

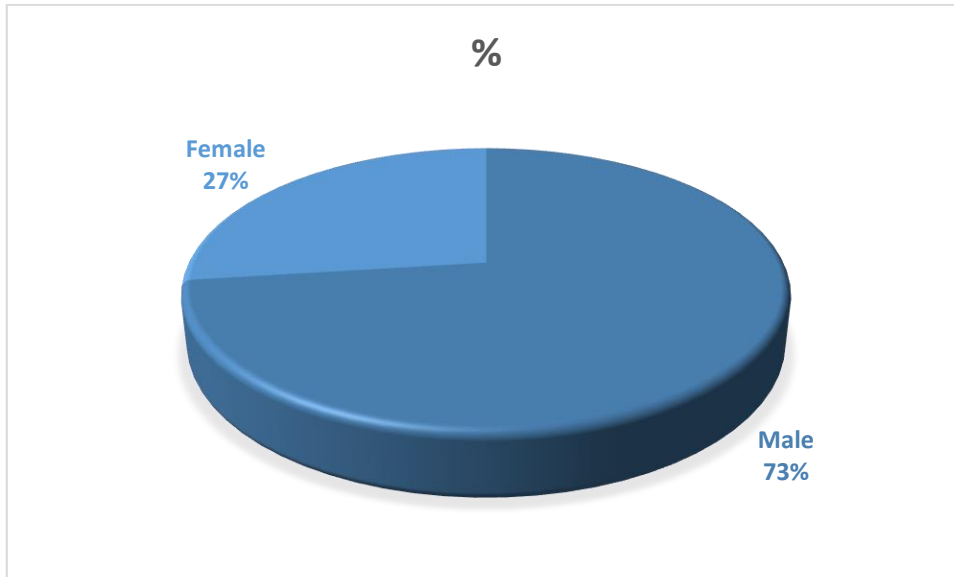
MAERSK LINE UK LTD GENDER PAY GAP REPORT 2021

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 5th April 2021 and the bonuses that were paid across the previous 12 months. The report represents 952 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 Senior Management, Operations and IT to Sales and Customer Service.

Employee Gender Balance:

In the above-mentioned units in the UK, Maersk Line UK employed 693 male members of staff and 259 female members of staff as of 5th April 2021.



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 5th April 2021. 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	2021	Difference 2019-2020
Mean	29%	21%	20.5%	18.5%	21.4%	2.9%
Median	31.8%	29.8%	25.9%	21.9%	27.5%	5.6%

Bonus Pay Gap (Mean & Median):

Bonus Pay Gap	2017	2018	2019	2020	2021	Difference 2018-2019
Mean	35.6%	36.2%	24.9%	27.2%	27.7%	0.5%
Median	47.6%	45.1%	38.5%	28.6%	23.9%	-4.7%

Proportion of males and females paid a bonus:

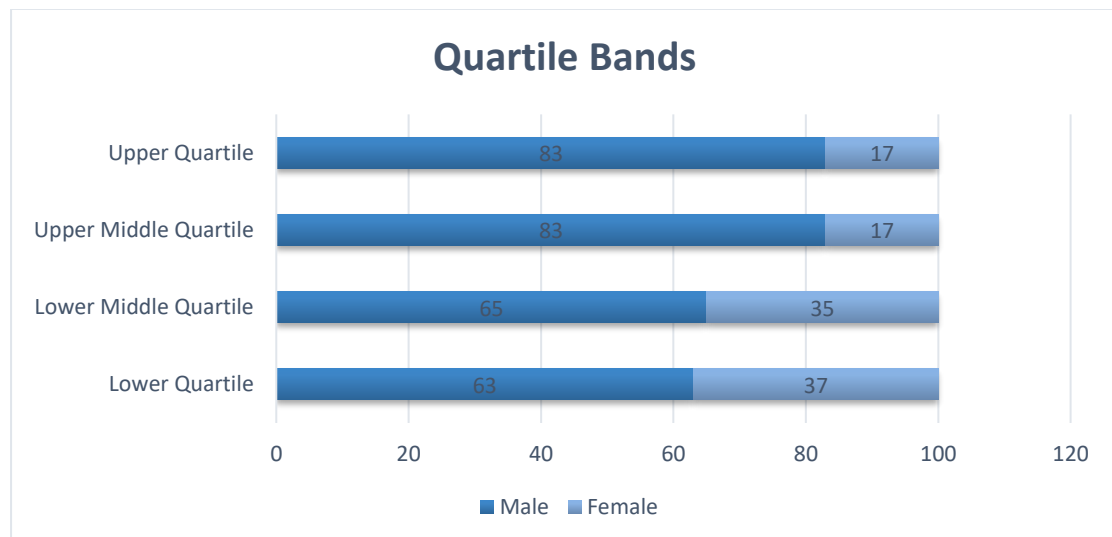
Males: 100% eligible*

Females: 100% eligible**

* 97% of males received a bonus (a decrease of **-0.1%** on last year's snapshot date)

97 % of females received a bonus (an increase of **0.2% 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 **21.4% mean** or **27.5% median** based on the hourly rates of pay at the snapshot date of 5th April 2021. These figures have increased and are higher than the previous snapshot data of 5th April 2020 [**18.5% mean** and **21.9% 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 – **27.7% mean** or **23.9% 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 2020 – our bonus year runs from January to December, so they are eligible to receive a bonus in April 2022. In summary whilst the bonus mean remains fairly static at 27.7% we do see a considerable improvement over the previous snapshot date of 5th April 2020 for the bonus median which has improved from 28.6% to 23.9%.

Understanding the Pay Gap:

The UK national gender pay gap for all employees (full and part time) increased to 15.4% in 2021, up from 14.9% in 2020 yet it is still down from the 17.4% in 2019 according to the Office for National Statistics. It is noted though that 2021 data includes the impact from COVID where more women than men were furloughed making direct year on year comparisons difficult.

The Maritime Industry

According to the latest figures from Spinnakers Maritime HR Association, the female representation across the maritime industry is at 42% as of 2020 globally. There has been a slight increase in the size of the maritime gender pay gap in the UK, which is currently standing at 43%. It is also highlighted in the same research that the Maritime industry remains far behind other industries in the UK, suggesting that the UK has one of the largest gender pay gaps in Europe and the maritime industry has one of the highest gaps in the country.

Another survey by Maritime HR association in 2020 revealed 95% of all admin roles in maritime are occupied by women compared to just 5% of exec leadership team roles. This is a main factor driving a gender pay gap of over 40%.

The research by the Maritime HR Association also suggested that the bonus gap is still wide and that the number of bonus payments was down across the board in 2020 and on top of this women remained less likely to receive any sort of bonus at all. For Maersk Line we were pleased to see an increase in the % of women who received a bonus. However, we recognise we still have a long way to go to decrease the pay gap and bonus gap overall.

The factors behind the pay gap are multiple: fewer women in senior roles, part-time roles dominated by women and that these part time roles are not offering an hourly rate commensurate with the postholders experience, more men in the industry overall and challenges associated with attracting more women to the industry.

Actions we are taking

We recognise that there is no one solution for increasing gender parity and that this is a long-term investment that requires continuous focus across all levels of the company and across many different areas.

Women in management: We have been focused on increasing the number of women at our management and leadership levels since our first targets were set in 2012. In 2021 we revised our approach, we set new stretch targets for the top 6 job levels of our organisation. We created global gender action plans and micro-targets for each executive team member to own and to be accountable for and report on to the Board. We believe that if we continue to focus on gender parity at the top levels of our organisation, we will start to make bigger gains in reducing the gender pay gap.

Attracting women to Maersk: We know that the number of women in maritime is lower than the number of men and significantly low at around 2% for female seafarers. We have set out targets for recruitment of women into Maersk that range from 30% in areas such as technology, where we know we have a double challenge due to the low amount of women in the technology talent pool and 40% for other areas of the company. We work with our executive recruiters, targeted talent attraction programs and our employer branding messages to target female talent and attract them into Maersk. We still have some way to go to meet our targets and will continue to invest in this area.

Career progression: Part of the global gender action plans that we have developed for our executives are heavily focused on career progression, including sponsorship of women, visibility of women and investment in career progression. We continue to invest in programs that are targeted to enabling women into leadership and opening career opportunities for them and measure the participation rate of women in our leadership programs.

Our culture: We know that traditionally, the maritime and logistics industry has been male dominated and with this can bring biases and stereotypes. We have a number of programs in place to encourage learning for our colleagues on challenging their own biases and stereotypes and ensuring a culture of psychological safety where colleagues feel empowered to bring their whole selves to work.

Focusing on equal pay and the gender pay gap is also built into the way that we work, ensuring that this is a core component of any compensation and reward reviews.

Women returning from maternity has been a focus for Maersk since the implementation of our global maternity policy which improved benefits during and after maternity leave with the view to support increased retention of women post maternity leave. The policy pays 18 weeks full pay of maternity leave and a "Return to work" program 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. In the UK, in 2019, 100% of Maersk's UK's female employees returned to work following maternity leave.

In summary, as with many other organisations, there are many drivers behind our gender pay gap but it 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. Over-coming these challenges requires a long-

term multi-faceted approach which we will continue to invest in and accelerate our progress in this area.

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.

A handwritten signature in black ink, appearing to be 'G. Jeffreys', with a horizontal line above it.

Gary Jeffreys
Area Managing Director (UK)

A handwritten signature in blue ink, appearing to be 'Stuart Clarke', with a horizontal line above it.

Stuart Clarke
Area HR Manager (UK)