



Environmental and Sustainability Planning

Maritime Education, Research, Training and Innovation Summit
Nov. 9, 2020

The current state of the world is critical ...

38.000.000.000

tons of CO₂ emitted globally in
2018 – a 70% increase since 1990

1.5° degrees warming is
the threshold for
runaway climate change

Currently, **3.5°** degrees
global warming increase
is where we are heading

Nearly **300m** tons
of plastic waste is
produced each year

700m people still live
in extreme poverty
despite significant
improvements

The world depends on
global movement of
goods.

Only **9%** is
recycled

Over **1/3** of the
world's food is wasted
(1.3bn tons)

Pandemics, storms
and fires disrupt
increasingly complex
supply chains.

More than **8m** tons of
plastic end up in the
ocean

Overview of A.P. Moller - Maersk



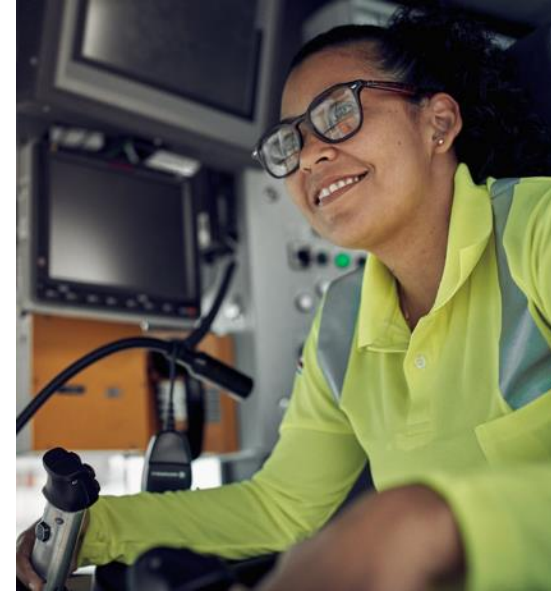
OCEAN

 Revenue
USD 28,418m



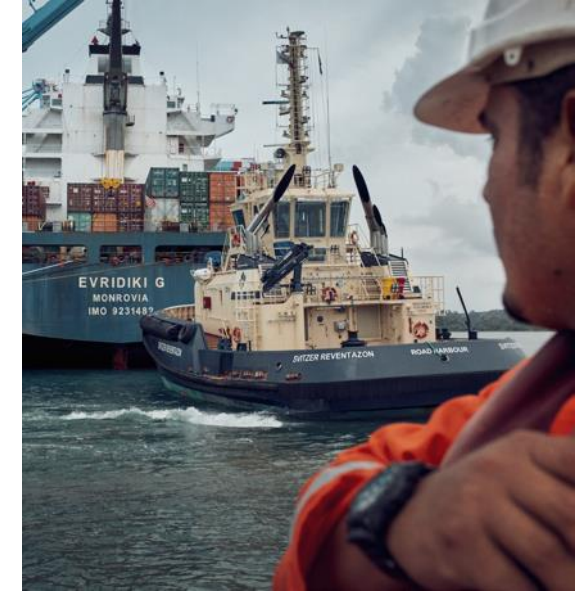
LOGISTICS & SERVICES

 Revenue
USD 5,965m



TERMINALS & TOWAGE

 Revenue
USD 3,894m



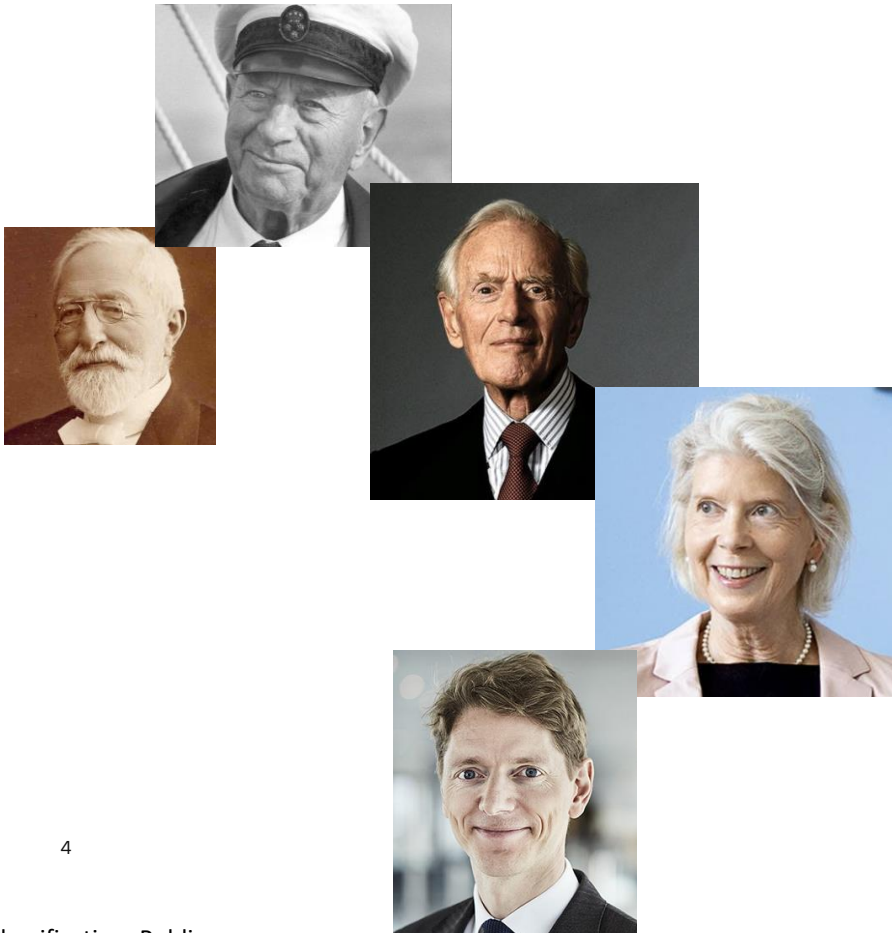
MANUFACTURING & OTHERS

 Revenue
USD 2,172m

Numbers are from full year 2019

Our Core Values

Although first presented on paper in 2003, the five A.P. Moller - Maersk Core Values have been a part of the business for more than 110 years.



Constant care

Take care of today, actively prepare for tomorrow. Forward thinking, planning and execution. Being informed, innovative and seeking out new ideas. Looking for changes in the environment.

Our employees

The right environment for the right people. Creating a motivating, diverse and inclusive environment where our people enjoy working and having fun together.

Uprightness

Our word is our bond. Honesty and accountability. Openness about the good and the bad. Speaking your mind in the debate, but backing the decision.

Humbleness

Listen, learn, share, and give space to others. Showing trust and giving empowerment. Having an attitude of continuous learning. Never underestimating our competitors or other stakeholders.

Our name

The sum of our Values: passionately striving higher. Passion and pride for what we do and how we do it. Our image in the eyes of our customers and the external world.

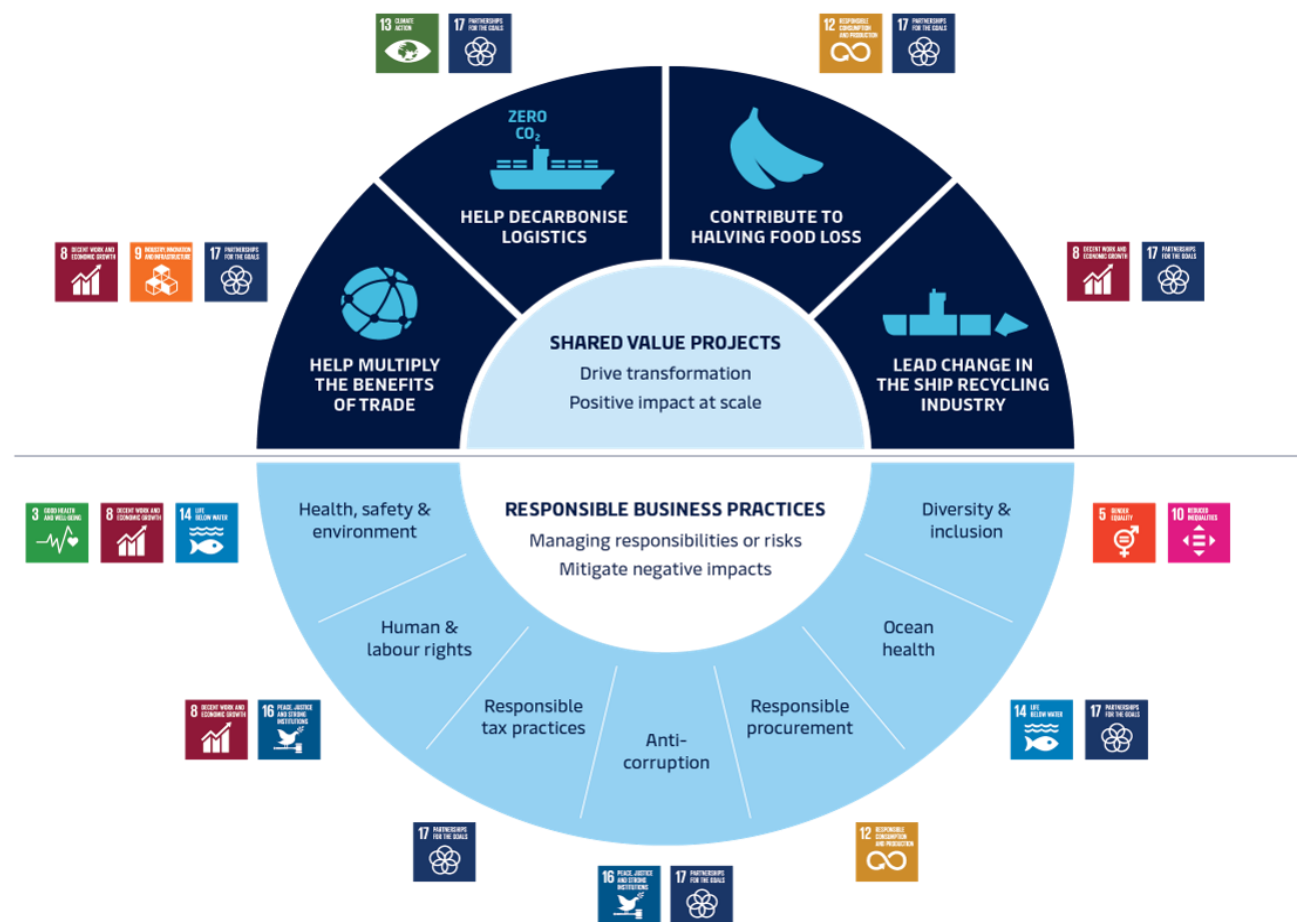
Our sustainability strategy is tied to the United Nations Sustainable Development Goals and our Maersk Values.



Maersk's **4 Shared Value Projects** can help develop large scale solutions to tackle world challenges...

... based on a set of **Responsible Business Practices** to ensure high sustainability standards across our business functions.

Our **Core Values** are Constant Care, Our People, Uprightness, Humbleness and Our Name.



Our customers increasingly demand sustainability and decarbonization



*"Gone are the days when you make decisions purely based on cost. Now we make decisions based on value. **Sustainability** is now seen something what brings value and needs to be included in the decision making process."*

Lifestyle customer, UK

*"We are **strategically focusing on sustainability** as an integrated part of our brand."*

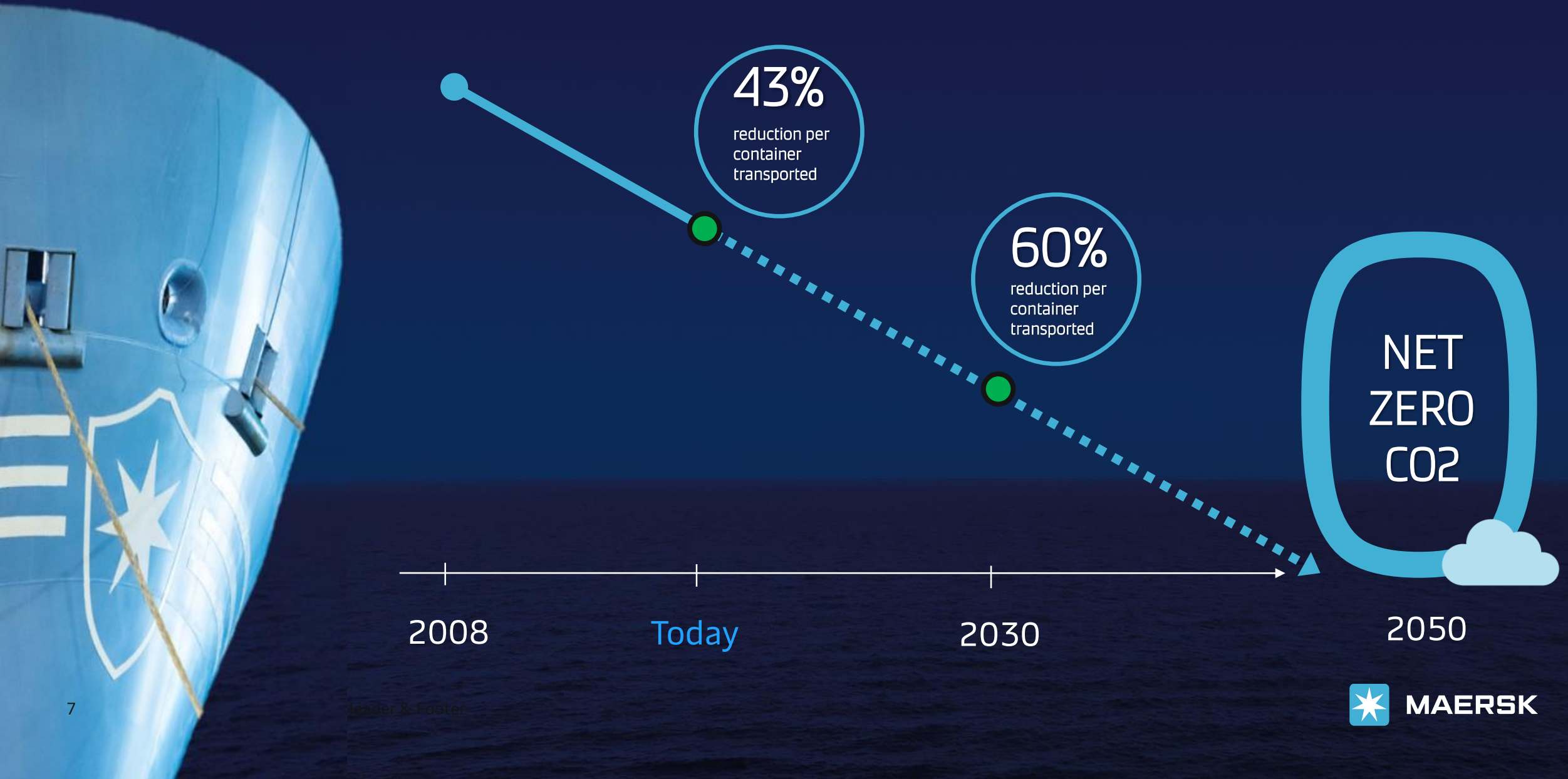
Lifestyle customer, Sweden,

*"We have a corporate responsibility to work on initiatives to **reduce** our total **carbon** emission and **shipping** is one of the elements."*

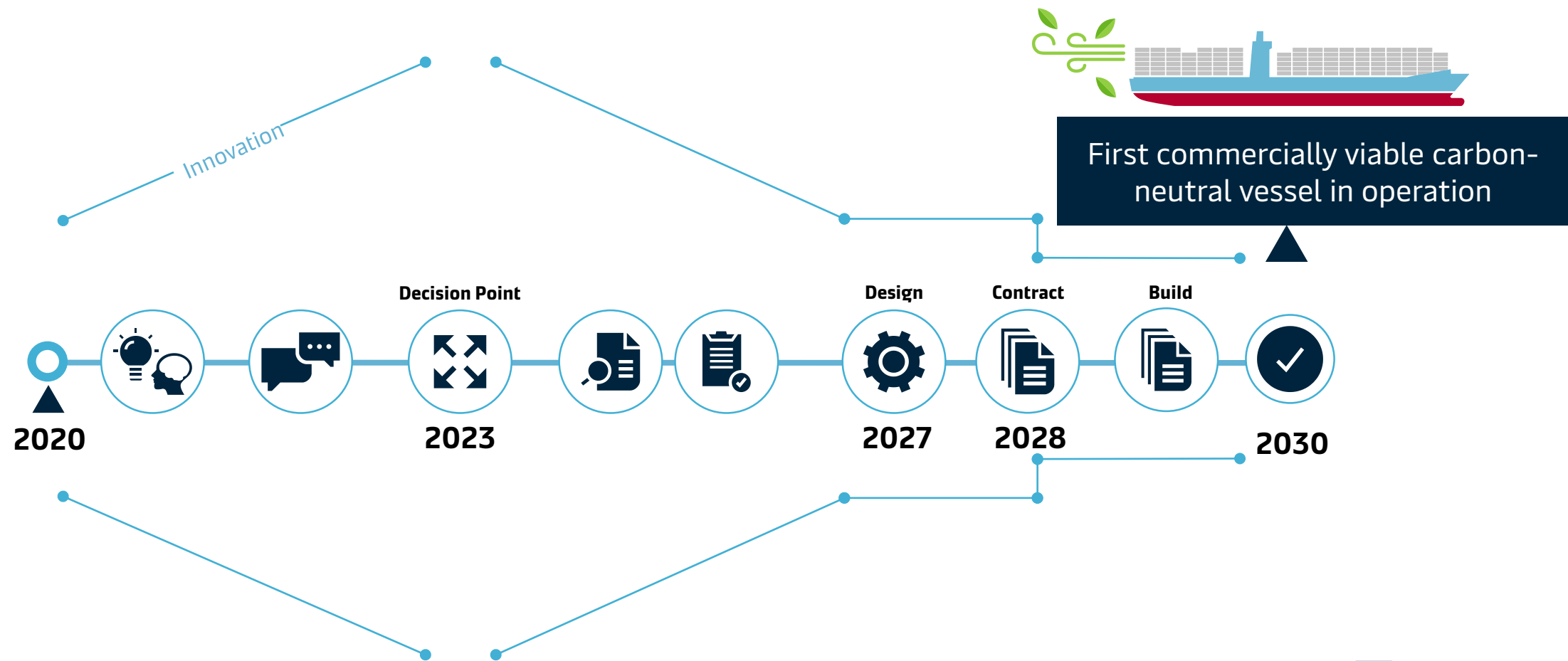
Food & beverage customer, The Netherlands



Maersk has committed to NET-ZERO CO₂ EMISSIONS by 2050

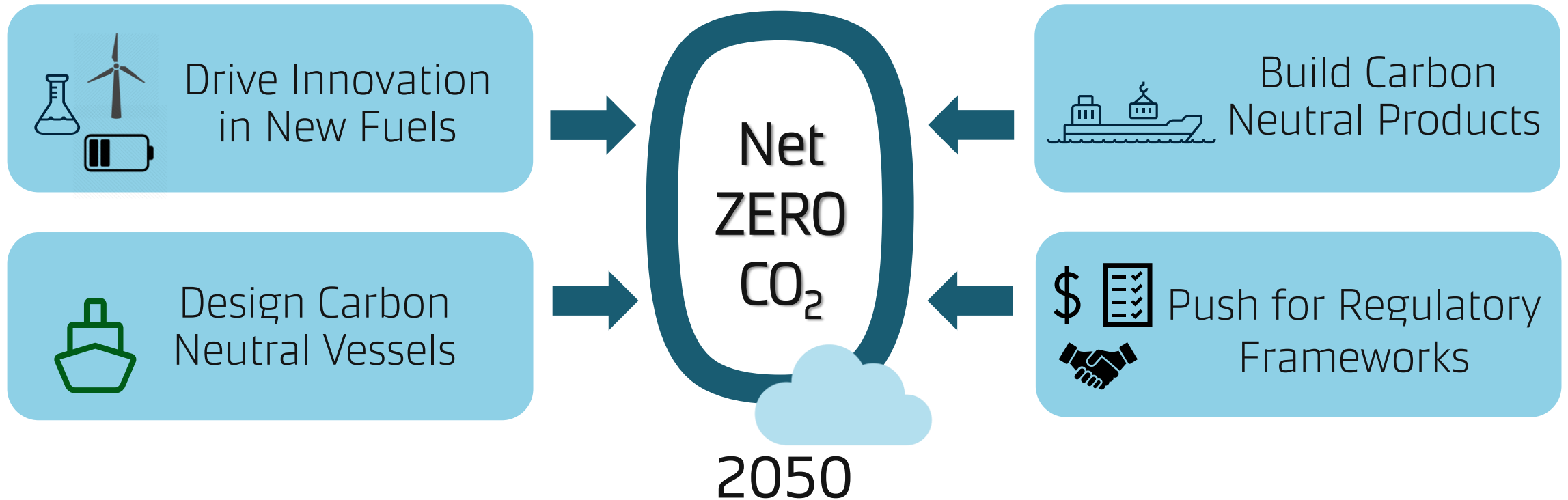


Urgency – we have just a few years to find the solutions...



... and broad-based action is urgently needed to reach this goal

Maersk initiatives



Maersk Eco Delivery: The 1st Carbon Neutral solution based on sustainable biofuels – proving zero carbon transport is possible



Carbon neutral transport based on biofuel will now be offered to Maersk customers and many are showing interest



Customer benefits

- Drive your sustainability strategy
- CO₂ neutral logistics
- Innovative leadership



Planet benefits

- Significant less CO₂
- CO₂ neutral trade



"We want to use our size to enable scaling of innovative solutions, such as the Maersk ECO Delivery"

– Helena Helmersson, CEO H&M Group



We are further enhancing carbon neutral solutions
through science and innovation ...



New innovation projects to develop tailor-made biofuels for shipping



A scalable & inexpensive biofuel solution



Sustainable biofuel, carbon neutral and zero Sulphur

In partnership with



UNIVERSITY OF
COPENHAGEN



... as well as driving and testing innovative technologies
to refine low carbon solutions



Maersk is testing battery technology on
Maersk Cape Town vessel



We are piloting the world's first and largest
battery on a container vessel

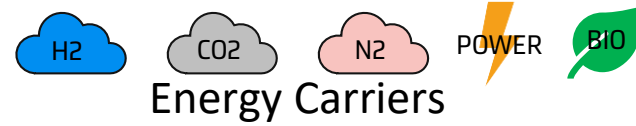


Define capabilities to enhance energy
efficiency & reduce air emissions

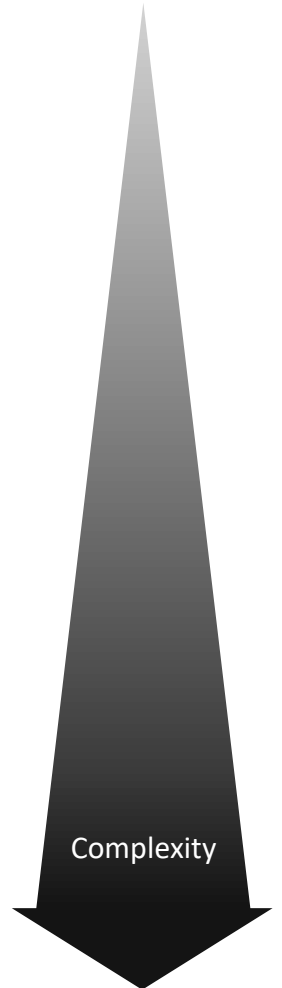
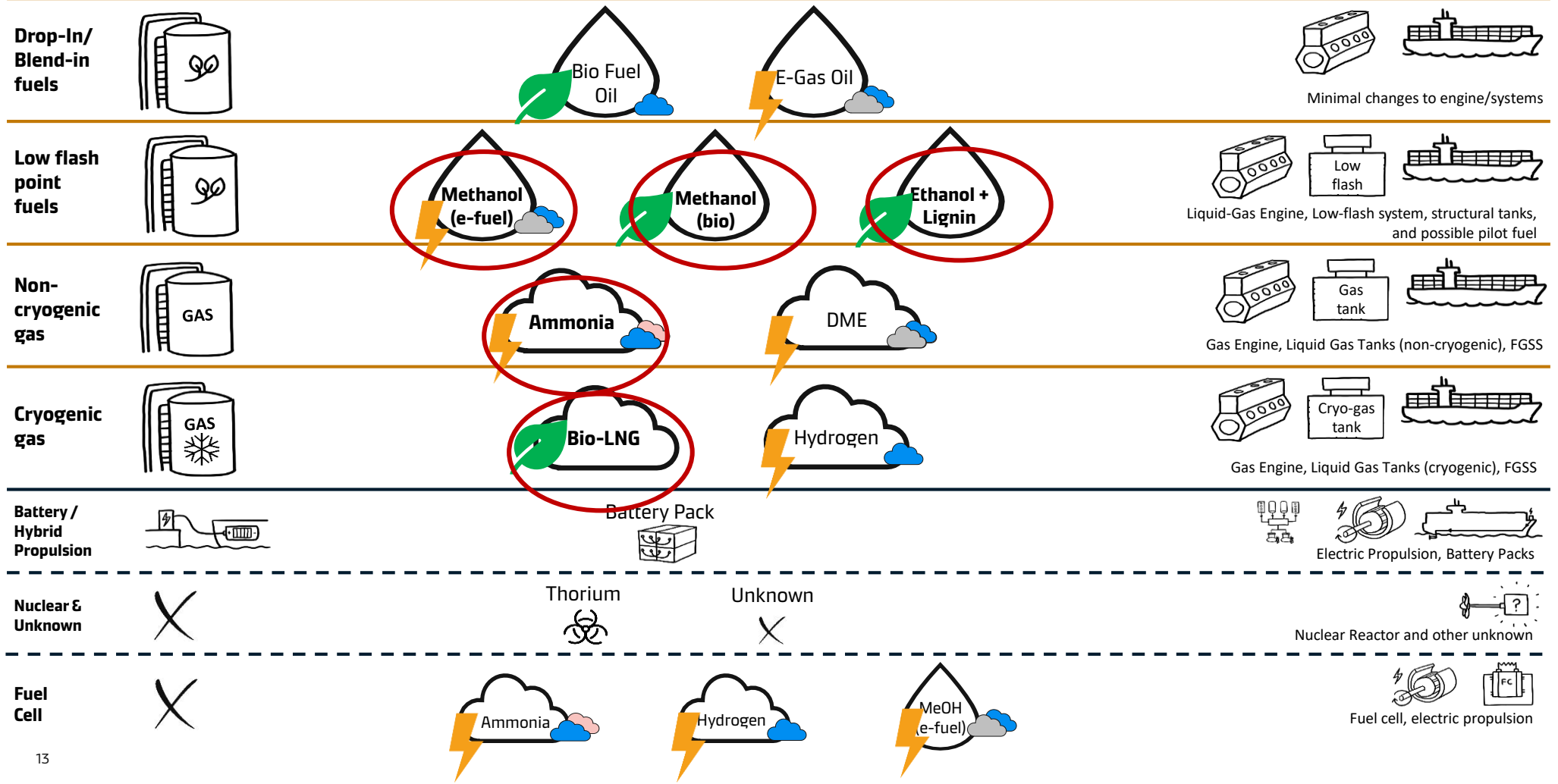


Potential carbon-neutral fuels

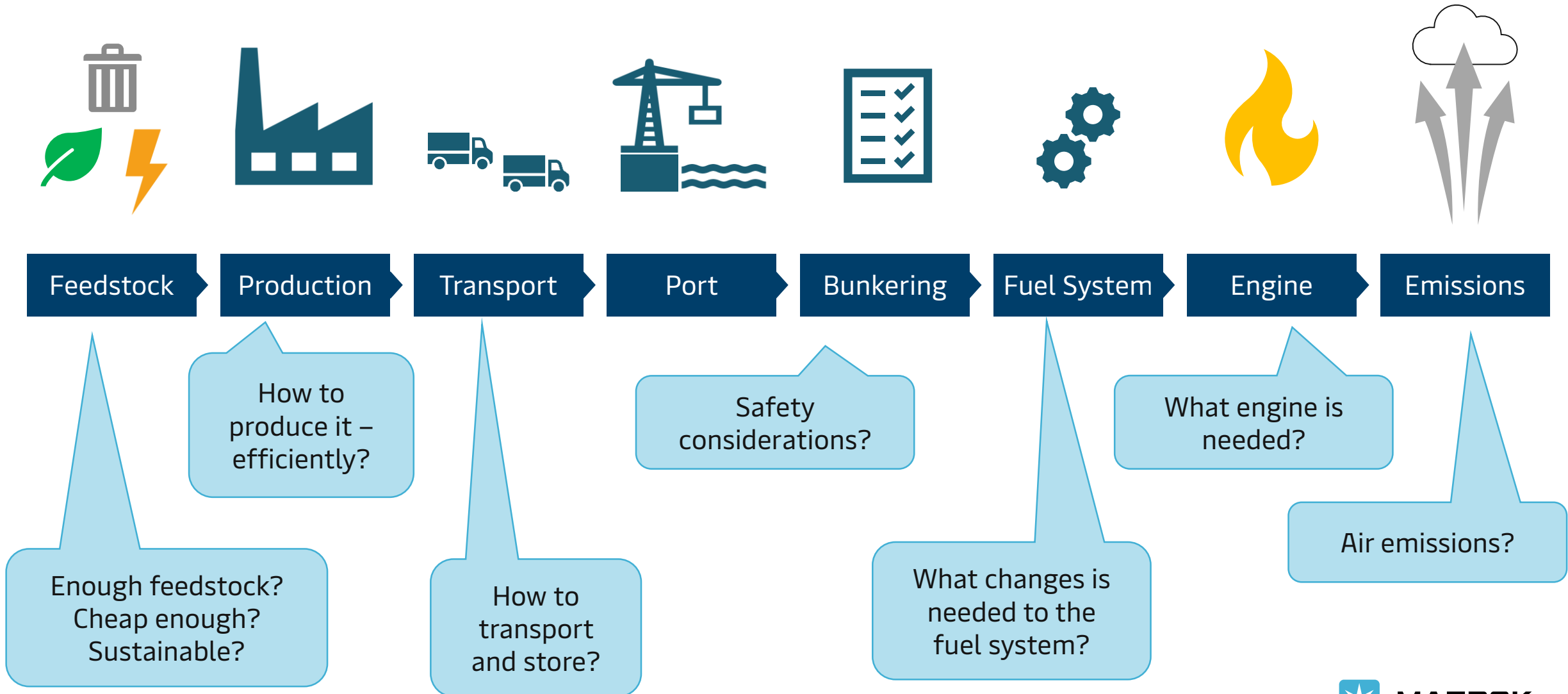
Energy Carrier
Characteristics



Vessel Characteristics



Primary challenges in developing new carbon-neutral fuels



Partnerships essential

The leading initiatives we engage to develop a more sustainable logistics industry



Sustainable Air Freight Alliance



- › Guidance on how to handle sustainability in shipping & air freight
- › Verified sustainability data and tools for benchmarking
- › Access best practice sharing, innovation and inspiration
- › Verified calculation methodologies for reporting environmental impacts.



Road Freight Zero



Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping facts

- Founded in **2020** with initial base funding of **DKK 400mn** by A.P. Møller Foundation
- Located in **Copenhagen** with a global outreach
- Registered as a **non-profit foundation with a charitable purpose**
- **Neutral and open platform** for collaboration across the value chain
- Established by **seven partners** from across the ship-powering supply chain



OUR GUIDING PRINCIPLES

- We are open-minded to and unbiased about new ideas
- We are fearless and disregard convention
- We believe innovation needs to be in leaps not increments
- We enable and inspire leadership for the industry
- We believe in partnering and collaboration
- We are tenacious due to our sense of urgency
- We are relentless in our ambition towards zero
- We build confidence and trust
- **We show the world it is possible**

Key Takeaways

- We are headed into unknown waters and potentially stormy seas. **The world is changing much faster than we expect.**
 - Technology and fuels
 - Operational requirements and organizational structures
 - New risks yet societal risk tolerance is dropping.
- Academy graduates will be leaders in many roles – not just at sea – so must **understand the global picture.**
- **The language of management is money**, and increasingly we must also lead in **sustainability.**

You will be asked to:

- **Manage in-person and remotely**
 - Deal with **all time zones and all cultures**
 - Ensure fairness and develop and mentor **diverse** personnel
 - Manage through **both influence and authority**
 - **Network and collaborate** internally and with customers and other stakeholders.
- **Work through stressful situations** while maintaining composure and leadership.
- **Adapt** to new roles, technologies & fuels, digital systems and regulations.

Thank you

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