

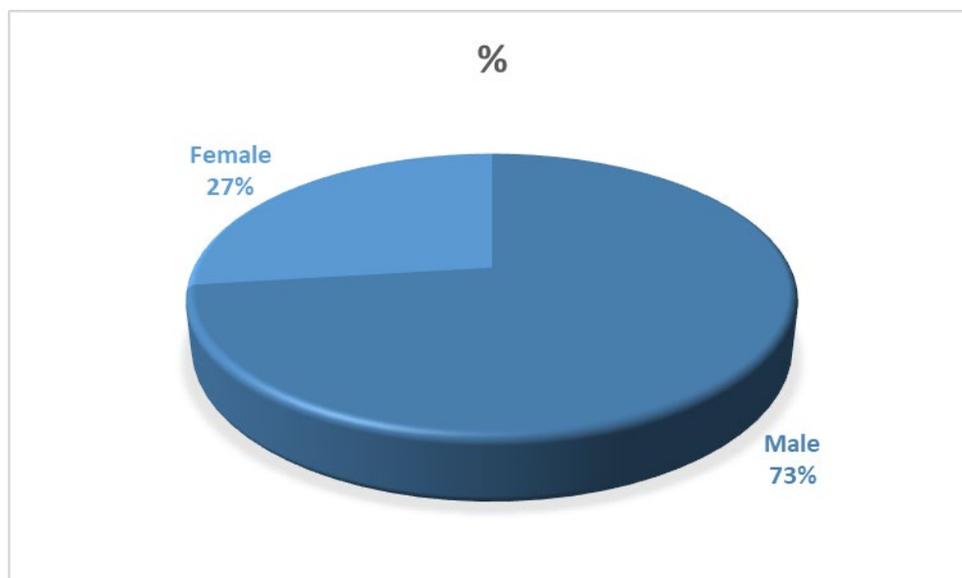
## MAERSK LINE UK LTD GENDER PAY GAP REPORT 2020

In 2017, the UK Government introduced new regulations requiring all UK companies with 250 or more employees to report their gender pay gap information on an annual basis.

In line with the gender pay gap regulations, the report for Maersk Line UK Ltd is based on pay data as of the 'snapshot date' of 5<sup>th</sup> April 2020 and the bonuses that were paid across the previous 12 months. The report represents 1043 Maersk Line UK employees based in the UK, which primarily consists of Maersk Technology employees based in Maidenhead, and Maersk Line UK employees based in Liverpool, Birmingham, Felixstowe and London. The report includes roles ranging from Operations and IT to Sales and Customer Service.

### Employee Gender Balance:

In the above-mentioned units in the UK, Maersk Line UK employed 765 male members of staff and 278 female members of staff as of 5<sup>th</sup> April 2020.



### What is the Gender Pay Gap?

The gender pay gap is comprised of **6 metrics**:

#### Pay Gap (Mean & Median)

The pay gap is the difference between the gross hourly earnings (including bonuses) for males and females. The pay gap is calculated on both a mean and median basis.

#### Bonus Pay Gap (Mean & Median)

The bonus pay gap refers to the difference in bonus payments paid to male and female employees during the 12-month period before 5<sup>th</sup> April 2020. The bonus pay gap is calculated on both a mean and median basis.

**Bonus Pay Proportion**

Bonus pay proportion relates to the proportion of male and female employees who received bonus pay in the relevant 12-month period.

**Quartile Pay Bands (Upper, Upper Middle, Lower Middle, Lower)**

To calculate the proportion of males and females in each quartile by pay band, employees were ranked in ascending order based on their hourly rate of pay (the gender pay gap number), then divided into four quartiles. We have an uneven number of employees, therefore to distribute the numbers as evenly as possible and per the regulations, we have added one employee to the lower quartile, one employee to the lower middle quartile, and one employee to the upper middle quartile.

**Mean vs Median**

The gender pay gap reporting regulations require both the mean and median to be reported. Mean pay (average) is equal to the sum of all hourly rates divided by the number of employees in the data set. Median pay is the middle number of hourly rates when arranged in ascending order.

**What is Equal Pay?**

Equal Pay concerns the right of men and women to receive the same level of pay for like work, work rated as equivalent or work of equal value as set out in the Equality Act 2010. This has been a legal requirement in the UK since the Equal Pay Act 1970 (which has now been incorporated into the Equality Act 2010) and refers to every part of an employee's salary, terms of employment and benefits (such as bonuses and pension schemes).

**What is the Difference Between the Gender Pay Gap and Equal Pay?**

Whilst the two are often confused, the gender pay gap is not the same as equal pay.

The gender pay gap is the difference between what males earn in an organisation compared to what females earn, regardless of their role or seniority. As noted above, equal pay is the legal requirement for men and women to be paid the same for performing the same or like work, or work that has been rated of equal value.

In contrast to equal pay, the gender pay gap reflects more upon workforce demographics than unequal pay and rewards. A significant gender pay gap may still apply if the majority of senior and higher-paid roles are held by men, despite paying male and female employees the same amount for similar roles.

It is crucial to understand the difference, as the solutions and mitigation to the gender pay gap may be different to those necessary to ensure equal pay.

## Our Gender Pay Gap Numbers

### Pay Gap (Mean & Median):

Hourly Rate Pay Gap	2017	2018	2019	2020	Difference 2019-2020
<b>Mean</b>	29%	21%	20.5%	18.5%	<b>-2%</b>
<b>Median</b>	31.8%	29.8%	25.9%	21.9%	<b>-4%</b>

### Bonus Pay Gap (Mean & Median):

Bonus Pay Gap	2017	2018	2019	2020	Difference 2018-2019
<b>Mean</b>	35.6%	36.2%	24.9%	27.2%	<b>2.3%</b>
<b>Median</b>	47.6%	45.1%	38.5%	28.6%	<b>-9.9%</b>

### Proportion of males and females paid a bonus:

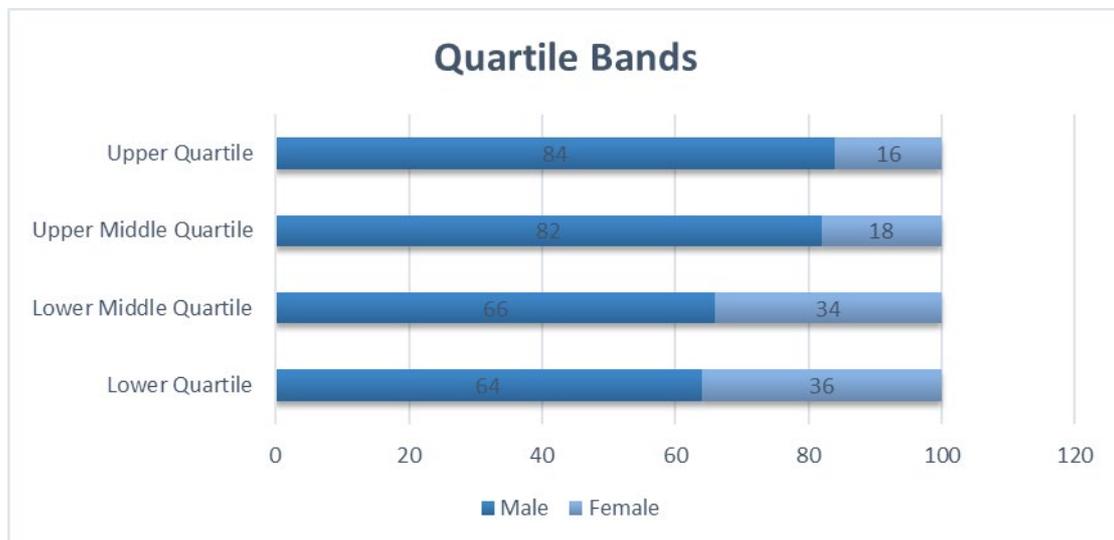
Males: 100% eligible\*

Females: 100% eligible\*\*

\* 92.1% of males received a bonus (an increase of **0.7%** on last year's snapshot date)

\*\*96.8 % of females received a bonus (an increase of **3.3%** on last year's snapshot date)

### Quartile Bands:



### Maersk Line Pay Gap & Bonus Gap

Our analysis shows that the overall difference between the earnings of males and females is 18.5% (mean) or 21.9% (median) based on the hourly rates of pay at the snapshot date of 5<sup>th</sup> April 2020. These figures have improved and are lower than the previous snapshot data of 5<sup>th</sup> April 2019 [20.5% (mean) and 25.9% (median)].

100% of employees, regardless of their gender, are eligible to receive bonuses. Out of the total employee population, 92.1% of males and 96.8% of females received a bonus payment in the analysed period. The bonus gap – **27.2% mean** or **28.6% median** - is larger than the pay gap because in more senior roles, where men are overrepresented, bonuses (all of which are performance-related) represent a greater proportion of overall pay.

In addition, as per the gender pay gap reporting regulations, the bonus gap takes into account all bonuses, regardless of whether they are earned by part-time or full-time employees. It is important to note that not all employees in the data set received a bonus on the snapshot date as their start dates were post-December 2019 – our bonus year runs from January to December, so they are eligible to receive a bonus in April 2020. However, this is a considerable improvement over the previous snapshot date of 5<sup>th</sup> April 2019 [**24.9% mean** or **38.5% median**].

### **Understanding the Pay Gap:**

As with many other organisations, our gender pay gap is primarily caused by having fewer women at senior management level and in highly paid technical roles. There are also more men than women working across all levels of the Company, which further impacts our pay gap.

Furthermore, the majority of people employed part-time in the Company are women. This is, however, one of our key inclusion practices – we are flexible on women who are returning from maternity leave reducing to part-time hours and our HR policies ensure we seriously consider flexible working requests. In 2020, we accommodated 100% of requests from full-time employees wishing to return to work part-time after maternity leave. According to the DWP's Maternity & Paternity Rights and Women Returners Survey 2009/10, the national average of women returning to work after maternity leave is 77% – in 2019, 100% of Maersk Line UK's female employees returned to work following maternity leave, in all of the aforementioned units. We continuously review all of our policies to ensure they are fully inclusive. In 2016, Maersk implemented a new maternity policy which improved benefits during and after maternity leave for employees globally in order to increase the retention of women following childbirth or adoption. In addition to the minimum 18 weeks of fully paid and guaranteed maternity leave, the new policy also includes a "Return To Work" programme, which gives onshore employees the opportunity to work 20% less hours at full contractual pay within the first year of childbirth or adoption for up to six months after returning to work.

The Transport and logistics industry has traditionally been male dominated. Because of this, we're globally increasing the representation of women in Maersk at all levels. Improving the diversity of our leadership also helps us better reflect and understand the diverse markets we serve.

Maersk are part of The Diversity Council, an organisation dedicated to advancing more women into top level management. The Diversity Council is a strategic corporate alliance and a unique international diversity accelerator with bold ambitions. From the very outset, when The Diversity Council was founded in Denmark, the key objective has been to address the barriers that obstruct the advancement of more women into the top level of management.

The Diversity Council brings together all levels of the partner companies, with cohesive engagement from top management to employee level. The cultural transformation empowered by the Council is rooted at the very top, with the vision of the CEO and the Head of HR, then the Advanced Leadership Program for Women and Fast-Track Program for Emerging Female Managers build the pipeline by empowering female leaders throughout the company.

**Current partners in The Diversity Council Nordics include:** KPMG, Pension Danmark, McKinsey & Co, Maersk, PwC, Rambøll, Headspring Executive Development, Tryg, AP Pension, Maersk Tankers, the Danish Chamber of Commerce, Gorrissen Federspiel, Vestas, Maersk Drilling, Board Network, The Central Bank of Denmark,, Coloplast and the Danish Foreign Ministry.

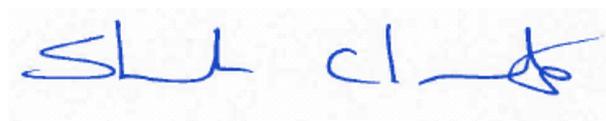
In 2018, ITC SheTrades and Maersk launched a partnership to help female entrepreneurs who use logistics and shipping. Why have we partnered? Many female-led businesses face a variety of export barriers, so we've offered our tools and services to accelerate growth and provide access to new global markets. Our partnership focuses on;

- Technical webinars delivered by Maersk experts.
- Mentoring female entrepreneurs from the SheTrades community with the help of our expert trade professionals.
- Offering female entrepreneurs' access to our online shipping tools.

We confirm that the information and data reported are accurate and in line with the UK government's Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



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