global steel value chain

# Responsible ship recycling

Since 2016, A.P. Moller - Maersk (Maersk) has responsibly recycled sixteen vessels at seven yards in Alang, India, and this engagement has been a catalyst driving a transformational change in the ship recycling industry. As global ship recycling volumes are set to quadruple by 2033, there is an urgent need to ensure that demand is met by suppliers with responsible environmental and social practices. A key focus for Maersk is to increase the global capacity and capability for responsible ship recycling. We continue working to better understand our role in decarbonising the global steel value chain, these efforts helped us affirm and sharpen the focus of our 2023 ship recycling goals, with more precise targets.

### Creating supply for unprecedented demand

A significant share of the anticipated rise in global recycling volumes comes from the largest vessels in the so-called post-Panamax category. Few recycling yards today have capability and capacity to handle these vessels. In 2022, we sent clear demand signals and strengthened our support for creating new opportunities via dialogues with under-utilised or defunct ship repair yards, as well as potential new industry entrants, to identify and build cases, and execute due diligence. While pursuing solutions globally, we are also aware of the fact that 98% of global ship recycling is carried out by the top five ship recycling nations: Bangladesh, India, Pakistan, Turkey and China, owing to the inherent steel demand in these countries with minimal last-mile costs and high commercial feasibility.

### Activities in Alang in 2022

2022 continued to be another strong year for the container shipping business as we deployed all available capacity to serve our customers' global supply chains. We completed the recycling of one vessel in Alang in the first quarter of 2022, and no additional vessels have been sent for

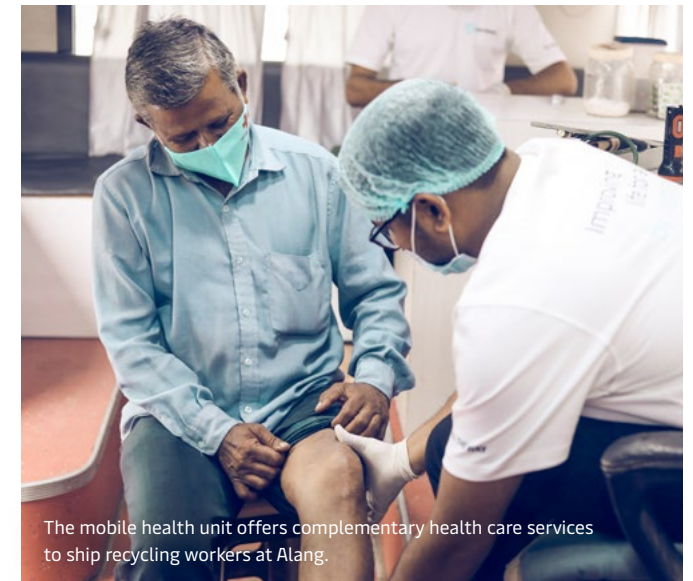
recycling during the year. However, our commitment to Alang stands and our hinterland engagement continued uninterrupted throughout 2022. Our mobile health unit, which we have supported since 2018 to improve healthcare access in Alang, reached a significant milestone of 75,000 out-patient department services this year.

A training programme for shipyard workers, funded since 2019, continued raising awareness on personal hygiene, substance abuse, sexually transmitted diseases, material handling and ergonomics. In response to the community's evolving needs, several health services were introduced at scale, including screening nearly 600 workers for oral cancer, another 4900 for diabetes, and supporting about 1750 people at specialised skin care camps.

As we have started witnessing the normalisation of market volumes, we anticipate increased ship recycling activity from 2023.

### Regulatory developments

Recycling options within European Union member states are limited for shipowners, as an industry study confirms<sup>11</sup>. Capacity for ship



The mobile health unit offers complementary health care services to ship recycling workers at Alang.

<sup>11</sup> [https://safety4sea.com/wp-content/uploads/2022/10/BIMCO-Report-on-the-EU-List-3rd-Edition-2022\\_10.pdf](https://safety4sea.com/wp-content/uploads/2022/10/BIMCO-Report-on-the-EU-List-3rd-Edition-2022_10.pdf)

recycling within EU countries remains strained, with only a very few yards on the EU list capable of handling post-Panamax vessels (i.e. too large to go through the Panama Canal). Even fewer yards are willing to accept commercial vessels for recycling as they prefer ship repair, conversions, decommissioning and offshore recycling, which are far more lucrative. To address capacity and capability challenges, we continue to work actively with industry stakeholders to have yards in non-OECD countries included on the EU list of approved yards to recycle vessels registered in EU countries.

The legal overlap between the EU Waste Shipment Regulation (WSR) and the Ship Recycling Regulation (SRR) is still in process of being clarified. Maersk fully supports the proposal that SRR will take precedence over the WSR when it comes to European-flagged vessels that become waste outside of EU territory.

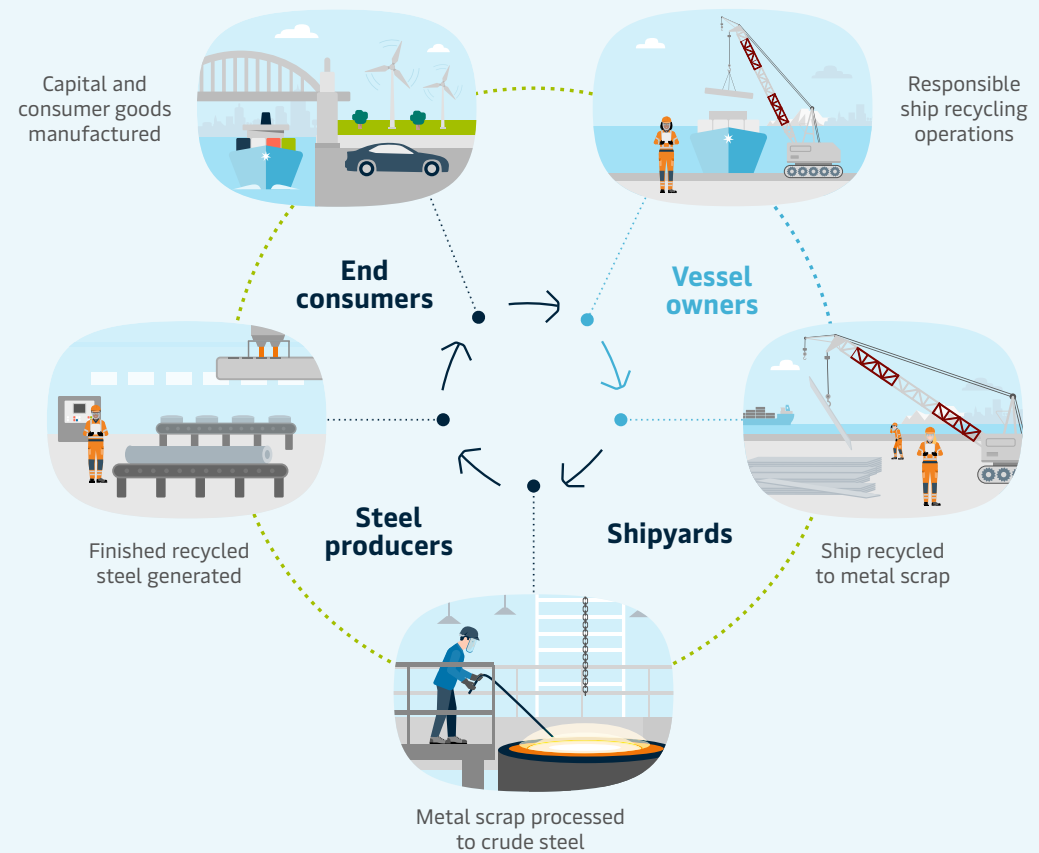
Meanwhile, work has begun in the EU to revise the SRR. Maersk participated at an initial hearing by the European Commission in June, where we highlighted the fact that the auditing and inclusion of non-EU yards on the approved list has been lacking in practice. The fact that yards located within the EU are not audited does not raise the standards at those yards. We further pointed out that a revision of the SRR should be tied more closely to the EU circular economy action plan to leverage the potential for re-use of steel from ship recycling. More details on Maersk's position can be found [here](#)<sup>12</sup>.

### Transitioning the transparency initiative

The Ship Recycling Transparency Initiative (SRTI), to which Maersk was a founding signatory in 2018, is a collective effort to bring together different players across the shipping industry value chain to drive transparency and improve ship recycling policy, practice and performance.

Today, 31 companies are signatories, and 14 shipowners across various vessel types and geographies share information on their ship recycling policies and practices, allowing lenders, investors, cargo owners, and others to make informed decisions and reward good practices. In 2022, the Sustainable Shipping Initiative decided to withdraw from hosting the SRTI, whereas Smart Freight Centre has agreed to host from January 2023. We remain steering group members of SRTI and have assisted in ensuring a smooth transition.

## How ship recycling can support the decarbonisation of steel



Steel is the world's most widely used material, from buildings and infrastructure to transportation and household goods. It is, however, a hard-to-abate industry that accounts for around 7% of global annual greenhouse gas emissions. Recycled steel has potential to become a valued raw material for steel consumers with net zero emissions targets, such as automobile and wind turbine manufacturers. In 2022, Maersk engaged with stakeholder groups to better understand the global steel value chain and our potential role in supporting circularity as a steel purchaser and supplier via recycled vessels. We also joined the Climate Group's SteelZero, a global initiative that brings together leading organisations to accelerate the transition to a net zero steel industry.

<sup>12</sup> [https://www.maersk.com/-/media\\_sc9/maersk/corporate/sustainability/files/our-approach/policies-and-positions/responsible-ship-recycling-position-paper.pdf](https://www.maersk.com/-/media_sc9/maersk/corporate/sustainability/files/our-approach/policies-and-positions/responsible-ship-recycling-position-paper.pdf)

# Social

A.P.Moller - Maersk strives to provide a safe and inspiring environment for our people to grow, develop and thrive as a diverse and global team. Our actions are guided by our Purpose and Core Values, international standards and the expectations of our key stakeholders.

- Safety and security
- Human capital
- Diversity, equity and inclusion
- Employee relations and labour rights
- Human rights



## Why it matters

Safety and security at work is a basic human right, and we have a duty of care to keep our employees and anyone operating on our sites safe. It is a Core Value and a responsibility for us as a company towards our employees, their families and communities.

## UN SDGs



8.8

## Ambition

We ensure everyone gets home safe by preventing fatal and life-altering incidents.

## Targets

### 2023

- 100% of Learning Teams completed following a High Potential Incident
- Global Leadership (top 1,200 leaders) upskilled in Maersk Safety & Security Principles

Progress indicator

# Safety and security

In A.P. Moller - Maersk (Maersk), ensuring the safety and security of our people is not just a legal requirement. It is a moral and ethical obligation deeply rooted in our company values of Constant Care and Our Employees and codified in our corporate HSSE Policy.

We are determined to keep every employee safe and secure while they perform their work duties, whether at sea or on land. Our unequivocal ambition is to eliminate fatalities and life-altering injuries from our operations, and to this end we are continually building our capacity to operate safely and securely, integrating HSSE into our systems, processes and ways of working.

### Enhancing safety, mitigating risk

Over decades, we have developed industry-leading standards and a strong safety and security culture in our marine and terminal businesses. Yet, as we transform into a leading global logistics operator, we are moving quickly into new landside business areas and operations and working with new partners every day.

This reality significantly changes and expands our frontline risk exposure, and highlights the need for adapting our safety and security measures. Our responsibility also extends to third-party contractors, when they operate under our duty of care, and we expect and require these partners to comply with Maersk safety and security standards.

To keep our employees and partners safe from severe and fatal injury, we are strengthening our risk assessments, confirming that critical safeguards are in place and accelerating the implementation of our global safety and security standards.

We continue to build work environments that have the capacity to fail safely. This means that even if accidents or incidents occur, our safety culture, processes and mitigating actions are robust enough to ensure that no significant harm occurs. To support this, we have set targets on leading indicators for safety capacity. Reaching these targets requires us to invest and commit resources to building leadership capabilities and improving our safety culture.

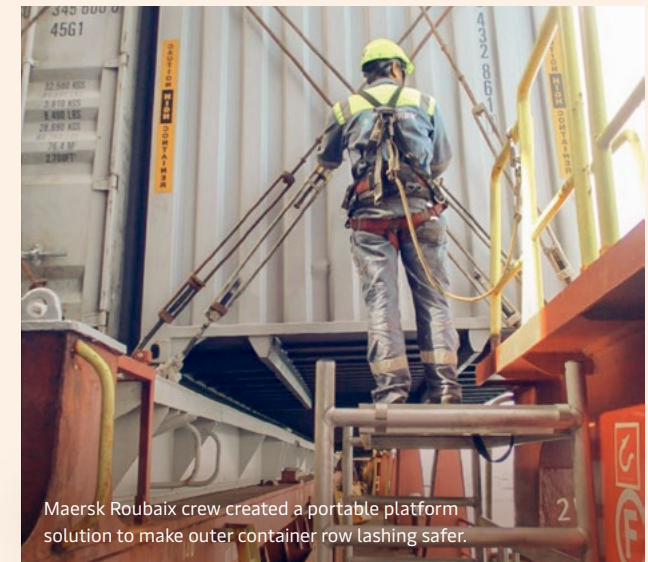
The first target focuses on High Potential Incidents as predictors of where there is a heightened risk of fatal and life-altering accidents.

By the end of 2023, all High Potential Incidents will trigger a frontline Learning Teams assessment. For 2022, we recorded 83% completion rate. The second strategic target is that by the end of 2023, Maersk's 1,200 top leaders will have gone through comprehensive training in the Maersk Safety and Security Principles. We will report progress on this target in the 2023 Sustainability Report.

In addition to these global targets, we are also addressing specific risks within our business areas:

- Ocean & Logistics: Growth across multiple regions in 2022 meant we rapidly expanded our landside safety and security risk surface,

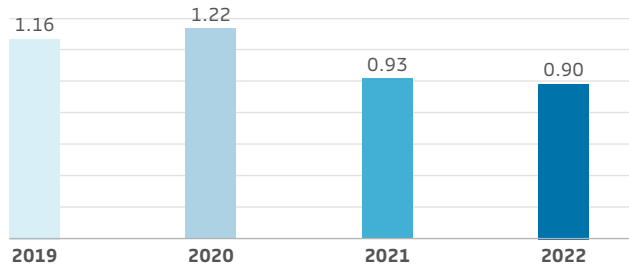
## Engaging employees on safety



Maersk Roubaix crew created a portable platform solution to make outer container row lashing safer.

One of the key tenets of our safety approach is that frontline employees are our true safety experts. We are proactively rolling out initiatives that improve employee engagement and empower them to share their knowledge. In 2022, we held Maersk's first Global Safety Awards, which recognised 240 innovative safety improvement projects across all our businesses and regions.

## Driving down the injury frequency rate



In 2022, we improved our lost-time injury frequency rate from 0.93 to 0.90. The lost time injury frequency rate expresses the number of lost-time injuries per million exposure hours of our employees.

### Safety leadership

From January 2023, all leaders in Maersk will have access to a new safety and security leadership training programme *Leading With Care*. The training will be mandatory for our current top 1,200 leaders, and will be part of standard training for all new leaders. The programme will ensure our leaders are fully enabled and personally involved in creating and maintaining safe workplaces.

During 2022, our leaders participated in more than 18,000 safety walks, or 'Gembas', on our operational frontlines to ensure our employees have what they need to operate safely. By the end of 2023, every High Potential Incident (HiPo) will be followed by a Learning Team. These are sessions designed to review any safety incidents and implement effective changes to avoid future risk and improve our safeguards.



How do Maersk leaders engage with our front line safety experts?

← Watch Video

prompting a new focus on Warehouse and Distribution safety and security risk management, with particular focus on separating people and machines (trucks and forklifts).

- APM Terminals: New ways of working and increased automation are also changing the frontline risk landscape. We are responding with new risk assessment tools, training and frontline risk mitigations to meet evolving challenges head on.
- Fleet & Strategic brands: To ensure continuous improvement in our offshore safety and security, we have implemented new safety and security initiatives, including Safety Behaviour training, a Briefing & Debriefing Project, and the 'Respect Radar' initiative as part of our overall cultural transformation programme.
- We also progressed on a number of process and governance topics in 2022, including data reporting improvements, a new leadership training platform (see box on left), embedding safety and security requirements in our capital investment proposals, and a strengthened HSSE Management Framework for our businesses. In 2022, we continued our review of safety certification needs and requirements, aiming to conclude in 2023.

### Emerging security risks

As Maersk expands into new industries and new markets, there is also an increased need to fully understand and stay ahead of emerging security risks – especially considering the war in Ukraine, increasing geopolitical tensions, local armed conflicts and civil unrest.

In line with our values, Maersk actively monitors the security conditions of all its operating sites and responds quickly to threats in often dynamic and challenging environments. In 2022, this included risks associated with the war in Ukraine and risks associated with our operations in Myanmar and other locations which have seen unrest. To manage the risks to people and supply chains, we have in 2022 strengthened our security protocols for operations in high-risk countries.

### Tragic losses underscore our reality of risks

Building on the strong safety culture practised by our marine and terminal businesses, we have over the past two years set shared HSSE standards for all Maersk business areas. We have come a long

way by consolidating our approach and continue exploring new ideas and technologies to embed safe working practices across all businesses.

Despite this progress, the tragic loss of nine lives in 2022 underlines that we still have a lot of work to do in order to deliver on our stated ambition of eliminating loss of life from our operations. Six of the nine 2022 fatalities involved third parties, which is leading us to revisit the control of contractors who enter our facilities, as our duty of care extends to anyone working under Maersk's operational control.

While we can never bring loved ones back, we have a solemn obligation to fully learn from such tragic occurrences and take action to prevent them from recurring. We must continue to embrace and improve safety across our entire business; much work still needs to be done.

### Fatalities in 2022

Business segment	Location	Employed by
APM Terminals	United States	Third-party contractor
Logistics and Services	Indonesia	Maersk
APM Terminals	United States	Third-party contractor
Svitzer (two fatalities)	Morocco	Maersk
Logistics and Services	United States	Third-party contractor
Logistics and Services	Vietnam	Third-party contractor
Logistics and Services	United States	Third-party contractor
Logistics and Services	United States	Third-party contractor

### Why it matters

To deliver on the ambitions of our Global Integrator business strategy, Maersk is dependent on highly engaged employees and significant new capabilities within, for example, technology, data analysis, leadership and sales and marketing. These are all areas where the global competition for talent is fierce.

A highly engaged workforce is also essential to delivering on the aspirations of our ESG strategy. Conversely, establishing ourselves as a leader in ESG can be a key enabler to attracting talent in these areas.

### UN SDGs



4.4

### Ambition

We aspire to create an engaging environment for all colleagues and to become a company where our employees can develop and have thriving careers.

### Targets

#### 2025

- Employee Engagement Survey score in the top quartile of global norm

Progress indicator

# Human capital

Our people are the foundation of our success as a company, and our People strategy is designed to create the right environment for all employees to contribute to improving life for all by integrating the world. In this challenging post-pandemic environment, where we operate in a market driven by global socio-economic trends, an engaged workforce is critical to deliver on our Purpose and our Global Integrator strategy. Our People strategy outlines a range of key initiatives to drive engagement; to attract, develop and retain our employees; and to ensure this is done with diversity, equity and inclusion in mind.

### People priorities to attract, develop and retain talent

Launched in 2021, the People strategy aims to nurture a knowledge-driven organisation capable of reliable execution and made effective by the power of empathy. In 2022, we progressed on supportive strategy initiatives for Purpose & Values, leadership, onboarding, upskilling, career building and talent attraction.

A revitalisation of our core values and new articulation of our Purpose was one of the most critical milestones this year. Our growth ambitions require thousands of new employees, which in turn requires more leaders – in 2022 we added 300 new people leaders to our management team. To ensure they are equipped to drive performance and engagement, we piloted a programme for these new leaders, with a particular focus on leading with empathy and care. And to support the many employees we will add in the coming years, we delivered an onboarding programme in 2022 with face-to-face and virtual training on relevant topics including purpose and values, safety and resilience and compliance.

To help our people build meaningful careers, we launched a new Performance Management approach in 2022, moving away from traditional ratings to continuous performance conversations, with the goal of improving performance, alignment and career growth. This will continue in 2023 with refreshed talent review and succession planning.

Our Talent Acquisition team is working on improving candidate and leader experiences, while increasing talent pools, especially for specific talent groups. This includes focusing on frontline skilled trade workers who are critical to supporting our rapid logistics and services expansion.

### Driving engagement

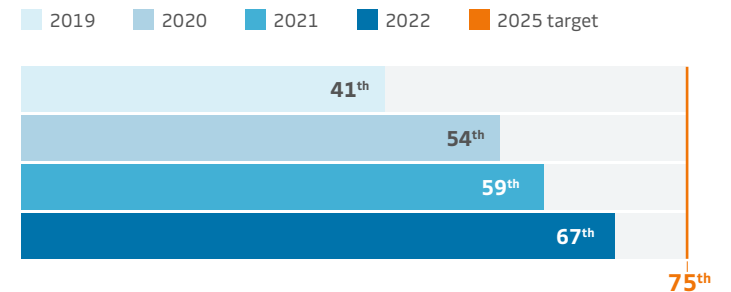
We continuously evaluate our progress on engagement through two key metrics – our biannual global employee engagement survey and our voluntary attrition rate.

In 2022, Maersk demonstrated a high participation rate of 89% in the engagement survey (well above Gallup's benchmark 82% average). Our year-end 2022 survey showed continuing steady progress in our ambition to reach the top quartile, with an aggregate score in the 67th percentile – an 8-point year-on-year improvement over 2021. For the first time, we were above the global average for all 12 Gallup survey questions and 9300+ colleagues said they are more engaged than a year ago.



### Target and performance on engagement

#### Employee Engagement Survey score in the top quartile of global norm



The consistent improvement of engagement scores is a result of our day-to-day actions that Maersk is taking to build a culture where people know that their opinion counts, and that they are supported by management and peers.

Our voluntary attrition rate is another important measure of our ability to retain talent. Our current resignation rate is 9%, which was within a stable +/- 0.25% range over the last 12 months. This is ahead of the current external benchmark (PwC Saratoga) for the Transport & Logistics industry of 10.9%.

In 2023, we will maintain our focus on delivering our People strategy and continuing to improve recruiting and onboarding processes, as well as upskilling, career building and leadership development, and investing in our culture by further embedding our Purpose and refreshed values.

## Why it matters

It is a Core Value in Maersk and a basic responsibility not to discriminate against our employees. Discrimination bars people from living up to their full potential, creates inequality and less stable and prosperous societies. Moreover, we need diversity of thought to continue to improve and develop our business. Facilitating a culture where everyone feels comfortable and is treated fairly, will help us gain access to a larger, more diverse pool of talent.

## UN SDGs



5.1  
5.5

10.2  
10.3

## Ambition

We want to facilitate diversity of thought and create a more diverse, equitable and inclusive workplace at Maersk, where our employees feel able to bring their whole selves to work and contribute to their fullest. A key priority is to foster gender diversity as this is our largest gap and where there is particular spotlight on company performance.

## Targets

- Target for the Board of Directors: Three women on the Board of Directors, if the Board consists of less than twelve members, and four women, if the Board consists of twelve or more members

### 2025

- 🕒 >40% women in management and leadership (job level 4+)
- 🕒 >30% diverse nationality (non-OECD) of executives (job levels 8 and 9)

🕒 Progress indicator

# Diversity, equity and inclusion

We launched our new People strategy at the beginning of 2022 with diversity, equity and inclusion (DE&I) at its core. The goal was to create an inclusive workplace with diverse teams across all career levels and many dimensions including diversity of thought, culture, and gender - among others. Measuring our near and long-term DE&I progress is a key part of this approach, so we can understand our performance and address any gaps.

Across every area of our business, from employee engagement to performance and talent reviews, we monitor gender and nationality statistics to ensure we keep a sharp focus on maintaining a diverse and equitable workforce. What's more, we embed clear inclusivity standards into our Leadership development programmes. This enables us to lead with care and empathy and provides our leaders with the tools to drive our DE&I agenda.

As a result, our leaders take full responsibility for the People Strategy's DE&I agenda. They continue to set the highest standards for DE&I and champion its importance in our organisation's culture.

### Global inclusion survey

As an outcome of the first edition of the 2021 Inclusion Survey and to support a Human Rights assessment that prioritised action to mitigate any harassment at work, we launched a global Anti-Discrimination, Harassment and Bullying Policy followed by mandatory training to strengthen A.P. Moller - Maersk's (Maersk) commitment to a Zero Tolerance Code of Conduct.

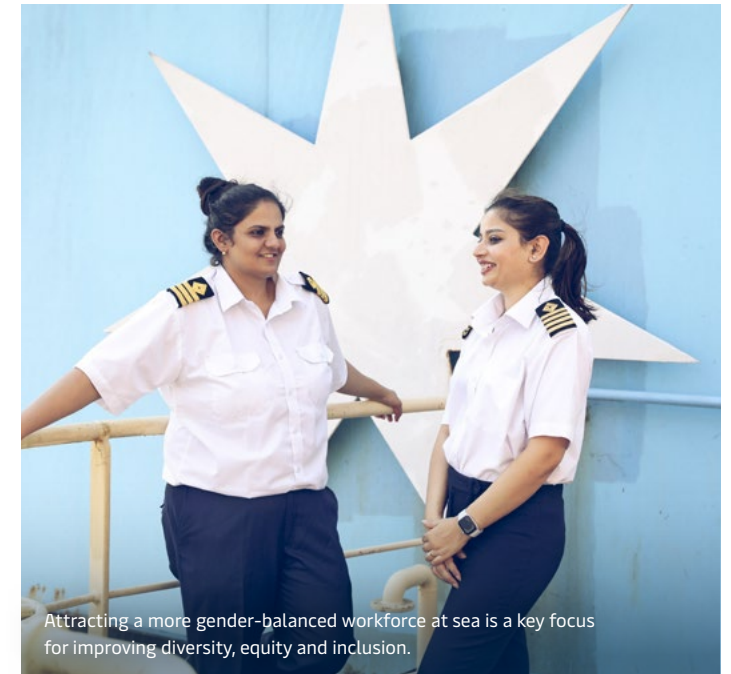
The survey also revealed the importance of equity in our DE&I agenda and how it can be affected by internal procedures. This insight is being used to drive equity awareness in our leadership training and process changes to ensure that all employees have fair access to opportunities, fair treatment and fair decision outcomes.

### Progress on gender diversity in leadership

We worked towards our women in management and leadership target in 2022 by strengthening the pipeline of women leaders and engaging women earlier in their careers. This includes dedicated programmes for all levels of seniority to provide the skills, tools and techniques to maximise the potential of our underrepresented talent pool. Our programmes provide women with opportunities to develop key leadership skills in a unique environment that supports networking and builds career paths. In 2022, around 800 women employees participated in these programmes.

### Acting on retention and improving transparency

One of the ways we aim to proactively address employee retention is by ensuring our values and DE&I commitments are transparent to all. In 2022, we also revamped our [career site](#) with the goal of sharing credible data and DE&I actions.



Attracting a more gender-balanced workforce at sea is a key focus for improving diversity, equity and inclusion.

### Addressing attraction challenges

As Maersk continues to grow, it is important that our employee diversity grows with us as part of our journey to become the global integrator of container logistics. Our goal is a workplace where everybody can thrive and bring their best selves to work, regardless of gender, nationality, religion or sexual orientation.

This means that we proactively address attraction challenges that stem from male-dominated working environments in new activities like warehousing and trucking. We are working on creating toolkits and programmes to equip our leaders to integrate DE&I throughout our People processes, from hiring, onboarding to career development.

Attracting female seafarers is a particular challenge, and building a more gender-balanced workforce at sea is a key focus to unlock an even broader talent pool and help retain our employees. We are working to improve gender diversity among our seafarers by taking part in dedicated maritime organisation events aimed at attracting more women. We are also building equity into our recruitment and retention efforts through a series of projects that include seafarer Pride, Personal Protective Equipment in women's sizes, and vessel design improvements such as dedicated female crew accommodations.

In markets like India, where female Indian seafarers at Maersk make up just 0.5% of the workforce, we launched the 'Equal at Sea' campaign which aims to achieve equal gender participation in its cadet pool in India by 2027. Maersk will work towards this ambitious goal through awareness sessions in schools and local NGO support programmes. This includes the launch of a Maersk Women Cadet Program in collaboration with AMET University, Chennai, which will provide skill training and a psychologically and physically safe environment with maternity benefits and 'speak-up' channels.

### Direct action on harassment at sea

Creating the right environments on our vessels to attract and retain female seafarers, and all colleagues at sea, requires a culture of zero tolerance for discrimination, assault, harassment or bullying of any kind. We continue to commit ourselves to eliminating sexual assault and harassment – including cases which came to light in 2022.

By increasing awareness through 'speak-up' campaigns and allyship, we have created increased openness related to harassment issues throughout Maersk. This has allowed us to take the necessary

actions to improve our approach to dealing with workplace harassment, together with new training, reporting and accountability, with zero tolerance for inappropriate behaviour.

During 2022, Maersk settled two sexual assault and harassment cases involving cadets on a US-flagged Maersk Line, Limited vessel. Over the past year, we have significantly ramped up our efforts and initiated a cultural transformation programme to support a speak up culture and ensure a safe work environment in our global fleet, but we are aware the work here has just begun.

In addition to these common measures, in the US specifically we are working across the ecosystem with labour unions, the Maritime Administration, maritime academies and the US Coast Guard. More needs to be done to prevent sexual assault and harassment in our industry. Maersk is fully committed to being part of the solution and welcomes all industry partners to work together on this critical issue.

### Leveraging employee reference networks

Internally, we have several affinity groups dedicated to different DE&I areas, like the Maersk Inclusion for Excellence networks, Pride@Maersk, and Maersk Power Women's Network. Beyond

employee connections, these groups work as brand ambassadors and sounding boards, providing input and feedback on DE&I topics and initiatives to help us understand what we are doing well and how we can continue improving.

These groups have created strong momentum through awareness campaigns like International Women's Day, Summer of Pride, Mental Health Month, and International Day of Persons with Disabilities. They also create opportunities to partner with our customers on activities based on our shared values.

Representation of women on the A.P. Møller - Mærsk A/S Board of Directors (2022)

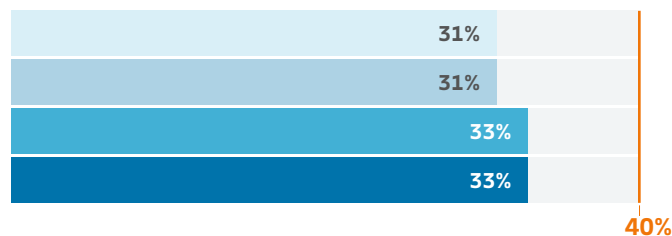
3 women out of 8



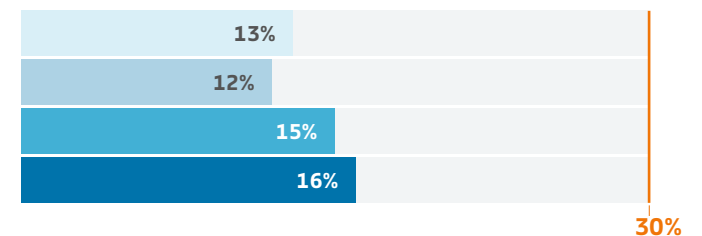
### Targets and performance on diversity

2019 2020 2021 2022 2025 Target

#### >40% women in management and leadership (job level 4+)



#### >30% diverse nationality (non-OECD) of executives (job levels 8 and 9)



## Why it matters

The way we treat our employees and their representatives is fundamental to the way we want to do business. This begins with ensuring respect for internationally recognised labour rights in all our workplaces.

## UN SDGs



8.5  
8.7  
8.8



16.3

## Ambition

Employee relations and labour rights are an essential part of Maersk's Social ambition. We offer decent, fair and equitable working conditions for all our people. We identify risks for employees and third-party labour, and implement mitigating and preventive actions to ensure that our growth adequately considers our full social responsibilities.

## Targets

2023

- 100% of employees within Maersk trained in employee relations and labour rights

Progress indicator

# Employee relations and labour rights

A.P. Moller - Maersk (Maersk) is committed to respecting fundamental labour rights and constructive employee relations. We align with core ILO conventions and internationally accepted UN and OECD frameworks and comply with relevant local legislation. Our organisation respects the rights to freedom of association and collective bargaining, supports trade union and work council engagement, the rights to not be subjected to forced labour, child labour or discrimination in respect of employment and occupation and standards on working hours and the safety and health of workers.

We uphold our employee relations and labour rights commitments through our Commit Rule on employee relations, a dedicated guideline on automation, collective bargaining negotiations, and company-wide employee training. Our Global Employee Relations Council shapes our approach by discussing issues on global scale, gathering evidence and making proposals for global solutions.

## Growing responsibly

Maersk's growth ambitions mean that we are adding thousands of new colleagues every year, also through acquisitions. As our portfolio of warehousing and other land-based logistics services continues to grow, we are committed to ensuring that we manage all new areas of business with full respect for labour rights. In 2022, we created a playbook for our new warehousing businesses that outlines onboarding best practices and explains the fundamental employee relations and labour rights concepts of our company.

As a high-level strategic target for this category, we provide face-to-face training for managers in key areas such as managing employee relations in daily operations and negotiations and conflict management. Employee relations is part of our standard onboarding programme and we have annual refresher training for all employees. We also track overall training progress of our employee relations and labour rights training, and in 2022, the completion rate was 83%, which is on track to meet our target of having a 100% completion rate by 2023.

## Strengthening labour rights due diligence processes

We continue to strengthen our labour rights due diligence process, gathering actionable insights on critical issues in our business. Every two years, we conduct a company-wide labour rights self-assessment to review areas of risk as well as internal policies and procedures. In the latest assessment, completed in 2021, working hours, workplace discrimination and harassment, and compensation were identified as significant labour rights risks. We are addressing the challenges by direct engagement with local management, with training and tools for managers, strengthened workplace harassment incident processes, and with mechanisms such as the Maersk whistleblower system and Ombuds function for employees to feel safe when speaking up about harassment.

## Progress on key labour rights risk areas

Following a review across APM Terminals in 2022, we worked closely with local businesses and third-party suppliers to improve working conditions for contracted labour in our terminals. We acted to resolve issues found in the review, specifically working hours, overtime, health and safety, and workers' accommodation. In 2022, we developed updated Maersk Global Standards on Third-Party Labour to offer clear guidance and manage our expectations on suppliers of Third-Party Labour. We will begin rolling out the Maersk Global Standards on Third-Party Labour in 2023.

Automated processes are rapidly changing the way we are working across our business. Since 2018, we have had principles in place outlining how to communicate to employees about changes to working practices, and with a specific focus on retraining in new areas of work. In 2022, we developed a playbook to further support our terminals in ensuring these transformations happen in a responsible way.

In 2022, we developed our Fair Pay Program to ensure employees are rewarded fairly in line with their contributions to Maersk. We target equal pay for equal work, ensuring that any differences are due to objective factors such as experience, skills, knowledge and performance, and not due to gender or any other characteristics such as ethnicity, race, nationality, age, disability, religion, beliefs or sexual orientation. Fair Pay develops continuously, and we have and will over time expand the considerations we apply.

## Why it matters

Many aspects of our business touch on human rights, including our employees' working conditions, health and safety, how our vessels are recycled, how we use digital data and technologies, and our suppliers' business practices. Our conduct within our own business and through our business relationships can therefore have a significant impact on society, both positive and negative. Further, increasing regulation and growing expectations from our stakeholders confirm that human rights is a material topic for Maersk.

## UN SDGs



## Ambition

Continue aligning our business practices with the UN Guiding Principles, and ensure that human rights considerations are integrated into our due diligence processes and ESG governance mechanisms.

## Targets

- Capacity building on human rights, including targeted trainings for human rights issue owners
- Continued integration of human rights into key due diligence processes

# Human rights

A.P. Moller - Maersk (Maersk) is committed to respecting human rights, in line with the UN Guiding Principles on Business and Human Rights (UNGPs). As the role of companies is frequently being put in the spotlight, both in terms of their powerful potential for positive impact and in terms of responsibility to avoid or minimise negative impacts, the UNGPs are a north star in navigating complex dilemmas involving impacts to people. Increasing regulation on companies to implement responsible business conduct due diligence is formalising the requirements. This development is reinforced by increased customer and investor interest in how we conduct business responsibly. Maersk supports increased harmonisation and alignment on responsible business conduct due diligence aligned to existing international principles.

## Addressing our salient human rights issues

In 2022, we followed up on our 2021 corporate-level human rights assessment by consolidating our overview of salient human rights issues (see box below) and defining action plans. We have prioritised progress on three human rights issues this year: (1) working conditions in the supply chain (read the sections on Employee relations and Labour rights, p. 46, and Sustainable Procurement, p. 50, for more on this topic), (2) violence and harassment at work, in particular offshore working conditions for our seafarers (read more on p. 45), and (3) impacts of climate change and decarbonisation – including the importance of a just transition to more sustainable supply chains (read more on p. 31).

We also focused on strengthening key processes that support our human rights due diligence framework. In 2022, we further embedded ESG risk analysis into our Merger & Acquisitions due diligence processes, and made progress on further integrating ESG risk management in the Sustainable Procurement process (see p. 50).

## Human rights governance framework

Human rights updates are provided to the Executive Leadership Team as part of regular ESG strategy progress oversight. In addition, as human rights is an overarching topic, responsibility for managing

particular human rights issues lies with the respective functions with support by specific governance forums. Building a strong human rights governance structure is an imperative as we prepare to meet increased regulatory requirements.

## Internal capacity building

Responsibility for making decisions with respect for human rights lies with all Maersk leaders, and therefore capacity building is a key enabler of our commitment. Our ambition is to support and equip leaders with the knowledge and tools to handle dilemmas in a manner sensitive to potential human rights impacts. In 2022, we developed tailored, face-to-face human rights training and rolled this out to several key functions and human rights issue owners. We will continue this training in 2023 and beyond.

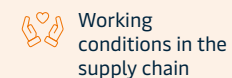
## Operating in conflict-affected countries

We are conscious of our responsibility to conduct heightened human rights due diligence when operating in conflict-affected areas. During 2022, this has particularly been relevant in connection with ceasing our activities in Russia (see p. 8), and continuing our operations in Myanmar. Since the coup in Myanmar, working in a cross-functional team, we have closely monitored the situation as well as our activities and business relationships to ensure that our presence is not contributing to human rights abuses. In this dynamic and sometimes challenging environment, we retain strong and open communication with our employees, prioritising supporting their health, safety, well-being and decent work conditions.

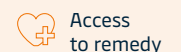
## Maersk's prioritised salient human rights issues



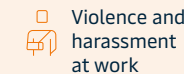
Health and safety in the supply chain



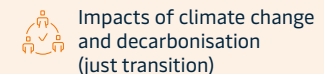
Working conditions in the supply chain



Access to remedy



Violence and harassment at work



Impacts of climate change and decarbonisation (just transition)

# Governance

At A.P. Moller - Maersk, high standards of responsible business practices are foundational for the services we deliver to customers and the value we create for the communities where we operate. Learn more about how we earn the trust of our customers and partners every day, and act as a responsible member of the global communities we call home.

- Business ethics
- Sustainable procurement
- Data ethics
- Responsible tax
- Citizenship



## Why it matters

Corruption is a key compliance risk and it is illegal. It undermines social and economic development, destabilises the business environment and adds to the cost of doing business and participating in global trade. It is against our values and affects external confidence as well as company morale. Non-compliance with bribery and corruption law may lead to legal and reputational risks, extra costs, inefficiencies in our business, fines, imprisonment and debarment from markets.

## UN SDGs



16.3  
16.5

17.16

## Ambition

With the aspiration to contribute to eliminating corruption in the industries where we are active, through both multistakeholder collaboration and actions in our own operations, our ambition is to stay best-in-class, meeting the highest international standards in particular when operating in jurisdictions with high exposure to corruption, sanctions and export controls.

## Targets

### 2023:

- 100% of employees (in scope) trained in the Maersk Code of Conduct

### Ongoing:

Bi-annual compliance and business ethics risk assessments covering 100% of our operations and continued implementation of the related risk mitigation measures mitigating any identified risks

Progress indicator

# Business ethics

Our work on anti-corruption, sanctions and export controls is about more than compliance; we see it as part of our commitment to responsible business conduct and business ethics. This commitment underscores our responsibility to promote sustainable trade and a more equal society. We are consistently improving our approach to business ethics to better navigate evolving market conditions and geopolitical tensions, which were very dynamic and challenging in 2022.

Our ambition is to continue implementing and enhancing our compliance programme to prevent, detect and correct behaviour that is not aligned with our Core Values and Commit Rules on business ethics. We benchmark and measure our performance against the UN Global Compact Goals, the US FCPA guidance, the ISO standards, and the OECD guidelines, and our programme is audited regularly by A.P. Moller - Maersk's (Maersk) Group Internal Audit.

### Governance of business ethics

Commit, Maersk's internal governance framework, encompasses the business ethics rules for responsible business conduct – see p. 14 for details. Implementation is supported through a dedicated Compliance team of 50+ specialised experts and 65+ dedicated Business Compliance Ambassadors that monitor and manage risks across Maersk's compliance programme.

### Managing impacts and risk

Facilitation payments when interacting with authorities in ports and at border controls are one of the primary corruption risks faced by our ocean and logistics businesses. In terminals, a key risk is related to negotiations with governments to build or operate terminal infrastructure. Similar risks such as permits for building or operating warehouses also exist in our logistics infrastructure projects.

To manage these risks and further strengthen Maersk's compliance programme, business ethics was named as a prioritised category in our ESG strategy. This demonstrates the top leadership commitment to business ethics, and includes regular reporting to the Executive

Leadership Team and Audit Committee on Business ethics through the enterprise risk and ESG frameworks.

In 2022, we focused on monitoring the application of the business ethics rules through internal compliance controls, spot checks and transaction testing. This was supplemented by a mapping of business ethics risks by a functional risk assessment for group functions supporting the business.

We also improved third-party management processes in 2022 – especially for vetting third parties interacting with government officials or those acting on our behalf, intermediaries, or business partners. We rolled out Maersk's first compliance e-learning for third parties, and also manage third parties through our Sustainable Procurement (see p. 50).

Annual training is rolled out across our workforce to raise awareness of important business ethics topics, and we track training coverage as a prioritised KPI towards the target of all relevant employees completing annual training on our Code of Conduct. In 2022, the completion rate was 83%, which is on track to meet our target of having 100% completion rate by 2023. In 2022, we also restarted in-person training for high-risk locations and functions for the first time after the pandemic.

In 2023, we will continue strengthening our compliance programme by focusing on rolling out our Code of Conduct training to all targeted employees, and digitalising our compliance reporting and internal compliance controls.

Maersk continues to be an active member of the Maritime Anti-Corruption Network (MACN), a network working to eliminate corruption in the maritime and port industry. MACN includes over 165 companies globally, and exemplifies taking collective action to tackle corruption.

### Compliance with sanctions and export controls

As a Danish company and global leader in ocean and logistic services, Maersk complies with all applicable sanctions and export controls laws. The increased complexity and growth of this area resulted in Maersk exiting Russia and strengthening our processes and controls when dealing with highly sanctioned or high-risk countries and parties.

Sanctions and export controls are a part of Maersk's Code of Conduct to ensure appropriate awareness and training on applicable restrictions and prohibitions. These restrictions extend to other illegal practices such as illegal wildlife trade, see p. 36.

## Why it matters

Our operations and purchasing decisions have an impact on social, environmental and economic conditions in our industry and global supply chains. We rely on more than 60,000 suppliers, including 5,300 high-risk suppliers, in our global supply chains. Addressing sustainability risks in our supply chain strengthens stakeholders' trust in our brand and prepares us for regulation of due diligence in supply chains.

## UN SDGs



## Ambition

To live up to our commitment to procure sustainably, we will integrate ESG as a strategic topic across supplier life cycle stages and establish end-to-end visibility on supplier performance through collaboration and engagement, with an ultimate goal of co-development and innovation towards sustainable outcomes.

## Targets

- 2024:**
- 100% of suppliers (in scope) committed to the Supplier Code of Conduct
  - >85% of strategic suppliers undergoing ESG assessments
  - >80% of high-risk category suppliers with Improvement Plan successfully closed

Progress indicator

# Sustainable procurement

Integrating sustainable procurement into our ESG strategy ensures that we remain mindful of the impact our product and service buying decisions have on the environment and society, along our full value chain.

Throughout 2022, we worked to establish end-to-end visibility on supplier ESG performance through digitisation and process standardisation, with a prioritised focus on decarbonisation, safety and security, and labour and human rights. With targeted training on ESG in

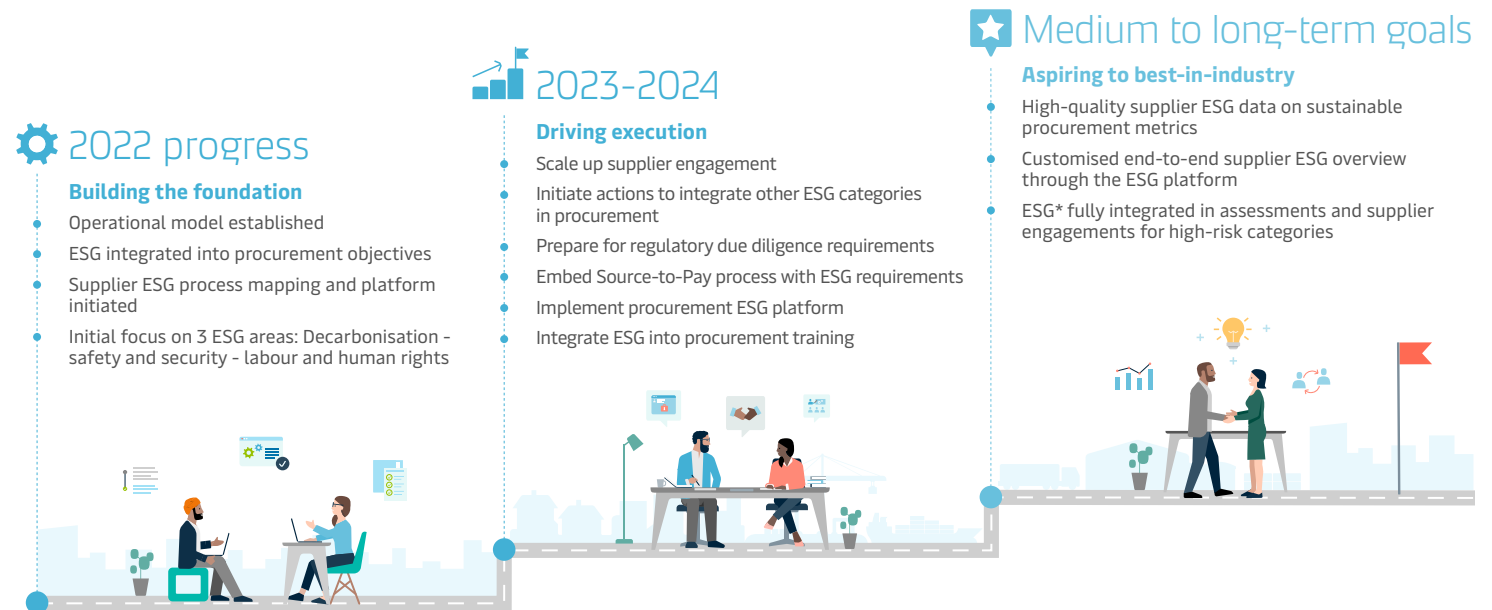
procurement, we are building capabilities to ensure that both our own and our customers' sustainability goals are always factored into our procurement activities.

A governance model was established by means of the Sustainable Procurement SteerCo, which meets quarterly to review progress and discuss emerging risks. Regular progress updates are provided to the Executive Leadership Team, and an annual review is overseen by the Risk and Compliance Committee.

### Setting a course for sustainable procurement

The Sustainable Procurement Roadmap outlines how we aspire to achieve industry leadership in supply chain sustainability. The Roadmap is divided into three phases with a focus on building the foundation in 2022, strengthening execution in 2023-24 and pursuing best-in-industry practices in the medium to long term. See below.

## Sustainable procurement roadmap



\*The ESG topics in focus for supplier engagement are Climate change, Environment and Ecosystem, Safety and Security, Human rights, Employee relations and labour rights, Diversity and Inclusion, Governance, Business ethics/Anti-corruption, Sustainable procurement, Data ethics

### Sharpening – and digitising – our approach to due diligence

In 2022, we improved visibility into supplier ESG compliance status for high-risk categories to monitor progress at the category and region level for supplier code of conduct acceptance, ESG assessments conducted and closing improvement plans. Sustainable Procurement, along with category managers, is engaging with suppliers to drive improvement and provide guidance as needed.

To ensure that Maersk is able to meet supplier due diligence requirements and effectively contribute to business accountability, Sustainable Procurement is working to embed ESG into our end-to-end procurement process. This includes new trainings aligned with ESG topic experts to build our procurement capabilities, so appropriate ESG decisions are taken into consideration in all procurement activities.

Technology is also helping enhance our sustainable procurement due diligence, increasing reach and transparency and supporting higher assurance on supplier data reporting through a single source of supplier ESG information. The roll-out of a supplier ESG risk assessment tool was initiated in 2022. A supplier ESG data

management module will be rolled out in 2023, enabling us to progressively implement a single overview for supplier ESG data.

### Securing standards on third-party labour

Ensuring that people who work for us on our sites have decent working conditions is a fundamental priority. In 2022, we continued to strengthen our requirements towards third-party labour providers, and are engaging with external human rights specialists to support this work, for example in developing company-wide minimum requirement on third-party labour standards, aligned with international standards. Recognising that changing local practices and influencing suppliers will require behavioural change, the implementation plan for these will incorporate stakeholder engagement to a high degree and rely on feedback mechanisms to adjust and improve.

### Advocacy and collective action through partnerships

In 2022, ESG was included in the Strategic Extended Partnership Agreement (SEPA) between Maersk, Carlsberg, Danske Bank and Friesland Campina. The SEPA partnership, which allows joint

purchasing of indirect goods and services, allows Maersk to connect subject matter experts from leading corporations and strategically discuss all aspects of ESG, beyond simply meeting compliance requirements.

Together with the SEPA companies, we are currently focusing on building the foundation of a systematic ESG approach across the consortium with a special attention to sourcing projects and supplier relationships. Our SEPA participation creates an additional market leverage when approaching suppliers, and supports us in enhancing the importance of ESG in supplier relationships. Maersk's long-term vision with SEPA is to make this systematic approach accessible to all member organisations and to establish joint ESG standards across the consortium that benefit SEPA partners and our suppliers.

In addition to SEPA, we engage with industry associations to advocate and establish sector-level ESG standards for supplier assessments and evaluations, such as the Responsible Trucking initiative run by CSR Europe. Our participation in this initiative has allowed us to gain information about social risks in landside transportation such as safety and working conditions.

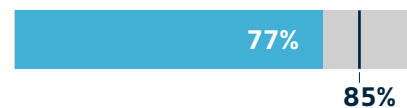
## 2022 performance towards our strategic targets

■ Achieved in 2022 ■ 2024 target

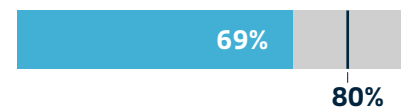
**100% of suppliers (in scope) committed to the Suppliers Code of Conduct by 2024**



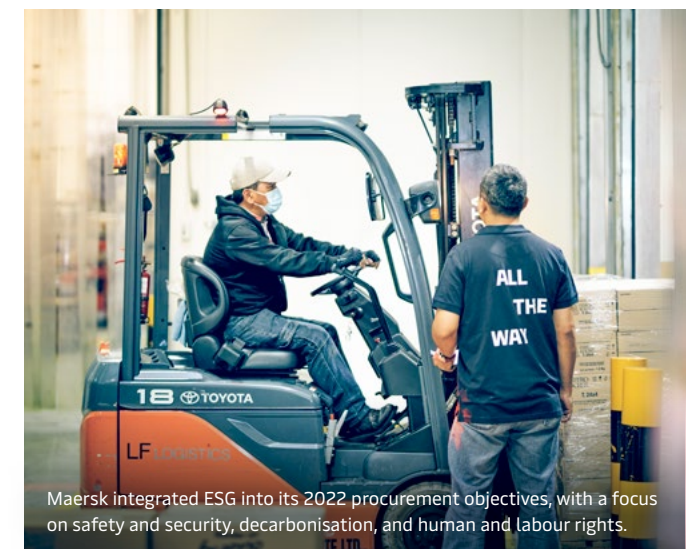
**>85% of strategic suppliers undergoing ESG assessment by 2024**



**>80% of high-risk category suppliers with Improvement Plan successfully closed by 2024\***



\*Our 15 high-risk categories are: Trucking and Intermodal, warehousing services, facility management, outsourced labour, terminals, shipbuilding yards and drydocks, security offshore, promotional items, customs agents, security onshore, construction, chemicals and paints, equipment, maintenance and repair, container manufacturers and manning (seafarers).



Maersk integrated ESG into its 2022 procurement objectives, with a focus on safety and security, decarbonisation, and human and labour rights.

## Why it matters

Responsibly managing data from stakeholders, including customers, is a critical issue in today's societies where the undue influence and abuse of data are growing.

Maersk is increasingly reliant on data as a key enabler in more digitally integrated offerings. We manage and control the storage and use of data ethically and proactively, to avoid abuse and privacy infringement. We must continually safeguard our position from legal, business and reputational risks.

## UN SDGs



16.6

## Ambition

We demonstrate leadership in our ability to ethically manage and use data, with customers trusting that we use their data appropriately, and do not abuse or lose their trust. We prepare Maersk for a future with high ethical standards for data as a differentiator for our customers and support to our employees.

## Targets

2023

- 100% of employees (in scope) trained on data ethics

Progress indicator

# Data ethics

Our customers, business partners and employees' data must be protected and treated with respect. A.P. Moller - Maersk (Maersk) is committed to high data ethical standards and being a trusted partner in a world where the controversial use of data has become more common, driving greater scrutiny and increased regulation.

We want to provide great products and services to our customers as we leverage our own and partners' data in an ethical manner. They can trust that we live our data ethics policy and that Maersk's strong values also apply to our use of data.

In the fourth quarter of 2022 Maersk launched a global digital training journey, with the commitment that 100% of all relevant

## Data ethics in practice



### Managed by Maersk – our customers can trust us

Many customers want to outsource all or part of their supply chain management to a trusted expert, so they can focus on their core business. Our Data Ethics policy, processes and systems ensure that sensitive information about our customers' supply chains is only accessible to specific, appropriate people and teams within Maersk.



### Computer Vision – keeping our terminals safe

While computer vision technology helps to keep our employees and business partners safe from the potential dangers of heavy moving equipment, our data ethics policy ensures that we mitigate potential bias in the AI by governing the data sets used to train the model's detection accuracy.

employees are trained in data ethics by the end of 2023. By January 17 2023, over 38,000 employees (67% of employees in scope) had completed the training. The training introduces the four principles of Maersk's data ethics policy and provides guidance on how to identify and mitigate the risk associated with providing data-driven innovations to customers and employees while ensuring the responsible use of data throughout the data life cycle.

In 2023, more training will be offered to Maersk's data professionals to ensure data ethics are always embedded and governed as we develop artificial intelligence-powered solutions to support our customers' businesses and fulfil our company purpose. Additionally, we will make it easy for our employees to adhere to our data ethics policy by implementing automated, preventive measures to control access to data. Finally, our data ethics risk management procedures will ensure that risks are identified and mitigated early, so our customer, partners and employees can trust us to swiftly respond during times of change and rapid technology development.

## Maersk's data ethics policy

The use of data is core to Maersk's Global Integrator vision, where technology simplifies and connects supply chains and unlocks new ways of creating value for our customers. In the future, the use of data will only increase and the associated technologies will become more sophisticated.

In 2021, Maersk launched a data ethics policy aimed at ensuring that data is collected, stored and used responsibly across the organisation, and that Maersk employees act in accordance with the four principles of transparency, security, respect, and innovation. Oversight of the initiatives for ethical use of data is anchored with a cross-functional committee, which reports into Maersk's Executive Leadership. Learn more about our data ethics policy on [maersk.com/sustainability](https://maersk.com/sustainability).

Learn more about the importance and role of data for Maersk, and our commitment to use data ethically.

**Watch Video** →



## Why it matters

Well-functioning tax systems, both locally and internationally, help finance education, healthcare, transport, infrastructure and other public services that support the sustainable development of societies, businesses and trade. We recognise the need for companies to support the local economies in which they do business.

## UN SDGs



16.6

17.1

## Ambition

Maersk acts responsibly and with integrity in all tax matters, ensuring full compliance in every jurisdiction across the world. We work closely with tax authorities to ensure that we fully disclose relevant information and pay the correct amount of taxes while balancing our obligations towards our shareholders.

## Targets

### 2023

- Full public country-by-country tax reporting

### Ongoing:

Ensure full compliance with tax regulations in all countries where we operate and continue to engage in dialogue with stakeholders on tax matters.

Progress indicator

# Responsible tax

Given the increased public focus on the taxation of international shipping income, it is ever more relevant to continue to ensure transparency on the taxation of our business activities.

The total tax charge for A.P. Moller - Maersk (Maersk) in 2022 was USD 910 million, compared to USD 697 million in 2021, while our profits increased by 62%. For more information, see the 2022 Annual Report and the 2022 Tax Report on Maersk.com.

As the global Integrator of container logistics, we generate profits from ocean, air and land-based activities. Our land-based activities, which are subject to regular domestic corporate income tax, include terminals, logistics, services and shipping agencies, through which we operate one of the world's most comprehensive port and integrated logistics service networks. Our portfolio of 59 terminals handles around 30,000 vessel calls and 37 million containers (TEUs) per year.

Ocean carries close to 12m FFE per annum and operate 707 vessels delivering cargo to every corner of the globe, including dry cargo commodities, refrigerated cargo and dangerous cargo. During 2022, our ocean activity, which makes up about 94% of our current group profit, has been subject to unprecedented circumstances due to protracted global supply chain congestions following the COVID-19 pandemic, resulting in abnormally high revenue and profit from international shipping activities. This international shipping income is subject to special shipping tax rules, including tonnage and freight taxes.

### International shipping activities and global tax reform

Maersk is subject to the Danish Tonnage Tax Regime, an EU state aid approved regime, designed to encourage ship registration in Europe and ensure global competitiveness of the European maritime industry. This means that the tax base for Maersk's global income derived from international shipping is calculated based on the fleet's net tonnage operated from Denmark. Regular Danish corporate income tax rate (22%) applies to the tonnage income.

Maersk supports effective tax reforms for avoidance of base erosion and profit shifting and is in dialogue with the OECD to ensure that tax

reforms consider the industry specifics for international shipping. We are also engaging with other key stakeholders such as the World Shipping Council, Danish Shipping and governmental bodies.

A Group is considered in scope for the OECD Base Erosion and Profit Shifting (BEPS) Pillar one where, in any fiscal year, the revenue of the Group exceeds EUR 20 billion and the pre-tax profit margin is greater than 10% on average across five years and, also, in two out of the four prior years. Residual profits which exceed this 10% profit margin will be eligible for taxation in market jurisdictions on allocated income basis. If thresholds are reached and Pillar one applies, it will result in additional tax payments on international shipping income for Maersk because any credit methods for avoidance of double taxation will be limited, due to the tonnage income calculation methodology.

OECD BEPS Pillar two model rules are designed to ensure that large multinational enterprises pay a minimum effective tax rate of 15% on income arising in each jurisdiction where they operate. Maersk will be covered by the future OECD Pillar two regime, together with A.P. Moller Holding A/S, with a partial exclusion for international shipping income. For further details, please see the 2022 Tax Report on Maersk.com.

### Tax principles and transparency

Our tax strategy is to conduct and manage our tax affairs in accordance with our Tax Principles. These are updated and approved by the Board of Directors annually and are closely aligned with the Group's core values, Code of Conduct and business strategy, and are prepared in line with the B Team's Responsible Tax Principles.

As part of our annual Tax Report, we have since 2020 publicly disclosed the tax we pay in key countries per region, in accordance with the OECD Country by Country Reporting (CbCR) principles. We will continue updating this document annually. We also provide full country-by-country reporting to the Danish tax authorities in accordance with our legal obligations.

The EU maintains a list of non-cooperative tax authorities. In 2022, this list comprises nine countries, of which Maersk has activities in Panama where we paid USD 1.9 million withholding taxes on a profit of USD 6.4 million. In Trinidad & Tobago, we paid USD 53,000 taxes on a loss of USD 23,000. In Bahamas we paid zero taxes on a profit of USD 8.2 million<sup>13</sup>.

<sup>13</sup> APMM activities in the Bahamas consists only of towage operations, carried out by Svitzer Bahamas Ltd, and, in accordance with domestic legislation, no corporate tax is either due or payable there.

## Why it matters

Maersk takes active responsibility to support the societies where we operate by partnering with communities and non-profits on social and environmental causes. It is grounded in our Core Values and also an expressed expectation to us from our key stakeholders. We prioritise six causes: Humanitarian relief, empowering for trade, protecting the natural environment and oceans, education, safety, and health (incl. COVID-19).

## UN SDGs



## Ambition

We engage in global partnerships and support local communities and initiatives in areas where we can leverage Maersk assets and expertise to make an impact aligned with Maersk's business and sustainability goals. Donations and social investments are guided by corporate guidelines.

## Targets

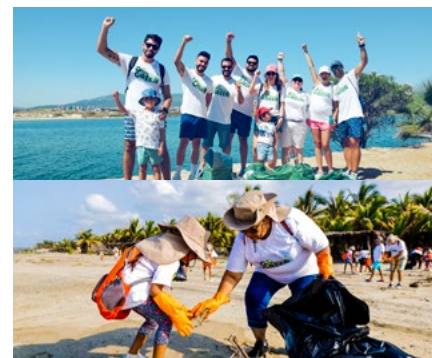
- Continue engagement and partnership with the Logistics Emergency Teams and The Ocean Cleanup
- Leverage partnership platforms to promote employee engagement
- Improve documentation and disclosure of donations activities and impact

# Citizenship

## Helping those most in need

Humanitarian relief efforts were catapulted into acute priority following the Russian invasion of Ukraine<sup>14</sup>. As a member of the Logistics Emergency Team, A.P. Moller - Maersk (Maersk) supported humanitarian aid relief with large-scale in-kind logistics assistance. Maersk worked with, and through, UN partners and other humanitarian organisations, with a team of 40 specialists from Maersk devoted to the efforts. This included working with authorities to coordinate a smooth flow of humanitarian support to Ukraine and establishing a major aid warehouse in partnership with WFP, the UN World Food Programme and UNHCR, the UN Refugee Agency. This hub was a main transit warehouse to deliver humanitarian assistance into Ukraine and was provided to UNHCR and WFP on a pro bono basis during the first half year of the crisis.

A central donation facility was set up through which Maersk employees donated nearly USD 72,000 to the Danish Red Cross to support Ukraine. Maersk matched this for a combined donation of DKK 1 million (USD 144,000). A donation of similar size was made by Maersk to the Sheltersuit Foundation to support the supply and transportation of sheltersuits to an NGO in Ukraine. This foundation makes garments and sleeping bags to protect vulnerable people from the elements, using repurposed materials and creating employment opportunities.



Maersk employees regularly engage in ESG activities such as Go Green Week. Teams from Algeciras, Spain (top) and Lazaro Cardenas, Mexico (bottom) participated in 2022.

14 In response to the Russian invasion of Ukraine, Maersk has exited business operations in Russia. See p. 8.

In Pakistan, Maersk provided humanitarian relief for 2022's unprecedented monsoon floods, which swept away infrastructure and left millions homeless. Maersk supported UNICEF with logistics and customs expertise and warehouse capacity near Port Qasim, the country's second-busiest port, to rapidly distribute over 2.7 tonnes of cargo including mosquito nets, tents and hygiene kits. We helped deliver urgently needed water purification modules donated by the Danish Emergency Management Agency, and we were able to leverage our local network to distribute essential food items to 450 families.

## Continued support for The Ocean Cleanup

Since 2018, we have partnered with The Ocean Cleanup to provide offshore and logistics support for their cleanup systems to rid the world's oceans and major rivers of plastic pollution. By the end of 2022, the larger System 002 in the Great Pacific Garbage Patch had cleaned a total of close to 200,000 kg of plastic. Maersk also supported the transport of the collected plastic to certified recycling facilities in Europe.

## Engaging our employees in citizenship

In our annual 'Go Green' week, local Maersk teams are encouraged to take action in support of the natural environment. 2022 focused on ocean health and sustainable resource use. To make it easier for employees to support citizenship activities in their own communities, we initiated streamlining of our guidelines and processes for local donations in 2022. When complete in 2023, this work will align our donation framework with our organisation, ESG priorities and best practices of corporate giving.

## Working around the world

We are proud that our engagement programme in in Alang, India won recognition in the Indian CSR Health Impact Awards for making a meaningful difference in the lives of workers in the ship recycling industry. See p. 38.

Together with the A.P. Moller Foundation, Maersk makes an annual contribution of a combined DKK 2 million to the national donation drive 'Danmarks Indsamling'. This year, the funds benefitted children impacted by COVID-19 in developing countries.

How Maersk's logistics helped support humanitarian aid for Pakistan flooding victims.



**Watch Video** →











# Data and assurance















# Summary of targets and progress

This table provides an overview of our ambitions in the context of the UN Sustainable Development Goals, summary of forward-looking targets and progress in 2022, and how the issues are governed.

Issues	Climate change (p. 21)	Environment and ecosystems (p. 34)	Responsible ship recycling (p. 38)	Safety and security (p. 41)	Human capital (p. 43)	Diversity, equity and inclusion (p. 44)
 UN SDGs	 7.3    13.1    15.2    17.16	 3.9    8.8    14.1 14.3    15.5    17.16 17.17	 8.8    13.1    14.1    17.16	 8.8	 4.4	 5.1    10.2 5.5    10.3
 Ambition	<p>We will deliver an emergency response to the climate crisis and take leadership in the transformation of the transport and logistics sector to net zero operations.</p>	<p>We see ourselves as active citizens of the Earth, operating on the oceans and increasingly on land. We are committed to doing as little harm as possible while actively participating in restoring ocean and land health, as well as protecting habitats and biodiversity where we operate. We aspire to be recognised by our stakeholders for our commitment and actions.</p>	<p>Ensure safe and responsible ship recycling globally to the benefit of workers, environment, responsible yards and shipowners.</p>	<p>We ensure everyone gets home safe by preventing fatal and life-altering incidents.</p>	<p>We aspire to create an engaging environment for all colleagues and to become a company where our employees feel able to develop and have thriving careers.</p>	<p>We want to facilitate diversity of thought and create a more diverse, equitable and inclusive workplace at Maersk, where our employees feel able to bring their whole selves to work and contribute to their fullest. A key priority is to foster gender diversity as this is our largest gap and where there is particular spotlight on company performance.</p>
 Targets	<p><b>2040</b> Net zero across our business and 100% green solutions to customers.</p> <p><b>2030</b> Aligned with a Science Based Targets initiative 1.5-degree pathway.</p> <p>Industry-leading green customer offerings across the supply chain.</p>	<p>We set targets and measure our progress through KPIs and relevant metrics for priority areas: Ecosystem health and biodiversity (incl. ballast water, operations in sensitive areas, ocean health, and transport of illegal wildlife and endangered species).</p> <p>Pollution and waste (incl. spills, air emissions, accidental loss of containers to the sea, and environmental management systems).</p> <p>Efficient resource consumption (incl. resource efficiency and freshwater consumption).</p>	<p>Create global opportunities for responsible post-Panamax ship recycling</p> <p>Work with stakeholders to support EUSRR compliance and the Ship Recycling Transparency Initiative</p> <p>Continue wider Alang area development</p> <p>Identify Maersk's role in decarbonising the global steel value chain.</p>	<p><b>2023</b> 100% of Learning Teams completed following a High Potential Incident</p> <p>Global Leadership (top 1,200 leaders) upskilled in Maersk Safety &amp; Security Principles.</p>	<p><b>2025</b> Employee Engagement Survey score in the top quartile of global norm</p>	<p><b>Target for the Board of Directors:</b> Three women on the Board of Directors, if the Board consists of less than twelve members, and four women, if the Board consists of twelve or more members.</p> <p><b>2025</b> &gt;40% women in management and leadership (job level 4+). &gt;30% diverse nationality (non-OECD) of executives.</p>
 Progress 2022	<p>Launched accelerated targets and developed roadmaps to 2030 across all business areas. Relative CO<sub>2</sub> emissions grew by 7% since 2020 (new baseline year for updated 2030 target), due to continued supply chain congestion disruptions.</p> <p>Ordered six new large container vessels capable of running on green methanol, bringing our total on order to 19.</p> <p>Entered 9 new strategic partnerships to secure green fuels, incentivising scale-up and global availability.</p> <p>Implemented retrofits in Maersk-owned vessels, ordered electric vehicles and electric container handling equipment, and switched to renewable electricity in 9 terminals.</p> <p>Maersk's ECO Delivery made up 2% of ocean freight transported and over 200 customers are currently using the product.</p>	<p>Engaged in alliances and collaborative work to refine our understanding and manage and account for our potential negative and positive impacts on nature, with the aspiration of aligning to science-based targets for nature once universal standards are defined.</p> <p>Improved methodologies in 2022 for measuring air emissions and context-based reporting of water consumption. We report on actions and performance across our four key indicators of waste, pollution, and water consumption.</p> <p>Strengthened whale protection initiatives and contribution through the World Shipping Council to IMO Guidelines on prevention of wildlife trafficking in 2022.</p>	<p>Continued to actively address and engage on global capacity and capability challenges of handling post-Panamax vessels.</p> <p>Engaged with stakeholder groups to better understand the global steel value chain and our potential role in supporting circularity.</p> <p>Continued to support the Ship Recycling Transparency initiative.</p> <p>Completed the recycling of one vessel in Alang and reached milestone of 75,000 out-patient department services in our mobile health unit.</p>	<p>Leaders participated in over 18,000 safety walks, or 'Gembas', on our operational frontlines to ensure our employees have what they need to operate safely.</p> <p>Strengthened our risk assessments, set targets around leading indicators for safety capacity and strengthened security protocols for operations in high-risk countries.</p> <p>Continued to address specific risks within all business areas.</p>	<p>Improved to 67th percentile in the Gallup organisation's database of global companies.</p> <p>Articulated our Purpose and revitalised our Core Values.</p> <p>Progressed on our People Strategy initiatives including leadership development, onboarding, upskilling, career building and talent attraction.</p>	<p>Met target for representation of women on the Board of Directors.</p> <p>For results on women in management and leadership, and diverse nationality of executives, see p. 45.</p> <p>Embedded diversity, equity and inclusion at the core of our new People Strategy.</p> <p>Continued working to improve gender diversity in our seafarers through dedicated maritime organisation events.</p> <p>Initiated a cultural transformation program and speak up culture campaign to address sexual assaults and harassment.</p>
 Governance	<p>Governed by the Decarbonisation SteerCo with executive membership.</p>	<p>Governed through the Commit* rule, policy and management framework on HSSE.</p>	<p>A responsible ship recycling steering committee oversees the Responsible Ship Recycling Standard and programme.</p>	<p>Governed through the Commit rule, policy and management framework on Health, Safety, Security and Environment (HSSE).</p>	<p>Ambitions and targets on human capital are owned by our People function and overseen as an ESG priority by the Executive Leadership Team.</p>	<p>Our Diversity &amp; Inclusion policy and targets are owned by our People function and overseen as an ESG priority by the Executive Leadership Team.</p>

\*Commit is Maersk's central governance framework



Issues	Employee relations and labour rights (p. 46)	Human rights (p. 47)	Business ethics (p. 49)	Sustainable procurement (p. 50)	Data ethics (p. 52)	Responsible tax (p. 53)	Citizenship (p. 54)
 <p>UN SDGs</p>	 <p>8.5 16.3 8.7 8.8</p>	 <p>5.1 8.5 16.3 17.16 8.7 8.8</p>	 <p>16.3 17.16 16.5</p>	 <p>12.6 17.16</p>	 <p>16.6</p>	 <p>16.6 17.1</p>	 <p>3.8 11.5 14.1</p>
 <p>Ambition</p>	<p>Employee relations and labour rights are an essential part of Maersk's Social ambition. We offer decent, fair and equitable working conditions for all our people. We identify risks for employees and third-party labour, and implement mitigating and preventive actions to ensure that our growth adequately considers our full social responsibilities.</p>	<p>Continue aligning our business practices with the UN Guiding Principles, and ensure that human rights considerations are integrated into our due diligence processes and ESG governance mechanisms.</p>	<p>With the aspiration to contribute to eliminating corruption in the industries where we are active, through both multistakeholder collaboration and actions in our own operations, our ambition is to act as best-in-class, meeting the highest international standards when operating in jurisdictions with high exposure to corruption, sanctions and export controls.</p>	<p>To live up to our commitment to procure sustainably, we will integrate ESG as a strategic topic across supplier life cycle stages and establish end-to-end visibility on supplier performance through collaboration and engagement, with an ultimate goal of co-development and innovation towards sustainable outcomes.</p>	<p>We demonstrate leadership in our ability to ethically manage and use data, with customers trusting that we use their data appropriately, and do not abuse or lose their trust. We prepare Maersk for a future with high ethical standards for data as a differentiator for our customers and support to our employees.</p>	<p>Maersk acts responsibly and with integrity in all tax matters, ensuring full compliance in every jurisdiction across the world. We work closely with tax authorities to ensure that we fully disclose relevant information and pay the correct amount of taxes while balancing our obligations towards our shareholders.</p>	<p>We engage in global partnerships and support local communities and initiatives in areas where we can leverage Maersk assets and expertise to make an impact aligned with Maersk's business and sustainability goals. Donations and social investments are guided by corporate guidelines.</p>
 <p>Targets</p>	<p><b>2023</b> 100% of employees within Maersk trained in employee relations and labour rights.</p>	<p>Capacity building on human rights, including targeted trainings for human rights issue owners. Continued integration of human rights into key due diligence processes.</p>	<p><b>2023:</b> 100% of employees (in scope) trained in the Maersk Code of Conduct. <b>Ongoing:</b> Bi-annual compliance and business ethics risk assessments covering 100% of our operations and continued implementation of the related risk mitigation measures mitigating any identified risks.</p>	<p><b>2024</b> 100% of suppliers (in scope) committed to the Supplier Code of Conduct. &gt;85% of strategic suppliers undergoing ESG assessments. &gt;80% of high-risk category suppliers with Improvement Plan successfully closed.</p>	<p><b>2023</b> 100% of employees (in scope) trained on data ethics.</p>	<p><b>2023</b> Full public country-by-country tax reporting. <b>Ongoing:</b> Ensure full compliance with tax regulations in all countries where we operate and continue to engage in dialogue with stakeholders on tax matters.</p>	<p>Continue engagement and partnership with the Logistics Emergency Teams and The Ocean Cleanup. Leverage partnership platforms to promote employee engagement. Improve documentation and disclosure of donations activities and impact.</p>
 <p>Progress 2022</p>	<p>Continued training all employees in employee relations and labour rights and reached a completion rate on 83%. Developed playbooks for rapidly growing warehouse growth and for terminal automation. Continued to strengthen labour rights due diligence processes Updated Maersk Global Standards on third-party labour.</p>	<p>Developed human rights training and rolled out to several key functions and human rights issue owners. Focused on strengthening key processes that support our human rights due diligence framework, including embedding ESG risk analysis into our M&amp;A due diligence processes and strengthening ESG risk assessment in the Sustainable Procurement process. Consolidated an overview of salient human rights risks and defined action plans. Ongoing focus on our responsibility to conduct heightened human rights due diligence in conflict-affected areas.</p>	<p>Reached a 83% completion rate in annual employee training on our Code of Conduct. Additionally, we rolled out Maersk's first compliance e-learning for third parties. Focused on monitoring the application of the business ethics rules through internal compliance controls, spot checks and transaction testing. This was supplemented by a mapping of business ethics risks by a functional risk assessment for group functions supporting the business.</p>	<p>For progress towards our strategic targets, see p. 51. Created Sustainable Procurement Roadmap outlining how we aspire to achieve supply chain sustainability industry leadership. Initiated supplier ESG process mapping and platform and integrated ESG into procurement objectives.</p>	<p>Launched global Data Ethics digital training journey, targeting 100% of all relevant employees by the end of 2023. In 2022, the completion rate was 67%.</p>	<p>Total tax charge of USD 910 million. Published 2022 Tax Report, including disclosure of taxes paid, in accordance with the OECD Country by Country Reporting principles. We continue to update this document annually.</p>	<p>Supported Ukraine with humanitarian relief efforts, such as large-scale in-kind logistics assistance, through the Logistics Emergency Team, and donations. Continued collaboration with The Ocean Cleanup. Provided humanitarian relief for 2022's unprecedented monsoon floods in Pakistan. Indian Health Impact Award for making a meaningful difference in the lives of the ship recycling workers. Conducted GoGreen week for employee engagement.</p>
 <p>Governance</p>	<p>Governed through the Commit rule and policies on Global Employee Relations and the Global Employee Relations Council, overseen by the Risk and Compliance Committee.</p>	<p>Anchored as a cross-cutting topic in our ESG governance framework, under the oversight of the Executive Leadership Team. Overseen by the Risk &amp; Compliance Committee.</p>	<p>Governed through the Commit rule on Anti-Corruption, and overseen as an ESG strategic priority by the Risk and Compliance Committee.</p>	<p>Governed through the Commit rule on Responsible Procurement and overseen as an ESG strategic target by the Sustainable Procurement SteerCo.</p>	<p>Governed through the Data Ethics Committee and overseen as an ESG strategic priority by the Executive Leadership Team.</p>	<p>Governed through the Maersk Tax Principles and overseen by the Executive Leadership Team.</p>	<p>Governed through internal SOPs and guidelines for global engagement and local donations.</p>

# ESG performance data

Climate and environmental Performance			Unit	2022	2021	2020	2019	Comments on 2022 ESG performance data
<b>Energy consumption</b>								
1.1	Climate change	Fuel oil	1,000 tonnes	10,320	11,083 <sup>1</sup>	10,368 <sup>1</sup>	11,173	Fuel oil consumption decreased by almost 7% in 2022 compared to 2021. This is mainly related to a reduction of heavy fuel oil consumption in Ocean.
1.1	Climate change	Gas fuels	1,000 tonnes	21	21 <sup>1</sup>	21 <sup>1</sup>	10	The consumption of gas fuels remains at a similar level as last year.
1.1	Climate change	Other fuels (excl. biofuels)	1,000 tonnes	207	230 <sup>1</sup>	134 <sup>1</sup>	130	The 10% decrease in other fuels consumption in 2022 compared to 2021 is mainly related to a 10% decrease in diesel consumption.
1.1	Climate change	Biofuels	1,000 tonnes	354	82	32	8	The significant increase in biofuels consumption, which has more than tripled in 2022 compared to 2021, is driven by the increased uptake of Maersk's EcoDelivery ocean product by customers.
1.1	Climate change	Electricity	1,000 MWh	695	739 <sup>1</sup>	682 <sup>1</sup>	656	We recorded a 6% decrease in electricity consumption from the grid. This is mainly driven by increased sourcing of renewable electricity in Terminals and decreased container production in Maersk Container Industry. Reduction partly offset by increased electricity consumption in Logistics & Services.
1.1	Climate change	Renewable energy consumption	1,000 MWh	207	165	125 <sup>1</sup>	2	In 2022, we recorded a 26% increase in renewable energy consumption compared to 2021, which is mainly driven by an increased sourcing of renewable electricity in European Terminals.
1.1	Climate change	Total energy consumption	Total, TJ	447,345	469,603 <sup>1</sup>	434,094 <sup>1</sup>	463,815	Maersk's total energy consumption is down almost 5% in 2022 compared to 2021. This is mainly driven by a reduction in fuel oil and other fuels (excl. biofuels).
<b>Greenhouse Gas (GHG) Emissions (1,000 tonnes CO<sub>2</sub>e)</b>								
2.1	Climate change	Direct GHG emissions (scope 1 GHG protocol)	1,000 tonnes CO <sub>2</sub> e	34,150	36,596 <sup>1</sup>	33,973 <sup>1</sup>	36,204	In 2022, we recorded a 7% decrease in scope 1 emissions compared to 2021. This is mainly driven by a similar reduction in fuel consumption.
2.2	Climate change	Indirect GHG emissions (scope 2 GHG protocol) - location-based	1,000 tonnes CO <sub>2</sub> e	356	351 <sup>1</sup>	324 <sup>1</sup>	287	Maersk's location-based scope 2 emissions increased by 1% and the market-based emissions decreased by 1% in 2022 compared to 2021. These developments are mainly driven by an increase in consumption of renewable electricity from the grid and a decrease in electricity consumption from the grid generated from fossil sources.
2.3	Climate change	Indirect GHG emissions (scope 2 GHG protocol) - market-based	1,000 tonnes CO <sub>2</sub> e	331	335 <sup>1</sup>	348 <sup>1</sup>	-	
2.4	Climate change	Value chain GHG emissions (scope 3 GHG protocol)	1,000 tonnes CO <sub>2</sub> e	43,451	39,436 <sup>1</sup>	36,487 <sup>1</sup>	-	In 2022, Maersk's scope 3 emissions increased by 10% compared to 2021. This was mainly driven by the inclusion of recent acquisitions in Logistics and Services. Further, the general inflation globally affects the spend based emissions estimates, which notably affect material categories for Maersk, i.e. Upstream Transport and Distribution and Purchased goods and services.
2.5	Climate change	Total GHG emissions (scope 1, 2 - location-based - and 3)	1,000 tonnes CO <sub>2</sub> e	77,957	76,383 <sup>1</sup>	70,784 <sup>1</sup>	-	
2.5	Climate change	Total GHG emissions (scope 1, 2 - market-based - and 3)	1,000 tonnes CO <sub>2</sub> e	77,932	76,367 <sup>1</sup>	70,808 <sup>1</sup>	-	In 2022, Maersk's GHG emissions increased by 2% compared to 2021. Despite the reductions in Scope 1 and 2 emissions, the increase is owing to scope 3 due to acquisitions in Logistics and Services along with general inflation globally which has affected Maersk's overall GHG footprint.
<b>Segment-specific climate change KPIs</b>								
3.1	Climate change	Ocean: Share of freight transported with green fuels*, **	% of FFE	2	-	-	-	In 2022, the share of freight transported with green fuels in Ocean was 2% and we worked with over 200 customers, proving that sustainable supply chains are possible and can be scaled.
3.2	Climate change	Ocean: Reduction in carbon intensity (EEOI) by 2030 (2020 baseline)*	% reduction	-7	-6	0	-	Despite the reduction in fuel consumption, we have recorded a 7% increase in carbon intensity (EEOI) compared to our baseline year in 2020 due to continued global supply chain disruptions, port congestions and capacity constraints during 2022, among others resulting in a decrease in transport work. The carbon intensity is 1% higher in 2022 compared to 2021, which was also a challenging year. This KPI replaces the previously reported 'Relative CO <sub>2</sub> reduction (percentage vs 2008 baseline)'. We have reduced our absolute scope 1 and 2 emissions by 5.4% in 2022 compared to our baseline year in 2020. This is mainly driven by reductions in scope 2 emissions through sourcing of renewable electricity in our European Terminals and in the Port Elizabeth (US) terminal and the divestment of two terminals.
3.3	Climate change	Terminals: Reduction of scope 1 and 2 emissions by 2030 (2020 baseline)*	% reduction	5.4	-	0	-	

1) Number has been restated in 2022 based on work performed to improve reporting processes and data quality

\*New KPI that was introduced as part of the ESG strategy in 2022 and hence comparison year data may not be reported.

\*\* Green means fuels or energy that have low or very low GHG emissions on a life cycle basis. See more on page 28.

Other air emissions							
4.1	Environment and ecosystems	SO <sub>x</sub>	1,000 tonnes	99	107 <sup>1</sup>	102	569
4.1		NO <sub>x</sub>	1,000 tonnes	604	886 <sup>1</sup>	825 <sup>1</sup>	888
Other resource consumption							
5.1	Environment and ecosystems	Waste	1,000 tonnes	460	357 <sup>1</sup>	289 <sup>1</sup>	299
5.2		Water consumption	1,000 m <sup>3</sup>	2,504	2,156 <sup>1</sup>	1,754 <sup>1</sup>	1,696
Environmental incidents							
6.1	Environment and ecosystems	Hydrocarbon spills (>10 m <sup>3</sup> )	#	0	2	2	0
6.2		Containers lost at sea*	#	118	-	-	-

Social performance			Unit	2022	2021	2020	2019
7.1	Human capital	Number of employees	FTEs	104,260	85,375	83,624	86,279
7.2	Human capital	Employee Engagement Survey score in the top quartile of global norm*	Percentile rank	67	59 <sup>2</sup>	54 <sup>2</sup>	41 <sup>2</sup>
7.3	DEI	Gender - female/total	% (headcount)	33	31	28	28
7.4	DEI	Women in management (Job level 4+)	% (headcount)	33	33	31	31
7.5	DEI	Women in leadership (Job level 6+)	% (headcount)	26	22	21	20
7.6	DEI	Target nationalities/total	% (headcount)	67	72	72	71
7.7	DEI	Target nationalities in executive leadership (Job level 8 and 9)	% (headcount)	16	15	12	13
7.8	Safety and security	Fatalities	#	9	4	1	5
7.9	Safety and security	Lost-time injury frequency (LTIf)	Rate	0.90	0.93	1.22	1.16
7.10	Safety and security	Learning Teams completed following a High Potential Incident*	Completion rate	83	-	-	-
7.11	Employee relations and labour rights	Employee relations and labour rights training*	Completion rate	83	-	-	-

1) Number has been restated in 2022 based on work performed to improve reporting processes and data quality

2) Numbers not part of PwC's limited assurance for 2022

\*New KPI that was introduced as part of the ESG strategy in 2022 and hence comparison year data may not be reported.

## Comments on 2022 ESG performance data

The 8% decrease in SO<sub>x</sub> emissions in 2022 compared to 2021 is related to a similar decrease in fuel consumption.

The significant decrease in NO<sub>x</sub> emissions of 32% in 2022 compared to 2021 is partly driven by a decrease in heavy fuel consumption and partly driven by application of updated NO<sub>x</sub> emission factors.

The 29% increase in waste production has been driven by a number of factors. The first being a systematic improvement in our sustainability reporting process in 2022 combined with the acquisition and inclusion of KGH, Visible and B2C Europe in Maersk Sustainability reporting. We also recorded a significant increase in waste resulting from the recovery operations in Pipavav Port following Cyclone Taukay in 2021, and failure of a sewage treatment system in another Terminal requiring all sewage to be transported from site for treatment.

Water consumption increased 16% from 2021 to 2022. We have recorded increased water consumption across all segments due to increased FTEs and office occupancy. In Logistics & Services, we recorded increased water consumption mainly driven by operations in Performance Team, the inclusion of data from Visible for the time in 2022 and the opening of new facilities in Chile.

In 2022, we recorded zero hydrocarbon spills above 10 m<sup>3</sup>. The reduction in large hydrocarbon spills in our landside operations is in part the result of the continued focus and implementation of Maersk Global Spill Prevention Requirements, which started its rollout in landside logistics in late 2021.

We recorded 118 containers lost at sea during 2022. The loss of containers was linked to three incidents involving Maersk vessels. Of the 118 containers, 117 were lost due to heavy weather and 1 was lost due to collision.

FTE data is taken from Note 2.2 Operating cost in the audited 2022 Annual Report of A.P. Moller - Maersk

We have recorded an 8 percentile point increase in our Employee Engagement Survey score ranking on global norms.

The share of women in Maersk increased 2% from 2021. The share of women in management (JL 4+) remained at 33% while the share of women in leadership (JL 6+) increased 4%.

We recorded a decrease in the share of Maersk employees with a nationality of countries not part of the list of the Organization for Economic Co-operation and Development (OECD), while we saw an increase of 1% among our executive leadership (JL 8 & 9) with a target nationality.

Regrettably, nine fatal accidents were recorded during 2022, three Maersk employees and six third-party contractors working on behalf of Maersk.

We improved our lost-time injury frequency by 0.03 in 2022 compared to 2021.

We recorded a 83% completion rate of a Learning Team being completed following a High Potential incident in 2022.

The completion rate of Employee relations and labour rights training among Maersk's white collar employees was 83% in 2022.

Governance performance			Unit	2022	2021	2020	2019	Comments on 2022 ESG performance data
8.1	Business ethics	Code of conduct training*	Completion rate	83	-	-	-	
8.2	Business ethics	% of operations covered by a risk assessment on compliance and business ethics risks*	%	95	95	-	-	Group-wide risk assessment is carried out every second year with the most recent being completed in 2021 and the next scheduled for 2023. Hence, the coverage for 2022 is the same as in 2021, and work to address identified risks has been embedded and executed on as part of the Compliance Programme in 2022
8.3	Business ethics	Whistleblower cases*	#	735	634	-	-	We recorded an increase of almost 16% in the number of whistleblower cases received in 2022 compared to 2021. We see this as an indication of progress in our efforts to promote a speak up culture.
8.4	Sustainable procurement	Suppliers committed to Maersk Supplier Code of Conduct (CoC)*	%	96	-	-	-	In 2022, 96% of all suppliers with active contracts registered in our Sustainable Procurement database have committed to Maersk's Supplier Code of Conduct.
8.5	Sustainable procurement	Tier 1 high-risk category/ strategic suppliers undergoing ESG assessments*	%	77	-	-	-	By the end of 2022, 77% of Maersk's Tier 1 high-risk category/strategic suppliers with active contracts had undergone an ESG assessment. 69% of the high-risk category/ strategic suppliers assessed and where improvement points had been identified, have had those closed by end of 2022.
8.6	Sustainable procurement	High-risk category/strategic suppliers assessed with Improvement Plan successfully closed*	%	69	-	-	-	
8.7	Data ethics	Data ethics training*	Completion rate	67	-	-	-	Data ethics training completion rate among the white collar employees in scope was 67% in 2022. The relatively low completion rate is due to the roll-out of the training, which happened towards the end of Q4.

Economic Performance			Unit	2022	2021	2020	2019	Comments on 2022 ESG performance data
9.1	Revenue		USD million	81,529	61,787	39,740	38,890	
9.2	Profit/loss before financial items (EBIT)		USD million	30,860	19,674	4,186	1,725	
9.3	Capex		USD million	4,163	2,976	1,322	2,035	
9.4	Tax for the year		USD million	910	697	407	458	
<b>EU Taxonomy</b>								
10	Share of aligned revenue*		%	3	-	-	-	The results of Maersk's taxonomy screening for 2022 confirm that the company has significant opportunity to have a substantial contribution towards climate change mitigation, and that it is in its early stages of the journey to decarbonise its end-to-end value chain.
10	Share of eligible revenue*		%	85	-	-	-	
10	Share of aligned Capex*		%	7	-	-	-	Hence, for 2022 we see a high share of eligible revenue, Capex and Opex but a significantly lower share of revenue, Capex and Opex related to taxonomy-aligned activities. Over the coming years, we expect to see a low and gradual increase of taxonomy-aligned revenue and a bigger and continued steady increase in the taxonomt-aligned Capex in line with our decarbonisation strategy
10	Share of eligible Capex*		%	64	-	-	-	
10	Share of aligned Opex*		%	10	-	-	-	Please see a detailed breakdown of the EU Taxonomy KPIs on the following pages.
10	Share of eligible Opex*		%	100	-	-	-	

Revolving Credit Facility KPI performance			Unit	2022	2021	2020	2019	Comments on 2022 ESG performance data
11	Relative CO <sub>2</sub> reduction (percentage vs. 2008 baseline)		% reduction	39.9	39.8	42.7	41.8	

\*New KPI that was introduced as part of the ESG strategy in 2022 and hence comparison year data may not be reported.

## Proportion of revenues from products or services associated with taxonomy-aligned economic activities 2022

Economic activities	NACE codes	Absolute revenue (USD million)	Proportion of revenue (%)	Substantial contribution						DNSH						Minimum safeguards (Y/N)	Taxonomy-aligned proportion of revenue 2022 (%)	Taxonomy-aligned proportion of revenue 2021 (%)	Enabling activity (Y/N)	Transitional activity (Y/N)
				Climate change mitigation (%)	Climate change adaptation (%)	Water and marine resources (%)	Circular economy (%)	Pollution (%)	Biodiversity and ecosystems (%)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)					
<b>A. Taxonomy-eligible activities</b>		USD	%																	
<b>A.1 Environmentally sustainable activities (taxonomy-aligned)</b>																				
6.2 Freight rail transport	H49.20	33	0.0%	100	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	0.0%	N/A	N	N
6.6 Freight transport services by road	H49.4.1, H53.20, N77.12	3	0.0%	100	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	0.0%	N/A	N	N
6.10 Sea and coastal freight water transport	H50.2, H52.22, N77.34	1,560	1.9%	100	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	1.9%	N/A	N	Y
6.16 Infrastructure enabling low-carbon water transport	F42.91, F71.1, F71.20	1,190	1.5%	100	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	1.5%	N/A	Y	N
7.6 Installation, maintenance and repair of renewable energy technologies	F42, F43, M71, C28	6	0.0%	100	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	0.0%	N/A	Y	N
<b>Revenue of taxonomy-aligned activities</b>		<b>2,792</b>	<b>3.4%</b>	100	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	<b>3.4%</b>	N/A	1.5%	1.9%
<b>A.2 Taxonomy-eligible, but not aligned activities</b>																				
6.2 Freight rail transport	H49.20	38	0.1%																	
6.6 Freight transport services by road	H49.4.1, H53.20, N77.12	5,000	6.1%																	
6.10 Sea and coastal freight water transport	H50.2, H52.22, N77.34	59,347	72.8%																	
6.16 Infrastructure enabling low-carbon water transport	F42.91, F71.1, F71.20	2,246	2.8%																	
7.6 Installation, maintenance and repair of renewable energy technologies	F42, F43, M71, C28	0	0.0%																	
<b>Revenue of taxonomy-eligible but not aligned activities</b>		<b>66,631</b>	<b>81.8%</b>																	
<b>Total aligned and eligible activities (A.1 + A.2)</b>		<b>69,423</b>	<b>85.2%</b>																	
<b>B. Taxonomy non-eligible activities</b>																				
B Revenue from non-eligible activities		12,106	14.8%																	
<b>Total A+B</b>		<b>81,529</b>	<b>100%</b>																	

## Proportion of Capex from products or services associated with taxonomy-aligned economic activities 2022

Economic activities	NACE codes	Absolute Capex (USD million)	Proportion of Capex (%)	Substantial contribution						DNSH						Minimum safeguards (Y/N)	Taxonomy-aligned proportion of Capex 2022 (%)	Taxonomy-aligned proportion of Capex 2021 (%)	Enabling activity (Y/N)	Transitional activity (Y/N)
				Climate change mitigation (%)	Climate change adaptation (%)	Water and marine resources (%)	Circular economy (%)	Polution (%)	Biodiversity and ecosystems (%)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Polution (Y/N)	Biodiversity and ecosystems (Y/N)					
<b>A. Taxonomy-eligible activities</b>		USD	%																	
<b>A.1 Environmentally sustainable activities (taxonomy-aligned)</b>																				
6.2 Freight rail transport	H49.20	0	0.0%	100	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	0.0%	N/A	N	N
6.6 Freight transport services by road	H49.4.1, H53.20, N77.12	7	0.0%	100	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	0.0%	N/A	N	N
6.10 Sea and coastal freight water transport	H50.2, H52.22, N77.34	412	4.6%	100	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	4.6%	N/A	N	Y
6.12 Retrofitting of sea and coastal freight and passenger water transport	H50.2	24	0.3%	100	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	0.3%	N/A	Y	N
6.16 Infrastructure enabling low-carbon water transport	F42.91, F71.1, F71.20	106	1.2%	100	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	1.2%	N/A	Y	N
7.6 Installation, maintenance and repair of renewable energy technologies	F42, F43, M71, C28	89	1.0%	100	0	0	0	0	0	N/A	Y	Y	Y	Y	Y	Y	1.0%	N/A	Y	N
<b>Capex of taxonomy-aligned activities</b>		<b>638</b>	<b>7.1%*</b>	100	0*	0				N/A	Y	Y	Y	Y	Y	Y	<b>7.1%</b>	N/A	2.5%	4.6%
<b>A.2 Taxonomy-eligible, but not aligned activities</b>																				
6.2 Freight rail transport	H49.20	0	0.0%																	
6.6 Freight transport services by road	H49.4.1, H53.20, N77.12	193	2.2%																	
6.10 Sea and coastal freight water transport	H50.2, H52.22, N77.34	3,435	38.3%																	
6.12 Retrofitting of sea and coastal freight and passenger water transport	H50.2	844	9.4%																	
6.16 Infrastructure enabling low-carbon water transport	F42.91, F71.1, F71.20	583	6.5%																	
7.6 Installation, maintenance and repair of renewable energy technologies	F42, F43, M71, C28	0	0.0%																	
<b>Capex of taxonomy-eligible but not aligned activities</b>		<b>5,055</b>	<b>56.4%</b>																	
<b>Total aligned and eligible activities (A.1 + A.2)</b>		<b>5,693</b>	<b>63.5%</b>																	
<b>B. Taxonomy non-eligible activities</b>																				
B Capex from non-eligible activities		3,279	36.5%																	
<b>Total A+B</b>		<b>8,972</b>	<b>100.0%</b>																	

\*In November 2021, Maersk issued green bonds under our Green Finance Framework. The use of proceeds from the green bonds are used to finance the ordered green methanol enabled vessels. Allocation of the use of proceeds have been allocated in 2021 and 2022. The allocation report for 2022 will be available in Q1 2023. Allocation reports can be found on [investor.maersk.com/green-finance](https://investor.maersk.com/green-finance)

## Proportion of Opex from products or services associated with taxonomy-aligned economic activities 2022

Economic activities	NACE codes	Absolute Opex (USD million)	Proportion of Opex (%)	Substantial contribution						DNSH						Minimum safeguards (Y/N)	Taxonomy-aligned proportion of Opex 2022 (%)	Taxonomy-aligned proportion of Opex 2021 (%)	Enabling activity (Y/N)	Transitional activity (Y/N)
				Climate change mitigation (%)	Climate change adaptation (%)	Water and marine resources (%)	Circular economy (%)	Pollution (%)	Biodiversity and ecosystems (%)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)					
<b>A. Taxonomy-eligible activities</b>		USD	%																	
<b>A.1 Environmentally sustainable activities (taxonomy-aligned)</b>																				
6.2 Freight rail transport	H49.20	0	0.0%	100	0	0	0	0	0	Y	Y	Y	Y	Y	Y	0.0%	N/A	N	N	
6.6 Freight transport services by road	H49.4.1, H53.20, N77.12	0	0.0%	100	0	0	0	0	0	Y	Y	Y	Y	Y	Y	0.0%	N/A	N	N	
6.10 Sea and coastal freight water transport	H50.2, H52.22, N77.34	12	2.1%	100	0	0	0	0	0	Y	Y	Y	Y	Y	Y	2.1%	N/A	N	Y	
6.12 Retrofitting of sea and coastal freight and passenger water transport	H50.2	0	0.0%	100	0	0	0	0	0	Y	Y	Y	Y	Y	Y	0.0%	N/A	Y	N	
6.16 Infrastructure enabling low-carbon water transport	F42.91, F71.1, F71.20	44	7.8%	100	0	0	0	0	0	Y	Y	Y	Y	Y	Y	7.8%	N/A	Y	N	
7.6 Installation, maintenance and repair of renewable energy technologies	F42, F43, M71, C28	1	0.2%	100	0	0	0	0	0	Y	Y	Y	Y	Y	Y	0.2%	N/A	Y	N	
<b>Opex of taxonomy-aligned activities</b>		<b>57</b>	<b>10.1%</b>	100	0	0	0	0	0	Y	Y	Y	Y	Y	Y	<b>10.1%</b>	N/A	8.0%	2.1%	
<b>A.2 Taxonomy-eligible but not aligned activities</b>																				
6.2 Freight rail transport	H49.20	0	0.0%																	
6.6 Freight transport services by road	H49.4.1, H53.20, N77.12	5	0.9%																	
6.10 Sea and coastal freight water transport	H50.2, H52.22, N77.34	310	55.0%																	
6.12 Retrofitting of sea and coastal freight and passenger water transport	H50.2	0	0.0%																	
6.16 Infrastructure enabling low-carbon water transport	F42.91, F71.1, F71.20	192	34.0%																	
7.6 Installation, maintenance and repair of renewable energy technologies	F42, F43, M71, C28	0	0.0%																	
<b>Opex of taxonomy-eligible, but not aligned activities</b>		<b>507</b>	<b>89.9%</b>																	
<b>Total aligned and eligible activities (A.1 + A.2)</b>		<b>564</b>	<b>100.0%*</b>																	
<b>B. Taxonomy non-eligible activities</b>																				
B Opex from non-eligible activities		0	0.0%																	
<b>Total A+B</b>		<b>564</b>	<b>100.0%</b>																	

\*The scope of Opex is defined as the Repair and Maintenance Opex related to Maersk's taxonomy eligible activities. Hence, total Opex is the same as eligible Opex. Consequently, we have 100% eligible Opex and 0% non-eligible Opex.

# ESG performance data accounting policies

## Basis of reporting

### Reporting period

A.P. Møller - Mærsk A/S (Maersk) ESG performance data reporting covers the period from 1 January to 31 December 2022.

### Reporting boundaries and use of reporting frameworks

Our approach to sustainability reporting is to focus on material issues and activities, in line with double materiality principles encompassing both the social and environmental impact of and on our business and ensuring consideration of context and balance. We are guided by the reporting principles set out in the GRI 101: Foundation Standard to determine the report content and quality in terms of materiality, stakeholder inclusiveness, sustainability context, completeness, balance, comparability, accuracy, timeliness, clarity and reliability.

### Scope and consolidation

Unless otherwise stated, the ESG performance data is reported on the basis of the same principles as the financial statements. Thus, the ESG performance data includes consolidated data from the parent company, A.P. Møller - Maersk A/S, and subsidiaries controlled by Maersk. Data is collected per legal entity per activity, and the figures are consolidated line-by-line. Consolidation of ESG performance data using financial scope implies that:

- data relating to owned and leased-in assets is included.
- data from owned assets that are leased out is not included.

Technical management of an asset on behalf of third parties follow the same consolidation principles. Thus, data is consolidated by the asset owner/lessee who uses the asset.

The consolidation for Safety (Fatalities and Lost-time injury frequency) data differs from the financial principles described above. Safety data is consolidated using an operational scope approach. This means that Maersk includes all safety data when A.P. Møller - Maersk or one of its subsidiaries has the governing authority and responsibility for health, safety and environmental management of the people, the processes and the facility. This approach excludes safety data from assets that are partly owned by Maersk, but not within Maersk's operational control. Mobile assets are included when operated by Maersk. For vessels, the International Safety Management Code Document of Compliance must be held by Maersk to include the safety data.

The consolidation of greenhouse gas (GHG) emissions data is based on the financial consolidation approach and stated in accordance with the GHG Protocol: direct emissions from owned and leased-in assets (scope 1), indirect emissions from purchased electricity and district heating (scope 2), and value chain emissions (scope 3), which also includes emissions related to leased out assets.

To ensure completeness in reported data from our offices, office standards have been developed, which can be used for offices with no production or warehouses. The office standards define average consumption values per FTE and are only used if other more accurate information is not available.

Data from divestments are included until the day of transaction, while data from acquisitions are included from the reporting year following the transaction. In 2022, Maersk completed the acquisitions of Pilot Freight Services (Pilot), Senator International (Senator) and LF Logistics. Data from these companies will be included in the Sustainability Report 2023. We have for the first time in 2022 included data from Visible SCM and B2C Europe. Data from MCI is included as MCI remains a Maersk company.

### Emission conversions and calculations

GHG emissions are calculated using conversion factors for energy consumption and other GHG gases. Primary schemes used are AR6 (updated 2022), EMEP/EEA air pollutant emission inventory guidebook (2019 database), IEA (updated 2022), GLEC Framework (2022), DEFRA (updated 2022) and CEDA6 (updated in 2022).

The principles for choosing among the schemes for default conversion factors are:

- The most recent and internationally recognised schemes are preferred
- Specific industry schemes can be included when not in conflict with the above.

## Changes affecting the ESG performance data in 2022

For the first time in 2022, Maersk is reporting against the ESG strategy and KPIs announced in the 2021 Sustainability Report. Reflecting this, Maersk has included the following new ESG KPIs in the ESG performance data:

### Environment:

- Climate change: % of Ocean freight transported with green fuels
- Climate change: Reduction in carbon intensity (Ocean) by 2030 (baseline year 2020). This KPI replaces the 'Relative CO<sub>2</sub> reduction (percentage vs 2008 baseline), which is the same metric with a different baseline that Maersk has previously reported on.
- Climate change: Reduction of absolute scope 1 and 2 emissions from Terminals by 2030 (2020 baseline)
- Environment and ecosystems: Number of containers lost at sea

### Social:

- Human capital: Employee Engagement Survey (EES) percentile rank on global norms
- Labour rights: % of employees trained in employee labour rights
- Safety and security: % of Learning Teams completed following a High Potential Incident

### Governance:

- Sustainable procurement: % of suppliers committing to Maersk Supplier Code of Conduct
- Sustainable procurement: % of Tier 1 high-risk category/ strategic suppliers undergoing ESG assessments
- Sustainable procurement: % of high-risk category suppliers with Improvement Plan successfully closed



- Business ethics: % of operations covered by a risk assessment on compliance and business ethics risks
- Business ethics: Number of whistleblower cases
- Business ethics: % of employees completing Maersk Code of Conduct training
- Data ethics: % of employees completing data ethics e-learning

### Improved scope 3 methodology

In 2022, the following improvements were undertaken to improve Maersk's understanding and overview of its scope 3 emissions:

- Utilised CEDA 6.0 methodology to account for differences in Consumer Price Index (CPI) across countries and industries to improve spend-based estimates.
- Improved estimates of well-to-tank emissions (scope 3.3) for energy use reported in scopes 1 and 2 to reflect Maersk's global energy sourcing activities.
- Improved estimates of emissions from materials purchased for container manufacturing by Maersk Container Industry under scope 3.1 Purchased Goods and Services.
- Included the use phase emissions from MCI containers in scope 3.11
- Improved calculation of emissions from vessel-sharing agreements in scope 3.4 Upstream Transport and Distribution by replacing spend-based estimates with activity data. Emissions are calculated following the GLEC methodology, utilising Clean Cargo factors.

Accounting for these improvements, scope 3 estimates for 2020 and 2021 have been recalculated and restated. This results in increased scope 3 emissions of 36,487 (1,000 tonnes CO<sub>2</sub>e) in 2020, 34% higher than previously stated. For 2021, this results in an increase of 39,436 (1,000 tonnes CO<sub>2</sub>e), 36% higher than previously stated.

### Restatement of data from prior years

In 2022, work to improve Maersk's ESG reporting processes and data quality has been performed. This has led to a restatement of numbers reported in relation to Energy consumption, GHG emissions, Other air emissions and Other resource consumption data for 2020 and 2021.

## Accounting policies – environmental performance

### 1.1 Energy consumption

Energy consumption encompasses all fuel oil, gas fuels, other fuels (diesel, gasoline, kerosene and heating oil), and biofuel as well as the consumption of electricity / district heating and renewable energy that is consumed/combusted at Maersk-controlled entities/vessels. Renewable energy consumption is the amount of energy from solar panels, wind turbines, biomass and batteries that is consumed at Maersk-controlled entities/vessels and used for electricity or heating. This includes both generation on site and purchases from the grid.

### 2.1 Direct GHG emissions (scope 1)

Direct GHG (scope 1) 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 amount of direct energy (i.e. the fuels stated under 'Energy consumption') that are consumed/combusted and HFCs, SF<sub>6</sub>, and NF<sub>3</sub>, which are based on direct consumption at Maersk controlled entities/vessels.

### 2.2 Indirect GHG (scope 2) – location-based

Indirect GHG (scope 2) 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 based on consumed electricity and district heating bought from a third party and using location-based IEA emission factors.

### 2.3 Indirect GHG (scope 2) – market-based

Indirect GHG (scope 2) 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 based on consumed electricity and district heating bought from a third party and using country-specific market-based factors for EU countries and the US and IEA factors for other countries.

### 2.4 Value chain GHG emissions (scope 3 GHG protocol)

Value chain GHG emissions (scope 3 GHG protocol) are the CO<sub>2</sub> equivalents' converted sum of CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O from value chain activities. Of the 15 scope 3 categories in the protocol, eleven categories are currently determined as applicable to Maersk's business model and activities. The excluded categories are: Category 9 – downstream transportation and distribution, Category 10

– processing of sold products, Category 14 – franchises and Category 15 – investment. Thus, value chain GHG emissions comprise emissions relating to: Category 1 – purchased goods and services, which are reported based on procurement data and includes Opex goods. Category 2 – capital goods, which is reported based on procurement data and includes our capital investments such as e.g. retrofit of vessels and dry docking. We include the full scope 3 impact the first year of a Capex investment. Category 3 – fuel and energy-related activities, which are reported based on actual fuel procured and consumed. Category 4 – upstream transportation and distribution, which is reported based on procurement data multiplied by relevant emission factor per transportation category (air/includes carrier haulage). Category 5 – waste generated in operations, which is reported based on amounts and types of waste. Category 6 – business travel, which is reported based on activity-data for our direct air travel and procurement data for other business travel related activities. Category 7 – employee commuting, which is reported based on employee headcounts per location, estimated commuting distance and transportation modes. Category 8 – upstream leased assets, which is reported based on operations of assets that are leased and not reported in scope 1 and 2. Category 11 – use of sold products, is based on activity data for marine fuels traded by Maersk to third parties. Category 12 – end-of-life treatment of sold products, which is reported based on activity data for retreatment of sold new and second-hand reefers. Category 13 – downstream leased assets, which is reported based on fuel consumption from vessels, tugs and planes leased to third parties. Please refer to ESG Factbook for a category breakdown of scope 3 emissions.

### 2.5 Total GHG emissions

Total GHG emissions have been stated as both the sum of reported scope 1, scope 2 (location-based) and scope 3 emissions as well as scope 1, scope 2 (market-based) and scope 3 emissions.

### 3.1 Ocean: Share of freight transported with green fuels

The share of freight transported with green fuels is calculated as the share of FFE (Forty Foot container Equivalent) containers transported using Maersk's EcoDelivery product out of the total FFEs transported by Maersk in the Ocean segment during the year. Transportation data, both total and EcoDelivery-labelled, is based on registrations in

Maersk's Line of Sight system, which captures all container bookings in Maersk's Ocean segment.

### 3.2 Ocean: Reduction in carbon intensity (EEOI) by 2030 (2020 baseline)

Maersk's Ocean: Reduction in carbon intensity (EEOI) by 2030 (2020 baseline) covers container vessels under Maersk's operation. We report on reduction in carbon intensity using the EEOI (Energy Efficiency Operational Indicator) methodology. EEOI is defined by IMO in MEPC.1/Circ.684 and is calculated as  $\text{gCO}_2/(\text{Ton cargo} \times \text{Nm})$ . In practice we calculate EEOI on voyage level and aggregate it in the following way:

$$\frac{(\text{g CO}_2 \text{ voy1} + \text{g CO}_2 \text{ voy2} + \text{g CO}_2 \text{ voy3})}{((\text{Ton cargo} \times \text{Nm})\text{voy1} + (\text{Ton cargo} \times \text{Nm})\text{voy2} + (\text{Ton cargo} \times \text{Nm})\text{voy3})}$$

The data sources are:

1.  $\text{g CO}_2$  – based on fuel consumption, from departure voyage 1, to departure voyage 2, multiplied with relevant  $\text{CO}_2$  factor (3,114 for HFO, 3,206 for MDO).
2. Ton cargo – calculated via draft and displacement tables, subtracting vessel weight and ballast water and fuel stock.
3. Nm – GPS distance from departure voyage 1, to departure voyage 2.

Ocean: Reduction in carbon intensity (EEOI) by 2030 is this years EEOI relative to the EEOI of the 2020 baseline.

### 3.3 Terminals: Reduction of absolute scope 1 and 2 emissions by 2030 (2020 baseline)

The reduction of scope 1 and 2 emissions from APM Terminals is calculated as the percentage reduction of scope 1 and 2 emissions during the year compared to the scope 1 and 2 emissions from APM Terminals in 2020.

### 4.1 Other air emissions

Other air emissions include  $\text{SO}_x$  and  $\text{NO}_x$ , which both are calculated based on fuels consumed multiplied by generally accepted conversion factors for the respective fuels. In case of scrubber use,  $\text{SO}_x$  emissions are reported based on Clean Cargo guidelines, where  $\text{SO}_x$  output is assumed to be maximum for the operating area in which the vessel spends 80% of its time.

### 5.1 Waste

Waste from our landside operations is reported as the sum of all waste types generated from Maersk entities. Waste from Maersk's Ocean fleet is based on actual landing figures from 30 vessels, which have been extrapolated to cover Maersk's entire fleet, including own and time-chartered vessels.

### 5.2 Water

Water is reported as the sum of all water consumed, excluding ballast water and water for re-injection.

### 6.1 Hydrocarbon spills (>10 m<sup>3</sup>)

Spills are reported as the number of uncontained hydrocarbon liquids spills greater than 10 m<sup>3</sup>, resulting from any unintended, irreversible release associated with current operations. Spills from Maersk's Ocean fleet are reported based on the registrations in Fleet Management & Technology's incident databases.

### 6.2 Containers lost at sea

Containers lost at sea is based on the recorded number of containers (independent of size) lost at sea during the year. This includes containers lost at sea from own and time-chartered vessels, but does not include containers falling overboard in ports and other cases where containers will be picked up. The number of containers lost at sea is reported based on the registrations in Fleet Management & Technology's incident database.

## Accounting policies – social performance

### 7.1 Number of employees

Number of employees includes is the average number of full-time equivalents (FTEs) employed by Maersk during the year. This includes FTEs in acquisitions made during the year as the number of employees reported is aligned with what is stated in the Annual Report. 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. Temporary employees on salary are included. Excluded are employees on unpaid leave and contractors.

### 7.2 Employee Engagement Survey score in the top quartile of global norm

The Employee Engagement Survey score in the top quartile of the global norm is calculated as Maersk's aggregated ranking in the top quartile (75% or above) of employee engagement relative to Maersk's survey vendors' global organisational employee engagement norm. Gallup is Maersk's main Employee Engagement Survey provider, covering 97% of employees in scope while one other provider covers the remaining share of Maersk employees in scope. Overall employee engagement percentile score is calculated as the average (mean) of the two respective percentile scores weighted by the total respondents for each survey. 1640 employees in Maersk Supply Services (MSS) are not included in the score as the survey provider used in MSS does not maintain a global norm benchmark. The limited number of employees in MSS does not impact the aggregated results for all of Maersk.

### 7.3 Gender – female/total

Gender – female over total is the percentage of women employed based on headcount. Headcounts are defined as all employees with an employment contract with Maersk who are on payroll regardless of the type of contract at year end. Excluded are employees on unpaid leave (except parental leave), contractors, and third-party workers.

### 7.4 Women in management

Women in management is the percentage of women at levels 4, 5, 6, 7, 8 and 9, corresponding to Managers, Senior Managers, Leaders, Senior Leaders, and Executives, compared to total headcount of the same levels. Headcounts are defined as outlined in 7.3 Gender - female/total above.

### 7.5 Women in leadership

Women in leadership is the percentage of women at levels 6, 7, 8 and 9, corresponding to Leaders, Senior Leaders, and Executives, compared to total headcount of the same levels. Headcounts are defined as outlined in 7.3 Gender - female/total above

### 7.6 Target nationalities/total

Target nationalities over total is the percentage of target nationalities with non-high-income OECD nationalities employed based on headcount. Headcounts are defined as outlined in 7.3 Gender - female/total above.

### 7.7 Target nationalities in executive leadership

Target nationalities in leadership is the percentage of leaders with non-high-income OECD nationalities at levels 8 and 9, corresponding to executives, compared to total headcount of the same levels. Headcounts are defined as all employees with an employment contract with Maersk who are on payroll regardless of the type of contract at year end. Excluded are employees on unpaid leave (except parental leave), contractors and third-party workers.

### 7.8 Fatalities

Fatalities is the headcount number of work-related accidents leading to the death of the employee.

### 7.9 Lost-time injury frequency

Lost-time injury frequency is the number of lost-time injuries per million exposure hours. Lost-time injuries (LTI) is the sum of accidents, which result in a person being unfit for work on any day or shift after the day of occurrence. Excluded from LTIs are suicide or attempted suicide, 'natural causes', incidents during the commute to and from the regular place of work and incidents which occur off the ship, but where the consequences appear onboard at some later time. Exposure hours are the total number of work hours during which an employee is exposed to work-related hazards and risks. Leave and non-work-related sickness are excluded from exposure hours.

### 7.10 Learning Teams completed following a High Potential Incident

Learning Teams completed following a High Potential Incident is calculated as the share of Learning Teams completed following a High Potential Incident has been recorded. The number of High Potential Incidents and Learning Teams completed during the year is based on reporting by Brands and maintained and quality assured by Maersk's Group Safety & Security team. A Learning Team is defined as a group of workers brought together to: discuss their work, identify performance influencing conditions that make safe work difficult and specify suggestions for improvement. A High Potential Incident is defined as a safety incident with a potential severity of 4 or higher Maersk's HSSE Brand-specific risk assessment matrices.

### 7.11 Employee relations and labour rights training

Employee relations and labour rights training is the completion

rate of employees in scope for the Employee relations and labour rights e-learning out of the total employee population in scope. The employees in scope for the e-learning in 2022 is active white-collar Maersk employees. This excludes white-collar employees on long-term leave and employees that have joined Maersk after 31 October in the reporting year. The completion rate is based on registrations in Maersk's Learning Management system as of 17 January 2023, and completion data up until this date.

## Accounting policies – governance performance

### 8.1 Code of conduct training

Code of Conduct training is the completion rate of employees in scope for the Maersk Code of Conduct e-learning out of the total employee population in scope. The employees in scope for the e-learning in 2022 is active white-collar Maersk employees. This excludes white-collar employees on long-term leave and employees that have joined Maersk after 31 October in the reporting year. The completion rate is based on registrations in Maersk's Learning Management system as of 17 January 2023, and completion data up until this date.

### 8.2 % of operations covered by a risk assessment on compliance and business ethics risks

% of operations covered by a risk assessment on compliance and business ethics risks is the percentage of entities that have completed the risk assessment survey on compliance and business ethics risks during the year. The groupwide risk assessment is carried out every second year with the most recent being completed in 2021 and the next scheduled for 2023. Hence, the coverage for 2022 is the same as in 2021, and work to address identified risks has been embedded and executed on as part of the Compliance Operations programme in 2022. The percentage of operations covered by a risk assessment on compliance and business ethics risks is based on registrations in Maersk's Global Entity Management System.

### 8.3 Whistleblower cases

Whistleblower cases is the number of whistleblower cases recorded in Maersk's whistleblower system during the year. All cases are recorded in Maersk's whistleblower system irrespective of who makes a misconduct report, or how such a report is received,

including via telephone, email, Maersk's whistleblower system or audits. Whistleblower cases do not include cases reported via other channels such as Maersk's Ombuds function.

### 8.4 Suppliers committed to Maersk Supplier Code of Conduct

Suppliers committed to Maersk Supplier Code of Conduct (CoC) is the percentage of existing valid contracts with active suppliers which include a sustainable procurement clause, a reference to Supplier CoC in the contract or a CoC acknowledgment document out of the total number of valid supplier contracts. The Suppliers committed to Maersk Supplier CoC is based on registrations in Maersk's Sustainable Procurement database, DocuSign Insights.

### 8.5 Tier 1 high-risk category/strategic suppliers undergoing ESG assessments

Tier 1 high-risk category/strategic suppliers undergoing ESG assessments is the share of Tier 1 high-risk and strategic suppliers that have undergone an ESG assessment out of the total number Tier 1 high-risk category and strategic suppliers with valid contracts. The suppliers undergoing ESG assessments are based on registrations in database maintained by the Sustainable Procurement team.

### 8.6 High-risk category/strategic suppliers assessed with Improvement Plan successfully closed

High-risk category/strategic suppliers assessed with improvement plans successfully closed is the percentage of active high-risk category/strategic suppliers with valid contracts that have successfully closed gaps observed within the agreed timelines through an Improvement plan implementation out of the total high-risk category/strategic suppliers with improvement plans. The suppliers assessed with Improvement Plan successfully closed is based on registrations made in database maintained by the Sustainable Procurement team.

### 8.7 Data ethics training

Data ethics training is the completion rate of employees in scope for the data ethics e-learning out of the total employee population in scope. The employees in scope for the e-learning in 2022 is active white-collar Maersk employees. This excludes white-collar employees on long-term leave and employees that have joined Maersk after 31 October in the reporting year. The completion rate is

based on registrations in Maersk's Learning Management system as of 17 January 2023, and completion data up until this date.

## Accounting policies – economic performance

### 9.1 Revenue

Revenue stated as in Note 2.1 of the Annual Report 2022.

### 9.2 EBIT

EBIT stated as in Note 2.1 of the Annual Report 2022.

### 9.3 Capex

Capex (additions to intangible and tangible assets) stated as in Note 5.5 Cash flow specifications of the Annual Report 2022.

### 9.4 Tax for the year

Tax for the year stated as in Note 5.1 of the Annual Report 2022.

## EU Taxonomy

### 10. EU Taxonomy accounting policies

For the first time in 2022, Maersk reports EU Taxonomy alignment KPIs in addition to the eligibility KPIs, which was first reported in 2021. Maersk has in 2022 applied the climate change mitigation technical screening criteria when assessing its economic activities. The EU Taxonomy regulation is maturing and evolving, as such reporting against the taxonomy is currently subject to interpretation. We will change and expand our reporting according to the developments in the regulation, which may also impact the taxonomy KPIs previously reported. Key changes from 2021 include not applying a linkage principle to allocate Capex and Opex based on the high-level assessment of whether revenue-generating activity codes are eligible or not as we have in 2022 assessed all Capex and Opex amounts separately to improve the reliability of our screening; application of a narrower scope of Opex to only include expenses related to the repair and maintenance of assets in scope and excluding goodwill, customer relationships and terminal and service concession rights from Capex additions. In relation to Opex, we have chosen to only include expenses related to the repair and maintenance of assets that are assessed as taxonomy-eligible and

report those as Opex for EU Taxonomy purposes. This is currently the best available Opex number in our financial accounts that is related to the Opex KPI definition in the regulation according to our understanding. Hence, for 2022, total Opex is the same as eligible Opex and consequently, we report 100% eligible Opex and 0% non-eligible Opex for EU Taxonomy purposes.

The EU Taxonomy reporting is based on the financial accounts and thus includes data from Pilot, Senator and LF Logistics, which is not included in the scope of the Performance data.

The taxonomy-eligible KPIs have been calculated as:

- taxonomy-eligible revenue KPI = eligible revenue/ total revenue
- taxonomy-eligible Capex KPI (additions) = eligible Capex/ total Capex
- taxonomy-eligible Opex KPI (repair and maintenance) = eligible Opex/ total Opex

Maersk's process for determining taxonomy-eligible activities (the nominator of the taxonomy-eligibility KPIs) has followed a three-step approach:

1. Defining the economic activities that Maersk is engaged in within each of the segments across the Group
2. Assessing whether said activities are covered by the economic activity descriptions included in the EU Taxonomy Climate Delegated Act
3. Allocating revenue, Capex (additions) and Opex (service and maintenance) according to the company's overall assessment of whether an economic activity is eligible or not.

Firstly, determination of the share of economic activities in Maersk that are taxonomy-eligible is based on activity codes in the financial consolidation system, which also forms the basis for Maersk's external financial reporting. As such, activity codes have been defined as an economic activity.

Secondly, based on the descriptions of what is registered on Maersk's activity codes an assessment has been made of whether these activities are covered by the activity descriptions that are included in the EU Taxonomy Climate Delegated Act.

Thirdly, depending on whether the registrations are related to assets or processes associated with taxonomy-eligible economic activities, the

revenue, Capex and Opex registered on these activity codes is assessed to be eligible or non-eligible and allocated accordingly.

The denominator for the eligibility KPIs has been defined as:

- Total revenue as stated in Note 2.1 Segment information of the Annual Report.
- Total Capex (additions) as stated in Note 3.1 Intangible assets, Note 3.2 Property, plant and equipment and Note 3.3 Right-of-use assets of the Annual Report.
- Total Opex related to repair and maintenance of eligible and non-eligible assets.

The taxonomy-aligned KPIs have been calculated as:

- taxonomy-aligned revenue KPI = aligned revenue / total revenue
- taxonomy-aligned Capex KPI (additions) = aligned Capex/ total Capex
- taxonomy-aligned Opex KPI (repair and maintenance) = aligned Opex/total Opex

Maersk's process for determining taxonomy-aligned activities (the nominator of the taxonomy KPIs) has been based on screening the identified eligible activities within each of the segments against the technical screening criteria for climate change mitigation.

For Ocean, revenue from aligned vessels has been prepared by applying an allocation key to total Ocean revenue. The allocation key is based on transport work from aligned vessels out of the total transport work during the year. Aligned Capex (additions) is 1) Capex additions in relation to existing aligned vessels; 2) expenditures for existing vessels undergone retrofitting that meet the technical screening criteria, and 3) milestone payments for ordered green methanol-enabled vessels incurred during the year. Aligned Opex is the service and maintenance expenditures in relation to aligned vessels incurred during the year.

For Terminals, revenue from aligned electrified equipment has been prepared by applying an allocation key to total Terminal revenue. The allocation key is based on the carrying amount of aligned electrified equipment out of the total carrying amount of Terminal equipment. Aligned Capex (additions) is the Capex additions in relation to electrified equipment incurred during the year. Aligned Opex, is the service and maintenance expenditures in relation to aligned electrified Terminal equipment incurred during the year.

For Logistics & Services, revenue from aligned activities, which includes electrical trucking and rail freight, has been prepared based on the following approaches:

- **Trains:** Maersk does not currently own or lease trains, which means that there is no related Capex or Opex. The allocation of revenue is based on the share of transportation work from aligned electric trains out of the total transportation work by train.
- **Trucks:** The preparation of the revenue, Capex and Opex KPIs is based on the separate accounting that is kept for the electric trucks.

For Towing and Marine Services, there are no aligned activities in Svitzer and other marine services, except for certain activities in Maersk Supply Service. Revenue from aligned activities in Maersk Supply Services, which include enabling activities relating to Installation, maintenance and repair of renewable offshore wind parks, has been prepared based on incurred revenue from those projects. Aligned Capex (additions relate to 1) existing service vessels undergone retrofitting that meet the technical screening criteria; 2) expenditures incurred in relation to an offshore electrical charging infrastructure project; and 3) milestone payments for an offshore wind turbine installer vessel.

For more information and contextual information, refer to the Taxonomy tables on pp. 61-63.

#### Do no significant harm (DNSH)

We have assessed and documented compliance with the DNSH criteria relating to the eligible activities in scope for Maersk's Taxonomy reporting. Since we only screen for substantial contribution for 'Climate change mitigation', we have screened our eligible activities for DNSH compliance with 'Climate change adaptation', 'Sustainable use and protection of water and marine resources', 'Transition to a circular economy', 'Pollution prevention and control' and 'Protection and restoration of biodiversity and ecosystems'. Only when we have been able to document compliance with all applicable DNSH criteria, we have assessed an activity to be aligned. Consequently, if an activity fail to meet one or more of the DNSH criteria, we have assessed that activity to be eligible but not aligned.

#### Minimum safeguards

Maersk and its subsidiaries are committed to conducting business

in a responsible and upright manner and to respecting human rights across our activities, in line with the Maersk Values. We endorse the principles of the UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises. We commit to respecting all internationally recognised human rights referenced in the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. These rights include core labour rights such as the rights of freedom of association and collective bargaining, the rights to not be subjected to forced labour, child labour or discrimination in respect of employment and occupation, and standards on working hours and the safety and health of workers. We implement our commitment to these via our Code of Conduct, and other internal policies and procedures. Maersk's compliance with the Minimum Safeguards as outlined in the EU Taxonomy regulation has been performed at a Group level and is based on the following assessment:

- **Human rights:** The company is committed to conducting human rights due diligence (HRDD) as outlined in the UN Guiding Principles (UNGPs) and OECD Guidelines for Multinational Enterprises (MNEs). Please refer to Maersk's Human Rights Policy here. Maersk continuously identifies and assesses human rights risks via relevant due diligence processes. In 2021, the company conducted a corporate-wide human rights assessment. Please refer to the Sustainability Report 2021 and the Human rights chapter in this report for more information. Further, there is no indication that Maersk does not adequately implement HRDD resulting in human rights abuses, as the company has not been convicted in court cases on labour law or on human rights. Moreover, Maersk is committed to engaging with stakeholders through the mechanisms stated in the EU Taxonomy regulation, including OECD National Contact Points or the Business and Human Rights Resource Centre (BHRRC) and there are no signals that Maersk does not engage.
- **Corruption:** Maersk has in place an anti-corruption policy and adequate internal controls, ethics and compliance programmes and measures for preventing and detecting bribery. Please refer to the Governance and Business ethics chapters of this report. In addition, none of Maersk's senior management members, including the senior management members of its subsidiaries, have been convicted of corruption.

- **Taxation:** Tax is treated as an important topic of oversight, anchored with the highest governing bodies in Maersk, and the company has put in place adequate tax risk management strategies and processes as outlined in OECD MNE Guidelines covering tax. Furthermore, the company has not been found guilty of tax evasion.
- **Fair competition:** The company promotes employee awareness of the importance of compliance with all applicable competition laws and regulations and trains senior management in relation to competition issues. Compliance with competition laws and regulations is a core part of Maersk's Code of Conduct, which Maersk employees are training in every year. Moreover, none of Maersk's senior management members, including the senior management members of its subsidiaries, have been found in breach of competition laws.

## Revolving Credit Facility KPI performance

### 11. Relative CO<sub>2</sub> reduction (percentage vs. 2008 baseline)

Relative CO<sub>2</sub> reduction (percentage vs. 2008 baseline) covers container vessels under APMs operation. We report on reduction in carbon intensity using the EEOI (Energy Efficiency Operational Indicator) methodology. EEOI is defined by IMO in MEPC.1/Circ.684 and is calculated as gCO<sub>2</sub>/(Metric tonnes cargo x Nm). In practice we calculate EEOI on voyage level and aggregate it in the following way:

$$\frac{(g \text{ CO}_2 \text{ voy1} + g \text{ CO}_2 \text{ voy2} + g \text{ CO}_2 \text{ voy3})}{((\text{Metric tonnes cargo} \times \text{Nm}) \text{ voy1} + (\text{Metric tonnes cargo} \times \text{Nm}) \text{ voy2} + (\text{Metric tonnes cargo} \times \text{Nm}) \text{ voy3})}$$

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, 0.0 for biofuel).
- Metric tonnes cargo – calculated via draft and displacement tables including ballast water and fuel stock, subtracting lightweight.
- Nm – GPS distance from departure voyage 1, to departure voyage 2.

Relative CO<sub>2</sub> reduction (percentage vs. 2008 baseline) is this year's EEOI relative to the EEOI of the 2008 baseline.

# Statement of the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the Sustainability Report of A.P. Møller - Mærsk A/S for 2022.

The Performance data in the Sustainability Report for 2022 has been prepared in accordance with the stated Performance data accounting policies.

In our opinion, the Sustainability Report for 2022 gives a fair presentation of A.P. Møller - Mærsk A/S sustainability activities and results of the company's sustainability efforts in the reporting period as well as a balanced presentation of A.P. Møller - Mærsk A/S environmental, social and governance performance in accordance with the stated Performance data accounting policies.

**Copenhagen, 8 February 2023**

## Executive Board

**Vincent Clerc**  
CEO

**Patrick Jany**  
CFO

**Henriette Hallberg Thygesen**

## Board of Directors

**Robert Mærsk Uggle**  
Chair

**Marc Engel**  
Vice Chair

**Bernard L. Bot**

**Marika Fredriksson**

**Arne Karlsson**

**Thomas Lindegaard Madsen**

**Amparo Moraleda**

**Julija Voitiekute**

# Independent limited assurance report on the ESG performance data

## To the stakeholders of A.P. Møller - Mærsk A/S

A.P. Møller - Mærsk A/S engaged us to provide limited assurance on the ESG performance data included in the 2022 Sustainability Report on pages 58-63 for the period 1 January - 31 December 2022 (the "ESG performance data").

## Our conclusion

Based on the procedures we performed and the evidence we obtained, nothing came to our attention that causes us not to believe that the ESG performance data in the 2022 Sustainability Report are prepared, in all material respects, in accordance with the ESG performance data accounting policies developed by A.P. Møller - Mærsk A/S as stated on pages 64-69 (the "ESG performance data accounting policies").

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

## What we are assuring

The scope of our work was limited to assurance over ESG performance data in the 2022 Sustainability Report of A.P. Møller - Mærsk A/S.

Regarding reporting on Art. 8 of the Taxonomy Regulation on pages 61-63 in the 2022 Sustainability Report, we only provide limited assurance on whether the included data have been stated in accordance with the EU Taxonomy accounting policies as stated on pages 68-69, and not whether the data are in compliance with the EU regulation, since the reporting requirements therein are still open to interpretations.

We express limited assurance in our conclusion.

## Professional standards applied and level of assurance

We performed a limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' and, in respect of the greenhouse gas emissions, in accordance with International Standard on Assurance Engagements 3410 'Assurance engagements on greenhouse gas statements'. The quantification of greenhouse gas emissions is subject to inherent uncertainty because of incomplete scientific knowledge used to determine the emissions factors and the values needed to combine emissions

of different gasses. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks; consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

## Our independence and quality control

We have complied with the independence requirements and other ethical requirements in the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and ethical requirements applicable in Denmark.

PricewaterhouseCoopers applies International Standard on Quality Control 1, ISQM 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our work was carried out by an independent multidisciplinary team with experience in sustainability reporting and assurance.

## Understanding reporting and measurement methodologies

The ESG performance data need to be read and understood together with the ESG performance data accounting policies. The ESG performance data accounting policies used for the preparation of the ESG performance data are accounting policies developed by the company, which Management is solely responsible for selecting and applying. The absence of a significant body of established practice on which to draw to evaluate and measure sustainability data allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time.

## Work performed

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

- Performed an assessment of materiality and the selection of topics for the 2022 Sustainability Report of A.P. Møller - Mærsk A/S,
- Read and evaluated reporting guidelines and selected internal control procedures regarding the ESG performance data in the 2022 Sustainability Report of A.P. Møller - Mærsk A/S,
- Conducted interviews with Management responsible for the sustainability management, use of company-wide systems, reporting and controls,
- Checked ESG performance data on a sample basis to underlying documentation,
- Conducted analytical review of the data and trend explanations, and
- Evaluated the obtained evidence.

## Statement on other sustainability information mentioned in the report

Management of A.P. Møller - Mærsk A/S is responsible for other sustainability information communicated in the 2022 Sustainability Report. The other sustainability information on pages 2-54 of the 2022 Sustainability Report comprises the sections 'Introduction', 'Strategy and Governance' and 'Progress on ESG'.

Our conclusion on the ESG performance data on pages 58-63 does not cover other sustainability information and we do not express an assurance conclusion thereon. In connection with our review of the ESG performance data, we read the other sustainability information in the 2022 Sustainability Report and, in doing so, considered whether the other sustainability information is materially inconsistent with the ESG performance data, our knowledge obtained in the review or otherwise appear to be materially misstated. We have nothing to report in this regard.

## Management's responsibilities

Management of A.P. Møller - Mærsk A/S is responsible for:

- Designing, implementing and maintaining internal control over information relevant to the preparation of the ESG performance data in the 2022 Sustainability Report that are free from material misstatement, whether due to fraud or error;
- Establishing objective ESG performance data accounting policies for preparing the ESG performance data;
- Measuring and reporting the information in the ESG performance data based on the ESG performance data accounting policies; and
- The content of the 2022 Sustainability Report.

## Our responsibility

We are responsible for:

- Planning and performing the engagement to obtain limited assurance about whether the ESG performance data for the period 1 January - 31 December 2022 are prepared, in all material respects, in accordance with the ESG performance data accounting policies;
- Forming an independent conclusion, based on the procedures performed and the evidence obtained; and
- Reporting our conclusion to the stakeholders of A.P. Møller - Mærsk A/S.

Hellerup, 8 February 2023

## PricewaterhouseCoopers

Statesautoriseret Revisionspartnerselskab  
CVR no. 3377 1231



**Mogens Nørgaard Mogensen**

State Authorised Public Accountant  
mne21404



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## We value your feedback

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

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COMMUNICATION ON PROGRESS

This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.








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