

Annual Remuneration Report 2021

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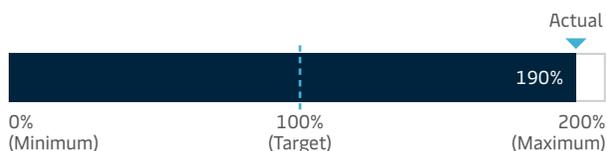
Introduction from the Remuneration Committee

2021 was a year full of uncertainties where the pandemic continued to impact people and businesses around the world. We remained focused on protecting our people, supporting our customers and contributing to society by keeping goods flowing in global supply chains, despite very challenging conditions. Transformation progress and exceptional market conditions led to record high growth and profitability in A.P. Møller - Maersk. In response to the supply chain disruptions, we increased capacity across our business and while we spent a tremendous effort to mitigate impacts to our customers, we also made fundamental strategic progress in building a more stable, long-term business that is less affected by industry dynamics.

For remuneration purposes, the assessment of performance combines core financial aspects as well as transformational aspects. The first focuses on how we deliver and create value for our shareholders today, the second ensures progress towards our ambitions that will be the basis for future value creation.

The year-end results are significantly above the targets we have set. The adjustment in guidance that we have provided throughout the year paints a clear picture of how extraordinary the year has been for the company, the Executive Board and every single employee who has contributed to the results.

Annual scorecard 2021



Company performance development

	2021	2020	2019
<i>Financial metrics</i>			
EBIT (USD million)	19,674	4,186	1,725
Return on invested capital (%)	45.20%	9.44%	3.11%
Free cash flow (USD million)	16,537	4,648	2,340
<i>Transformation metrics</i>			
Logistics & Gateways revenue (USD million)	13,830	10,114	9,609
Logistics & Services EBITA (USD million)	678	289	24

Performance on all financial goals is at an all-time high, and with solid progress towards our transformation goals, performance against the short-term incentive plan is at a score of 190%.

While this has been an exceptional year, our long-term ambition remains to become the global integrator of container logistics with an aim of supporting our customers to trade and grow by delivering the best end-to-end logistics products and services in the industry. This is also reflected in the changes to remuneration in 2021 as we put more emphasis on long-term incentives.

Sustainability remains a key goal based on our company's core values and our responsibility as an integrated container logistics company. We are committed to ensuring responsible business practices as well as taking leadership in the decarbonising of logistics. Underlining the importance of delivering on our commitments, we are from 2023 introducing an Environmental, Social and Governance (ESG) measure in our long-term incentive plan. We will use 2022 to ensure that we fully align and integrate the right ESG targets to deliver on our commitments.

The Annual Remuneration Report covers members of the Board of Directors ('Board') and the Executive Board of A.P. Møller - Mærsk A/S.

Remuneration Committee



Jim Hagemann Snabe
Chairman of the Remuneration Committee



Robert Maersk Ugglå



Amparo Moraleda

2021 Key remuneration changes and outcomes

In this section, we provide a summary of the remuneration changes and outcomes for the year which are also detailed in the sections 'Remuneration – Executive Board' and 'Remuneration – Board of Directors'.

Executive Board

Navneet Kapoor became a member of the Executive Board as of 1 April 2021 in the role as Chief Technology & Information Officer (CTIO).

Shift towards long-term focus

In line with our ambition to strengthen the link between pay and long-term company performance, we have committed to, over time, to position the total target remuneration mix close to 40% weight on base salary and 60% weight on variable pay. The following changes have been made in 2021 in this respect:

For Søren Skou and Morten H. Engelstoft, the change in their remuneration was focused on rebalancing the pay mix, also taking into consideration annual merit increases.

The long-term incentive target level for Søren Skou and Morten H. Engelstoft increased from 48% to 65% and 46% to 65% of annual base salary, respectively. This was achieved through the reduction in their base salary by 10% and 7%, respectively. Consequently, the variable pay components are now increased from 47% to 53% of total target remuneration for Søren Skou and from 49% to 53% of total target remuneration for Morten H. Engelstoft. Their total target remuneration was thereby increased with 3.2% and 2.1%, respectively.

For Vincent Clerc, the long-term incentive target level increased from 50% to 65% of base salary and along with the base salary increase of 9% these changes were in support of progressing towards the desired long-term total target remuneration for this role.

Long-term incentive target levels for the rest of the Executive Board members remained between 50% and 65% of base salary.

This complies with the maximum award levels of 100% of base salary as outlined in our 2020 Remuneration Policy.

Variable pay reflects outstanding performance

The short-term incentive (STI, also known as bonus) was implemented under the same framework as last year with the target award size between 40% and 50% of the base salary at the individual level.

Financial metrics together with transformation measures have been reviewed for 2021 to provide a more precise focus on progress on value creation. As a result, cash return on invested capital, which was included in the STI plan for 2020, has been replaced with return on invested capital and free cash flow.

The bonus pay-out is determined based on the company's performance against the set annual scorecard, and pay-out for 2021 has reached 190% of target pay-out due to a record performance on the financial aspect and solid performance on the transformational aspects reflecting the fact that we are progressing well towards the future we have outlined for the company.

Base salary

Patrick Jany's base salary increased by 11.1% to reflect the experience, contribution, and expectations for the role. As mentioned, Vincent Clerc's base salary increased by 9%. Henriette Hallberg Thygesen's base salary increased by 16.7% to reflect the experience, contribution, and expectations for the role with added decarbonisation responsibilities.

A breakdown of total remuneration awarded to the current members of the Executive Board in 2021 is shown in Chart 1.



¹ Total remuneration for Navneet Kapoor reflects the period from 1 April 2021 to 31 December 2021.

Board of Directors

Annualised fixed fees for the Board remained unchanged from 2020.

From here onwards, we represent the regular Remuneration Report for 2021.

Remuneration Committee

The Remuneration Committee ('Committee') continuously monitors prevailing market practice and developments within our peer group companies specifically. We value ongoing dialogue with our shareholders, institutional investors and other stakeholders to ensure that our Remuneration Policy remains fit for purpose and helps drive execution of the company's strategy.

The advisory vote for Remuneration Report 2020 did not result in any changes.

Main activities in 2021

The company reached an important progress in the ambitious transformation process that was initiated in 2016 with the aim of creating a focused integrated transport and logistics company with growth and stable profitability. As we are now able to look even further ahead with a clear vision on how to make container transport simpler and more sustainable, and by that bring more value to our customers, the Committee has in 2021 focused on:

- Examining opportunities for improving the long-term incentive framework that links managements' remuneration not only to the company's share price, but also with what they and people they lead contribute to the long-term goals of the company. This resulted in a decision to replace the current Restricted Share and Stock Option Plans with a new Performance Share Plan in 2023.
- Discussing the right performance measures for the new long-term incentive plan, including the introduction of ESG measure as a commitment towards the company's single most important strategic sustainability priority which is decarbonising logistics.
- Reviewing the peer group used for benchmarking of executive remuneration.



Summary of remuneration policy

The Remuneration Policy ('Policy') supports the business needs by enabling an appropriate total remuneration package that has a clear link to business strategy, supports the sustainable growth of the company and aligns with shareholder interests.

The Policy applicable to the Board and the members of our Executive Board for the financial year 2021 was approved at the company's Annual General Meeting 2020. The Policy, including the purpose and key aspects of each of the remuneration elements, is summarised in Table 1. The full version of the Policy is published under the 'Corporate Governance' page on our company website here:

→ [HTTPS://INVESTOR.MAERSK.COM/REMUNERATION](https://investor.maersk.com/remuneration)



Table 1

Remuneration Policy summary

Component	Purpose and link to strategy	Award level
<i>Executive Board</i>		
Base salary (inclusive of pension and company car)	Recognises market value, the nature of the role in terms of scale, complexity and responsibility, and the Executive Board members' experience sustained performance, and contribution. It is inclusive of employer pension contribution and company car and Executive Board members have flexibility to make personal investment choices.	Subject to annual remuneration review, it may change in the context of the individual's long-term performance, market pay positioning and consideration of the wider employee group.
Short-term incentive	Rewards the achievement of annual company goals guided by the long-term business strategy.	Entirely driven by business performance in the specific financial year. The target pay-out is up to 50% of annual base salary, with actual pay-out ranging from 0% to 100% of annual base salary.
Long-term incentive	Links executive remuneration to the achievement of long-term shareholder value creation and supports the retention of the executives.	Delivered through the Restricted Shares and Stock Options Plans. The total annual grant level is up to 100% of base salary in a combination of both plans, based on the fair value at the time of grant.
Benefits	Provide for the Executive Board members' health and welfare needs; certain benefits may be provided to support relocation, if applicable.	As per the respective benefits policy and may vary at individual level.
<i>Board of Directors</i>		
Fixed fee	Attracts individuals with a broad range of experience and skills, rewards the Board members for setting strategy and overseeing its implementation.	Fixed fees are set to reflect market practice and the role of each member of the Board in terms of efforts and responsibilities.
Shareholding requirement	Aligns the interests of the Board members and shareholders.	The share purchasing is at the Board members' own account.

Remuneration – Executive Board

Remuneration 2021 at a glance

Remuneration packages of the Executive Board are guided by our Policy and are set to support business needs with a clear link to the business strategy and shareholders' interests. The actual remuneration of our Executive Board members for the financial year 2021 reflects a year in which we delivered record-breaking financial results and made a strong progress towards our strategic transformation. In addition to the actual remuneration, the total target remuneration is also presented in Table 2. An overview of all members of the Executive Board is available on our company website here:

→ [HTTPS://WWW.MAERSK.COM/ABOUT/EXECUTIVE-BOARD](https://www.maersk.com/about/executive-board)

Members of the Executive Board do not receive any additional fees from other internal Board positions within A.P. Moller - Maersk.

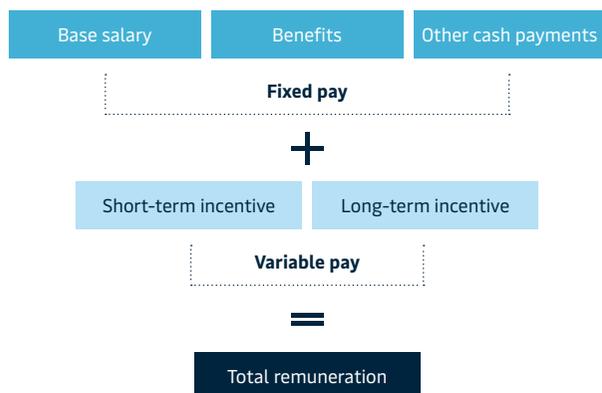


Table 2

Total remuneration – Executive Board

DKK million

Name and position	Base salary	STI (achieved)	LTI - Restricted Shares (value at grant)	LTI - Stock Options (value at grant)	Benefits	Other cash payments	Additional LTI (value at grant) ¹	Total target remuneration ⁶		Total actual remuneration ⁷	
								Amount	Fixed pay vs. variable pay ⁸	Amount	Fixed pay vs. variable pay ⁸
<i>Current member</i>											
Soren Skou	CEO	18.00	17.10	7.20	4.50			38.70	47% / 53%	46.80	38% / 62%
Patrick Jany ¹	CFO	10.00	9.50	4.00	2.50	0.13	2.50	24.13	42% / 58%	28.63	35% / 65%
Morten H. Engelstoft	CEO, APM Terminals	9.30	8.84	3.72	2.33	0.01		20.01	47% / 53%	24.19	38% / 62%
Vincent Clerc ²	CEO, Ocean & Logistics	10.03	9.52	4.01	2.51	0.34		21.90	47% / 53%	26.41	39% / 61%
Henriette Hallberg Thygesen	CEO, Fleet & Strategic Brands	7.00	6.65	1.75	1.75			14.00	50% / 50%	17.15	41% / 59%
Navneet Kapoor ³	Chief Technology & Information Officer	5.25	4.01	1.58	1.58	0.01		10.51	50% / 50%	12.43	42% / 58%
<i>Former member⁵</i>											
Claus V. Hemmingsen ⁴	Vice CEO & CEO of Energy Division	6.00						8.40	100% / 0%	8.40	100% / 0%

- Patrick Jany received additional stock option grant included under 'Additional LTI (value at grant)', which is part of the compensation for his awards foregone from previous employer when he joined the company. This is in line with market practice to attract targeted individuals. Value under 'Benefits' is adjusted cost for relocation support to Denmark received in 2020.
- Vincent Clerc's benefits value is pertaining to the schooling and tax filing support which have been part of his contractual terms before the appointment to the Executive Board.
- Navneet Kapoor was appointed CTIO on 1 April 2021. His base salary, STI and LTI entitlement are pro-rated based on the actual appointment date during the year.
- Claus V. Hemmingsen stepped down from the role as Vice CEO on the Executive Board on 30 June 2019 and his employment ended on 30 June 2021. No new award was granted in 2021 under short-term and long-term incentive plans. An additional severance payment as per the exit agreement is included under 'Other cash payments'.
- Jacob Stausholm, the former CFO, left the role on 31 March 2018 and received a base salary amount until the end of March 2020 after a proportional offset from his new job pay. The adjustment to the offset will take place in 2022.
- The total target remuneration is the individual's total remuneration package at the target level for the year, which includes the base salary, the short-term incentive pay-out opportunity at the company's target annual performance, and the long-term incentive entitlement as per their contractual terms. If applicable, the amount is pro-rated for any remuneration change during the year.
- The total actual remuneration is calculated as the sum of the base salary paid out in 2021, the achieved STI pay-out in connection with the company's annual performance 2021, the value of LTI granted during 2021 at the time of grant, and any other payments such as allowances and benefits-in-kind with a meaningful monetary value received in the year, if applicable.
- The proportion of fixed pay and variable pay against the total remuneration.

Short-term incentive performance measures

The short-term incentive is closely aligned with our pay-for-performance philosophy. It is structured to incentivise members of the Executive Board to deliver on the company's annual performance goals.

For 2021, the metrics in the short-term incentive plan ensure a continued focus on the fundamental financial performance on one hand and the transformation of the company on the other hand, as illustrated in Table 3.



Table 3

Performance measures and outcomes for 2021 short-term incentive

Value driver	Rationale	Performance measure	Weighting	Outcome (scale of 0-200)
Financial performance	In the coming years, we expect to invest significantly in growing the Logistics & Services segment, which involves a pipeline of acquisitions to expand the product portfolio, build the capabilities needed and harvest synergies across the entire supply chain. Achieving this goal requires strong cash flow, which is why EBIT, return on invested capital and free cash flow were given significant weighting in our 2021 scorecard.	EBIT	20%	200%
		Return on invested capital	20%	200%
		Free cash flow	20%	200%
Transformation (financial)	Achieving our ambition of a more balanced operating profit between Ocean and non-Ocean products by 2023 depends on our ability to grow the infrastructure and Logistics & Services' part of our business through organic and inorganic growth and by improving operational performance. To enable this plan, the Committee gave the growth of Logistics & Gateways and Logistics & Services a total weighting of 30% in our 2021 performance scorecard.	Logistics & Gateways revenue	15%	200%
		Logistics & Services EBITA	15%	200%
Transformation (non-financial)	Delivering on our business strategy requires us to go beyond extrapolation of current business using known business levers – we must undertake transformational efforts through tough prioritisation and allocation of resources. The transformation progress therefore continues to be one of the annual priorities reflected as 10% of the overall weighting in the performance metrics.	Transformation progress	10%	100%
Total			100%	190%

In 2021, the core financial performance has been assessed via EBIT, return on invested capital and free cash flow. This represents a change from 2020 and is a step on the path to narrow in on the essential aspects of our financial performance that are core to our total value creation.

The transformation and growth of our business, particularly within logistics, has been included through the Logistics & Gateway revenue and the Logistics & Services EBITA to emphasise the focus on growing this part of our business in a profitable way. In addition, the transformation is assessed via a non-financial measure at the Board's discretion.

The Committee undertook a rigorous exercise to ensure that the annual short-term incentive performance targets were sufficiently challenging to achieve in a year of great uncertainty.

Our company values are fundamental to the way we do business. In any exceptional event, which includes, but is not limited to, severe deterioration of safety, non-compliance and failure in corporate social responsibilities and not living up to our values, the Board has discretion to adjust the formulaic outcome of the business performance.

Short-term incentive outcome for 2021

Annual performance is expressed as a score ranging between 0% and 200%, where 100% is target, 0% is threshold and 200% is outstanding performance.

The 2021 financial results have been significantly above what we expected when setting targets, and performance against these is therefore at its maximum on all aspects.

The same applies to the financial aspect of our transformation goals, whereas performance against the non-financial transformation goals is assessed by the Board to be overall as expected.

The short-term incentive pay-out for 2021 is at 190% of the target level based on the achievement of the annual scorecard, which will be paid out in April 2022.

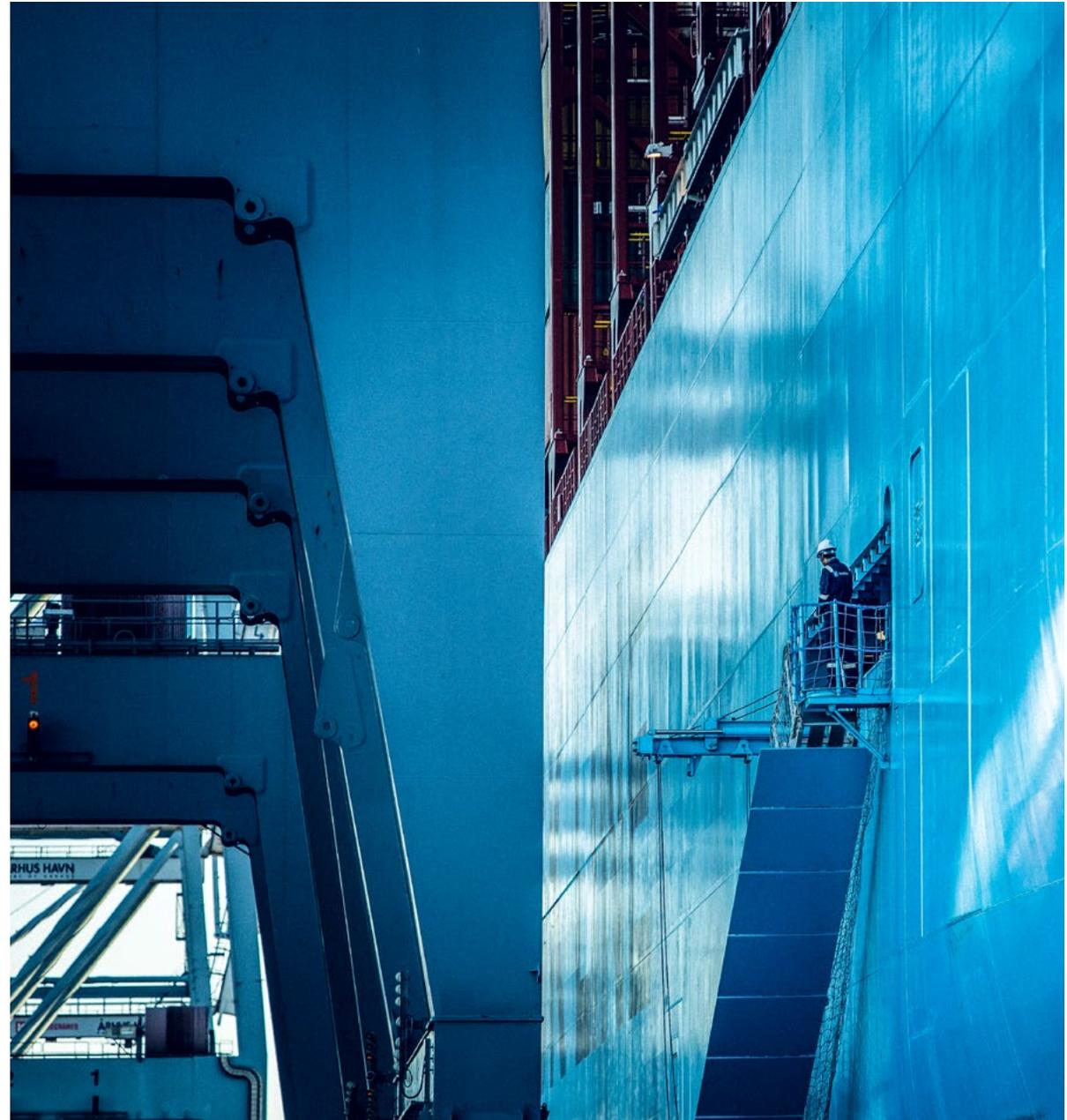
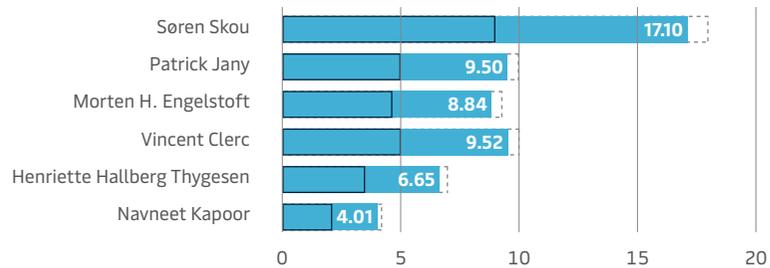
The pay-out level is further shown in Chart 2.

Chart 2

2021 Short-term incentive pay-out

DKK million

■ Actual ■ Target --- Maximum



Long-term incentive plans

In line with our Policy, Executive Board members received annual grants under the long-term incentive plans in 2021 in the form of restricted shares and stock options.

Table 4 shows the annual grant value of share-based long-term incentive awards for each Executive Board member during 2021. The Restricted Share Plan has a vesting period of five years, and the Stock Options Plan has a three-year vesting period followed by another three years of exercise period.

Furthermore, we have included the full overview of the long-term incentives that have been awarded to the Executive Board members in the past years, i.e. unvested and vested as shown in Table 5 and Table 6 on the next page.



Table 4
Long-term incentive grant 2021

Footnotes are shown on page 12

Name	Grant date	Grant share price ¹ (DKK)	Restricted shares			Stock options					
			Grant value ² (DKK)	No. of shares	Vesting date	Grant value ² (DKK)	No. of options	Option value ³ (DKK)	Exercise price ⁴ (DKK)	Vesting date	Expiry date
<i>Current member</i>											
Søren Skou	1 April 2021	12,503	7,200,000	575	1 April 2026	4,500,000	1,867	2,410	13,754	1 April 2024	1 April 2027
Patrick Jany	1 April 2021	12,503	4,000,000	319	1 April 2026	2,500,000	1,037	2,410	13,754	1 April 2024	1 April 2027
Patrick Jany	1 December 2021					2,500,000	1,037	2,410	13,754	1 April 2024	1 April 2027
Morten H. Engelstoft	1 April 2021	12,503	3,720,000	297	1 April 2026	2,325,000	964	2,410	13,754	1 April 2024	1 April 2027
Vincent Clerc	1 April 2021	12,503	4,010,000	320	1 April 2026	2,506,250	1,039	2,410	13,754	1 April 2024	1 April 2027
Henriette Hallberg Thygesen	1 April 2021	12,503	1,750,000	139	1 April 2026	1,750,000	726	2,410	13,754	1 April 2024	1 April 2027
Navneet Kapoor	1 April 2021	12,503	1,575,000	125	1 April 2026	1,575,000	653	2,410	13,754	1 April 2024	1 April 2027
<i>Former member</i>											
Claus V. Hemmingsen	Not eligible										



The exercise prices of stock options awarded from 2017 to 2019 were adjusted in connection with the demerger of Maersk Drilling in 2019 to retain the same option value at the time of the grant, resulting in a lower exercise price than the original share price at grant. More information is detailed in note 3 and note 5 on page 12.

The value of long-term incentives represents the fair value of the awards at the time of grant. There are differences in both reporting and methodology for calculating the long-term incentive value between the Remuneration Report and the company's Annual Report 2021. The values in aggregate in the Remuneration Report are therefore different from the Annual Report which reports the allocated accounting cost in accordance with IFRS2.

Table 5

Unvested restricted shares

Footnotes are shown on page 12

Name	Grant date	Grant share price ¹ (DKK)	No. of shares	Vesting date
<i>Current member</i>				
Søren Skou	1 April 2021	12,503	575	1 April 2026
	1 April 2020	7,854	572	1 April 2025
	1 April 2019	8,682	455	1 April 2024
	1 April 2018	10,476	377	1 April 2023
Patrick Jany	1 April 2021	12,503	319	1 April 2026
	1 April 2020	7,854	305	1 April 2025
Morten H. Engelstoft	1 April 2021	12,503	297	1 April 2026
	1 April 2020	7,854	267	1 April 2025
	1 April 2019	8,682	227	1 April 2024
	1 April 2018	10,476	188	1 April 2023
Vincent Clerc	1 April 2021	12,503	320	1 April 2026
	1 April 2020	7,854	292	1 April 2025
	1 April 2019	8,682	227	1 April 2024
	23 December 2019	8,682	17	1 April 2024
Henriette Hallberg Thygesen	1 April 2021	12,503	139	1 April 2026
	1 April 2020	7,854	190	1 April 2025
Navneet Kapoor	1 April 2021	12,503	125	1 April 2026
<i>Former member</i>				
Claus V. Hemmingsen	1 April 2018	10,476	188	1 April 2023

Table 6
Unvested/vested stock options

Name	Grant date	Grant share price ¹ (DKK)	No. of options	Option value ³ (DKK)	Exercise price ⁴ (DKK)	Vesting date	Expiry date
<i>Current member</i>							
Søren Skou	1 April 2021	12,503	1,867	2,410	13,754	1 April 2024	1 April 2027
	1 April 2020	7,854	3,415	1,464	8,639	1 April 2023	1 April 2026
	1 April 2019	8,682	2,805	1,782	7,670	1 April 2022	1 April 2025
	1 April 2018	10,476	2,149	2,326	9,435	1 April 2021	1 April 2024
	1 April 2017	11,628	2,347	2,131	10,720	1 April 2020	1 April 2023
Patrick Jany	1 April 2021	12,503	1,037	2,410	13,754	1 April 2024	1 April 2027
	1 December 2021	12,503	1,037	2,410	13,754	1 April 2024	1 April 2027
	1 April 2020	7,854	1,024	1,464	8,639	1 April 2023	1 April 2026
Morten H. Engelstoft	1 April 2021	12,503	964	2,410	13,754	1 April 2024	1 April 2027
	1 April 2020	7,854	1,707	1,464	8,639	1 April 2023	1 April 2026
	1 April 2019	8,682	1,402	1,782	7,670	1 April 2022	1 April 2025
	1 April 2018	10,476	1,074	2,326	9,435	1 April 2021	1 April 2024
Vincent Clerc	1 April 2021	12,503	1,039	2,410	13,754	1 April 2024	1 April 2027
	1 April 2020	7,854	1,571	1,464	8,639	1 April 2023	1 April 2026
	1 April 2019	8,682	1,122	1,782	7,670	1 April 2022	1 April 2025
	23 December 2019	8,682	41	1,782	7,670	1 April 2022	1 April 2025
	1 April 2018	10,476	859	2,326	9,435	1 April 2021	1 April 2024
Henriette Hallberg Thygesen	1 April 2021	12,503	726	2,410	13,754	1 April 2024	1 April 2027
	1 April 2020	7,854	1,024	1,464	8,639	1 April 2023	1 April 2026
Navneet Kapoor	1 April 2021	12,503	653	2,410	13,754	1 April 2024	1 April 2027
<i>Former member</i>							
Claus V. Hemmingsen	Not applicable						

1 The grant share price is set as the volume-weighted average share price of A.P. Møller - Mærsk A/S B shares traded on Nasdaq Copenhagen on the five trading days immediately following publication of the company's Annual Report.

2 The grant value corresponds to the individual's long-term incentive entitlement as a percentage of the base salary or fixed amount as per the contractual terms. The number of restricted shares awarded is calculated based on the grant value divided by the grant share price, and the number of stock options is determined based on the grant value divided by the fair value per stock option using the Black Scholes Valuation Model.

3 The Black Scholes Valuation Model and the valuation parameters applied for LTI grants are shown in the table to the right.

4 The exercise price, also known as 'strike price', is the pre-determined price at which the A.P. Møller - Mærsk A/S B share can be purchased when an individual chooses to exercise the option. It is premium priced, set at 110% of the share price at grant.

	2017	2018	2019	2020	2021
Volatility	31.00%	32.60%	32.10%	30.60%	32.50%
Dividends	DKK 300	DKK 150	DKK 150	DKK 150	DKK 330
Exercise date	5 years	5 years	5 years	5 years	5 years
Interest rate	-0.12%	0.21%	-0.36%	-0.66%	-0.50%
Share price at grant (DKK)	11,628	10,476	8,682	7,854	12,503
Exercise price (DKK)	10,720	9,435	7,670	8,639	13,754
Original exercise price before Maersk Drilling demerger (if applicable) ⁵ (DKK)	12,791	11,524	9,550	Not applicable	Not applicable
Option value (DKK)	2,131	2,326	1,782	1,464	2,410

5 In May 2019, in connection with the demerger of Maersk Drilling, the Board exercised its right to adjust the unvested restricted shares and stock options granted under the former A.P. Møller - Maersk structure, which Maersk Drilling was a part of, to maintain the same fair value of the awards. This adjustment was completed in accordance with the general terms and conditions, and the methodology and calculations were reviewed by external advisors from Willis Towers Watson and PricewaterhouseCoopers.

Remuneration – Board of Directors

Board and Committee fees

Members of the Board receive an annual fixed fee. The Chairman's and the Vice chairman's fees are different from the other Board members, reflecting their roles and responsibilities on the Board.

The fixed fee for the Chairman of the Board includes all Committee work and other additional duties. Other Board members serving on Board Committees or performing additional duties beyond the normal responsibilities of a Board member receive an additional annual fee for each Committee role they serve.

The Committee fee levels are the same for the Remuneration, Transformation & Innovation and Nomination Committees, while different levels are set for the Audit Committee in line with market practice.

Furthermore, the Chairman of the Nomination Committee currently receives the same fee as the Committee members. The fixed fee structure is unchanged from 2020 as shown in Table 7.

Shareholding requirement

Members of the Board are required to build up a holding value of A.P. Moller - Maersk shares equivalent to 25% of their gross fixed annual Board fee, within 24 months of being elected to the Board.

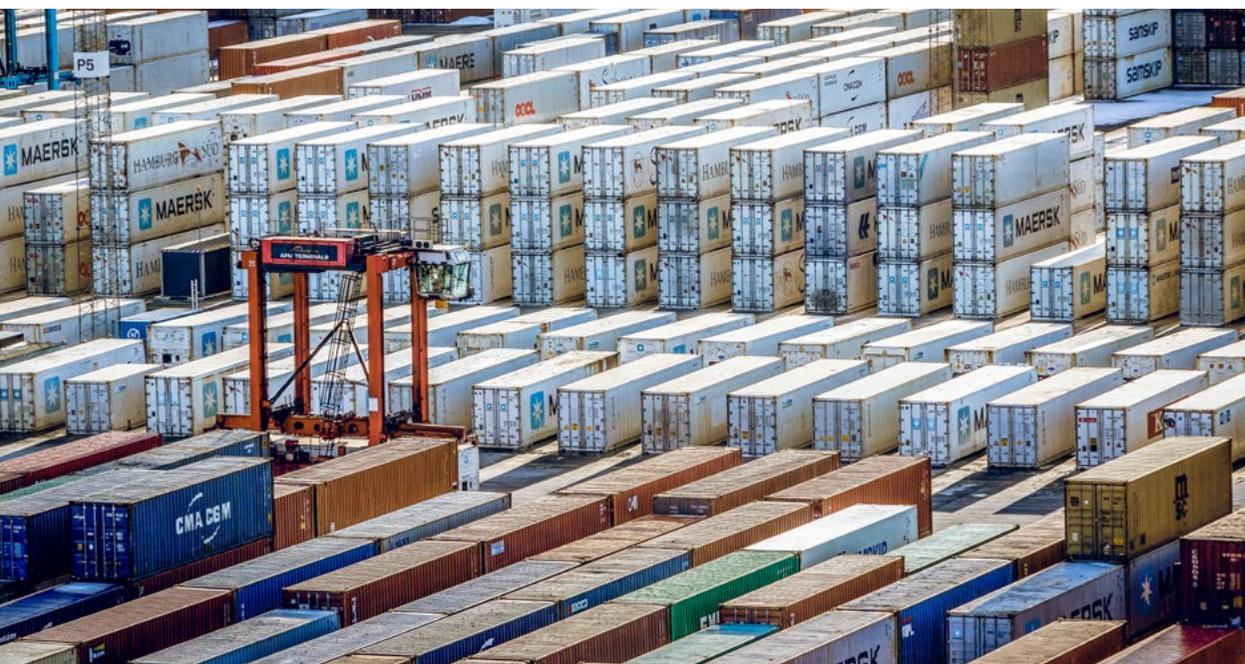
Should the Board member be re-elected, the member must increase his/her shareholding within 24 months after being re-elected, so it amounts to 50% of the gross annual Board fee.

Table 7

The fixed fee structure – Board of Directors and Committees

	Chairman	Vice chairman	Member
Board	7.00	1.90	0.95
Audit Committee	0.60		0.30
Nomination Committee	0.15		0.15
Other Committees	0.30		0.15

DKK million



The shareholding requirement aligns the Board members' interests with the interests of the shareholders. The personal shareholdings of A.P. Moller - Maersk shares of each Board member, reported on 31 December 2021, have shown that the shareholding level of most of the members has already exceeded the required level despite the 24 months build-up period, and the remaining members are committed to meeting the holding requirement within the given timeframe.

Composition changes

Amparo Moraleda was elected as the new member of the Board at the Annual General Meeting on 23 March 2021.

An overview of all members of the Board is available at our company website → [HTTPS://INVESTOR.MAERSK.COM/BOARD-DIRECTORS](https://investor.maersk.com/board-directors)

Total remuneration

Annualised fixed fees for the Board remained unchanged from 2020. The change at an individual level in 2021 is due to pro-rating based on time served on the Board compared to last year, or additional Committee responsibilities that the individual member has taken on during the reporting year.

Table 8 outlines the total actual remuneration awarded to each member for their Board and Committee(s) work in the financial year 2021, subject to approval at the 2022 Annual General Meeting.

Members of the Board do not receive any additional fees from other internal Board positions within A.P. Møller - Maersk.

Table 8

Total actual remuneration 2021 – Board of Directors

DKK million

Name	Annual Board fee	Audit Committee fee	Remuneration Committee fee	Transformation & Innovation Committee fee	Nomination Committee fee	Total
Jim Hagemann Snabe (Chairman of the Board) ¹	7.00	0 ¹	0 (Chairman) ¹	0 (Chairman) ¹	0 ¹	7.00
Ane Mærsk Mc-Kinney Uggla (Vice chairman of the Board)	1.90				0,15 (Chairman)	2.05
Arne Karlsson	0.95	0.60 (Chairman)	0.04			1.59
Dorothee Blessing ²	0.24					0.24
Jacob Andersen Sterling	0.95					0.95
Thomas Lindegaard Madsen	0.95					0.95
Robert Mærsk Uggla	0.95		0.15	0.04	0.15	1.29
Bernard L. Bot	0.95	0.30				1.25
Marc Engel	0.95			0.15		1.10
Blythe S. J. Masters	0.95			0.15		1.10
Amparo Moraleda ³	0.79	0.25	0.125	0.125		1.29

¹ The Chairman did not receive any fees for his additional responsibilities in chairing the Remuneration Committee and the Transformation & Innovation Committee, as well as being a member of the Audit and Nomination Committees. The Committee fees amount to 1.05 DKK million, but are considered included in his annual Board fee.

² Dorothee Blessing left the Board of Directors on 23 March 2021.

³ Amparo Moraleda joined the Board of Directors on 23 March 2021.





Development in remuneration

As a result of our ongoing strategic transformation, our business divisions have been significantly reshaped and the composition of our Executive Board has profoundly changed in the years leading up to 2020. Therefore, our development in remuneration and company performance is disclosed from 2020, with the intent to build in the multi-year overview from there onwards.

Development in remuneration – Executive Board

The development in remuneration for the members of the Executive Board is shown in Table 9. Along with the total actual remuneration awarded, the change in total target remuneration is also shown. We do this to create transparency for the purpose of comparison in remuneration development against company performance over time.

The annual change of total actual remuneration in 2021 is a combination of base salary increase or decrease, and the short-term incentive pay-out, which is higher as a result of the record company performance of the year.

Table 9

Development in remuneration – Executive Board

(Annual change % from previous year)

Name	Total target ¹ remuneration 2021 vs. 2020	Total actual ² remuneration 2021 vs. 2020	Total target ¹ remuneration 2020 vs. 2019	Total actual ² remuneration 2020 vs. 2019
<i>Current member</i>				
Søren Skou	3.2%	8.6%	2.7%	13.4%
Patrick Jany	8.9% ⁵	13.2% ⁵	Not applicable ³	Not applicable ³
Morten H. Engelstoft	2.1%	4.7%	1.8%	14.4%
Vincent Clerc	16.9% ⁷	20.3%	12.1% ⁴	25.5%
Henriette Hallberg Thygesen	16.7% ⁸	21.6%	Not applicable ³	Not applicable ³
Navneet Kapoor	Not applicable ³	Not applicable ³	Not applicable ³	Not applicable ³
<i>Former members⁶</i>				
Claus V. Hemmingsen	-50.0%	-50.0%	-12.5%	-19.5%

1 The total target remuneration refers to the individual's total remuneration package at target level which includes the base salary, the short-term incentive pay-out opportunity at the company's target annual performance, and the long-term incentive entitlement as per their contractual terms. Where applicable, the comparison has factored in any salary changes during the year and is based on the annualised amount on full-time equivalent.

2 The total actual remuneration is calculated as the sum of the base salary paid out, the achieved short-term incentive pay-out in connection with the company's annual performance, the value of LTI granted at the time of grant, and any other payments such as allowances and the monetary value of benefits received in the year, if applicable.

3 New member to the Executive Board. The annual change is therefore not applicable.

4 The annual change for Vincent Clerc is a result of increased bonus pay-out for 2020 based on the improved company performance, and adjustment of base salary received in October 2019 in recognition of his significantly expanded business scope and responsibilities.

5 The annual change in remuneration for Patrick Jany is based on annualised numbers of his 2020 remuneration.

6 For the former members, the negative development in total remuneration is a result of the change of their eligibility to participate in the short-term and long-term incentive plans, or applicable deductible amount as defined in the individual's exit agreement from the company.

7 The annual change for Vincent Clerc is a result of increased base salary and LTI in support of progressing towards the desired long-term remuneration for this role.

8 The annual change for Henriette Hallberg Thygesen is a result of increased base salary to reflect the experience, contribution and expectations for the role with added decarbonisation responsibilities.

Development in remuneration – Board of Directors

The annualised fixed fees remained unchanged from 2020 for the members of the Board. An overview of the annualised remuneration changes on individual level from 2020 to 2021 is provided in Table 10. For members who did not serve on the Board for a full calendar year, the change is calibrated to the annual basis, where applicable.

Employee remuneration

A.P. Møller - Maersk has employees in more than 130 countries. Our remuneration principles, applicable to the Board and Executive Board members, are consistent with those applied to the wider employee group. The wider workforce context has always been part of the thought process in shaping our remuneration policies.

In Table 11, we present the annual development in remuneration of the wider employee group. Most employees on short-term incentive plan are benefiting from the record company performance in 2021, and the annual change in actual employee remuneration in 2021 is mainly driven by the short-term incentive pay-out.

It is worth noting that the listed company A.P. Møller - Mærsk A/S does not employ personnel beyond Executive Board members and the wider workforce is employed by other A.P. Møller - Maersk companies.

As remuneration policies and practices may vary significantly from country to country, the comparator group of wider employee population we have defined is office-based employees in Denmark. This includes both headquarter employees and individuals working in other business units across the country. Our non-office-based employees are excluded from this comparator group to ensure a comparison as meaningful as possible, given that they are typically under Collective Bargaining Agreements.

Table 10

Development in total annualised remuneration – Board of Directors

(Annual change %
from previous year)

Name	2021 vs. 2020	2020 vs. 2019
Jim Hagemann Snabe (Chairman of the Board)	0.0%	0.0%
Ane Mærsk Mc-Kinney Uggla (Vice chairman of the Board)	0.0%	0.0%
Arne Karlsson	0.0%	9.7% ¹
Dorothee Blessing	0.0%	0.0%
Jacob Andersen Sterling	0.0%	0.0%
Thomas Lindegaard Madsen	0.0%	0.0%
Robert Mærsk Uggla	0.0%	0.0%
Bernard L. Bot	0.0%	0.0%
Marc Engel	0.0%	0.0%
Blythe S. J. Masters	0.0%	Not applicable ²
Amparo Moraleda	Not applicable ³	Not applicable ³

1 Arne Karlsson took additional responsibilities as a member of the Remuneration Committee as of 23 March 2020. The change is a result of the additional annualised fixed fee serving on the Remuneration Committee despite receiving payment based on the actual time served on the Committee, which is in accordance with the Danish guidelines on remuneration reports.

2 Blythe S. J. Masters joined the Board in 2020, therefore, the annual change from previous year is not applicable.

3 Amparo Moraleda joined the Board in 2021, therefore, the annual change from previous year is not applicable.

Table 11

Development in actual employee remuneration

(Annual change %
from previous year)

	2021 vs. 2020	2020 vs. 2019
Employees excluding Executive Board members (A.P. Møller - Mærsk A/S)	Not applicable	Not applicable
Employees based in Denmark excluding Executive Board members (A.P. Møller - Maersk group)	12.1% ¹	6.7% ¹

1 The annual average development has factored into annual salary adjustments, changes in roles and responsibilities as well as annual bonuses earned for the respective years.

Company performance development

The company uses a combination of financial and transformation performance measures, reported annually to measure performance against our strategy. An overview of our company performance development is provided in Table 12.

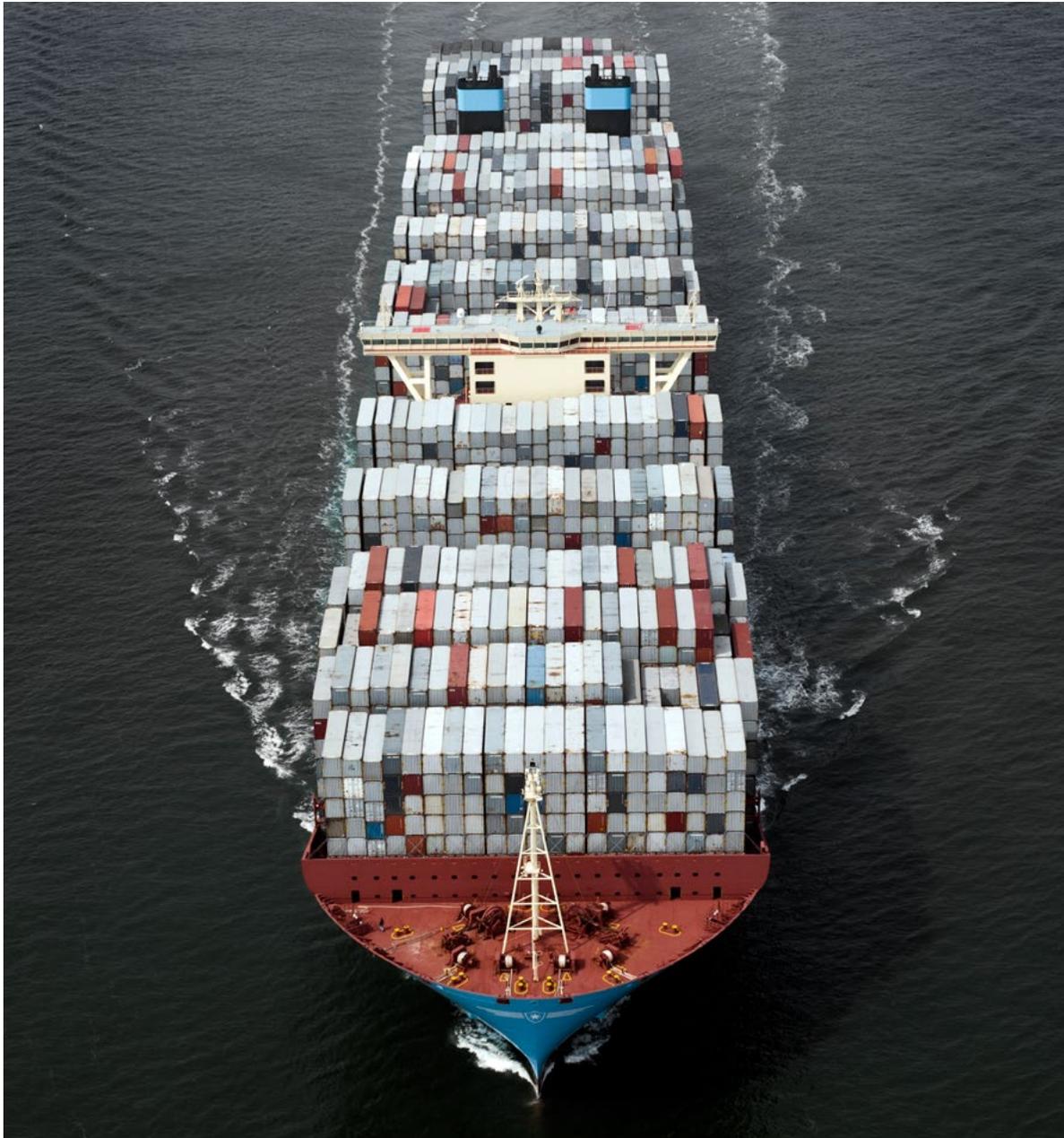
Table 12

Company performance development¹

	2021	2020	2019
<i>Financial metrics</i>			
EBIT (USD million)	19,674	4,186	1,725
Return on invested capital (%)	45.20%	9.44%	3.11%
Free cash flow (USD million)	16,537	4,648	2,340
<i>Transformation metrics</i>			
Logistics & Gateways revenue (USD million)	13,830	10,114	9,609
Logistics & Services EBITA (USD million)	678	289	24

¹ EBIT of A.P. Møller - Mærsk A/S ('parent company') changed by 210%, from USD -72m in 2020 to USD 79m in 2021 (USD -156m in 2019, or a 54% change from 2019 to 2020). The information is solely provided in line with the applicable requirements under section 139b of the Danish Companies Act. The remuneration of the Executive Board members is not linked with performance of the parent company but A.P. Møller - Mærsk group as outlined in the table above.





Application of claw-back and deviation from Policy

In 2021, there were no claw-back and malus of incentive payments, the Board did not exercise its right to amend the incentive awards, nor was there any deviation from the Policy for any current or former member of the Executive Board.

Statement by the Board of Directors

The Remuneration Report is prepared in accordance with section 139b of the Danish Companies Act.

The Board of Directors has today considered and adopted the Remuneration Report of A.P. Møller - Mærsk A/S for the financial year 2021. The Remuneration Report will be presented for an advisory vote at the Annual General Meeting 2022.

Copenhagen, 9 February 2022

Board of Directors

Jim Hagemann Snabe
Chairman

Thomas Lindegaard Madsen

Ane Mærsk Mc-Kinney Ugglå
Vice chairman

Blythe S. J. Masters

Bernard L. Bot

Amparo Moraleda

Marc Engel

Jacob Andersen Sterling

Arne Karlsson

Robert Mærsk Ugglå

Statement by the independent auditors

To the shareholders of A.P. Møller - Mærsk A/S.

According to section 139b of the Danish Companies Act, management is responsible for preparing a Remuneration Report in accordance with the Remuneration Policy adopted at the Annual General Meeting.

Our opinion on the audit of the Consolidated Financial Statements and the Parent Company Financial Statements does not include the Remuneration Report, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements and the Parent Company Financial Statements for 2021, it is, however, our responsibility pursuant to section 147 of the Danish Companies Act to verify that all disclosures required under section 139 b(3) of the Danish Companies Act are included in the company's Remuneration Report for 2021.

We found no reason to point out any omissions with respect to the disclosures included in the Remuneration Report for 2021.

Copenhagen, 9 February 2022

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no. 33 77 12 31

Mogens Nørgaard Mogensen
State Authorised Public Accountant
mne21404

Lars Baungaard
State Authorised Public Accountant
mne23331