

The A.P. Moller - Maersk Group's

Sustainability Report 2011

Global business
– Global challenges



MAERSK



FORWARD-LOOKING STATEMENTS

The report contains forward looking statements on expectations regarding the achievements and performance of A.P. Møller - Mærsk A/S and the A.P. Møller - Maersk Group. Such statements are subject to risks and uncertainties, as various factors, many of which are beyond A.P. Møller - Mærsk A/S and the A.P. Møller - Maersk Group's control, may cause actual results and development to differ materially from expectations contained herein.



Material issues

MATERIALITY IN A CONGLOMERATE

For a conglomerate as diverse as Maersk, a Group-level assessment of materiality cannot cover all material issues faced by individual business units. Our approach is to have a Group-level materiality assessment and provide guidance for all business units to complete individual assessments of their prioritized issues. Some businesses have completed their materiality assessments or identified priority issues as part of their sustainability strategy development process. The issues identified are reflected in the business unit performance section on pages 48-71.

GROUP-LEVEL MATERIALITY ASSESSMENT

Our first Group-level materiality review was completed in 2009 and was

used in the development of our Group Sustainability Strategy, launched in 2010. We monitor material issues on an ongoing basis through general trend spotting, media monitoring, stakeholder engagement and internal reviews. We also review our material issues when preparing our sustainability report. We have chosen to base our analysis of material issues to cover in this report on four distinct sources that provide insight into key issues across the Group:

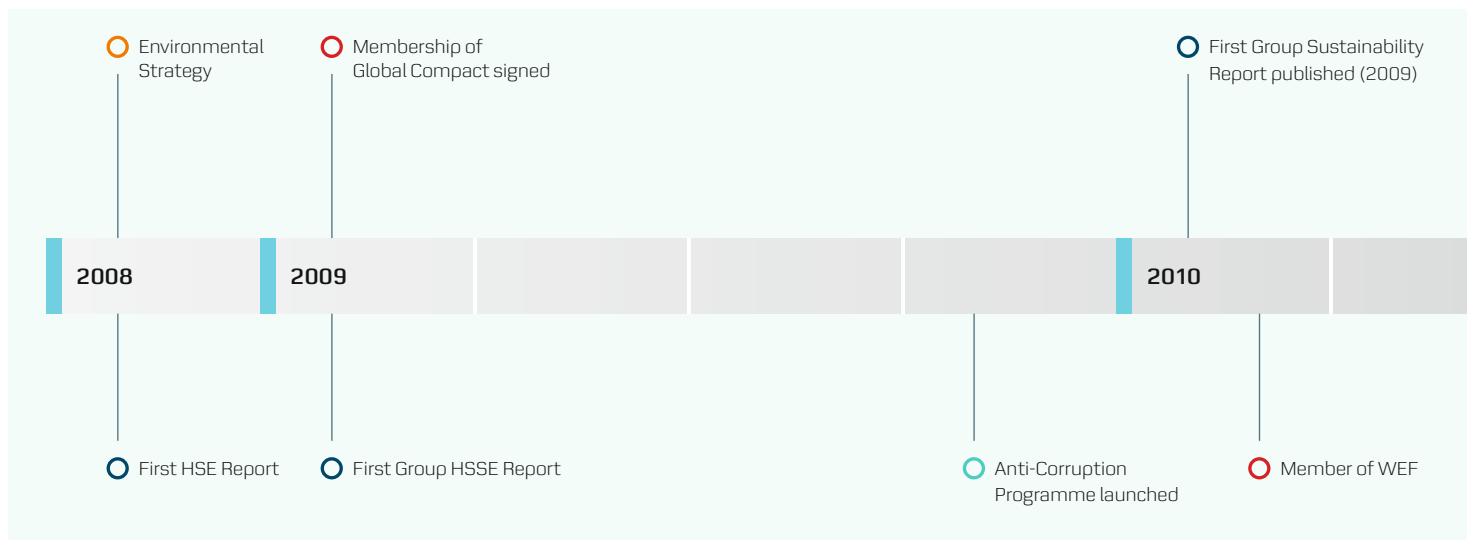
1. **The Maersk Sustainability Strategy** – which reflects the commitment of Maersk’s Executive Board to sustainability.
2. **The UN Global Compact Blueprint for Corporate Sustainability Leadership** – which takes the UN Global Compact’s

ten principles for responsible business practice a step further.

3. **The 2011 GlobeScan reputation survey** – which provides a view on Maersk and our key sustainability impacts from a group of 1,357 internal and external stakeholders from around the world.
4. **The UN Millennium Development Goals** – these provide a broader view on worldwide challenges and guide how we can align our strategy and operations to contribute to tackling some of these challenges.

We realise that there are sources and viewpoints we do not consider. Yet, we find that this approach provides the best illustration of the issues that are material to the Maersk Group.

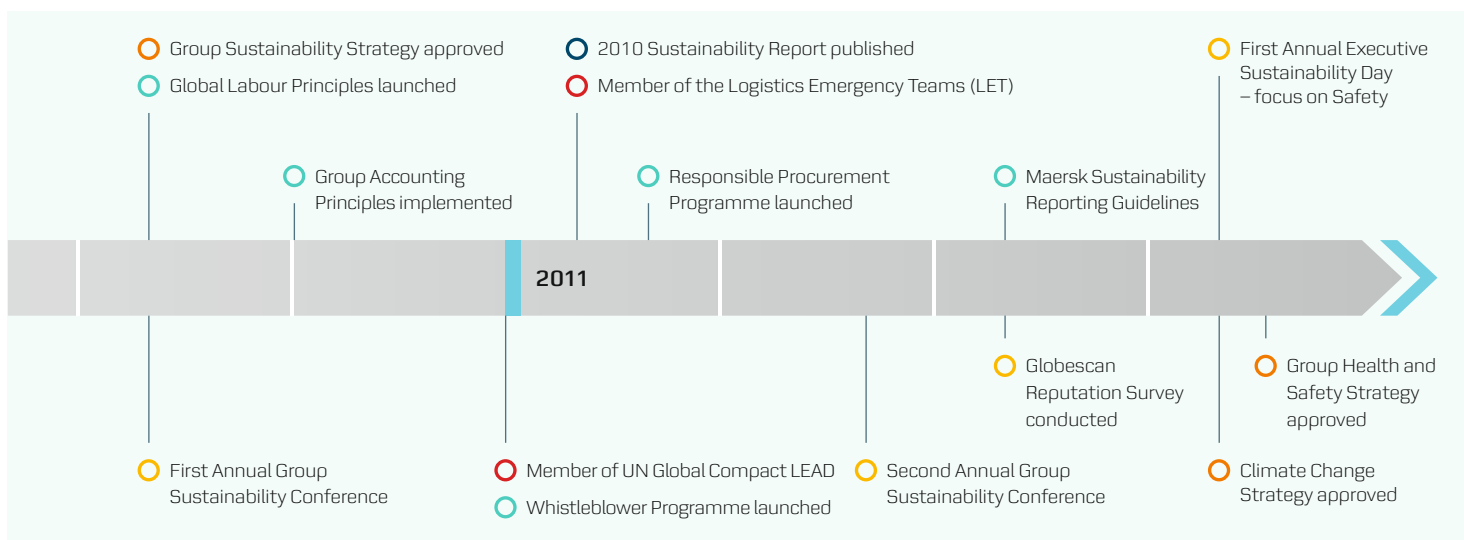
Sustainability timeline



Material issues

Materiality reference	Material issue at Group Level	Our Response	Page reference
○○○	Safety	Health and safety strategy Executive Board safety day	Page 28 Page 27
○○○	Business conduct and governance	Sustainability governance Responsible procurement Responsible lobbying Anti-corruption Accountability and transparency	Page 23 Page 47 Page 25 Page 45 Page 72
○○○○	Environmental impact and climate change	Environmental risk review Climate change strategy and target	Page 43 Page 41
○○○○	Human rights	Human rights framework	Page 33
○○○○	Labour standards	Global Labour Principles Diversity	Page 36 Page 38
○○○○	Sustainable economic development	Business investments Maersk disaster response programme (part of LET) Strategic donations programme	Pages 13-20 Page 34 Page 35

○ Maersk Sustainability Strategy 2010-2013 (based on materiality assessment conducted in 2009) ○ GlobeScan reputation survey from August 2011
○ UN Global Compact LEAD Blueprint and Advanced Level Criteria ○ UN Millennium Development Goals



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Our size and reach makes us an enabler of global trade and opens up the possibility of assisting long term economic development.

Pages 13–19



Safety continues to be our top priority and our new safety strategy facilitates knowledge sharing across the Group to minimise accidents.

Pages 27–32



Our recent framework for Human Rights outlines our approach to managing compliance with UN guiding principles.

Pages 33–35



We have set a new Group wide CO₂ reduction target, steering us towards a lower carbon future.

Pages 40–44

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Company profile



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The A.P. Moller - Maersk Group (Maersk) is a worldwide conglomerate headquartered in Copenhagen, Denmark. We operate in more than 130 countries, employing approximately 117,000 people.

Our consolidated revenue in 2011 was US \$60,230 million, returning a profit after tax of US \$3,377 million.

A.P. Moller - Maersk is a Group of businesses with core focus on shipping and oil & gas.

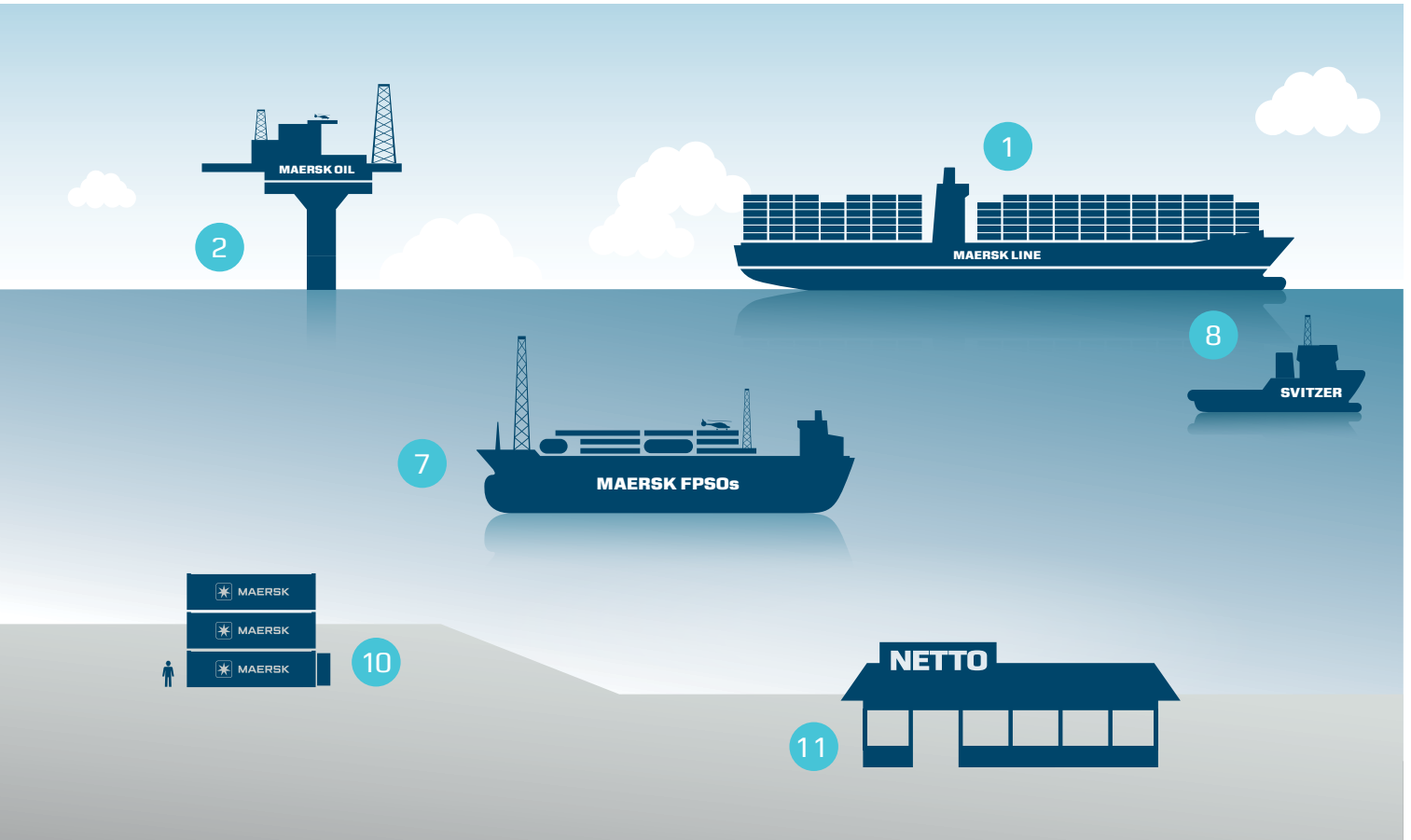
More than 1,000 companies, operating under a variety of brands, make up the A.P. Moller - Maersk Group. The major ones are displayed in the graphic above and we report on these in the last pages of this report. A more extensive list of companies can be found on our Group website, www.maersk.com and in our annual financial report.

We are the world's largest container shipping operator and together with our tanker and logistics businesses and portside container terminals, we move

a large share of the world's products around the globe.

We are also prominent in the exploration, extraction and transportation of oil and gas, which provides the energy needed to support global trade.

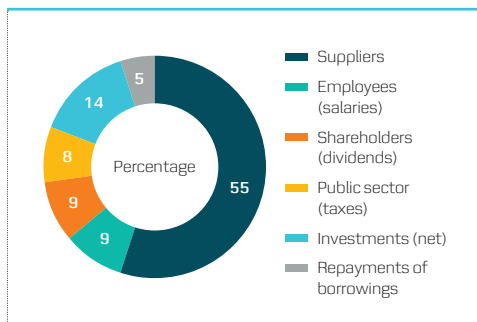
→ [Read more](http://www.maersk.com/investorrelations)
www.maersk.com/investorrelations



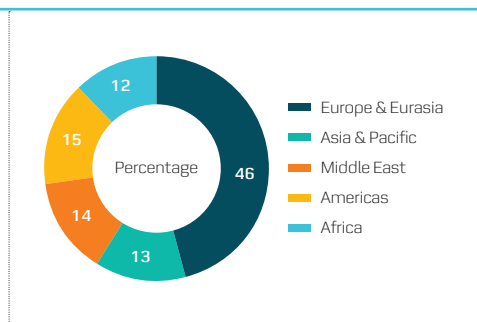
8 Svitzer 9 Damco 10 Maersk Container Industry 11 Dansk Supermarked

Cash outflow and revenue distribution 2011

Cash outflow distributed by stakeholder group



Revenue split on regions



Our revenue flows from all parts of the world and our activities enable trade and production in places we do business. This helps to drive economic growth by generating wealth, creating jobs and paying taxes, both directly and indirectly as seen in the graphic.

Maersk's Executive Board holds ultimate responsibility for sustainability matters and sustainability decision making. Safety features on the agenda of Executive Board meetings.

In November 2011 the Board took part in the first ever Executive Sustainability Day, which focused on safety (page 27).



The Executive Board functions as the day-to-day management of the Group and consists of:

Nils S. Andersen, Group CEO
Trond Westlie, Group CFO
Kim Fejfer, CEO of APM Terminals

Søren Skou, CEO of Maersk Tankers
Claus V. Hemmingsen, CEO of Maersk Drilling and Chairman of the Group Sustainability Council
Jakob Thomsen, CEO of Maersk Oil

FOREWORD BY THE EXECUTIVE BOARD

Our basic assumption and experience is that we increase our attractiveness and competitiveness by integrating sustainability in our efforts to create strong financial results.

Fuelling sustainable growth

Global trade flows are shifting in favour of the emerging growth markets, where the Maersk Group already has a strong presence. Almost one third of the Group's revenue and a little more than half of the Group's profits are created in growth markets. With increasing investments in new terminals in Africa, Asia and Eastern Europe, in new vessels and in oil licences, we are well positioned for this new global situation and to benefit from growing demand for our main products and services in the developing world.

LONG TERM DEVELOPMENT

Our commercial success and growth are closely linked to the continued development of societies in growth markets, including social improvements. We benefit from increasing and more widely spread wealth in these markets. A stable political situation is also important both for local businesses and global ones such as ours.

We recognise that there are challenges related to the creation of long term sustainable development in growth markets, such as increased resource use, protection of human rights and climate change. We focus on doing business in a responsible manner, not least enabling local businesses to expand and take responsibility for their people and their environment.

Our basic assumption and experience is that we increase our attractiveness and competitiveness by integrating sustainability in our efforts to create strong financial results. We have gained valuable insights from our initiatives, for example on the environmental side, where our approach to emissions reduction has not only benefited us but also our customers, and we will continue to reach out and engage in constructive collaborations across industries.

THE SAFETY IMPERATIVE

Safety is another issue which is both challenging and at the top of our agenda. This year, we held our first Sustainability Day for executives, where the subject was safety.

Many years of ongoing efforts and improved performance have resulted in a strong safety culture in our Group. However, it is with regret that we still see fatalities within our business. This year, 15 people lost their lives in work related accidents; every single one being unacceptable. We will continue to focus on safety until we reach our goal of zero fatalities.

COMMITTED TO EXCELLENCE

Our approach to sustainability is no different from our approach to the rest of our business – we strive for excellence in all we do. In 2011, we were invited to join the UN Global Compact LEAD programme, an initiative for companies

aspiring to hold a leading position in sustainability.

This programme challenges us to take our efforts even further. We will fulfil this engagement by working efficiently and with determination to set new, higher standards, not only for ourselves but also for the industries in which we operate.

Our core business and sustainability efforts go hand-in-hand. It is not only part of our values; it is in our own interest to deliver efficient, sustainable solutions to our customers and partners, thus enabling growth and development of businesses as well as societies.

Executive Board

A.P. Moller - Maersk Group



About this report

With this our third sustainability report we intend to provide our stakeholders with a balanced account of our performance and position on issues that are material to Maersk.

A NEW REPORT STRUCTURE

In response to the LEAD reporting requirements, we have adopted a new structure for our Sustainability Report for 2011. This year's report has three main sections:

Global business – global challenges

– explores how Maersk is positioned to respond to the risks and opportunities that global sustainability issues and megatrends present to the Group (pages 13-20).

Group sustainability performance

– reports on Group level performance and progress in programmes and commitments. This is done in relation to UN Global Compact LEAD dimensions 1 and 4 in the blueprint for Corporate Sustainable Leadership and is structured around the eight main themes of the Global Compact Advanced Level criteria. Dimensions 2 and 3 and the UN Global Compact principles are covered by the table in the back of this report. More information can be found at www.unglobalcompact.org (pages 21-47)

Business unit performance – gives a brief summary of sustainability activities and performance within our main business units (pages 48-71).

The reporting period is 1 January to 31 December 2011. The report describes our activities at Group level and for the following five segments: Container activities, Oil and gas activities, Terminal activities, Tankers, offshore & other shipping activities and Retail activity.

following a long-planned closure programme and is now being converted into an industrial park. During 2011, the sale of our liquid gas shipping company, Maersk LNG, was announced. The sale will be completed in 2012 and data for LNG are still included in the scope of this report.

2011 also saw the announcement to integrate the management and support functions of Safmarine into Maersk Liner Business. Safmarine will

“We believe we have a duty of care to ensure all of our employees are safe at work wherever we operate, regardless of financial control or leasing arrangements.”

Annette Stube, Head of Group Sustainability

Compared to our 2010 Sustainability Report, we no longer report separately on Odense Steel Shipyard, which has closed down its shipbuilding activities

still operate as an independent brand within the Maersk Liner Business portfolio. More details are available on www.maerskline.com and



www.safmarine.com. Safmarine pages are reported as part of Maersk Line's pages, as last year (see page 50).

SCOPE OF DATA

The text in this report covers activities at Group level and for the business units listed above, while consolidated data include all Maersk activities.

For the second year, the majority of data in this report are based on a financial scope. We changed our approach to data reporting from operational to financial scope to establish a clear link between our business activities and financial performance and our sustainability performance. The overall consolidation principle is financial control: Where the Maersk Group has full or joint financial control we measure and report on our sustainability performance, and consolidation is done accordingly.

This principle also defines how we report sustainability performance for owned and leased ships, rigs and trucks. With owned or leased-in assets that are used by the Group, the Group is liable for consumption, emissions and other sustainability performance data. For owned assets that are leased out, the Group is not liable for

the sustainability performance. The change in our reporting scope last year coincided with the transfer of certain data processes to our Group Accounting department, which continues to improve the quality of these data.

Safety and oil spills are reported on operational scope. This is because we believe we have a duty of care to ensure all of our employees are safe at work wherever we operate, regardless of financial control or leasing arrangements. However, although the overall principle for the group figures is financial control, BUs may have relative targets based on operational scope. Such targets are presented in the BU pages of this report and where this occurs it is marked by a footnote in the BU target table.

Data comparability

The addition of 2011 data means we now have three years of data reported by financial scope. Operational scope data are reported for the Group for 2011 and also retrospectively for 2010 in cases where data were only reported by financial scope in last year's report. Where improved data have been received for 2009 and 2010 these have been re-stated. Additional notes on our sustainability accounting approach can be found on pages 72-73.

FRAMEWORKS, GUIDELINES AND STANDARDS

The report also fulfils our obligation to provide Communication on Progress (CoP) to the UN Global Compact. As members of the UN Global Compact LEAD programme, the report accounts for Maersk's efforts to implement the Global Compact Blueprint for Corporate Sustainability Leadership. This includes responding to the 24 criteria of the Global Compact Advanced Level and responding to a further 20 criteria showing how LEAD participants are supporting broader UN goals and engaging with the UN Global Compact. The index on page 76 shows where this information can be found.

This report also follows the GRI Guidelines on sustainability reporting and covers the AA1000 Accountability principles standard. More details can be found on pages 72.

Responding to 2010 assurance recommendations from DNV

Assurance recommendation	Maersk action	Page reference
Maersk should follow up on the implementation of the Group Sustainability General Accounting Principles when conducting internal revisions and business reviews within the individual business units and underlying entities.	Group Internal Audit will have sustainability on their agenda from 2012, when they conduct their EuroSox Risk, Control and Compliance (RICC) audits with our business units. The Board's Audit Committee has approved of this development.	N/A
Having achieved a more reliable data set for GHG emissions, Maersk may wish to consider a recalculation of the baseline year for measuring its emissions reductions.	We have established a new climate strategy that includes a GHG target to 2020. The revised baseline for the target is 2010.	Page 41
Maersk is now in a good position to select and establish targets for a wider set of key performance indicators to enhance future measurement and reporting of performance.	We have set a new GHG target to 2020 and established a target for responsible procurement. As the roll out of our sustainability strategy continues we will continue to expand measurement and targets.	Pages 41,47
Supporting business units to improve stakeholder engagement – including best practice-sharing and customer engagement.	We are working with business units to develop a common approach to stakeholder engagement. This will include stakeholder engagement tools and guidance on other elements of stakeholder engagement, including good practice sharing across business units.	Page 22
Address messages from reputation assessment survey.	The conclusions from the survey suggest to link our sustainability efforts closer to innovation efforts and supporting long term economic growth when opening new markets. The Group strategy takes account of this through a workstream on sustainability as a source of innovation in high-growth markets.	Page 25
Use the outputs from the CEO reviews and continue to monitor business unit materiality outputs / KPIs.	Our new sustainability dashboard will monitor quarterly business unit integration of sustainability in line with the Group sustainability strategy. Five CEO reviews were piloted in 2010 and 2011 and a full schedule of CEO and peer reviews will start in 2012.	Page 22 Page 23
Conduct stakeholder engagement outside Denmark.	We conducted a GlobeScan survey of stakeholders in multiple countries in 2011. We are also involved in a range of UN Global Compact workstreams and are promoting business units to engage with UNGC local networks.	Pages 25,78
Capture employee turnover and redundancy data.	We are unable to capture these data at Group level because we have many different human resource systems that operate at business unit level. The development of a Group wide HR system is underway and when completed will allow these data to be captured.	N/A
Support business units on human rights risks.	Human rights risk assessments have also been included in our Enterprise Risk Management process. In 2011, we conducted a human rights gap analysis and developed a framework for managing human rights issues across the Group.	Page 33
Ensure implementation of new accounting approach and look to expand range of targets.	We have established a new Group greenhouse gas target in 2011 and are encouraging business units to set targets as part of the sustainability strategy integration process. Accounting approach has been fully established and a programme of improvements is underway with external consultants.	Page 41
Reporting of excluded Associate companies where a business unit has management control and impacts are significant.	According to our accounting policies "Associated companies" are defined as entities in which the Group does not have control; thus the data are not included.	Page 72
Inclusion of meaningful data on implementation of various policies (anti-corruption, diversity, labour and responsible procurement).	Improvements in all areas.	Pages 36,38,45,47

GROUP CONSOLIDATED PERFORMANCE

Social performance^a

Our employees		2009	2010	2011
Number of full time equivalents (FTE)		120,965 ^c	113,741 ^c	117,080
Gender (female representation)	%	32 ^c	33 ^c	32
Employee engagement (percentage favorable) ^b	%	67	69	75
Performance appraisals (percentage received)	%	48	60	67
Safety				
Fatalities ^d	number	13	12	13

Rosti and Norfolkline are only partially included in 2010, since they were sold during the year. The data collected until point of sale are FTEs, gender-split and safety data.

^a Including Group functions and Odense steel shipyard.

^b The engagement survey does not include The Dansk Supermarked Group, The Odense Steel Shipyard Group, JV companies and blue collar workers.

^c Group principle on FTEs adjusted to include JVs acc to regular financial consolidation rules.

^d Data collected with operational scope.

^e Diesel, natural gas, waste and water re-stated due to incorrect reporting in some entities and a change to the converter for gas to direct energy consumption. Emissions have also been re-stated.

^f Reefer electricity consumption at terminals in 2009 and 2010 was allocated to the company having reefers at the terminal. All reefer consumption is now reported by APM Terminals. 2009 and 2010 re-stated accordingly. ERS rail electricity consumption in Germany re-stated for 2009 and 2010 due to omission of reporting.

^g Converter for SO_x for heavy fuel re-stated based on actual measurements of sulphur content.

Environmental performance

Energy consumption		2009 ^e	2010 ^e	2011
Fuel oil	1,000 tonnes	11,390	10,724	11,798
Diesel	1,000 tonnes	221	184	181
Natural gas	1,000 tonnes	472	607	669
Electricity	1,000 MWh	1,225 ^f	1,213 ^f	1,295
Energy consumption	GJ	498,419,904 ^g	475,815,229 ^g	522,487,533
Greenhouse gas (GHG) emissions				
GHG emissions	1,000 tonnes CO ₂ eq	40,595	37,717	41,059
Direct GHG emissions (Scope 1 GHG Protocol)				
CO ₂	1,000 tonnes	39,272	36,478	39,734
CH ₄	1,000 tonnes CO ₂ eq	398	316	370
N ₂ O	1,000 tonnes CO ₂ eq	184	183	194
HFC	1,000 tonnes CO ₂ eq	53	81	65
HCFC	1,000 tonnes CO ₂ eq	106	31	30
Indirect GHG emissions (Scope 2 GHG Protocol)				
CO ₂	1,000 tonnes	579 ^f	625 ^f	663
CH ₄	1,000 tonnes CO ₂ eq	0 ^f	0 ^f	0
N ₂ O	1,000 tonnes CO ₂ eq	3 ^f	3 ^f	3
Other emissions				
SO _x ^g	1,000 tonnes	660	610	663
NO _x	1,000 tonnes	919	866	947
VOCs	1,000 tonnes	22	19	19
Particulate matter	1,000 tonnes	83	79	77
Category 1 spills ^d	m ³	3	40	12
Other resource consumption				
Steel consumption	1,000 tonnes	202	346	415
Waste total	1,000 tonnes	393	424	368
– recycled (composting, reused, recycled)	1,000 tonnes	198	271	176
– solid (landfill, on-site storage, incineration)	1,000 tonnes	172	133	182
– hazardous (controlled deposit)	1,000 tonnes	23	20	10
Water consumption	1,000 m ³	3,989	2,842	3,311
– surface water	1,000 m ³	36	45	80
– ground water	1,000 m ³	1,294	236	353
– rainwater	1,000 m ³	0	0	2
– municipal water supplies/water utilities	1,000 m ³	2,659	2,561	2,876

Economic performance

		2009	2010	2011
Revenue	USD million	48,580	56,090	60,230
Profit for the year	USD million	-1,024	5,018	3,377
Tax for the year	USD million	3,805	4,655	6,060
Electricity cost	USD million	194 ^f	183 ^f	195



Delivering value for the long term

Maersk Group is a global conglomerate with operations in over 130 countries. The majority of our activities are in the global transport of goods and global energy supply. This places us at the centre of some of the most pressing global challenges today, revolving around long term sustainable economic growth.

Maersk's fortunes are linked to the trends in global consumption and trade. We produce the containers that carry cargo around the globe and own the ships, trucks and support services to transport them from producer to consumer. We run ports and terminals to handle the cargo and, in Northern Europe, the retail stores to sell it. We are also prominent in the exploration, extraction and transportation of oil and gas, which provides the energy needed to support this development.

Global trade is mainly driven by population growth and economic growth. In 2011 the estimated world population reached seven billion people, having grown from only three billion in 1960. It is estimated that another two billion will be added in the next 35 years¹. In

the same period global GDP rose from US \$6.9 trillion in 1960, to US \$75 trillion² in 2010. Global demand for energy has increased in line with global growth and the availability and affordability of energy lies at the heart of economic development.

BUSINESS AND BEYOND

Past and present, these trends have and do provide us with huge business opportunities. Exploring these, Maersk has become increasingly embedded in global and local infrastructure and development alike, a position which offers opportunities for business and into setting industry standards, impacting on the welfare of local communities and the environment. We acknowledge that impact carries responsibility, and we live up to this by

conducting our business according to our values and the Maersk Principles of Conduct. Added to this, sustainable economic development of communities and societies over the long term makes commercial sense because successful development provides further opportunities for our business. It offers a real opportunity to create shared value that benefits the nations that we do business in as well as our own business.

One example of how we influence entire sectors is containerised trade. Today our container business is the biggest operator within the industry and we play a significant role in the global marketplace, connecting suppliers with global markets. Around 90% of global trade uses sea transport³ and

¹ www.worldometers.info/world-population and UN Department of Economic and Social Affairs/Population Division World Population to 2300.

² Goldman Sachs GS Sustain, "The die has been cast: A new age of accelerating consumption, constraints and competition", April 2011. ³ www.marsec.org/shippingfacts/worldtrade



over 60% of this is containerised⁴. With Maersk Line holding a 16% share of global container capacity, we are in a good position to set new standards for how world trade is conducted.

When Maersk Line invests in the new Triple-E ships (see page 51) it is introducing new standards for how trade and supply chains are currently managed, while driving long term economic growth and delivering the most

energy efficient container ships yet built. Or when Maersk Line introduced slow steaming in 2008 it quickly became clear that this brought not only economic benefits, but also created greater reliability for customers and reduced CO₂ emissions. Today more than 50% of global container shipping applies the principles of slow steaming.

Other examples include APM Terminals building a port, which can transform

the fortunes of a region and provide jobs for decades to come, enabling long term economic development. Or when Maersk Drilling develops its new XL rigs it is raising standards in drilling, enabling global trade to keep advancing through secured energy supply.

Long term economic development is intrinsically linked to our core business, the sectors we operate in and the growth markets that we are investing

Latest investments and initiated activities in growth markets

- Poti Terminal, Georgia
- Callao Terminal, Peru
- Moin Terminal, Costa Rica
- Santos Terminal, Brazil
- Monrovia Terminal, Liberia
- Cai Mep Terminal, Vietnam
- Aqaba Terminal, Jordan
- Introducing the WAFMAX and SAMMAX vessels
- Opening direct Mexico-Europe and Morocco-Russia services
- Oil licences offshore, Brazil
- Chissonga oil licence, Angola
- Two year drilling contract, Angola
- Peregrino FPSO into operation, Brazil
- Acquisition of NTS International Transport Services, China



⁴ www.worldshipping.org/about-the-industry/history-of-containerization ⁵ The Economist, 30 June 2011 (www.economist.com/node/18895150)

in. It impacts our strategic priorities and we impact the speed of growth with our actions.

SHIFTING TRADE PATTERNS

A more recent trend in global economic growth is that patterns of trade are shifting from the OECD nations to emerging high growth markets. In the last five years, these markets have been responsible for 80% of GDP growth and overall they represent half of global GDP, compared to only one third 30 years ago. Trade between emerging economies is also a growing trend, with trade between BRIC nations growing from US \$21.6 billion in 2001 to US \$154.5 billion in 2009⁵. We have recognised this opportunity and high growth markets now represent one third of our total revenue and half of our total profits.

RECOGNISING THE DILEMMAS

This recent history of global economic

development has created enormous benefits, including raising the living standards of many people in countries around the world. But it is still true that many economies are held back by poverty and a lack of healthcare and education. Advancing trade into these economies and connecting them to the global marketplace is essential to create a virtuous circle where a healthier, better educated population is able to engage in economic development.

Much of the world's economic development over the last half century has been linked to oil and gas and these fuels have played a huge part in helping countries improve their standard of living. This role will continue in the foreseeable future with raising demands from a growing population.

But increased world trade and energy consumption also have a range of unintended negative impacts, which

can counter long term economic development.

The continuing rise in consumption of goods and services will drive increasing levels of greenhouse gas emissions, and mitigating climate change is a major global priority. Action to tackle greenhouse gas emissions is needed from governments, businesses and individuals alike.

Maersk has set out a new climate change position (see page 41) that recognises the risk that climate change poses to society and our business as well as the need to shift to a lower carbon economy, if global warming is to be kept below two degrees Celsius. We support the widely held view that fossil fuels will be needed in the foreseeable future, in order to continue powering the economic development that will support a growing global population and contribute to lifting less developed

Unlocking the potential of the Indian banana trade

As a leading provider of refrigerated transport, Maersk has the potential to offer increased export opportunities to global providers of fruit and vegetables by opening up markets that may traditionally have been unreachable with non-refrigerated transport.

A recent study by Maersk Line into trade opportunities within the Indian banana industry found that banana exports from India make up less than 0.1% of global banana production, even though India is the world's largest producer, growing 28% of

the world's supply. Bananas are the world's favourite fruit and the fourth most important food crop after rice, wheat and maize, so the potential for developing the Indian banana industry and delivering economic and social benefits is significant.

The headline findings of the study show that with a 4% annual increase in yields and a 27% annual increase in acreage dedicated to export quality bananas, the economic value created for Indian banana producers would increase from US \$28 million today to US \$1.612 billion. At the same time it would lead to the creation of some 96,000 jobs, supporting around 405,000 dependents. With the smallholder model of banana growing in

India, where most banana farms are less than three acres, up to 34,600 smallholder farmers would be among those to benefit. This upturn in farmer incomes and economic activity could also lead indirectly to opportunities for progress in healthcare and education.

To make this work for India, effective cold chain storage and transportation are a vital part of the banana export model. We can play a role as a key facilitator of this type of trade development. In general, for perishable goods to be effectively transported over greater distances and for greater periods of time, there needs to be effective, unbroken cold chains from pack-house to port and onward to retailers and consumers.

MAERSK OIL AND ACTION ON DIABETES IN QATAR

At least 20% of adults in Qatar have diabetes, and experts fear the true picture may be nearer 50%. It is a major threat to the health and future success of the nation.

Maersk Oil has been a major player in the Qatari economy for many years and Maersk Oil's workforce includes a growing proportion of Qataris. We are committed to a long term presence in the country which gives us a significant interest in the health and future of Qatar.

In identifying issues which Maersk Oil's "Action for Qatar" sustainability programme could help tackle, diabetes was an obvious choice and the company has created a partnership with the Qatari authorities, Qatar Diabetes Association and Novo Nordisk to do just that. An awareness raising programme was launched in November 2011, with an "Action on Diabetes" exhibition. The next phase of the programme is in preparation.

nations and their populations out of poverty.

Maersk will work to extract and supply oil and gas in an energy efficient and safe way, as well as to raise the bar for efficiency in the shipping sector. Wider efforts to combat climate change may also drive new business opportunities in our oil business, such as making carbon capture and storage (CCS) a reality, which will allow fossil fuels to play their part in a lower carbon economy.

SOCIAL ISSUES IN FOCUS

Globalisation clearly has many benefits including greater ease and speed of transportation for goods and people. It does, however, have potential downsides, including cultural convergence and loss of diversity, greater social inequality, and potential exploitation of labour and corruption.

Such issues also need to be addressed if the full benefits of development can be achieved. For us as a company, unsafe work places, systems plagued by corruption, populations without access to healthcare and education,

among others, simply create less stable business environments. The new UN Guiding Principles on Business and Human Rights launched in June 2011, are addressing some of the dilemmas arising between societies and companies in a globalised world.

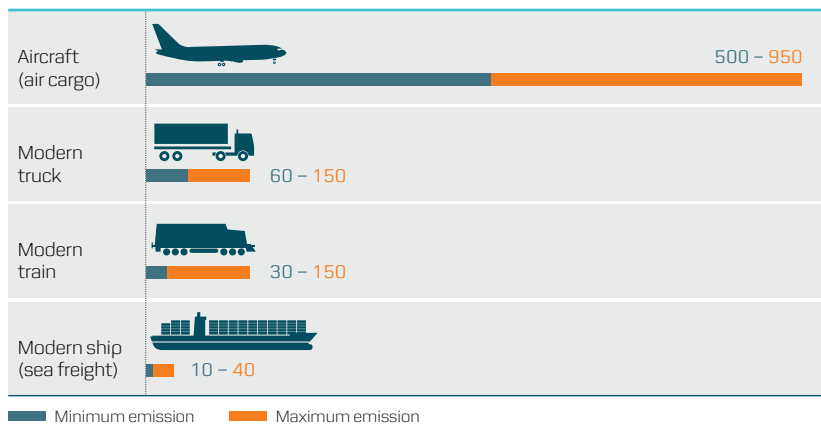
While it is the obligation of nation states to protect human rights and to ensure adequate level of national laws and enforcements, Maersk is committed to respecting human rights and we are implementing programmes to work systematically towards this goal such as our Global Labour Principles, Responsible Procurement, Health and Safety programmes, as well as our anti-corruption programme. We have established a framework and action plan to understand what the Guiding Principles mean for Maersk and the way we do business (see page 33).

THE FUTURE ROLE OF BUSINESS

Business will continue to play a major role in shaping ongoing globalisation through its management of capital and investments and by

Transforming transportation with low carbon solutions

CO₂ (in grams) emitted per metric tonne of freight per km of transportation



Transport is responsible for 23% of global CO₂ emissions⁶. Considering the need for long term economic development alongside the risks of climate change, transport is both part of the problem and part of the solution.

This dilemma is clearly reflected in our transport businesses, which produce the largest amount of CO₂ emissions in the Group by far. Yet sea transport is the most climate friendly mode of transport and has the potential to form the backbone of future lower carbon transport systems.

The Low Carbon Leaders Project, developed under the umbrella of the UN Global Compact's Caring for Climate Initiative and in cooperation with WWF.

⁶ CO₂ Emissions from Fuel Combustion, 2011 Edition, International Energy Agency.

developing products and services that meet emerging societal needs in a sustainable way.

The future trajectory of population, economic development and resource insecurity, combined with ongoing economic instability the economic

crisis of 2008, has led to a growing debate on how to design long term sustainable growth. The concepts of “creating shared value”⁷ and “capitalism for the long term”⁸ have been put forward to identify that business is a force for good when it serves long term economic and social interests

rather than only short term gains. For Maersk, as a company with substantial capital investments that have a life-span of 20–30 years, long term thinking is a natural part of the way we do business.

MAXimising West Africa’s trade potential

Maersk Line is introducing 22 new container ships to West Africa. Designed to enable higher port productivity in West Africa, the “WAFMAX” vessels help reduce important barriers for continued trade growth in the region.

Africa rising

Africa’s economy is growing rapidly. Over the past decade six of the world’s ten fastest growing countries were African, and in the period 2011-2015 seven of the world’s 10 fastest growing economies will be in Africa. West Africa stands out in this respect. In 2011, Ghana’s economy was predicted

to be the fastest growing in the world and in Nigeria annual growth has been around 9% during the last 10 years⁹.

Growing trade relations between Far East Asia and West Africa is one outcome of the strong growth. In 2011, container volumes between Far East Asia and West Africa grew by 25%, mainly due to large GDP growth in Ghana. In comparison, container volumes grew by approximately 6% between Europe and West Africa. China’s need for resources and commodities is a key driver of increased trade flows between Far East Asia and West Africa

along with increased demand for lower priced Chinese products in fast growing West African markets.

WAFMAX overcomes barriers to growth

In response to the trade growth between Far East Asia and West Africa, Maersk Line is introducing 22 new container ships from 2011-13. Nine have already been introduced in 2011. The WAFMAXs are the biggest container ships to ever serve West Africa. They can carry 4,500 containers (TEU) and have been designed specifically to accommodate West African ports.

The WAFMAX effect

We have studied the current and future impacts of the WAFMAX in Ghana (Tema) and Nigeria (Apapa) and estimated the following effects by 2013, all else being equal:

- Increased port productivity:** WAFMAX will reduce port turn-around time with up to 20% per annum in Apapa and up to 12% per annum in Tema.
- Reduced transportation and logistics costs:** WAFMAX can help bring down shipping, inventory and congestion costs with US \$131 million per annum in Apapa and US \$80 million per annum in Tema.
- Increased trade potential:** the WAFMAX has the potential to increase trade flows by US \$760 million per annum in Nigeria and US \$490 million per annum in Ghana by 2013.
- Reduced environmental footprint:** The introduction of WAFMAX will reduce absolute sulphur dioxide emissions in the ports by 20% per annum in Apapa and 13% per annum in Tema compared to a situation without WAFMAX. (Sulphur dioxide is a regional pollutant causing acidification and impacting on the health of the people who live close to ports). Furthermore, the WAFMAX vessels will have a 30% lower CO₂ footprint per container moved compared to the industry average.

⁷ Harvard Business Review, “Creating Shared Value”, January 2011

⁸ Harvard Business Review, “Capitalism for the Long Term”, March 2011 ⁹ International Monetary Fund

In West Africa, ports and container terminals are among the least efficient and most congested in the world. Dwell times - the time from when a container is discharged from a vessel until it exits the port facilities - are nearly quadruple those of Asian ports¹⁰.

Moreover, the majority of the container ships currently calling into West African ports are relatively small in size (between 1,700 – 2,500 TEU) and are unable to meet the specific conditions of the ports, the waiting time spent getting in and out of West African ports is significant.

In addition to delivering almost twice the number of containers in one ship, the physical dimensions of the WAFMAX along with an automated container lock feature enables faster discharge of containers and can provide a safer working environment for port stevedores.

Low port productivity contributes to high trade cost and inflated pricing of consumer goods. Transportation and logistics costs in West Africa are among the highest in the world and imported goods are out of reach for many African consumers. At the

same time, the West African economy continues to be heavily dependent on commodity exports of oil and mineral

transportation network; and upgrading the logistics planning capabilities of West African businesses.

“Transport is one of the key sectors that play crucial roles in achieving the goals of poverty eradication and sustainable development. The transport sector is very much linked and influences developments in other sectors of the economy. Indeed, it affects attainment of all eight Millennium Development Goals (MDGs).”

United Nations Economic and Social Council for Africa, African Review Report on Transport, 2009

reserves, resulting in a significant outflow of empty containers. Ultimately, the West African population bears the costs of the current system and its inefficiencies.

Improvements still needed

Important challenges remain to be addressed in order for West African communities to benefit from the full “WAFMAX effect”. These include overcoming the current capacity constraints in West African ports, increasing efficiency and transparency in customs declaration processes, improving and expanding the inland

significant macrolevel challenges remain for Africa as large inequalities in income and human development persist. The African Development Bank estimates that poverty will remain a fact of life for around a third of the people living in Africa for the next 40 years.

For poverty to decline significantly it is estimated that Africa needs a long term average of 7% annual growth in GDP across the continent. Enabling and improving conditions for trade – which is exactly what the WAFMAX does – will support reaching this level.

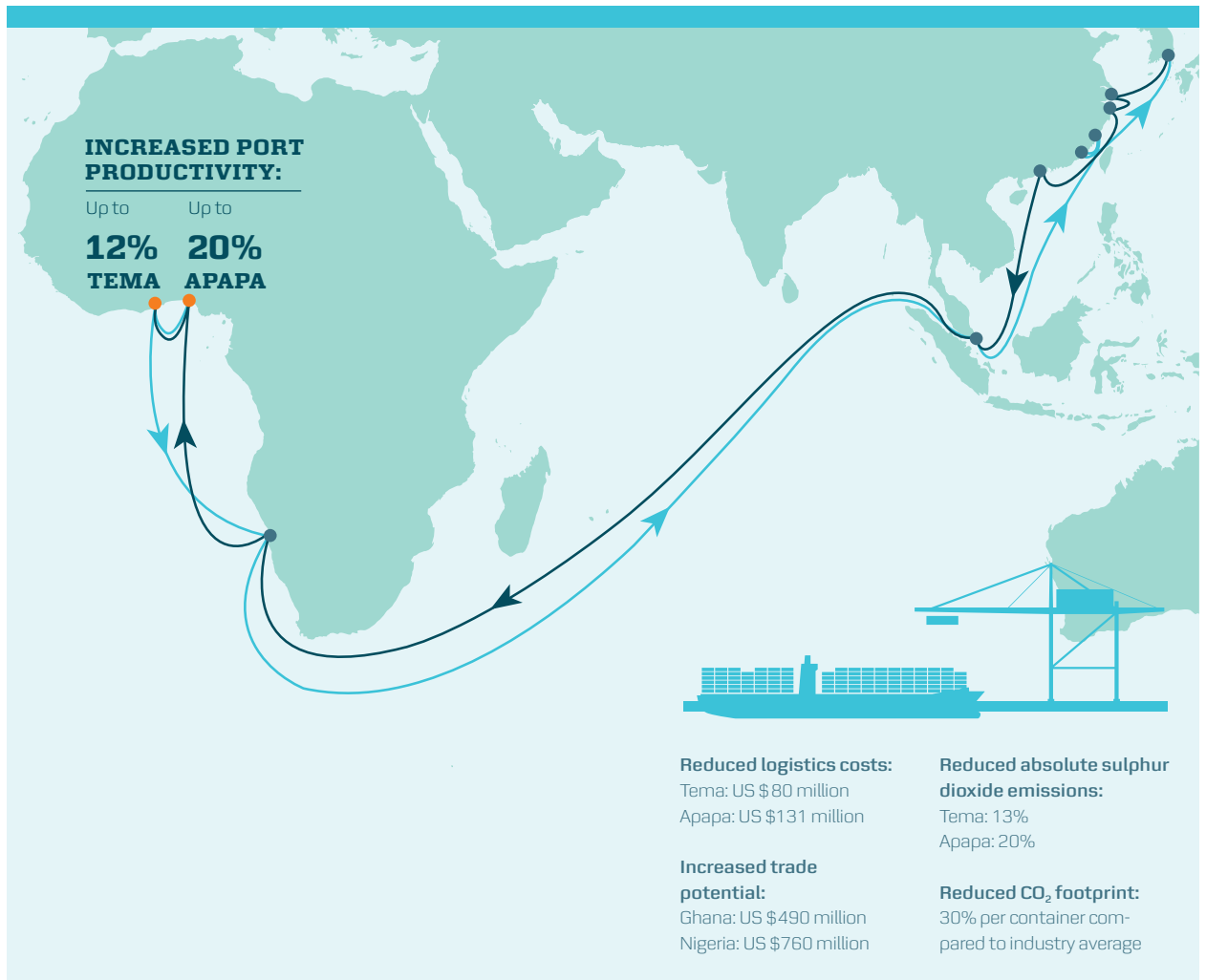
Partnering with ports and terminals for MAXimum effect

Getting ready to receive the WAFMAX vessels requires close collaboration between Maersk Line and the receiving ports and terminals in West Africa.

Examples of joint efforts include training of pilots and stevedores along with careful stowage planning to ensure that the vessels are navigated safely to shore and containers are discharged safely and efficiently. Fixed berthing windows are key to bringing down waiting time and helping terminal operators prepare for the large incoming volumes of the WAFMAX

vessels. In some ports such as Walvis Bay in Namibia dredging has already been conducted to accommodate a fully loaded WAFMAX vessel. In the port of Tema, an important milestone was reached in October of 2011 when the terminal delivered an all time high of 64 container moves per hour on a WAFMAX vessel.

¹⁰ Harding, Pålsson and Raballand, 2007



The value of time for Sunda

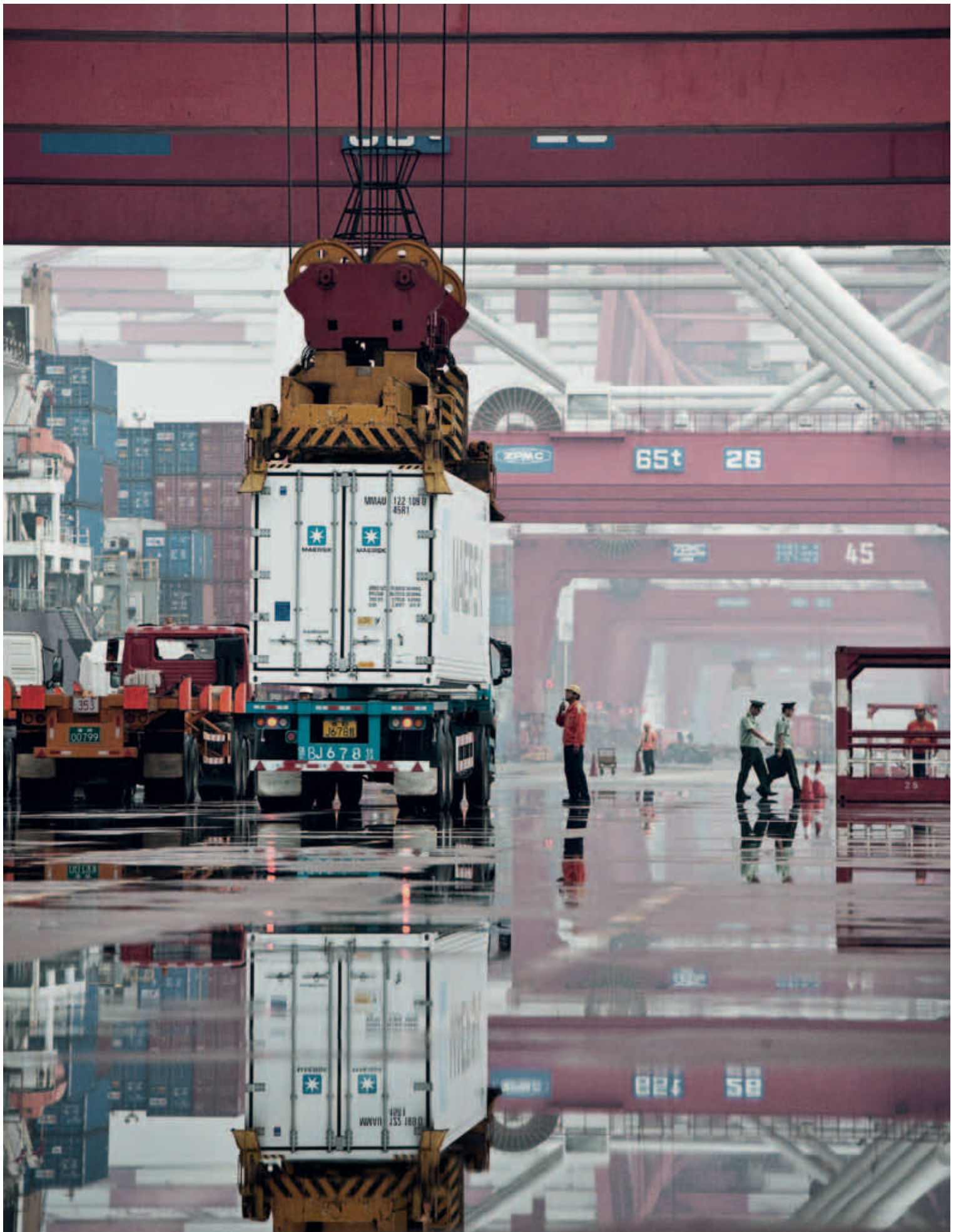
Guangzhou Sunda Intl Trading (Sunda) is a Chinese owned multinational trading company established in 2000. Sunda exports mainly construction materials, sanitary products and fast moving consumer goods from China to Africa and South America. In 2011, the company exported 16,000 TEU of goods. Being confident of on-time delivery is one of the main reasons Sunda uses Maersk Line to ship their products:

“In Sunda’s business, time is of the essence and must be reduced as much as possible to remain competitive. A stable and fast delivery of WAFMAX service is very important for Sunda. Every day we check the estimated time of arrival (ETA) of our cargo on Maersk Line’s website. Any delay of shipment impacts our inventories, sales and cash flow as well. And if our competitors get the products first, we will run the risk of losing our market.

WAFMAX may have an important impact on the future growth of our business. WAFMAX allows us to export

from China with assurance and thus impacts both our stock levels and related costs spent on warehousing, safety buffer and cash in the business loop. We hope it will enable us to export more than ever. With the support of the WAFMAX service, we may have a more healthy cash flow and expand our market share in Ghana, by beating our competitors who are not accommodated with such level of assurance in transit reliability and vessel space, simply.”

– Mr. YC Shen, President of Sunda



Stacks of blue and red containers in the background.

Truck with license plate **BJ6781** and **00799**.

Maersk container with text: **MWAD 122 108 0 45R1**, **MAERSK**, **MAERSK**, **WWW.MAERSK.COM**, **40HQ 125 1800**.

ZPMC 65t 26

ZPMC 45

ZPMC 82t 58

Group Sustainability Performance

Important steps towards stronger integration of sustainability in our business were taken in 2011. We completed new strategies in the areas of health and safety as well as climate change, and progressed with the roll out and implementation of a number of Group programmes.

Our performance in 2011 is testament to how far Maersk has travelled since 2008 when we began to integrate sustainability in our business. In 2011 we agreed on a new health and safety strategy, a new climate strategy and target for CO₂ emissions was

established, and Group wide programmes on anti-corruption, global labour standards and responsible procurement were implemented across our business units. Moreover, 2011 was the year where our governance structure, vision and strategy for sustainability

was tested by the reality of life in a global conglomerate.

In January 2011, Maersk was announced as one of the 55 global corporate sustainability leaders to join the LEAD programme under the Global Compact.

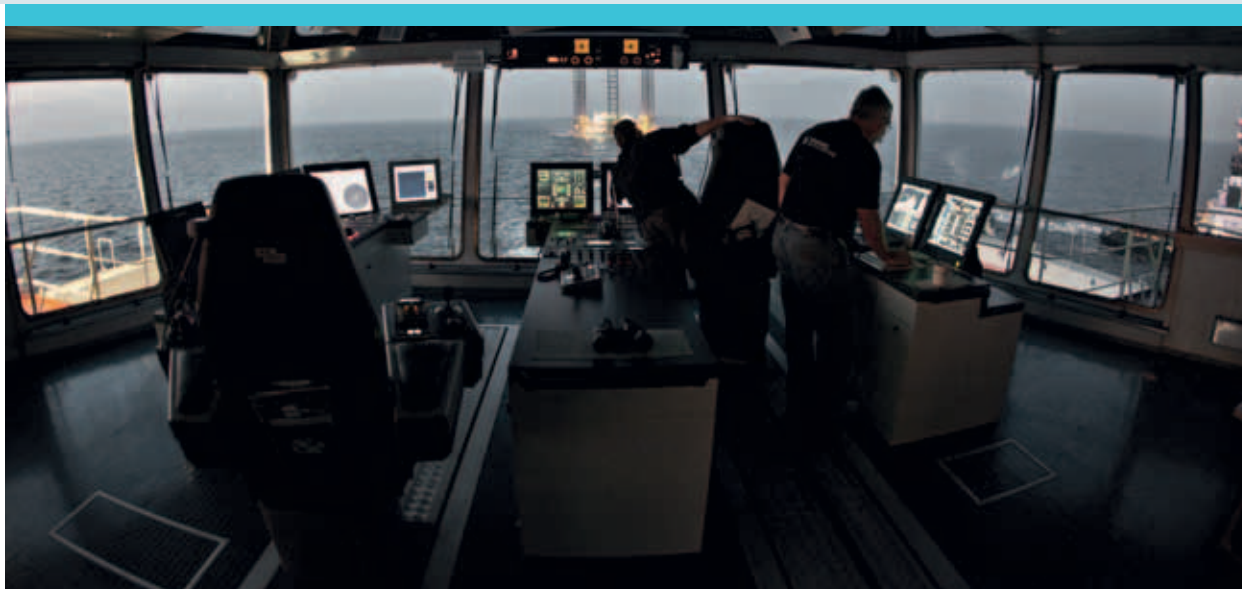
Sustainability strategy

The Group sustainability strategy provides direction, purpose and ambition on sustainability for Group functions and business units alike. The overall goal of the strategy is to integrate sustainability in all of our business operations by 2013, with the ultimate purpose of turning sustainability into a mid to long term competitive advantage for the Group.

As simple as this sounds, making it a reality in a global corporation is more complex than as such. To follow through on our ambition we have employed existing and new instruments. The strategy is structured around four key sustainability themes: health and safety; environment and climate, social responsibility, and responsible business practices.

READ ABOUT...

- Our strategy for integrating Sustainability into the business by 2013.
- Our governance structure and the sustainability council.
- Stakeholder engagement and how employees see Maersk.



ROUTES TO BUSINESS INTEGRATION

Our sustainability strategy outlines five priority areas, each of which aids in securing business integration. These, and 2011 achievements within each, are listed below.

1. Group standards

In key areas we establish standards and provide guidance for our business units and Group functions to improve our sustainability performance. In 2011 implementation and training progressed for the Group wide programmes on responsible procurement, anti-corruption and global labour principles. We also developed Group strategies on health and safety and climate change as well as new Principles for Government Interaction.

2. Performance management

Sustainability must become part of the performance system across the Group, and from 2011 we include sustainability in management reviews, leadership development programmes and our employee engagement survey.

3. Trend spotting and stakeholder engagement

In 2011 we asked more than 1300 stakeholders what they thought about our performance (see page 25). We are refining our approach to investigate future trends to understand better the mid to long term risks and opportunities for Maersk and stay in tune with the future needs of markets and societies.

4. Capital expenditure

During 2011 we updated our due diligence processes for mergers and acquisitions (M&As) and included further environmental and social, including human rights, criteria into the risk screening process. We aim to further include sustainability perspectives in broader capital expenditure decisions and this work will be a focus area in 2012.

5. Sustainability as a source of innovation

We are exploring how we can help solve societal needs in a way that will at the same time make sound business sense. In 2011 we initiated a programme of work to deepen our

understanding of how our businesses impact long term economic development, as an outset for identifying innovation opportunities.

MONITORING INTEGRATION

During 2011, we developed and implemented a dashboard system to monitor the level of integration of sustainability within our business units' operations. Beginning fourth quarter 2011, business units now report on integration progress quarterly to the Sustainability Council. The first such report showed good but varying progress made by business units.

OUR SUSTAINABILITY VISION AND STRATEGY

Our vision is to be a responsible and profitable enterprise balancing economic, social and environmental concerns for the benefit of the Group and the global community. To achieve this, our strategy is to integrate sustainability systematically into all our business processes and make sustainability a competitive advantage.

Governance

The sustainability governance framework connects Group and business units closely and promotes the integration of sustainability into daily operations. It covers three main areas: commitments, governance processes, and performance management.

ROLES AND RESPONSIBILITIES

Executive Board

The Group's top management, the Executive Board, has overall responsibility for sustainability matters.

Sustainability Council

The Sustainability Council reports to the Executive Board and oversees compliance with Group sustainability standards and the integration of sustainability across business units. It also deals with Group-wide sustainability dilemmas. Membership of the Council includes executive level representatives from major business units as well as relevant Group functions. Executive Board member, Claus V. Hemmingsen, chairs the Council. The Sustainability Council meets four times a year.

In 2011, a selection of agenda items included:

- Adoption of a new Group wide Health and Safety strategy
- Approval of a disaster response programme
- Approval of a new Group wide climate change strategy and position
- Review of the five pilot CEO Sustainability Reviews
- Adoption of a dashboard system to measure business integration of sustainability
- Approval of the Group Human Rights Framework
- Approval of the new Group wide strategic donations framework.

Group Sustainability

The Group Sustainability team sets overall direction for sustainability in Maersk, developing strategy, minimum standards and positioning for the Group, as well as holding responsibility for sustainability governance. External trend spotting and stakeholder engagement and communication are also responsibilities of the team.

Business units

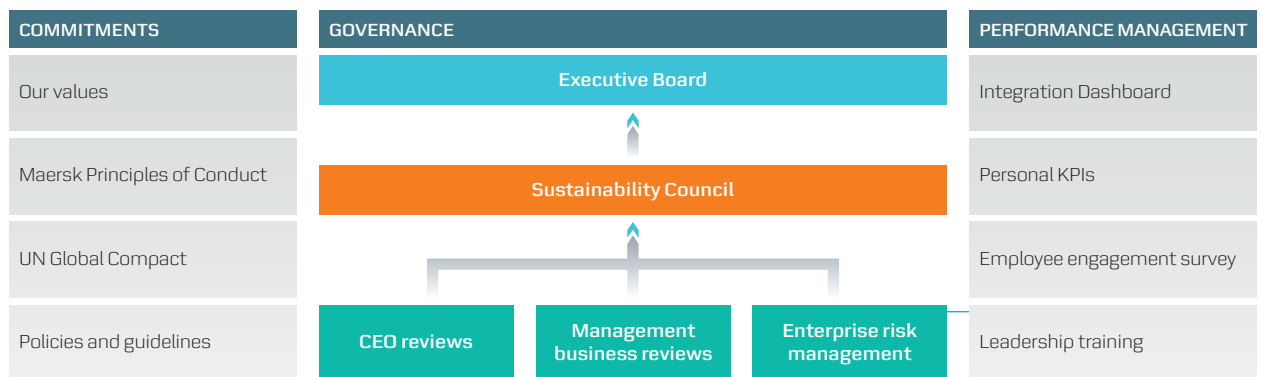
Business units develop and implement their own sustainability strategies as well as Group standards. This includes monitoring and reporting on their performance. See the business unit section starting page 48.

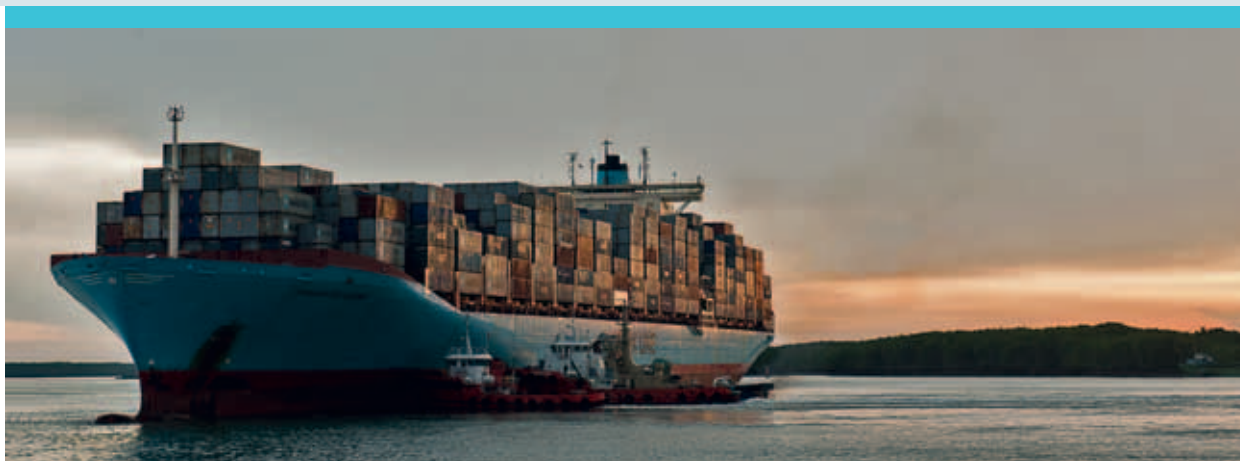
GOVERNANCE PROCESSES

Three separate processes are interlinked to ultimately provide the Executive Board with a strong overview of sustainability performance and integration:

- A CEO review process designed to enable open discussion between Group Sustainability and each business unit CEO about how sustainability is relevant for the future of the business. During late 2010 and early 2011, we piloted five CEO reviews with Maersk Line, Maersk Supply Service, Maersk Tankers, Maersk Oil and Danbor. The full process will be rolled out in 2012. The review process will follow a two-year cycle of alternating CEO and peer reviews, which means that every year each business unit

Sustainability governance framework





will either host a CEO review or participate in a review with sustainability experts in other business units.

- Integration of sustainability elements into existing business unit management reviews. Run by our Group Strategy function, the reviews focus on busi-

ness unit positioning and performance and some sustainability questions are already included in the process.

Management process, run by Group Finance.

PERFORMANCE MANAGEMENT

We have established a number of performance management tools and processes to help embed sustainability into our performance culture.

“In its first full year of operation, the Sustainability Council has reviewed, debated and agreed a range of critical and forward looking sustainability initiatives that will further guide us in achieving our aim of integrating sustainability across the Group. Judging from both the quantity and the magnitude of issues tabled at the Sustainability Council, it is very clear that the APMM Group and our activities generate substantial public interest. True to our history and values, we will continue to focus on always doing the ‘right thing’.”

Claus V. Hemmingsen, member of the Executive Board and CEO of Maersk Drilling, Chairman of the Group Sustainability Council

- We are working to integrate sustainability into the Group Enterprise Risk

Executive Board Sustainability Day

An annual event for the Group Executive Board allowing the time and space to engage on sustainability topics and issues faced by the Group and its operations. The first sustainability day,

held in November 2011, focused on safety, one of our headline sustainability issues (see page 27).

Personal KPIs

In 2011, four members of the Executive Board had sustainability related KPIs. Over the coming years, we will consider how to integrate sustainability performance metrics into the personal objectives of our leaders.

Employee engagement survey

Our annual employee engagement survey has a number of questions dedicated to Maersk and sustainability. Employees' perceptions of sustainability are directly fed back to managers, who are able to respond to any areas requiring improvement. More details on the engagement survey and results for 2011 are contained in the stakeholder engagement section, page 25.

Leadership training

During 2011, we developed and piloted a sustainability module for the Group wide leadership training programmes. Full roll out will be carried out in 2012 along with the launch of an e-learning module on sustainability. When fully in place, around 900 to 1,000 leaders will undertake the sustainability training each year. We will offer a voluntary, full day sustainability training course from 2012.

Stakeholder engagement

In 2011, Maersk commissioned GlobeScan to carry out a reputation assessment survey among key stakeholders of the Group and six key business units.

A total of 1,357 responses globally were gathered from a wide variety of Maersk stakeholders. The main conclusions from the survey were:

1. Stakeholders hold more positive impressions of Maersk (79%) compared with competitors (37%).
2. Maersk scores well on operational metrics, such as financial performance and innovation, but relatively lower on sustainability elements, such as climate change and social responsibility.
3. Maersk's reputation is ultimately based on the ability to open up new markets, contribute to economic growth of countries and to innovate.

We are using these results to inform our future communication and engagement efforts.

LOBBYING

Engaging in constructive dialogue and lobbying on issues that are relevant to

our businesses is an important way for Maersk to contribute to public policy and political debates. We believe that this engagement is to the benefit of business as well as society and helps to manage potential issues and risks actively. A sizeable share of this work is conducted through our participation in industry organisations such as the Danish Shipowners' Association.

We strive to act as a good corporate citizens when engaging with governments and political institutions, and to share in a responsible manner our experience and views on subjects of concern to the Group. We conduct lobbying in accordance with the Maersk Principles of Conduct and in 2011 took a step further with the development of a set of uniform Principles for Government Interaction. These Principles are currently being reviewed internally to understand implications across different regions and legislations. Once finalised they will be made publicly available.

HOW EMPLOYEES SEE MAERSK

Our annual employee engagement

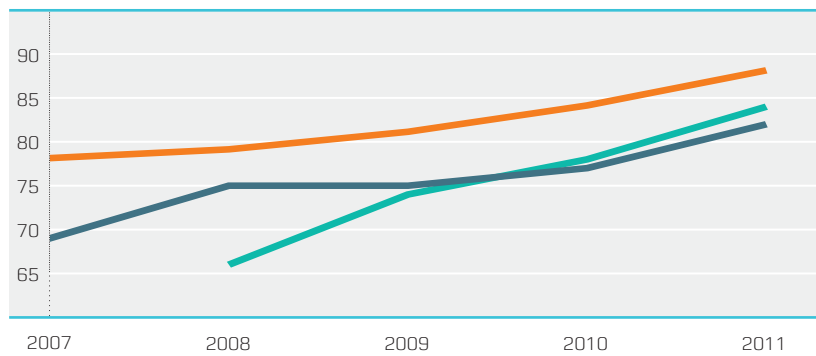
survey explores employee perceptions of our approach to sustainability.

Compared with 2010, the employee engagement scores for sustainability related questions improved in line with an overall improvement in engagement across the company. Overall, the response rate to the employee engagement survey was 90% and there was a 6% leap in favourable responses to the question *"my company makes a genuine effort to be socially and environmentally responsible"* and a 4% jump in favourable responses to the question *"my company is committed to employee safety."*

In the 2011 survey we added a new question to gauge perceptions of sustainability at a general level, in addition to specific questions on safety and environmental protection. Following a pilot with Maersk Line in 2011, we will add a further question to the survey in 2012 asking employees whether they feel that their manager takes into account social and environmental considerations in decision making.

Employee engagement survey 2011

Percentage favourable responses



In Maersk's annual employee engagement survey, employees indicate how they see the company's efforts on safety management, diversity and environmental management.

- My company is committed to employee safety
- My company treats people equally with respect to gender, race, nationality, religion etc.
- My company is making a genuine effort to be socially and environmentally responsible

Strategic partnerships and memberships

We are involved in many partnerships at Group level and within our business units, and we are members of many organisations that are relevant to our business or specific sustainability issues.



The UN Global Compact

As members of the UN Global Compact we are engaged in both local and global networks and groups. We currently engage in the Nordic, Singapore and Mexican local networks. We also participate in four Global Compact issue working groups on anti-corruption, Caring for Climate, Supply Chain Sustainability, and Business and Peace.

www.globalcompact.org



UN Global Compact LEAD

Maersk Group is one of 55 participants in the UN Global Compact LEAD programme. Launched in January 2011, LEAD is a platform that supports leading UN Global Compact participants in their efforts to achieve higher levels of corporate sustainability performance. We take an active part in LEAD meetings and task forces, including the Task Force on Communicating Sustainability Leadership.

www.unglobalcompact.org/lead



World Economic Forum (WEF)

WEF is an independent international organisation committed to improving the state of the world by engaging business, political and academic leaders.

We are part of the Logistics Emergency Team (LET), a group which assists in the first weeks after a natural disaster (page 34). We are also members of several working groups focusing on logistics, transportation and sustainability.

Maersk Line is a corporate partner of the WEF's "New Vision for Agriculture" project, which focuses on challenges of food security and environmental sustainability as well as the economic opportunity provided by agricultural growth.

www.weforum.org



Business for Social Responsibility

Business for Social Responsibility (BSR) is an international sustainability expert group. Maersk is active in two BSR programmes. Beyond Monitoring investigates options for creating sustainable, high performance supply chains and Clean Cargo works to standardise the CO₂ calculation methodology for shipping, creating a recognised source of high quality, performance based data on ocean shipping.

www.bsr.org



Forum for the Future

Forum for the Future's Sustainable Shipping Initiative (SSI) brings together companies from across the industry to plan how shipping can contribute to – and thrive in – a sustainable future. The Initiative, founded by Maersk Line, Gearbulk, BP Shipping, Lloyd's Register, ABN Amro and WWF has set out a shared vision for a sustainable shipping industry in 2040, backed up with specific commitments.

www.forumforthefuture.org



Extractive Industries Transparency Initiative (EITI)

In 2011, Maersk Oil became a supporter of the EITI. The EITI is a coalition of government, companies and civil society that aims to make natural resources benefit all. It sets a global standard for transparency in oil, gas and mining.

www.eiti.org



World Ocean Council

Maersk is a member of the World Ocean Council, an international, cross sector alliance for the private sector on corporate ocean responsibility. In 2011, Maersk Line entered into a research programme – "Smart Ocean/Smart Industries" – with the World Ocean Council and rig operator, Transocean. The programme aims to expand the collection of ocean and atmospheric observations from ships and platforms to improve the modelling and predictability of weather, ocean conditions and climate change.

www.oceancouncil.org

Health and safety

The health and safety of our employees, the safety of our assets and the security of our operations against piracy will always remain among the very top priorities of the Maersk Group. The industries that we operate in and some of the environments where we work

demand excellence in safety management and procedures. In some of our industries, such as oil and gas exploration, drilling and marine services, top class safety performance is closely connected with our licence to operate and ability to pursue business oppor-

tunities. This is why safety is not only at the core of our sustainability efforts but at the core of our business. Safety is an all-encompassing priority for our Group, from the Executive Board down to all business units.

Safety governance

From a governance point of view, safety is well defined at all levels of our organisation. Safety is at the top of the agenda at the Executive Board's 25 or so meetings per

our business units and all members of the Sustainability Council come together to discuss and debate safety within the Group. With input from

- Human errors cannot be accepted as a root cause of any safety incident. Instead we need to better understand the reasons behind human errors and handle these background factors.
- We will strengthen systematic learning between business units.
- Special attention should be paid to injuries that have a high potential to become serious events.

"Safety makes us special. It needs the attention of the highest leadership and the Executive Board discuss safety whenever we meet. While working here, you enter the tradition of taking care of one another."

Nils S. Andersen, Group CEO, speaking at the Executive Safety Day

year and is a principal area of attention for the Sustainability Council. Safety is also a key area of focus within the annual business unit CEO reviews performed by the Group Sustainability team.

EXECUTIVE SAFETY DAY

The safety day, held in November, saw the CEOs and heads of safety of all

external expert speakers, one of the main themes of the day was improving understanding of how fatal accidents can be prevented.

Key points from the Executive Safety Day on safety are integrated in our new Group health and safety strategy. These included:

READ ABOUT...

- Our new Health and Safety strategy.
- The first ever Executive Sustainability Day, focused on safety.
- Our safety performance for 2011, including insight on cases of exploding refrigerated containers in Vietnam and Brazil.
- Our efforts to respond to the risk of Piracy.

A new Group health and safety strategy

The Group operates in different industries with different challenges and approaches to safety but with the same goal to always improve our safety performance. To ensure that we, as a Group, are working in the same direction we developed a new health and safety strategy in 2011 covering 2012-2015, based on the overall rationale of “share and improve”. The aim of the strategy is to deliver a concerted upgrade for the entire Group with a focus on fighting fatalities. An important element is to promote systematic sharing of better safety practices and competences between business units in order to improve existing standards and procedures across the Group.

The strategy kicks off in steps, with the first phase launching in 2012 with a focus on process and occupational safety. The second phase kicks off in 2013 and will cover occupational health and health management.

A newly established Health and Safety Committee is overseeing the strategy. This is made up of the safety leaders from key business units and Group Sustainability. The committee has the remit to make decisions on safety itself, but can also refer dilemmas or challenges to the Sustainability Council for a final decision.

For the first phase of the strategy, three key actions are outlined:

Fatality Review Group

We will establish a fatality review group to assist with the complex task of investigating a fatal accident. This group will consist of skilled accident investigators. The ultimate aim is to bring down fatality numbers to zero.

Group health and safety performance parameters

Although we continue to reduce the rate of lost time injuries, the number of

fatalities is not affected. This pattern is backed up by a number of safety studies which challenge the traditional “safety triangle” thinking suggesting that as accidents and injuries decrease, fatalities also decrease in line with these improvements.

We will assess the potential to develop additional performance parameters for safety to allow senior management to measure and evaluate performance more broadly than with standard accident and lost time injury rates.

Knowledge sharing framework

Within the Maersk Group insight and experience of safety best practices is spread across our business units. This knowledge is currently fragmented and there is a large opportunity for the Group in better sharing of information and experiences. The Health and Safety Committee will establish health and safety networks

Exploding reefer (refrigerated) containers

During 2011, we experienced three incidents where reefer containers exploded during operation. Tragically, three people lost their lives as a result of these explosions. See the overview of fatalities table for more information.

Investigations found that the explosions were caused by the introduction of counterfeit refrigerant being charged in to the units. The contaminated gas may have been charged

during repairs to up to 323 containers which were at the APM Saigon repair facility in Cat Lai, Vietnam between 30 March and 25 April 2011.

We took steps to ground all potentially affected reefer containers that had received gas repairs in Vietnam since 1 February, a total of 844 containers. We sent a message to all carriers and depots transporting or storing the potentially affected reefer containers, instructing them to turn the refrigeration equipment off and under no circumstances attempt any repairs. We also requested that the World Shipping Council contact its members

to make them aware of the situation and ask them to immediately release information on any similar events.

The containers will remain grounded until the exact reason for the incidents is determined and a safe repair method developed. We have developed a testing method to check the grounded containers and commenced testing at the end of January 2012.

Together with suppliers, manufacturers and third party experts, we continue to investigate how the counterfeit refrigeration gas entered our supply chain.



consisting of experts from relevant business units that will share insights and lessons learned directly through workshops, as well as on an ad hoc basis; and a toolbox that will provide a database of cases, standard templates for incident reviews and procedures, and a match-making facility with profiles, references and contact details to connect relevant safety personnel.

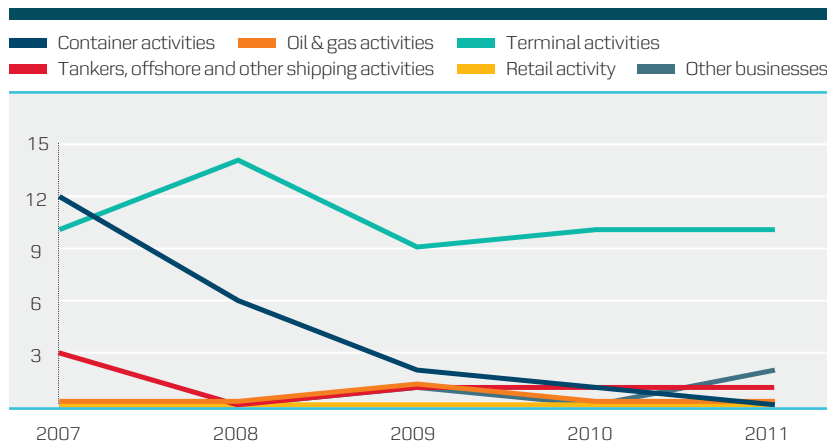
SAFETY PERFORMANCE 2011

In 2011 the vast majority of business units improved their lost time injury frequency (LTIF); seven out of the 11 largest business units now have an LTI frequency less than 1.0. It is a positive development and reflects the work Maersk is doing in order to create a safe workplace. Despite reductions in LTIF, we have not been able to reduce the number of fatal accidents which

increased to 13 in 2011 against 12 in 2010 among our own employees as well as contractors and third parties who work under our direction. In addition, two of our employees lost their lives by undertaking work at sites where we do not have operational control.

APM Terminals is an example of the fact that a reduction of LTIF does not necessarily reduce the number of fatal

Fatalities per business segment



TARGETS 2012

- Implement five working groups within the Health and Safety Committee
- Reduce the number of fatalities
- Ensure strong safety governance across BU's and Group
- Improved accident investigations for severe accidents
- Start developing phase two of the safety strategy on occupational health and health management.



Fatalities 2011

Business unit	Location	Description	Employed by
Fatalities under Maersk operational control^a			
APM Terminals	Apapa, Nigeria	Third party hit by a truck while waiting to enter customs scanning area	Third party
	Mumbai, India	Safety and food inspector killed by a container explosion and subsequent fire	Third party
	Mumbai, India	In the same incident as above an employee of a forwarding company killed by a container explosion and subsequent fire	Third party
	Cotonou, Benin	Co-driver killed by reversing truck and trailer while checking trailer seals	Third party
	Itajai, Brazil	Employee crushed between two containers during off loading	Maersk
	Mumbai, India	Third party driver hit by a passing trailer during poor weather conditions	Third party
	Cotonou, Benin	Traffic accident resulting in a security guard being hit by a truck	Contractor
	Itajai, Brazil	Technician killed by an explosion from a reefer container cooling unit while conducting repairs (see page 28)	Maersk
	Apapa, Nigeria	Stack of containers blown over by fierce wind. Truck driver struck by container	Third party
	Callao, Peru	Truck driver hit by forklift	Third party
Maersk Container Industry	Dongguan, China	Employee fatally injured by a moving container	Maersk
	Dongguan, China	Fall from height	Maersk
Maersk Supply Service	West coast of Africa	Fatality resulting from an engine room fire	Maersk
Maersk employee fatalities not under Maersk operational control			
APM Terminals	Cattai, Vietnam	Technician killed by an explosion from a reefer container cooling unit while conducting repairs (see page 28)	Maersk
	Shanghai, China	Mechanic hit by reversing truck	Maersk

^a Excludes fatalities due to criminal acts.

accidents. APM Terminals new long term safety strategy has therefore moved the focus onto the serious and potentially serious accidents.

each step in the right direction can take time. Twenty years without an LTI onboard Esvagt Preserver and twelve years without an LTI onboard Maersk

in our 2010 sustainability report. Since then, Maersk insurance teams and Maersk Line have continued to investigate and work with trucking vendors to research each case better and improve reporting accuracy.

“Our goal of zero incidents and zero fatalities will never change and **our commitment to safety is higher than ever**. If we have a facility that can't be brought up to standard, I'm willing to leave this facility.”

■ **Kim Fejfer**, CEO APM Terminals

In 2011 Maersk Oil started implementation of an “Incident Free Maersk Oil” which involves Maersk's own employees and contractors. Together with other initiatives, the programme shall help to maintain and strengthen the safety performance of Maersk Oil both in terms of both occupational safety and process safety.

Arun and Maersk Prime are just two examples of many that show us that it is possible.

Note: A complete list of LTIF for all of our business units is available at Maersk.com

OPERATING IN AFGHANISTAN

Maersk reported 39 fatalities associated with our outsourced trucking operations in Pakistan and Afghanistan

This has resulted in revised fatality numbers that indicate there have been 43 fatalities associated with the business in Pakistan and Afghanistan from the beginning of the programme until December 2011.

Since April 2009, Maersk Line has carried insurance to compensate the families of those injured or killed during the movement of military cargo as part of the U.S. government contract. Maersk Line's insurance company has also contracted a third party firm with local offices in Pakistan to work with families on compensation issues for each injury or fatality that has occurred since April 2009.

We still believe that zero incidents can be achieved but recognise that

Safety management at Maersk Supply Service

In November 2011, safety management at Maersk Supply Service was the subject of critical coverage in a series of articles by a Danish newspaper published over a 14-day period. The newspaper claimed significant failures in safety standards across Maersk Supply Service's on shore and on board operations. The claims were mainly based on three internal emails that the newspaper had come into the possession of. These emails were

used in a way that suggested that the whole fleet suffered from safety shortcomings.

One of the emails covered the findings of an external safety audit of the vessel “Maersk Master” in May 2011. Unfortunately this email, sent to all Maersk Supply Service vessels, contained factual errors, which lead to inaccurate reporting by the newspaper. In addition to covering the actual audit findings, the email incorrectly included a range of additional points that were shown as “typical examples” of safety deficiencies on the external auditor's standard audit form, and were as such

not findings from the Maersk Master safety audit.

The newspaper was presented with the many factual mistakes in the articles and cause of the misunderstanding, but the newspaper decided not to print a correction, claiming the paper had “other anonymous sources and documentation”. The claims regarding the overall safety level in Maersk Supply Service were however never backed by quotes from sources – named or anonymous – in the published articles, nor were additional documentation presented or disclosed.

Piracy

Piracy remains the main maritime security concern for the Group. Maritime security for Maersk has improved. In 2011, the volume of reported piracy activities around the world was similar to 2010, while the hijacking success rate was reduced by 50%.

All attacks on our ships were averted through increased focus on piracy from naval forces, our compliance with best management practice set by the industry and also the deployment of on board armed guards on several of our ships.

Over the last two years Maersk has invested substantially in reducing the risk of piracy to our crews and vessels. Piracy related costs for the Group reached US \$100 million in 2010 and these

costs have nearly doubled in 2011. This increase has come mainly from preventative measures established in line with industry recommendations, the use of higher speeds through piracy waters and an increased focus on courses and training.

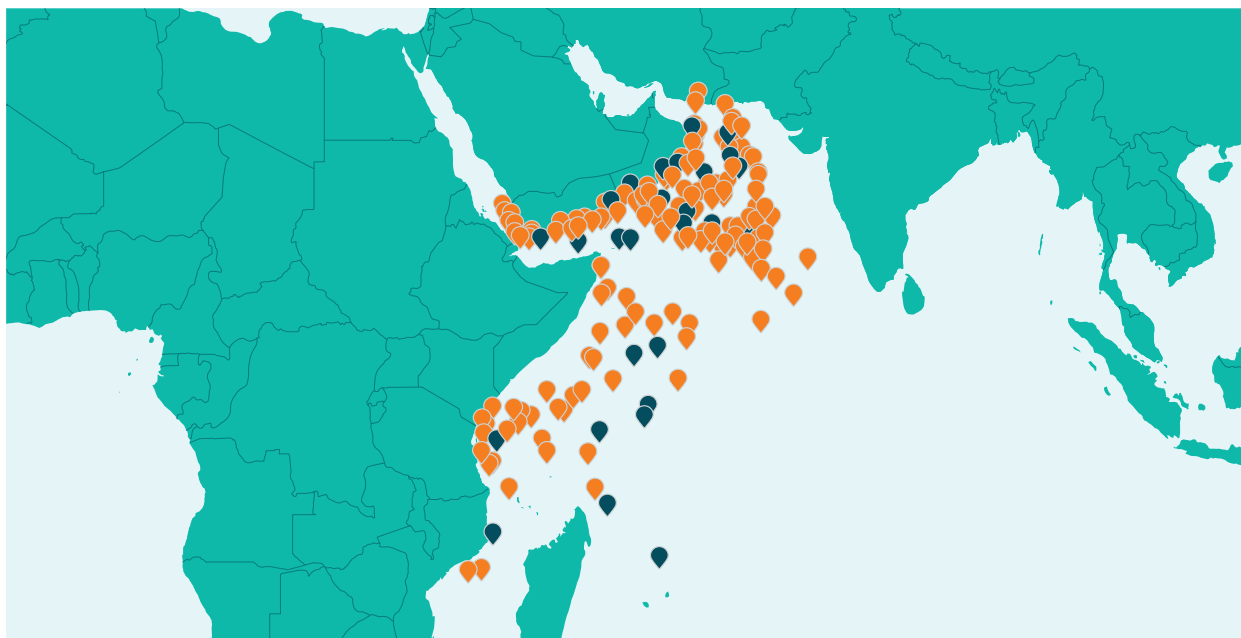
ARMED GUARDS ON BOARD

Shipping operators are increasingly using armed guards on board to add to the security measures provided by naval forces in piracy hotspots. Evidence suggests that more than 50% of unsuccessful pirate attacks result from having armed guards on board. The trend shows that since the use of armed guards on board, there has not been an escalation in the use of weapons handled by pirates.

Maersk's policy is to address the threat of piracy first through risk based management practices and working with naval forces. However, where ships are particularly at risk and these practices do not ensure the safety of our crew, we will employ armed guards on our ships.

It is Maersk's firm opinion that armed guards on merchant ships will not make the problem go away. This is not a problem we or the shipping industry can solve alone. It must be solved in collaboration with and under the direction of the international community and the relevant authorities.

Piracy attacks 2011



● Attack ● Attempted attack Source: MaRisk by Risk Intelligence 2011

Human rights

The UN Guiding Principles on Business and Human Rights was launched in 2011. For the first time, a set of principles seeks to define the boundaries of responsibility for human rights between nation states and companies and provide a comprehensive and widely accepted view of the obligations in this area.

HUMAN RIGHTS GAP ANALYSIS

In 2011 we engaged external experts to undertake a human rights gap analysis against the expectations of the Guiding Principles. The analysis covered Group functions as well as Maersk Line and Maersk Oil and assessed all issues, policies, commitments, systems, processes and KPIs in relation to the Principles.

Areas that were identified for improvement include integrating the human

rights perspective into our general risk management systems, including a systematic mapping of how the business impacts the human rights of neighbouring communities and other people affected by our operations and services. In addition the need was highlighted for a “translation” of what human rights mean in the context of different business functions, such as sales, human resources, legal etc.

A FRAMEWORK FOR ACTION

As a direct response to the findings of the gap analysis, we have created a framework for Business and Human Rights and an action plan for 2012-13. As with our overall sustainability strategy, our long term approach is to integrate human rights management into existing company systems, such as due diligence processes and enterprise

risk management. By the end of 2013 our objective is to have an integrated risk management system in place to manage human rights risks across the Group and top level processes and systems in place to meet the expectations of the Guiding Principles.

The action plan 2012-13 has four key work streams illustrated in the table.

READ ABOUT...

- Our framework for action on human rights.
- Our Disaster Response Programme and partnership with the UN's Logistics Emergency Teams.
- Our strategic approach to philanthropy.

Action plan 2012–13

Work-stream	Mapping and integration of human rights risks	Extreme risk countries	Operational level grievance mechanism	Legal and contracting practices
Action	High level analyses to understand how human rights change the risk and impact profile of the business, including assessments within each business unit.	Assess whether the Guiding Principles provide a suitable framework for operating in extreme risk countries.	Assess how the Guiding Principles and its provision for access to remedy for victims of human rights abuses can be operationalised locally.	Ensure that potential human rights risks in contracting practices are properly understood and sought mitigated with our partners, suppliers and other business relationships.
2013 targets	Ensure human rights risks are captured and integrated into the Group Enterprise Risk Management system and business unit risk processes. All business units to conduct human rights assessments and amend top level systems accordingly.	On a needs basis, establish a Group position on conducting business in such countries.	Develop Group principles for operational level grievance mechanisms and share with all business units.	Participate in international work streams developing and defining this area. Share best practice across legal departments within Maersk.



Human rights in contracts

We are taking part in a 12 month learning forum jointly developed by the Institute of Business and Human Rights and the Global Business Initiative on Human Rights that focuses on corporate respect for human rights in contractual relationships. The forum will launch a public “state of play” report in mid 2012 setting out existing practices and common challenges and dilemmas faced by businesses.

“Businesses are an integrated part of the development of our societies and the **newly UN endorsed guiding principles for human rights and business provide a much needed clarification of business responsibilities** – and lifts the corporate responsibility for the respect of human rights to an international standard.”

John Morrison, Executive Director, Institute for Human Rights and Business

Disaster response and strategic philanthropy

Providing access to areas struck by natural disasters is a key community focus. To ensure that we deliver the best aid we have developed a systematic approach; for major international disasters we are now partners of the UN World Food Programmes Logistics Emergency Teams. Learn more about the programme at www.maersk.com.

LOGISTICS EMERGENCY TEAMS

In January 2011, we cemented our involvement in the Logistics Emergency Teams (LET) at the World Economic

Forum meeting in Davos. LET is a partnership between the World Economic Forum, the UN World Food Programme and four companies – Maersk, Agility, TNT and UPS. In the event of a large scale natural disaster, LET provides emergency support in the first three to six weeks in the form of logistics specialists and managers; logistics assets, such as warehouses and containers; and transportation services (shipping, airfreight etc). To support our commitment, we have established a disaster response coordination team to take the

lead on our relief efforts during disasters. As part of this team we have trained an expert LET response team made up of 24 volunteers from Maersk Line, Damco and APM Terminals.

2011 LET activities

In March 2011, a massive earthquake and tsunami struck Japan. The LET was activated and Maersk offered 125 twenty foot equivalent units (TEU) of transport including end point delivery. Although the LET response required for the Japan earthquake disaster

was limited, another key element of Maersk's support was maintaining business continuity and keeping Japan connected to the global supply chain. Four Maersk employees worked with

When we activate our disaster response through LET, we also activate an employee giving scheme and the Group matches all employee donations. In 2011, a total of US \$176,012

"We are very happy with the partnership with Maersk which extends our logistics capability to respond to human suffering and natural disasters."

Wolfgang Herbinger, Director, World Food Programme Logistics Division

the World Food Programme and LET to undertake a logistics capacity assessment (LCA) in Nigeria. An LCA assesses ports and airports, rail capacity, road networks and corridors, storage facilities and logistics services. This enables the humanitarian community to build scenarios and make accurate logistics plans in the case of disasters or if massive assistance is required. It is also an opportunity for Maersk to strengthen its understanding of logistics connections wherever an LCA takes place.

ADDITIONAL SUPPORT

In 2011, Maersk made a corporate donation of US \$450,000 to the famine in East Africa through the UN World Food Programme and "Danmarks indsamling."

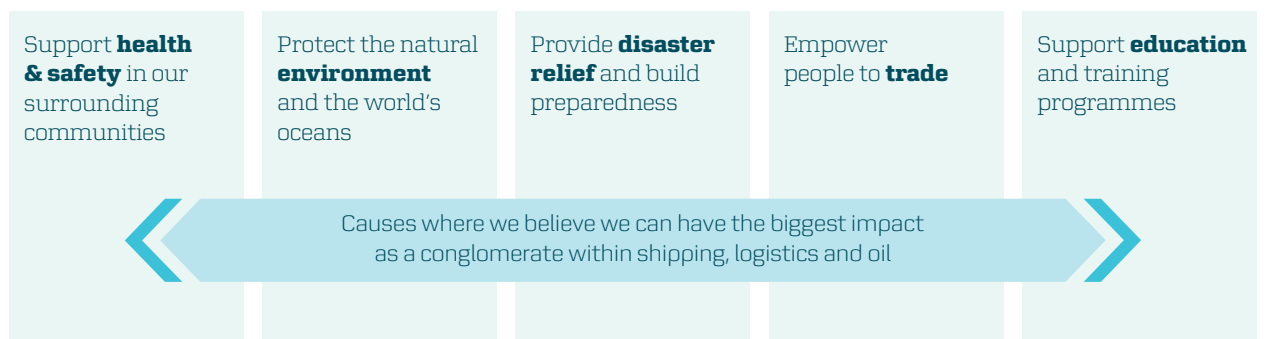
was donated to the Japan earthquake crisis appeal. All donations are made to the International Federation of Red Cross and Red Crescent.

STRATEGIC DONATIONS PROGRAMME

We also developed guidelines for donations and community investments for business units in 2011. The overall purpose is to ensure that donations are managed the same diligence to value creation as any other part of the business. With the guidelines we ensure a consistent approach to donations across the Group by focusing on and measuring the inputs, outputs and impact of donations or partnerships. The guidelines list five focus areas:

- **Provide disaster relief and build preparedness:** Projects that help alleviate the impact of large disasters and increase access to essential goods and services for the impacted communities
- **Empower people to trade:** Projects that help develop new social and economic opportunities for underprivileged communities through global trade
- **Support health and safety in our surrounding communities:** Projects that will support making our local communities more healthy and safe
- **Protect the natural environment and the world's oceans:** Projects that help protect the environment and the natural resource base on which we, our customers and local communities depend
- **Support education and training programmes:** Projects that will support education at all levels of society including training to support the objectives of the other key themes.

Themes for donations and community investments





Labour principles

Global labour principles

Our Global Labour Principles¹¹ span our global operations, covering all business units and employees. They are based on international conventions and are designed to provide equal minimum standards for our employees across the diverse cultures and regulatory environments that we work in.

The principles reflect our commitment to the UN Global Compact and ensure high quality and fair labour conditions for our people and provide the systems and processes for them

to raise concerns or issues within the workplace.

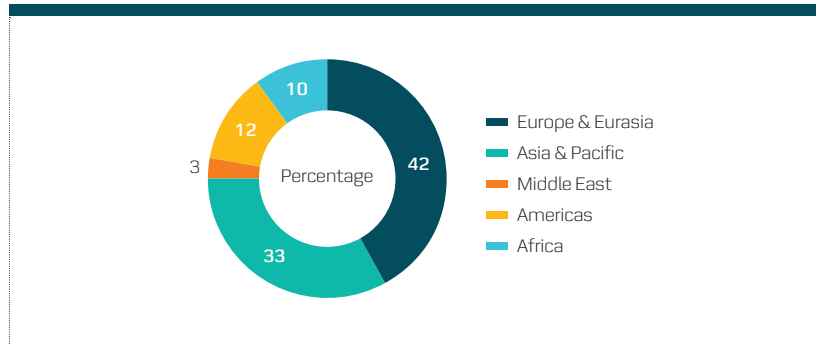
The principles help to maintain our reputation as an attractive and trusted employer, which supports our ability to attract talent. Also, by raising awareness of the principles among our employees, we believe we reduce the risk of workplace disputes and that this supports our ability to retain our employees and maintain a stable, engaged workforce.

READ ABOUT...

- Our e-learning training programmes on Global Labour Principles.
- How supplier labour breaches in Australia lead to the implementation of the Maersk Global Labour Principles.
- Our efforts to become a diverse and inclusive company.

¹¹ www.maersk.com/Sustainability/Documents/Maersk_Global_Labour_Principles.pdf

Full-time employees per region



TARGETS 2012

- Complete e-learning on remaining 3 principles
- Ensure business units conduct self-assessments of local compliance.
- Develop e-learning module that gives an overview of the principles and is accessible by all employees.

Training

In 2011, we launched an e-learning training programme covering the Global Labour Principles. The online training introduces business dilemmas, which the participants work to resolve using the Principles. During the year over 400 general managers and human resources managers were trained in the

first five principles. The module covering the remaining three Principles will be completed in the first quarter of 2012.

Following completion of the manager-level training, development and deployment of a Group wide voluntary employee learning project on the principles is underway.

Reporting concerns

Any employee with a question or concern on compliance with the principles can raise this directly with a manager or the Human Resources department. Issues relating to discrimination and harassment can also be directed to Maersk's global whistleblower system, available on www.maersk.com (see page 46).

Supplier labour breaches in Australia

In February 2011, the Australian Workers' Union issued a press release highlighting the plight of Filipino workers illegally trafficked into Australia and earning three Australian dollars an hour, well below the minimum wage of AU \$15 an hour. The release exposed the practices of a staffing agency, Surveyspec, used by Maersk Drilling to contract four Filipino workers.

The case turned out to involve four persons, hired by the subcontractor and working as painters for Maersk Drilling. Surveyspec had falsely led Maersk Drilling to believe that the

workers had the correct working visas and were being paid AU \$25 an hour. Once these labour abuses were discovered and verified, we immediately suspended our work with Surveyspec and cancelled the employment of the four men in question.

Looking forward we have now permanently discontinued our relationship with the staffing agency. In an effort to offset the disruption caused to the four workers, we have also offered them employment on our rigs – provided they are employed by an agency that operates in accordance with all legal requirements.

This serious breach of employee rights has highlighted the importance

of our work to improve continuously procurement processes, as well as our auditing and response mechanisms.

To prevent this type of labour issue, during 2011 we have been implementing the Maersk Global Labour Principles, our code of labour standards that applies to all employees, wherever they work in the world. The Principles state that all suppliers must adhere to our third party code of conduct (see page 47).

If not presented with this code yet, suppliers will be during contract renewals and future contracts will also stipulate that we have the right to audit suppliers.

Diversity and Inclusion

To address the challenges of a labour market where skilled talent is in high demand, we believe that a proactive approach to diversity and inclusion is necessary. This will enable us to access the largest possible talent pool and to maintain our position as an attractive employer to our existing global workforce as well as to future employees.

As our presence in the growth markets has increased significantly and almost one third of our revenue comes from these markets, a focus on local talent is more important to our business than ever.

The scope of our diversity and inclusion programme was extended in 2011. At its launch in 2009 the programmes key focus was gender diversity, but it now includes all kinds of diversity, including age, ethnicity, race and sexual orientation, with gender and nationality diversity as priorities.

2011 PRIORITIES

Our newly established Diversity Council, which has a representative from each of the six largest business units, focused their efforts in 2011 on reviewing recruitment processes

across business units and conducting diversity meetings with business unit human resources and leadership teams. We worked to ensure that our hiring and selection processes provide equal opportunities and prevent discrimination, and we have assessed or-

leaders. A diversity and inclusion module was also incorporated into Group's leadership development programmes.

2. Develop and enable female talent

Ongoing work in this area includes

“As our customer base is changing, so is our need for local talents who have an intimate understanding of local needs.”

Rizwan Soomar, Managing Director, Maersk India Pvt. Ltd.

organisational processes and policies in order to remove barriers to attracting and retaining diverse employees. This was in alignment with the diversity and inclusion programme's three focus areas:

1. Higher awareness of diversity and inclusion across the whole Group. The approach to, and benefits of, diversity was discussed at meetings with the leadership and human resources teams of the business units. The diversity and inclusion programme was also presented at the Annual Leadership Conference, which includes Maersk's top 120

the Women's Leadership Network at our headquarters in Denmark where we held four events in 2011. We also piloted a targeted self-leadership training session for women in 2011, which will be offered globally in 2012 with sessions in four different locations.

3. Strengthen the leadership pipeline in growth markets – We met with internal and external stakeholders and experts to understand and assess the talent landscape and began the work to set concrete strategies and targets for our work.

Gender diversity

% female representation	Level	2009	2010	2011	Target
Denmark Headquarters	General Manager	17.0%	17.6%	19.5%	20% (2014)
	Director	9.0%	7.2%	6.8%	15% (2014)
	Vice President	4.0%	4.0%	4.0%	10% (2014)
Global ^a	General Manager	17.0%	20.6%	20.5%	22% (2012)
	Director	7.0%	8.4%	8.5%	9% (2012)
	Vice President	4.0%	4.0%	4.0%	4% (2012)

^a Figures are based on headcount, global figures do not include Dansk Supermarked and some joint ventures



PERFORMANCE

We continue to work towards the target for our Danish headquarters to have a female representation of 20% at general manager level, 15% at director level and 10% at Vice President level by 2014.

The table opposite shows that the current percentage of women at General Manager level in Denmark is 19.5% which exceeds our 2011 target and places us close to our 2014 target two years ahead of time. The decrease in the Danish numbers at Director level can be explained by cross country assignments of female managers.

Globally, our figures are slightly higher with 20,5% females at general manager level. However, we still need to see these talents move into more senior positions (8,5% females currently hold Director positions globally, an increase of 1,5% compared to the 2009 baseline).

Moreover, in our global employee engagement survey, 82% responded favourably to the question *"my company treats people equally with respect to gender, race, nationality, religion etc."* This is up from 77% suggesting that the increased communication around diversity is having an effect in raising awareness.

In 2012, our work on diversity and inclusion continues to build on the three levers: Addressing the inclusive organisational environment by making diversity and inclusion training available to all our employees and promoting it to our leaders, offering the gender diversity initiatives, currently piloted in the headquarters, globally for a wider audience and designing and implementing the recommendations regarding growth markets talent.

GENDER-BALANCED TEAMS OUTPERFORM

A recent study of the employee engagement scores of 4,428 Maersk teams, made up of 28,234 employees, has found that teams with greater gender diversity have higher levels of engagement and higher levels of manager effectiveness. External and internal research has shown that higher employee engagement is linked to higher performance and better customer satisfaction. Similarly, gender-balanced teams are proven to lead to better financial results and better retention of staff.

In the study, the engagement score for highly gender diverse teams (defined as 50-69% same gender) was 6% higher than teams with no diversity and managerial effectiveness was also 6% higher in the highly gender diverse teams.



Environmental stewardship

Environment

Our environmental strategy requires all our business units to pursue greater eco-efficiency – essentially doing more with less by using natural resources more efficiently and with less impact on the environment. By focusing on eco-efficiency, we are able to maintain our focus on business growth while also reducing our environmental impacts. We aim to use innovation and technological advances to drive continuous improvements across our portfolio of businesses.

Our business units work to improve performance, based on their individual environmental impact profiles, which vary immensely depending on the business sector involved. For example,

the impacts arising from Dansk Supermarked's operations are very different from those relating to Maersk Oil.

MANAGEMENT APPROACH

We take a decentralised approach to environmental management. Environmental risks and impacts arise at the business unit level and are best managed at that level by individual business units. As a result, we do not have a Group wide environmental management system, rather business units develop their own systems to suit their varied operations. Business units are also responsible for setting their own environmental improvement targets (see pages 48-71).

At Group level our focus is on strategy, policy, communications and monitoring performance on the most material cross-portfolio issues, of which climate change is the key issue for the Group.

READ ABOUT...

- Our new climate change strategy – setting a target for a 10% reduction in GHG intensity by 2020.
- Our recent environmental risk review of key business units.
- The technical solutions we deploy to reduce emissions and waste.

Climate change

Climate change remains the key environmental issue across the Group. Not only are we engaged in fossil energy production, but our shipping operations are a major fossil fuel consumer as well as being one of the most carbon efficient means of transporting goods. Climate change, therefore, poses risks and potential costs, as well as business opportunities for the Group.

Due to our scale and position in shipping, we can play an influential role in developing solutions and raising industry standards in relation to carbon emissions and climate change. Not only can our actions go a long way to reducing our own impacts, they can also help raise the bar in the entire sector. We embarked on a journey to reduce our carbon footprint in 2009, setting our first Group wide reduction target. It was a relative target aiming for a 10% reduction in Greenhouse Gas (GHG) intensity by 2012 against a 2007 baseline. By the end of 2010, we had already achieved a relative reduction of 13%.

NEW CLIMATE STRATEGY

During 2011, we developed a new

climate strategy and position, which includes clear support for the UN goal of keeping global warming below two degrees Celsius. The strategy outlines our approach to reducing GHG emissions from our operations and establishes a new overall position on climate change.

A new target for emissions

Our approach to emissions reduction is to work on improved efficiency in a decentralised manner. We aim to prioritise efficiency gains in areas where our investments can have the largest impact and where it is possible to take solutions to market. This is demonstrated by our leadership position in container shipping, where Maersk Line is pursuing a goal of 25% relative CO₂ reductions by 2020 over a 2007 baseline (see page 50).

We also believe it is important to show general progress and as a result we have set a target for relative CO₂ emission reductions for the whole Group.

Trusting our efficiency potential, we commit to reduce our relative CO₂

MAERSK POSITION ON CLIMATE CHANGE

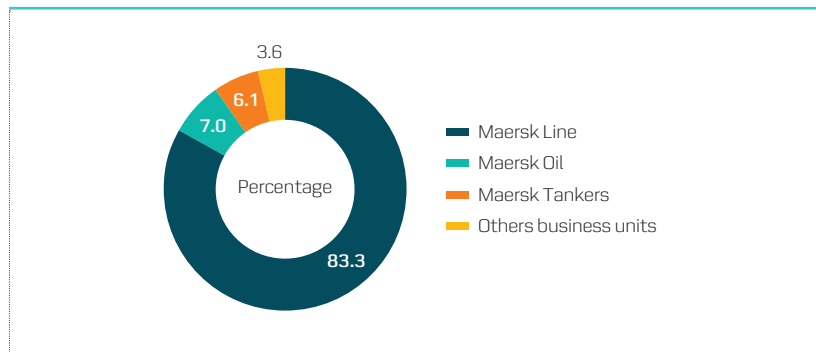
Maersk recognises that climate change poses substantial risks to both Maersk itself, and society at large. In line with government agreements made at the Copenhagen Climate Conference in 2009 and in order to avoid dangerous climate change, Maersk supports the position that adequate efforts must be made to ensure that global warming is stabilised below two degrees Celsius, and that those efforts are based on the best available scientific knowledge as currently provided by the IPCC1 assessment reports.

Key principles:

- Climate change cannot be seen in isolation from the broader macro-economic and social development perspectives. The challenge is to address climate change while, at the same time, supporting economic development for an increasing population and middle income classes. Access to secure energy is crucial to ensure development and build new infrastructure for many decades to come.
- Governments and companies must each play their role. Governments must appropriate legislative frameworks based on creating level playing fields.
- Maersk, as a company, is willing and preparing to compete on carbon efficiency.
- Shipping is the most carbon efficient way to transport goods and Maersk believes that an efficient shipping sector is a key part of the solution to create a future, lower carbon economy. Maersk is determined to set the bar high on carbon efficiency and take a leadership position in transforming the shipping sector.
- Maersk holds that one part of its contribution in creating a lower carbon economy will be to expand business at the expense of less efficient companies.

Carbon efficiency profile 2011 (weighed per BU)

Total carbon footprint in 2011: 41,000 million tonnes of CO₂ eq.





emissions by at least 10% by 2020 against a 2010 baseline. At an equivalent level of business activity as today, and with the same portfolio composition, this target equates to a reduction of almost 400,000 tonnes of CO₂ each year. During the target period, we are also targeting business growth, which means that our absolute emissions may not decrease.

In our shipping business, it is part of our approach to take market share from less efficient lines and, as a result, our emissions might increase but the total emissions of the sector will decrease even more.

A major assessment of efficiency potential is still going on in our container business and we expect to be able to strengthen this target during 2012 when this review is finalised.

Setting a relative target across a diverse portfolio of businesses poses a challenge of how to compare and consolidate improvements in carbon efficiency. To measure Group performance, the carbon efficiency of each business unit is collated into a Group index. The baseline year for our GHG target, 2010, is the first year of the index and has a value of 100. Contributions are weighted within the Group index figure to reflect business units' share of the Group's overall emissions.

We stated in last year's Sustainability Report that we would also establish a long term target. We have since come to realise that there is not enough

from 2010 to 2011. However, this was outweighed by the extra amount of energy it takes to produce oil from ageing fields. In Maersk Tankers the decrease

“Our approach to CO₂ reductions is to focus where we can achieve the greatest impact and where we get the maximum benefit from our investments. By unleashing shipping's low carbon potential we aim at being part of the solution.”

John Kornerup Bang, Lead Advisor, Climate and Environment

business or economic certainty beyond 2020 to establish a credible and realistic target over the long term, and we have therefore decided not to set this target.

Performance

From 2010 to 2011 the group as a whole improved its CO₂ efficiency slightly, representing a reduction in emissions of approximately 150,000 tonnes of CO₂ at equal business activity. This is the first year of our new CO₂ emissions reduction target and the improvement is less than half of that needed annually to achieve this target. Whereas our container business continued to improve its efficiency we have seen significant efficiency decreases in Maersk Oil and in Maersk Tankers. Maersk Oil has made a major effort on reducing flaring and has reduced emissions from flaring by 40%

in efficiency was mainly due to longer waiting time and a decrease in average vessel size.

Our absolute emissions went up by more than nearly 9% or 3.34 million tonnes of CO₂. This increase is mainly due to increased business activity in our container business, where fuel consumption increased reflecting a substantial increase in numbers of vessels operating. With this increase in fuel consumption follows also an increase in other air emissions.

FUTURE DEVELOPMENTS

We will investigate and develop a number of important subjects in the coming years. These include assessing the climate change impacts of our long term investments and exploring climate change impacts in our value chain.

Environmental risk review

We completed a screening of Maersk's significant environmental risks across our portfolio of businesses during 2011. The results of the exercise clearly indicate a primary and secondary list of risks that are of particular importance:

Primary risks:

- Tier 3 oil spills (major oil spills requiring substantial external resources)
- CO₂ emissions
- Fuel consumption
- Biodiversity (with specific importance to ocean governance and the Arctic)

Secondary risks:

- Tier 2 oil spills (large oil spills requiring external resources)
- NO_x
- SO_x

- Waste
- Ballast Water

Accordingly, we will increase our Group wide focus on preparedness for Tier 3 oil spills and also on biodiversity related work, including in the Arctic region. Regarding NO_x, SO_x, waste and ballast water we are pursuing a range of technical solutions.

Seeking technological solutions

We are searching for and testing technological solutions for many environmental issues of concern to the Group, a selection of which are described below.

ALTERNATIVE USES FOR CO₂

Maersk Oil is investigating potential business opportunities that combine Carbon Capture and Storage (CCS)

projects with oil production by using CO₂ from power plants or other industrial sources for enhanced oil recovery where CO₂ is pumped into oil wells to facilitate oil extraction.

BALLAST WATER TREATMENT SYSTEMS

Ballast water picked up in one marine environment can, without treatment,

lead to the spread on non-native or invasive species in other marine environments where it is discharged.

Maersk has ballast water management plans and conducts internal and mid-ocean ballast exchange to minimise potential risks. From 2012 and over the next five years regulations will be coming into force which

"Oil in water" in Denmark

In December 2010, Danish media challenged Maersk Oil's system for monitoring the amount of oil allowed in water discharged from its North Sea reservoirs and questioned whether Maersk Oil manipulated daily measurements so as to under report the discharged oil from its installations. Danish newspaper Politiken reported that employees at one platform felt pressured by platform management to cheat with the timing of the sampling.

In response to the criticism, Maersk Oil hired an external consultant, Lloyd's Register, to review the system for testing the oil in water concentration and the quality and consistency of Maersk Oil's reporting of this information to the Danish Energy Agency (DEA). In its report, Lloyd's Register concluded that Maersk Oil had established the appropriate procedures and guidance to enable operations to meet the expectations of the discharge permits issued by the DEA. Lloyd's Register also identified areas in which the process could be improved and an updated procedure for the sampling process was issued. Maersk Oil has retained Lloyd's Regis-

ter to periodically review performance against its procedures and to identify areas where further clarity can be provided. Maersk Oil also responded to the criticism of the platform management on Tyra, making changes to management and hiring teambuilding coaches to improve collaboration between managers and their employees.

Maersk Oil is committed to reducing its environmental impact, and is continuously working on reducing the amounts of oil in discharged water, which in 2011 resulted in a more than 25 percent improvement on average relative to the levels of 2010.

requires on-board treatment systems that remove living organisms from ballast water.

We have been developing a ballast water treatment system through a joint venture company and we are in the process of having the system certified by the International Maritime Organisation. This process should be complete by the end of 2012. At the same time we are reviewing all ships in the Maersk Group, assessing available systems and the timescale for including each ship in the new IMO regulations.

WASTE DISPOSAL

Our environmental policy does not allow the disposal of non-biodegradable waste at sea. With our ships calling at ports all over the world, finding suitable waste and recycling facilities can be a challenge. In 2008, we started to review and rate port vendors for the effectiveness of their waste disposal facilities. We assess 160 vendors and these are rated at least once every two years.

In 2012, we will conduct a more in depth assessment of all deep sea ports in Northern Europe on their environmental performance, including waste disposal.

REDUCING SULPHUR EMISSIONS

The fuel oil used in shipping contains relatively high levels of sulphur, which is released as SO_x emissions when the fuel is burned. International Maritime Organisation regulations coming into force in 2012 will reduce the allowable sulphur content for marine fuel. For global waters the allowable limit for sulphur in fuel will drop from 4.5% to 3.5% and the limit for coastal Emission Control Areas (ECA), which run 200 miles out from the coastline, will be 1% sulphur content. From 2015, these limits drop again to 1% for global waters and 0.1% for ECAs.

Meeting these new requirements will necessitate a significant investment over the next five years and we are currently investigating trading patterns in relation to ECAs, technical possibilities and financial considerations to establish the most cost effective approach and apply the most suitable technology for each of our ships. The current options include:

Fuel switching – to low sulphur fuel (which can be up to 40% more expensive) when ships enter ECAs. It is a practical option for ships that do not stay in ports long.

Scrubbers – remove SO_x emissions from exhaust gas, and we work with all major suppliers of scrubber technology to review the best options. One or two pilot installations will be tested in 2012.

Liquid natural gas (LNG) – burns cleaner and offers significant reductions in SO_x, NO_x and CO₂ emissions, but applying LNG technology to existing ships is difficult and costly. We are, however, reviewing options for LNG as part of the Green Ship of the Future Forum in Denmark through tests on a tanker ship.

Biofuels – for which we have completed and analysed combustion trials on a Maersk container ship. Although further tests are required, the results show that rapeseed based biofuels can effectively be blended with regular fuel. In addition we are involved in two further biofuels projects; one with the US Navy and the other a partnership with Copenhagen University, the Danish Technical University and other leading companies.

REDUCING NO_x

Combustion of all fuels releases NO_x and by 2016 new ships will be required

to reduce NO_x emissions by 80%. We are involved in a project testing an exhaust gas recirculation system that is targeting a 50% reduction in NO_x emissions. The project is on track and has so far shown good results. We have also ordered two new ships with NO_x reduction systems; one with a new generation exhaust gas recirculation main engine and one with a water in-fuel system to reduce NO_x. The vessels will be ready in 2013.

MINIMISING OIL POLLUTION

When producing and transporting oil there are routine discharges of oil into water, which may potentially affect marine life. Maersk Tankers is targeting 5 parts per million (ppm) as the standard for its fleet compared to an allowable limit for oily water discharges of 15 (ppm). Recently acquired tankers were fitted with new oil filters in 2011 and the remaining tankers will be completed in 2012.

RECYCLING THE WORLD'S LARGEST CONTAINER SHIPS

Maersk has designed and ordered the construction of 20 of the largest and most CO₂ efficient container ships in the world, known as Triple-E class.

We have decided to make as many of the materials as possible recyclable, reaching 90% recyclability of the ships, and we have held workshops with our Korean ship builders to discuss options and build capacity to enable this. The aspirational target is to be able to build new ships from old ones.

Anti-corruption

Maersk's values and our Principles of Conduct set high ethical standards for all of our business dealings. We also expect the same high standards from our business partners and suppliers.

Corruption poses pressing challenges for business. It increases costs, destabilises fair competition and undermines the reputation of individual businesses and whole sectors. Corruption impedes economic development and the creation of strong regulatory and governance frameworks, on which businesses rely.

Action to tackle corruption has grown. Regulations and enforcement, particularly in the USA and UK, have been strengthened. In response to this, and to

increasingly strict requirements from customers, businesses are improving anti-corruption systems. The Maersk anti-corruption policy outlines our approach.

2011 PERFORMANCE

- In 2010 and 2011, we trained more than 1,000 key staff in over 50 sessions held in more than 20 countries (see table below for 2011 training numbers). These included managers, legal staff, human resources managers and employees working to secure licences, permits or contracts with government offices.
- We launched a broad based e-learning programme on anti-corruption, which is available to employees of all business units.

- Following roll out in 2010 and 2011, standard anti-corruption clauses are now being used in all key contracts across the business. During 2011, we revised our contractual clauses, risk assessment and due diligence requirements in light of regulatory changes on corruption and bribery.

READ ABOUT...

- Our partnerships and training aimed at raising awareness on anti-corruption and reducing facilitation payments.
- The Maersk Whistleblower system that allows employees to anonymously report suspected unethical behaviour.

Completed anti-corruption training 2011

Measured in numbers	Maersk Line	Damco**	Maersk Oil & Gas	APM Terminals	Maersk Tankers	Maersk Drilling, FPSOs & Supply Service	Svitzer	Safmarine
Total BU ^a	19,720 ^c	196	15	113	55 ^d	65	3	54
Senior Management ^b	–	1	0	0	–	7	0	0
Country/regional management	–	105	1	5	–	11	1	1
Managers and heads of dept.	–	60	3	25	–	15	0	7
Legal/compliance staff	–	10	1	1	–	2	0	0
Staff w/contact to public officials and others	–	15	10	72	–	40	2	46

2011 Maersk Group business unit anti-corruption training – Actual numbers of staff trained.

^a Dansk Supermarket and Maersk Container Industry has not conducted any anti-corruption training in 2011; ^b Damco training includes in person and web-ex training;

^c Maersk Line has conducted e-learning for 77% of all employees as well as in person training for approx. 474 key staff; ^d Additional third party stakeholders also trained.

- The Maersk whistleblower system was launched in January 2011, and is available in 130 countries in more than 40 languages. The system allows employees to report suspicions of wrongdoing or unethical
- In response to the UK Bribery Act coming into force in July 2011, we analysed our systems against the requirements of the act and concluded we were basically compliant with the Act's requirements for procedures.

“We are making progress in combating corruption. We are steadily raising awareness on anti-corruption and implementing that awareness into daily operations, through for example, due diligence activities, monitoring and training.”

Joseph Simon, Senior Legal Counsel

behaviour specifically in relation to fraud, corruption, competition, law breaches, insider trading, foreign trade controls violations, deliberate breaches of IT security, discrimination and harassment. All calls are investigated following Group guidelines.

- There has been a limited number of reports of alleged violations of the law and/or Group policies made to the Group's whistle-blower system. Such reports are – within applicable data privacy regulations – all being investigated and the Group takes appropriate action when allegations are substantiated.

IN PARTNERSHIP WITH THE UNGC

We are closely involved with the UN Global Compact (UNGC) on anti-corruption as participants in anti-corruption working groups. These include our Group Legal Compliance Officer representing Maersk in the UN Global Compact anti-corruption working group as well as involvement in two sub-working groups:

- We co-chair the group looking at best practice in tackling potential corruption in public-private partnerships, which aims to generate a best practice guidance document for this area.

FACILITATION PAYMENTS

Facilitation payments are a reality in global transport businesses, being a widespread phenomenon in some countries despite being illegal locally. With thousands of port calls each year, we come into contact with low ranking government and customs officials on a day-to-day basis with a high risk of facilitation payments being demanded. Our ultimate goal is to eliminate facilitation payments. We recognise that this goal will take some time to achieve.

Our policy is always to refuse demands for facilitation payments and to try to avoid them wherever possible, for example by requesting an official receipt or asking to speak to more senior officials or employees. If it appears that a payment is unavoidable, our policy is to document all payments made.

- A representative from Maersk Oil co-chairs another group assessing corruption in the oil and gas sector. The working group is exploring challenges and solutions to bribery and corruption problems in the sector, in which large scale bribes to gain access to resources or free movement of goods are a real risk.

Anticipated anti-corruption training by end 2012

Measured in percentage	Maersk Line ^a	Damco	Maersk Oil & Gas ^c	APM Terminals	Maersk Tankers ^c	Maersk Drilling, FPSOs & Supply Service	Svitzer	Maersk Container Industry ^d	Group Procurement
Total BU^a	99%	25%	99%	35%	TBD	35%	50%	TBD	99%

2012 – Maersk Group business unit anti-corruption training – Anticipated percentages of staff trained. Training will include the e-learning system for all Business Units introduced in Dec. 2011 and in person training for selected staff. ^aDansk Supermarket has no plans of conducting any anti-corruption training in 2012; ^bSafmarine will be merged into Maersk Line in 2012; ^cMaersk Tankers and MOG will initially focus e-learning on selected staff. ^dMaersk Container Industry will begin training in 2012 although the anticipated number of staff to be trained has not been determined.

Value chain

Responsible procurement

As a multinational enterprise, with more than 100,000 suppliers in more than 100 countries, we have a good opportunity to influence our suppliers' practices. This entails articulating very clear requirements towards the suppliers and helping suppliers assess their own performance.

In January 2011, we began the global roll out of our Responsible Procurement programme across all business units. The programme focuses on continuous improvement in suppliers' understanding of sustainability, risk management and capacity building.

CODE OF CONDUCT

Our requirements are described in a Third Party Code of Conduct, which reflects our commitment to international guidance on sustainable supply chain management: ILO conventions, UNGC principles and other guidance documents. The Code sets forth requirements towards Maersk suppliers in the areas of human rights, labour, environment and anti-corruption. It also provides an extensive section of guidelines and best practices, which gives examples for each of the requirements in the Code.

All businesses benefit from a shared understanding in business relationships, and we believe that the Third Party Code will help us and our suppliers establish a shared understanding of what it takes to operate a responsible business.

Implementing the Code of Conduct

We started the roll out of our Code of Conduct to suppliers in August 2011. The aim was to have around 1,300 key suppliers, representing approximately 50% of our overall procurement spend, register in our online Responsible Procurement system and thereby acknowledge the Third Party Code. In 2011, our purchasers sent invitations to 1,122 suppliers, of who 558 have registered.

We take a priority-based approach in assessing suppliers against the requirements in the Code. The priority is set based on total spend with the supplier, strategic importance of the category, country of operation and product or service. Our purchasing personnel determine whether additional information is required in a form of a CSR report, certification, self-assessment questionnaire or an independent third party audit.

We use a range of auditing companies to carry out supplier audits, and our buyers are often present during the audit. A findings report, including recommendations, is provided to the supplier and the purchaser after the audit. The supplier is responsible for establishing an improvement plan and timeline to address the findings of the audit.

While we understand that it may take suppliers some time to meet all of the requirements of the Code, we also want them to understand that we

TARGETS 2012

- Complete assessment of business practices for the prioritised suppliers within 50% of procurement spending.
- Approximately 400 buyers to be trained in Responsible Procurement practices.
- Approximately 1,000 buyers to complete the e-learning course.
- Business unit strategies on responsible procurement to be customised to meet industry-specific challenges.

take our commitment to responsible procurement very seriously. As a result, we require suppliers of a certain size to sign a contractual commitment to implementing the Third Party Code of Conduct or an equivalent alternative.

Training our buyers

Our pilot with 500 suppliers in 2010 showed how important it is for our buyers to be adequately equipped for a critical and constructive dialogue with suppliers. As a result, prior to global roll out, we launched two training courses on responsible procurement: a 45-minute e-learning module and an in-depth full day course.

In 2011, 661 colleagues completed the e-learning course and 253 took part in the full day face-to-face training course.



Business unit performance

As a global conglomerate with over 100,000 employees, conveying information on all aspects of our sustainability performance is challenging. The following pages aim to provide insights into how our business units are addressing sustainability activities in their operations.

PRIORITISED ISSUES

Although we have conducted a materiality assessment at Group level, the diversity of our business calls for individual analyses at business unit level. BU pages cover prioritised issues of which some are covered in the Group pages. All Issues cannot be covered due to limited space, but reference is made to the individual business unit web-pages. Links to these can be found on the respective business unit page in the report.

INTEGRATING SUSTAINABILITY

Business units are mid way through implementing the requirements of the Group sustainability strategy, which calls for full integration of sustainability by the end of 2013. Progress against this goal is also covered in each summary.

TARGETS

Business units are encouraged to set targets against their key sustainability indicators, and where these have been set to date they are included.

BUSINESS UNIT DATA

Key sustainability data for each business unit are included. However, the data presented do not add up to the consolidated figures presented on page 11, which also include input from headquarters and minor business units.

In this part of the report we only include selected key performance data for each business unit. Full sets of data, consolidated for the Group, per segment and per business unit, can be found on our website.

A number of business units produce their own sustainability reports as shown in the table, or provide more information on their own websites. Where relevant, links to this additional information are provided in each business unit summary.

[→ Read more
www.maersk.com/sustainability](http://www.maersk.com/sustainability)

Business unit	Page	Own sustainability report
Container activities		
Maersk Line	50	○
Damco	52	○
Oil and gas activities		
Maersk Oil	54	○
Terminal activities		
APM Terminals	56	○
Tankers, offshore and other shipping activities		
Maersk Tankers	58	○
Maersk Drilling	60	○
Maersk FPSOs	62	○
Maersk Supply Service	64	○
Svitzer	66	○
Retail activity		
Dansk Supermarked	68	○
Other businesses		
Maersk Container Industry	70	○

○ Yes, to be published in the 1st quarter of 2012
 ○ Partly, Action Plan published end year 2011
 ○ No



Maersk Line is the largest shipping line in the world and by virtue of our size and reach, we strive to lead positive change across the industry.

SUSTAINABILITY IN OUR BUSINESS

Around 90% of world trade is carried by the international shipping industry. Through our brand names Maersk Line, Safmarine, Maersk Line Limited (MLL), MCC Transport, Seago Line and Mercosul we provide container transportation services across the world

and act as a catalyst for economic development, growth and improved productivity. However, the shipping industry faces a significant sustainability challenge, not least in terms of carbon emissions.

OUR EMISSIONS

Our absolute greenhouse gas emissions rose by 11%. This increase is mainly due to increased business activity. In 2011 we added 70 vessels to our fleet and consequently our absolute fuel consumption increased.

Environmental considerations are integral in the development of our new services and vessels, and increasingly vital to our customers. Measured per container unit, we are approximately

8%¹² lower on CO₂ emissions compared to industry averages. By virtue of our “Daily Maersk” service we are 13% lower on the important Asia to Europe trade route. We have achieved a 15.6% CO₂ reduction per container (TEU) since 2007.

Maersk Line’s fuel switch programme reduced SO_x emissions by an estimated 1,480 tonnes in 2011. Fuel switches were implemented in Singapore, New Zealand and Gothenburg. However, absolute SO_x emissions rose as our fleet expanded and absolute fuel consumption increased.

We believe that environmental performance must join delivery time and cost as hard criteria for competition in the container industry, and to

TARGETS 2011	PERFORMANCE 2011	TARGETS 2012
<ul style="list-style-type: none"> 25% CO₂ reduction per container (TEU) from owned and chartered ships from 2007-2020^a 	<ul style="list-style-type: none"> 15.6% CO₂ reduction per container (TEU) from owned and chartered ships by end 2011 (baseline 2007)^a 	<ul style="list-style-type: none"> 25% CO₂ reduction per container (TEU) from owned and chartered ships from 2007-2020^a
<ul style="list-style-type: none"> Minimum 10 fuel switch implementations before 2015 	<ul style="list-style-type: none"> By end 2011 six fuel switch programmes have been implemented 	<ul style="list-style-type: none"> Minimum 10 fuel switch implementations before 2015
<ul style="list-style-type: none"> 15% reduction in TRCF (2010 baseline)^b 	<ul style="list-style-type: none"> TRCF: 13% reduction^b 	<ul style="list-style-type: none"> Drive towards zero accidents^b

^a Based on the CCWG methodology which excludes utilisation. Verification of 2011 data not yet final.

^b This target is based on operational scope.

¹² Based on mid 2010 industry emissions data collected by Clean Cargo Working Group (CCWG).

enable informed decision making by customers.

CRADLE-TO-CRADLE THINKING

Maersk Line's next generation of ships, the Triple-E class, will come with a Cradle

as a means of promoting both the continued growth of Maersk Line and global social and economic development. As part of our growth strategy, we are investing in building an even stronger understanding of the social,

“In Maersk Line, we have always taken an active role in defining the future we want to be part of. We will continue to do so by challenging the industry norms, invest in innovation and improve to make our daily operation more sustainable.”

Søren Skou, CEO of Maersk Line

to Cradle passport describing the material composition of the ship. Our cradle-to-cradle partner, EPEA, estimates that the energy consumption and CO₂ emissions for recycled steel are 50% less than those for new steel. We estimate that our new Triple-E ships, currently under construction, will be 90% recyclable without loss of material quality.

THE SOCIO-ECONOMIC BENEFITS OF TRADE

We believe that international trade can bring prosperity and social progress. Where possible, we aim to identify and develop future sources of trade growth

economic and environmental impacts of trade growth in a range of emerging markets. This is demonstrated in a comprehensive study on the challenges and benefits of unlocking the export potential of the Indian banana industry (See page 15).

SAFETY

We aim continuously to improve safety processes and behaviours until we have achieved our goal of zero accidents. The Total Recordable Cases (TRC) went from 143 to 140 while the frequency per million exposure hours (TRCF) was reduced by 13%. We investigate every

PRIORITISED ISSUES

- **CO₂ and SO_x emissions** – Shipping is a large emitter of CO₂, SO_x and other air emissions.
- **Safety** – The safety of our employees is a key focus we will not lose sight of.
- **Extending the socio-economic benefits of trade** – Trade fuels economic growth and social development and Maersk Line is a key part of this.

workplace injury that occurs in order to identify any trends and prioritise our response. In 2011, manual handling and maintenance activities were the highest risk activities, the latter showing a 40% increase. In response, 2012 will see an even greater focus on maintaining the highest standards of care in this area of work. Our “Safer Mooring” campaign in 2011 reversed the previous year’s increase in accidents during mooring operations, resulting in a 30% reduction. In 2011 we also launched an initiative to improve reporting of near misses on our ships, resulting in an increased reporting by 240%.

[Read more www.maerskline.com](http://www.maerskline.com)

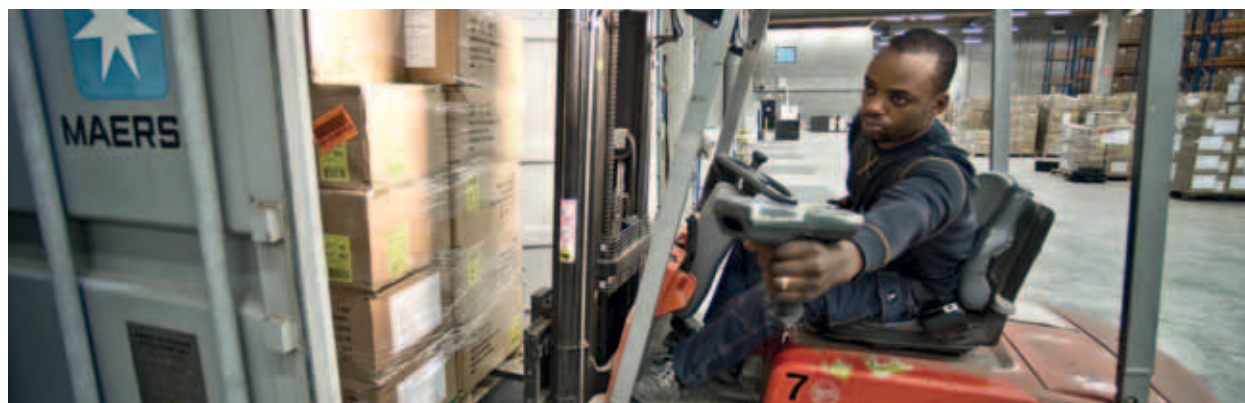
Maersk Line key sustainability figures 2011

Social performance – safety		2009	2010	2011
Number of full time equivalents (FTE)	number	29,977 ^b	29,347 ^b	30,792
Lost time injury frequency (LTIF)*	frequency	1.14	0.83	0.57
Fatalities*	number	0	1	0
Environmental performance				
Greenhouse gas (GHG) emissions	1,000 tonnes CO ₂ eq	32,641 ^c	30,766 ^c	34,168
- of which direct and indirect CO ₂ (scope 1 & 2)	1,000 tonnes	32,438 ^c	30,575 ^c	33,913
Economic performance				
Revenue	USD million	18,288 ^a	24,022	25,108

^a Revenue re-stated due to change in reporting activities.
^b Group principle on FTEs adjusted to include joint ventures according to regular financial consolidation rules.

^c Changed due to exclusion of CO₂ emissions from reefers in terminal and re-stated CO₂ figures for diesel and natural gas.

* Operational scope.



Damco is one of the world’s leading providers of freight forwarding and supply chain management services.

For more than 100 years, we have been working all over the world to provide our customers with transportation and logistics solutions that work for their business. Damco is an asset-light logistics company, meaning that we don't own vessels or trains only have relatively few own trucks and warehouse facilities.

SUSTAINABILITY IN OUR BUSINESS

At Damco, we believe that our reach and end-to-end logistics expertise can benefit

not only our customers, employees and shareholders, but also society at large. We aim to help our customers to optimise their supply chains with more efficient – and lower carbon – logistics solutions. Importantly, our technology, expertise and end-to-end control allow for much greater traceability. This is vital to the effective measurement and management of the economic, social and environmental impacts of goods throughout their value chains, and is something we expect customers will increasingly demand in the future.

GREEN BUSINESS IS GOOD BUSINESS

Damco offers industry leading green logistics solutions, including our proven Supply Chain Carbon Check and Carbon Dashboard and the

recently introduced Damco Packaging Optimisation Service. We believe these services have the potential to reduce logistics costs by more than 10% while minimising the environmental impact of the supply chain. During a time of rising consumer expectations regarding carbon reduction and considerable economic and financial stress, the efficiencies generated by green logistics services are of great importance to our customers. In addition to helping our customers to manage their own impacts, we also have a responsibility to maintain high standards in our own operations.

CUTTING OUR OWN EMISSIONS

During 2011, our carbon intensity increased by 5% in 2011. This is mainly due to the integration of the acquired

TARGETS 2011	PERFORMANCE 2011	TARGETS 2012
<ul style="list-style-type: none"> • 10% reduction in LTIF (2010 baseline) ^a 	<ul style="list-style-type: none"> • 54% LTIF reduction from 1.75 to 0.81 (2010 baseline) ^a 	<ul style="list-style-type: none"> • 10% reduction in LTIF (2011 baseline) ^a
<ul style="list-style-type: none"> • Reduce CO₂ intensity by 30% by 2014 compared to 2009 ^a 	<ul style="list-style-type: none"> • CO₂ intensity reduced by 8% (2009 baseline) ^a 	<ul style="list-style-type: none"> • Reduce CO₂ intensity by 30% by 2014 from a 2009 baseline ^b

^a This target is based on operational scope.
^b The baseline has been changed from 2008 to 2009 as the 2008 carbon emission data were obtained using

a different data collection and reporting process and a direct comparison with 2009, 2010 and 2011 data was considered inaccurate. We maintain the 30%

carbon reduction target by 2014, but within a shorter timeframe.

Chinese freight forwarding company NTS and our new and large customer service centre in Chengdu, China. Our target is to reduce carbon intensity by 30% by 2014 based on 2009 levels. 8% have been achieved to date and despite the slight carbon intensity increase in 2011, and we expect to reach our target by end of 2014.

As more than half of our greenhouse gas emissions are generated in our warehouses, this year we launched a project with Siemens Building Technologies to analyse and improve energy efficiency at our warehouses. This showed potential energy savings of over 25%. Once concluded in Q3 2012, a decision will be made on what criteria to use to select other warehouses that could benefit from a roll out of the initiative.

COMBATING CORRUPTION

Corrupt practices undermine fair competition and stifle economic growth and social progress. As one of the leading logistics operators in new and emerging markets, Damco can contribute to raising the standards of business practices to combat corruption.

We are committed to eliminating corrupt practices in our industry. In 2011 Damco began implementing a

comprehensive anti-corruption programme throughout the organisation. The main elements of the programme are top management commitment, risk assessment, standards & controls, training, monitoring and auditing.

HEALTH AND SAFETY

Damco monitors the lost time injury frequency (LTIF) on a monthly basis in each Damco region. In 2011, the global LTIF fell to 0.81, down from 1.75 in 2010 and 5.55 in 2009. This is well ahead of our target for a 10% year-on-year reduction. Awareness training and systematic accident investigation have helped us to achieve this improvement, but Damco continues to focus on safety. We aim to reduce the LTIF by another 10% in 2012. Alongside this, we are implementing a Global Labour Principles training programme, through which management teams will complete a risk assessment and identify what gaps might exist between the principles and current practice. The gap analysis will then be used for planning, prioritization and follow-up.

INTEGRATION OF SUSTAINABILITY

Recognising that sustainability is increasingly important to our business and our customers, Damco is developing its first sustainability strategy, which will be fully aligned with our

PRIORITISED ISSUES

- **Green business** – Logistics solutions with low environmental impact are important products for our business.
- **Combating corruption** – We're taking a lead in improving business practices.
- **Environment** – Our business operations have a carbon footprint. We have a responsibility to reduce our impact.
- **Health & Safety** – Providing a high quality and safe place to work is vital to our success.

business strategy. We will be offering sustainability training sessions to our management teams during 2012 and will continue integrating sustainability into our business processes.

For us, integrating sustainability also relates to our own supply chain. We are implementing the APMM global Responsible Procurement Programme that aims to ensure our suppliers adhere to high ethical and operational standards when conducting business on our behalf.

[→ Read more www.damco.com](http://www.damco.com)

Damco key sustainability figures 2011

Social performance – safety^a		2009	2010	2011
Number of full time equivalents (FTE)	number	10,979 ^a	10,312 ^a	10,657
Lost time injury frequency (LTIF) *	frequency	5.55	1.75	0.81
Fatalities *	number	2	0	0
Environmental performance				
Greenhouse gas (GHG) emissions	1,000 tonnes CO ₂ eq	39 ^b	39 ^b	42
- of which direct and indirect CO ₂ (scope 1 & 2)	1,000 tonnes	38 ^b	38 ^b	42
Economic performance				
Revenue	USD million	2,223 ^c	2,691	2,752

^a Group principle on FTEs adjusted to include joint ventures according to regular financial consolidation rules.

^b Subsequently changed due to inclusion of scope-2 CO₂ emissions from district heating.

^c Revenue re-stated due to change in reporting activity. * Operational scope.



Maersk Oil is an international oil and gas company with operated production of 650,000 barrels of oil equivalent a day.

Maersk Oil operates offshore in Denmark, UK and Qatar, as well as onshore in Kazakhstan. Exploration activities are ongoing in Angola, Brazil, Norway, the U.S. Gulf of Mexico, Greenland and in the producing countries.

SUSTAINABILITY IN OUR BUSINESS

We recognise that our activities have an impact on employees, the environment and local communities, and identifying

and engaging stakeholders and their interests is an increasing priority. We strive to have a positive impact where we operate through local employment, training, research and investment. In areas such as the environment, specifically CO₂ emissions, Maersk Oil continues to improve on performance.

Demand for energy has increased significantly over the last 20 years especially in emerging markets. Access to new resources is taking the industry into challenging environments such as deep-water and the Arctic. In Maersk Oil we are committed to identifying and understanding the impact of our operations, consulting with relevant stakeholders, designing projects to avoid adverse impact and reducing waste, emissions and discharges. This is not only the right thing to do but also crucial for Maersk

Oil to be regarded as a natural partner for governments and peers.

SAFETY

Safety is a core value for Maersk Oil. From top management down, Maersk Oil made a commitment in 2011 to an "Incident-Free Maersk Oil". This principle is based on a belief that incidents are never inevitable and never acceptable. To embed this approach throughout the organisation, 80% of all Maersk Oil staff and over 1,000 contractors attended workshops that encouraged a personal commitment to safety as a core value and empowerment to speak and act on safety issues.

We recognise that safety is not just about human factors; we must ensure our systems and controls are robust and effective to prevent any accidents.

TARGETS 2011 ^a	PERFORMANCE 2011 ^a	TARGETS 2012 ^a
<ul style="list-style-type: none"> • LTIF of zero 	<ul style="list-style-type: none"> • LTIF of 0.91 	<ul style="list-style-type: none"> • LTIF of zero
<ul style="list-style-type: none"> • Reduce CO₂ emissions from flaring by 50% in 2012 (2007 baseline) 	<ul style="list-style-type: none"> • CO₂ Emissions from flaring have been reduced by 40% in 2011 compared with 2010^b 	<ul style="list-style-type: none"> • Reduce CO₂ emissions from flaring by 50% in 2012 (2007 baseline)

^a The LTIF is operational scope, the CO₂ flaring target was also set as operational scope.

^b This progress is stated as single year performance as the 2007 baseline will be reviewed during 2012 to ensure its integrity.

Assessments of process safety were carried out in all our producing locations and a process safety integrity review was completed in Qatar to identify areas for improvement. Implementation of improvement plans and training is a 2012 priority.

We continue to see a positive reduction in lost time injury frequency with a 24% decrease from 1.19 in 2010 to under 1 in 2011. In 2012, we will continue to strive for an incident free Maersk Oil.

CLIMATE AND ENVIRONMENT

We recognise that we have a responsibility to engage constructively in climate change issues, primarily through management of our greenhouse gas emissions. Maersk Oil uses management systems to control the impact our production facilities have on the environment. In 2011 we achieved our objective of certifying all producing units to the international standard ISO 14001. In terms of management of greenhouse gas emissions we have stated our target to reduce flaring from our operated facilities by 50% from a 2007 baseline by 2012 and performance is on target to achieve this. As we look to access new environments, both onshore and offshore, we

are developing a more robust internal business development process. To help screen for initial environmental sensitivities we have started using the Initial Biodiversity Assessment Tool (IBAT), which was developed by a consortium of conservation partners, to help provide key information to support critical business decisions at the earliest possible stage.

RESPONSIBLE BUSINESS PRACTICES

Maersk Oil believes openness and collaboration is essential to being a responsible partner. This year we:

- Joined the Extractive Industries Transparency Initiative (EITI), a global framework that promotes revenue transparency through public reporting of company payments and government revenues.
- Launched an "Action on Diabetes" awareness programme in Qatar with the Supreme Council of Health, the Hamad Medical Corporation, the Qatar Diabetes Association and Novo Nordisk. (See page 16).
- Inaugurated the Maersk Oil Research & Technology Centre at Qatar's Science & Technology Park that focuses on applied research and aims to foster a generation of accomplished Qataris.

PRIORITISED ISSUES

- **Safety** – The health and safety of employees.
- **Climate & Environment** – Engaging our stakeholders and continually improving our environmental performance.
- **Responsible Business Practices** – Behaving in an open and responsible manner with our employees, investors, business partners and local communities.

INTEGRATING SUSTAINABILITY

To position ourselves in a highly competitive global industry and enshrine a collaborative and responsible approach to business, a new vision was launched in 2011: "Maersk Oil, the natural upstream oil and gas partner, navigating complexity, unlocking potential".

This vision and our commitment to safety is driving the transformation of our culture and systems to provide a strong foundation for future growth and sustainability.

[→ Read more www.maerskoil.com](http://www.maerskoil.com)

Maersk Oil key sustainability figures 2011

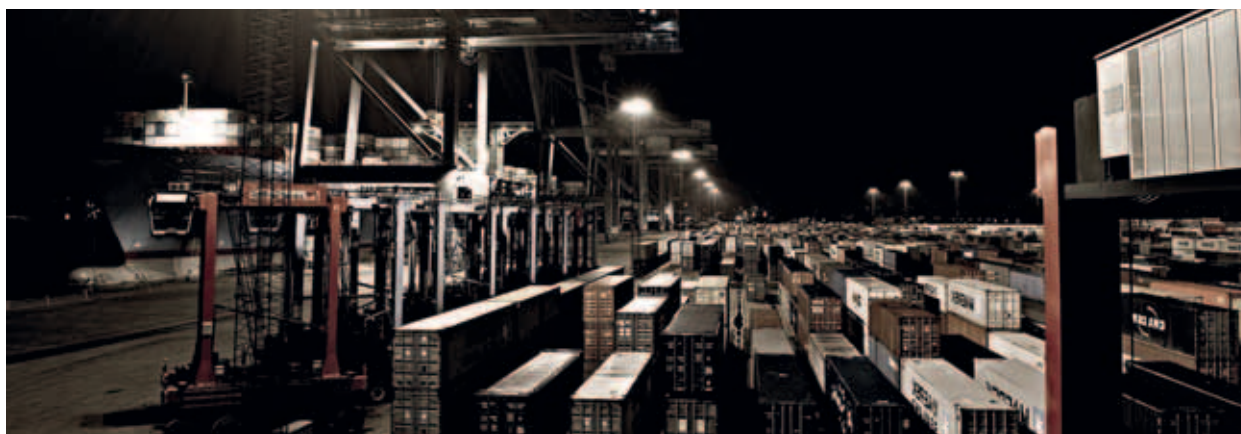
Social performance – safety		2009	2010	2011
Number of full time equivalents (FTE)	number	2,631	2,658	3,130
Lost time injury frequency (LTIF) *	frequency	2.16	1.19	0.91
Fatalities *	number	1	0	0
Environmental performance				
Greenhouse gas (GHG) emissions ^a	1,000 tonnes CO ₂ eq	3,789 ^b	3,027 ^b	2,869
- of which direct and indirect CO ₂ (scope 1 & 2) ^a	1,000 tonnes	3,463 ^b	2,820 ^b	2,640
Economic performance				
Revenue	USD million	9,025	10,250	12,616

^a Environmental data are not complete for non-operated fields in UK, Algeria and Brazil.

^b Subsequently changed due to re-stated CO₂ figures for diesel and electricity and altered CO₂ conversion factor for vented gas.

* Operational scope.

APM TERMINALS  *Lifting Global Trade.*



APM Terminals runs a network of 56 container terminals and over 100 inland services locations across 63 countries, employing 24,000 people

APM Terminals plays a vital role in global trade through the operation of port, terminal and inland services facilities. Our aim is to be the most efficient and most profitable terminal operator with 65-70 terminals by 2014.

SUSTAINABILITY IN OUR BUSINESS
We see sustainability as an integrated

part of the way we conduct our business. We generate profits for our owners and aim to do so in a socially and environmentally responsible manner.

Safety is a top priority for our business and is fully integrated into the business strategy. We are developing global minimum standards for safety as well as guidelines for environmental and social performance.

Our continuing expansion is focused on high growth markets, especially in Asia, South America and in Africa, where we are currently the biggest terminal operator.

CONTINUED FOCUS ON SAFETY
Safety continues to be a key priority for APM Terminals and our goal remains

zero fatalities and zero incidents. Although we did improve our safety performance by reducing the lost time injury frequency (LTIF) from 4.36 in 2010 to 3.46 in 2011, a 21% decrease, tragically 10 fatal accidents occurred in 2011.

This clearly demonstrates that we must work harder to reduce severe incidents, including fatalities. Our senior leadership team has agreed on four key risk activities for APM terminals: lashing, working at heights, falling objects and traffic. Global minimum standards will be established for these activities. In addition, we will begin measuring High Severity Incident Frequency from 2012 with the aim of eliminating severe incidents. On the 5th annual Global Safety Day, we conducted a safety culture survey to

TARGETS 2011	PERFORMANCE 2011	TARGETS 2012
<ul style="list-style-type: none"> • 15% reduction in LTIF (2010 baseline) ^a 	<ul style="list-style-type: none"> • 21% reduction in LTIF from 4.36 to 3.46 ^a 	<ul style="list-style-type: none"> • 15% reduction in LTIF by 2012 (2011 baseline)
<ul style="list-style-type: none"> • 6% reduction in CO₂ emissions per lifted container (TEU) (2010 baseline) ^b 	<ul style="list-style-type: none"> • 4.3% increase in CO₂ emissions per lifted container (TEU) (2010 baseline) ^c 	<ul style="list-style-type: none"> • Reduce CO₂ emissions from flaring by 50% in 2012 (2007 baseline)
<ul style="list-style-type: none"> • Oil spills: Zero ^a 	<ul style="list-style-type: none"> • Oil spills total 2.1 m³ ^a 	

^a This target is based on operational scope.

^b 2011 target does not include inland services, inland services achieved a 15% reduction in absolute CO₂ emissions.

^c In 2011 additional diesel and electricity consuming equipment was installed, due to a lower growth in TEU the efficiency decreased.

get employees, contractors and third party- perspectives on our safety performance. Just over 19,000 employees and contractors responded and the result will be used locally to inform safety improvement plans.

ENVIRONMENTAL IMPACTS

We have continued to make improvements in our environmental and social performance. However, our GHG emissions per twenty foot equivalent unit container have only decreased by 0.5%. This is to a large extent due to the inclusion of electricity used to cool customers' reefer units, and in many cases our equipment cannot yet be assigned to individual customers. As a consequence we have missed our target for 2011 and it will be a challenge to realise our target of 25% reduction by 2020 against a 2010 baseline.

On the other hand, avenues for reducing our emissions are open to us and a proposal to equip all APM Terminals (both retrofitting and new terminal projects) with electrified engines was endorsed by our senior management team. We began in 2011 at two terminals in Malaysia and USA, who reduced their CO₂ emissions by more than 3,000 tonnes, and diesel consumption

by more than 1.8 million litres in total through installation of hybrid engines, using both diesel and electricity, on 12 Rubber Tired Gantry (RTG) cranes. The goal is to convert about 400 such cranes, which estimates show would result in up to 20% reduction in the terminal GHG emissions per TEU.

SOCIO-ECONOMIC IMPACT

A study carried out in 2009 demonstrated the positive impact on local social and economic development since we invested in our Apapa terminal close to Lagos. The study has proven very useful in engaging with our stakeholders, especially those in emerging markets, and has also helped us to understand how we can best build positive relationships with the communities where we operate.

Looking forward, the study will inform a set of global APM Terminals guidelines for conducting environmental and social impact assessments for new projects. These guidelines will be aligned with the International Finance Corporation (IFC) Guidelines and will help us understand the needs of local communities and to contribute positively to their quality of life. Pilot projects are planned in Moin (Costa Rica) and Callao (Peru) beginning in 2012.

PRIORITISED ISSUES

- **Employee safety** – The safety of our employees is of paramount concern to us as an employer and to our customers and host governments.
- **Environmental impacts** – Clean and carbon and energy-efficient operations are an increasingly important aspect of competition.
- **Socio-economic impacts** – Our operations can have a huge positive impact on the economic development of host countries.

INTEGRATING SUSTAINABILITY

The area of safety is fully integrated in our business strategy. Moreover, we are developing a questionnaire based on the UN Global Compact (UNGC) assessment tool to be answered by our facilities in 2012. The aim of this exercise is to help us gain a better insight into how well we are integrating the UNGC global principles into our business at a local level.

→ [Read more www.apmterminals.com](http://www.apmterminals.com)

APM Terminals key sustainability figures 2011

Social performance – safety		2009	2010	2011
Number of full time equivalents (FTE)	number	22,374 ^a	21,146 ^a	22,538
Lost time injury frequency (LTIF) *	frequency	5.82	4.36	3.46
Fatalities *	number	9	10	10
Environmental performance				
Greenhouse gas (GHG) emissions	1,000 tonnes CO ₂ eq	663 ^b	687 ^b	664
- of which direct and indirect CO ₂ (scope 1 & 2)	1,000 tonnes	608 ^b	604 ^b	635
Economic performance				
Revenue	USD million	4,240 ^c	4,251	4,682

^a Group principle on FTEs adjusted to include joint ventures according to regular financial consolidation rules.

^b Changed due to inclusion of CO₂ emissions from reefers in terminal and inclusion of scope 2 CO₂ emissions from district heating.

^c APM Terminals and Container Inland Services consolidated.

* Operational scope.



Maersk Tankers

owns and operates one of the largest fleets of crude oil, product, chemical and gas carriers in the world.

SUSTAINABILITY IN OUR BUSINESS

The tanker industry provides a vital link in the global energy supply chain and plays a key role in ensuring that the industry operates safely, efficiently and with as few negative environmental impacts as possible.

As more new tonnage is added to the market, oil companies become more stringent in selecting the

ships for transport of their cargoes. Moreover, an increasing number of our customers implement responsible procurement programmes of their own and increasingly turn to suppliers with high ratings and standards. A strong record on sustainability provides us with a competitive advantage, as we are able to assist our customers in reaching their ambitious targets and, in doing so, we can play our part in raising the bar across the oil and gas industry.

HEALTH, SAFETY AND SECURITY

Safety is paramount to our business, and in 2011 we made further progress in upgrading our safety procedures. To ensure our fleet is kept updated with the most recent regulations and industry requirements, all Maersk Tankers ships are now aligned to a single

common Safety Management System resulting in a significant decrease in the number of procedures. In 2011, we achieved an LTIF of 1.12, some way short of our 0.6 target. A target of 0.8 is in place for 2012.

To promote safe workplaces throughout the fleet, two Safety Awareness Weeks (SAW) were held during the course of 2011. Our vessel specific HSE Action Plan was also updated. These initiatives encourage crews to think proactively about safety improvements on board their vessels.

On the security front, we have taken steps to further ensure that our crews and vessels are protected from pirate attacks by approving the use of armed guards on board in certain circumstances.

TARGETS 2011	PERFORMANCE 2011	TARGETS 2012
<ul style="list-style-type: none"> • LTIF of 0.6 ^a 	<ul style="list-style-type: none"> • LTIF of 1.12 ^a 	<ul style="list-style-type: none"> • LTIF of 0.8 ^a
<ul style="list-style-type: none"> • Reduce CO₂ emissions by 15% per cargo unit x nautical mile by end 2015 (2007 baseline) 	<ul style="list-style-type: none"> • CO₂ emissions per cargo unit x nautical mile have been reduced by 4.8% (2007 baseline) 	<ul style="list-style-type: none"> • Reduce CO₂ emission by 15% per cargo unit x nautical mile by end of 2015 (2007 baseline)
<ul style="list-style-type: none"> • Zero tanker spills ^a 	<ul style="list-style-type: none"> • Zero tanker spills recorded ^a 	<ul style="list-style-type: none"> • Maintain our record of zero tanker spills ^a
<ul style="list-style-type: none"> • Green ports - rank the most used ports and audit two major ports in 2011 	<ul style="list-style-type: none"> • Green ports - most used ports ranked in 2011. No major ports have been audited 	

^a This target is based on operational scope.

ENVIRONMENT

We have achieved our target of a 5% reduction in CO₂ emissions by 2012, although the first quarter of 2011 had a bumpy start as our relative CO₂ emissions were up a few percent compared to our 2007 baseline, mainly caused by slightly poorer market conditions. This has challenged us in our efforts to improve our efficiency per vessel in relation to the Energy Efficiency Operational Index (EEOI) and Energy Efficiency Design Index. Our target is a 15% reduction by 2015. We conducted workshops in India and the Philippines to build awareness about sustainability among new cadets. Among other things, they were encouraged to come up with ideas to improve energy efficiency.

We are developing KPIs targeting a reduction in the number of voyages carried out by empty ships and an increase in the number of “virtual arrivals”, which involve a reduction in vessel speed to meet a revised arrival time. Our target for zero overboard oil spills in 2011 was met. We were above our target of 10% Green Port landings during the year with 13% of waste landed at green ports – those that are rated as having an environmentally responsible way of handling our waste. The number of landings in “red ports” has, however, risen and we are investigating the reasons for this.

OPERATING RESPONSIBLY

During 2011, we took further steps to extend responsible business practices throughout our business:

- Initiating a Responsible Procurement Programme with a particular focus on our time charter partners and repair yards. This will help to ensure that high supply chain management standards are maintained.
- Carrying out anti-corruption and fraud awareness training and sharing knowledge with staff, both shore-side and on board.
- Closing of the last of the gaps in our responsibility approach identified during 2009 UN Global Compact Gap analysis.

INTEGRATING SUSTAINABILITY

At Maersk Tankers we recognise the importance of making our sustainability ambitions a key driver of excellence in our management processes. In 2012, projects aimed at the commercial and operational management teams will be launched to ensure that we are always considering the social and environmental factors into our major business decisions and strategies.

[→ Read more www.maersktankers.com](http://www.maersktankers.com)

PRIORITISED ISSUES

- **Health, Safety and Security** – Health, safety and security are core to the success of our business and require constant attention to stay on top of new and existing challenges.
- **Environment** – Improving fuel efficiency can reduce our costs and our carbon emissions and improve our competitiveness.
- **Operating responsibly** – Aspiring to be a leader on sustainability within our sector means acting responsibly across all aspects of our business.

BP SHIPPING CEO'S HSSE AWARDS

2011: Maersk Tankers won two BP Shipping CEO's HSSE Awards. We received an award in the Partner of the Year category due to our strong Sustainability Action Plan and a continued drive for improved HSSE performance. The second award, in the Outstanding Environmental Achievement category, recognised our work with Lloyd's Register in reaching our CO₂ reduction target ahead of schedule.

Maersk Tankers key sustainability figures 2011

Social performance – safety		2009 ^a	2010	2011
Number of full time equivalents (FTE)	number	2,964	2,771	3,223
Lost time injury frequency (LTIF) *	frequency	1.34	0.83	1.12
Fatalities *	number	0	1	0
Environmental performance				
Greenhouse gas (GHG) emissions	1,000 tonnes CO ₂ eq	1,952	2,329	2,511
- of which direct and indirect CO ₂ (scope 1 & 2)	1,000 tonnes	1,940 ^a	2,315	2,496
Economic performance				
Revenue	USD million	1,166	1,219	1,299

^a Product tanker company Broström was acquired in 2009.

* Operational scope.



Maersk Drilling

operates 26 drilling units and aims to provide safe and efficient drilling services to oil companies around the world, supporting the global demand for energy.

SUSTAINABILITY IN OUR BUSINESS

2011 was a groundbreaking year for Maersk Drilling. We introduced our Accelerated Growth Strategy, which states our clear ambition to double our fleet by 2016. Focusing on growth

however, must never be at the expense of providing safe access to energy and limiting potential environmental risks to an absolute minimum. As technically challenging offshore drilling continues, our commitment to sustainability is more critical than ever.

SAFETY IS A TOP PRIORITY

In 2011, we continued to improve our safety performance. With only four lost time injuries (LTI) in 2011, our LTIF of 0.21 is the lowest ever achieved in the Maersk Drilling history and well below industry average¹³. However, four LTIs is still four too many, but with 23 out of 26 drilling units reporting zero accidents, the target is within reach. During 2011, Maersk Drilling focused on risks related to occupational safety

and process safety. As dropped objects present a significant challenge to occupational safety we launched a Dropped Objects Campaign to reduce the number of incidents. Although the statistics show that the frequency of dropped objects has decreased, we haven't seen the full effects of the campaign yet.

In regards to process safety we have further developed the change scenarios that may affect the risk level of operating our units, and strengthened the capacity to manage major accidents and hazard potential.

ENVIRONMENT AND CLIMATE

In 2011 Maersk Drilling initiated work on a new Environment and Climate

TARGETS 2011 ^a	PERFORMANCE 2011 ^a	TARGETS 2012 ^a
• LTIF of 1.0 ^a	• LTIF of 0.21 ^a	• LTIF of 1.0 ^a
• TRCF measure of 5.0 ^a	• TRCF measure of 1.4 ^a	• TRCF of 2.5 ^a
• Reduce relative CO ₂ emissions by 5% by end 2011 (2008 baseline) ^b	• Relative CO ₂ emissions have increased 15% by end 2011 (2008 baseline) ^b	• Reduce relative CO ₂ emissions by 10% by end 2012 (2008 baseline) ^b
• Maximum 7 significant spills ^a	• Zero significant spills ^a	• Zero significant spills ^a

^a Based on operational scope

^b The CO₂ target is based on financial control and includes scope 1 and 2 emissions plus one element of scope 3 emissions, which is the diesel consumed by customers

¹³ www.iadc.org (IADC average 1.43 vs MD 0.37)

Change Strategy. In 2011, we maintained our record of zero significant spills into the sea. We had a target of reducing CO₂ intensity of our operations by 5% by the end of 2011, based on a 2008 baseline. We did not reach this target – on the contrary our CO₂ intensity increased by 15%. A wide range of factors play a part in this result. First of all, our rigs had more days in operation compared to previous years and the fleet was expanded by one additional ultra deepwater semi-submersible. Secondly, several of our rigs operated at greater water depths. Simultaneously we faced severe weather conditions and the density of the formations in which we operated became more challenging. All factors contributed to the increase in our total energy consumption.

As most of these factors are outside our control we are currently working on establishing more accurate metrics for measuring our environmental performance. These metrics are part of our new Environment and Climate Change Strategy.

ENGAGING WITH COMMUNITIES

Maersk Drilling is expanding operations in areas such as Latin America and West Africa, where increasingly stringent demands are being placed on

oil companies and drilling contractors by the authorities. In 2011, we implemented our CSR Unit Planning Tool. The tool supports unit management teams in assessing relevant issues and key stakeholders related to their operations. By engaging with local stakeholders, we are better equipped to flag potential risks and opportunities and to focus efforts on managing and mitigating these.

In addition, we have developed a set of guidelines and support documents to enhance consistency and transparency in strategic social investments, including local education and staffing programmes. For us as a growing business, these efforts can help to address local deficiencies in skilled labour, which can have a positive impact on our ability to operate, compete and thrive.

INTEGRATING SUSTAINABILITY

Maersk Drilling introduced a new Sustainability Framework in June 2011. Under this framework, a newly developed CSR policy has been combined with our updated HSSE and Quality policies to guide our work within sustainable business practices. The revised HSSE Policy now includes 'The stop work directive' as well as process safety and technical integrity. With

PRIORITISED ISSUES

- **Safety** – A top priority and an essential part of our business.
- **Engaging with communities** – Maintaining good relations with our key stakeholders and investing in local activities in the areas where we work is vital to our licence to operate.
- **Environment & climate** – We strive to find additional ways to limit our environmental footprint, going beyond our direct sphere of influence

the new CSR policy we aim to improve continuously our CSR commitment to strengthen our legitimacy in the offshore industry. In 2011, the CSR section in Maersk Drilling focused on driving sustainability processes within the organisation, actively engaging employees and promoting key initiatives. In 2012 we focus on our performance management system and on fully embedding all Maersk Drilling employees' understanding of our social, economic and environmental impacts.

→ [Read more www.maerskdrilling.com](http://www.maerskdrilling.com)

Maersk Drilling key sustainability figures 2011

Social performance – safety		2009	2010	2011
Number of full time equivalents (FTE)	number	5,355 ^a	5,828 ^a	6,281
Lost time injury frequency (LTIF) *	frequency	0.70	0.36	0.21
Fatalities *	number	1 ^b	0	0
Environmental performance				
Greenhouse gas (GHG) emissions	1,000 tonnes CO ₂ eq	20	17	12
- of which direct and indirect CO ₂ (scope 1 & 2)	1,000 tonnes	20	17	12
Economic performance				
Revenue	USD million	1,282	1,627	1,878

^a FTE re-stated for 2009 and 2010.

^b One of the two fatalities mentioned in our sustainability

report 2009 has been removed due to change of scope. The fatality occurred at the premises of a third party,

making them liable to report.

* Operational scope.



Maersk FPSOs

contributes to global energy supply by delivering safe and reliable floating oil and gas production services.

SUSTAINABILITY IN OUR BUSINESS

Maersk FPSOs plays a vital role in facilitating responsible offshore energy production; an important part of the world's current energy mix. Care for the environment and our people is an important part of everything we do and vital to our competitiveness. A

strong record on Health, Safety and Environment (HSE) and robust risk management processes are central to our licence to operate.

To maintain constant progress, in 2011 Maersk FPSOs wrote and published its own HSE policies. Each policy reflects Maersk FPSOs' commitments in the areas of Occupational Health, Safety and Security and Environment. Adherence to these policies is of paramount importance in maintaining current licences and pursuing new opportunities.

REDUCING OUR DIRECT ENVIRONMENTAL IMPACT

Our Environmental Policy was published in August 2011 and Maersk

FPSOs Environmental Management System received its renewed ISO 14001 certificate in November 2011. Our Maersk Peregrino operation in Brazil also began the certification process this year and a stage two audit is planned for early 2012. We will pursue further certification with Nkossa II operation off the coast of Congo in 2012.

Despite our vigilance, we had leaks and spills on board our units in 2011. 15 spills released a total of 1,000 litres of hydrocarbons to the external environment. Other spills were contained on board our units. All external spills, even those not considered significantly hazardous to the environment, are investigated and the results inform any

TARGETS 2011 ^a	PERFORMANCE 2011 ^a	TARGETS 2012 ^a
• LTIF of zero	• LTIF of zero	• LTIF of zero
• TRCF measure of 8 or below ^b	• TRCF of 3.72	• TRCF measure of 4 or below
• Achieve one external spill or less	• 15 external spills recorded	• Achieve zero external spills
• Achieve zero dropped object incidents (of over 40 kJ impact)	• 7 dropped object incidents	• Achieve zero dropped object incidents (of over 40 kJ impact)

^a Targets only for FPSO, not LNG. All targets are based on operational scope.

^b Total Recordable Case Frequency (safety)

necessary improvements to our approach. Regular drills are held in order to have a fast and appropriate reaction when a spill does occur.

SAFETY

In 2011, we set a target of 8 or below for total recordable case frequency (TRCF), which includes lost time injuries and incidents requiring medical treatment or restricted workdays per million exposure hours. By the end of 2011, we achieved a frequency of 3.72. The target has been lowered to 4 or below for 2012. Several initiatives were taken in 2011 to maintain our focus on safety:

- We launched the “Our Rules” campaign to publicise essential rules that we have in place in order to avoid incidents.
- We improved the reporting of health and safety issues and incidents, with regular analysis of the data and trend identification. All operating units now use an online health and safety issues and incident reporting tool for which training is provided. The tool allows regular analysis of data and trend identification.
- The HSE department initiated a regular Incident Review Meeting,

which enables the whole organisation to share best practice.

- As a continuation of our previous work, we keep a register of chemicals used in our operations to make chemicals management safer and more efficient. We also provide regular training for employees on the safe handling of chemicals.
- The operation of our newly commissioned FPSOs unit, Maersk Peregrino, began off the coast of Brazil. In a new unit, the same level of safety culture is expected as in any Maersk FPSOs facility, even with a new team with diverse backgrounds and cultures.

EMPLOYEES

As a responsible employer, we have robust HR policies to protect against discrimination including the recruitment process. Employment related decisions are based on a variety of relevant factors such as qualifications, skills, performance and relevant experience.

Alongside information about safety, and training our new induction package to new employees contains elements on sustainability to help make this part of our culture.

PRIORITISED ISSUES

- **Safety** – For Maersk FPSOs, safety is a value, not a priority that can change.
- **Direct environmental impact** – We are committed to finding ways of reducing our environmental footprint.
- **Employees** – To remain competitive, Maersk FPSOs strives to be considered a great employer with the best trained, most skilled employees.

INTEGRATION OF SUSTAINABILITY

We seek to incorporate sustainability into everything we do by:

- Communicating transparently with our internal and external stakeholders through our Uptime newsletters, internet, Town Hall meetings and a range of other channels
- Pursuing constant improvement in our environmental performance
- Strengthening our understanding of local communities through constant dialogue
- Implementing consistent and high standards of business conduct in relation to responsible procurement, labour standards and anti-corruption.

[→ Read more www.maersk-fpsos.com](http://www.maersk-fpsos.com)

Maersk FPSOs and Maersk LNG key sustainability figures 2011

Social performance – safety		2009	2010	2011
Number of full time equivalents (FTE)	number	916 ^a	880 ^a	857
Lost time injury frequency (LTIF) *	frequency	0.00	1.18	0.53 ^b
Fatalities *	number	0	0	0
Environmental performance				
Greenhouse gas (GHG) emissions	1,000 tonnes CO ₂ eq	15	39	1 ^c
- of which direct and indirect CO ₂ (scope 1 & 2)	1,000 tonnes	15	39	1 ^c
Economic performance				
Revenue	USD million	386	418	591

^a Group principle on FTEs adjusted to include joint ventures according to regular financial consolidation rules.

^b LTI occurred at LNG, FPSO had no LTIs in 2011

^c The GHG-emitting consumptions/combustions are very

much depending on the periods of offhires.

* Operational scope.



Maersk Supply Service aims to provide reliable, safe and efficient marine services to the global oil and gas industry.

We are proud to be the market leader in deep water services, and we have both the equipment and people to assist our customers with any offshore task or challenge.

SUSTAINABILITY IN OUR BUSINESS

As the oil and gas industry targets deep water exploration in order to

meet rising energy demand, a focus on safety and environment is more vital than ever. One of the core values of Maersk Supply Service is “constant care”; we take care of today and actively prepare for tomorrow.

This has been the cornerstone of our sustainability journey. Acting responsibly and being able to respond to all circumstances are crucial to our ability to operate. Our customers, employees and other stakeholders demand that we operate efficiently, safely and in line with rigorous environmental standards. Our size and reach means that we can play a significant role in driving higher standards and improved environmental and social performance in our industry.

SAFETY

It is essential to us that we keep our people safe, so we are constantly looking at how we can improve our safety performance. During 2011, we ran two e-learning modules to update our employee’s understanding of safety risks and procedures. We use Safety Observation Cards, a paper-based reporting system, on all our ships. This simple approach increased reporting of safety observations – conditions and behaviours that poses a risk. More than 13,000 cards were submitted in 2011, equivalent to 192 per ship. Our target was a lost time injury frequency (LTIF) of 0.65. We were confident that we would meet that target but unfortunately an LTI during December 2011 took us to 0.74 for the year.

TARGETS 2011	PERFORMANCE 2011	TARGETS 2012
• LTIF of 0.65 ^a	• LTIF of 0.74 ^a	• LTIF of 0.55 and a TRCF measure of 2.50 ^a
• TRCF measure of 2.75 ^a	• TRCF of 2.59 ^a	• TRCF measure of 2.50 ^a
• Internal audits for 100% of the fleet ^a	• All ships have been audited in 2011 ^a	• Internal audits for 100% of the fleet ^a
• 5,000 safety observation cards submitted ^a	• 13,000 safety observation cards were submitted on 67 vessels ^a	• 20,000 safety observation cards submitted in 2012 ^a
• 5% CO ₂ reduction per ship by end 2011 (2008 baseline)	• 16% CO ₂ reduction per vessel in 2011 compared to 2008	• Cut CO ₂ 10% per ship by 2020 (baseline 2010) ^a
		• 20% reduction in total spills (baseline 2011) ^a

^a This target is based on operational scope.

Our total recordable case frequency (TRCF) over the year was 2.59, though against our target of 2.75. However, as a result of a large engine room fire, we tragically experienced our first fatality in more than ten years.

ENVIRONMENT

We recognise that taking care of the environment and lowering our emissions is a requirement for our licence to operate and our ability to win business. We are ISO14001 certified and set ambitious annual targets for fuel consumption, environmental awareness, oil spill reduction and other relevant measures as part of a pursuit of continuous improvement.

Disposing of waste at sea with the minimum possible impact on the environment is always a challenge. In 2010, we installed new technology on our newest ship, Maersk Laser, that allows combustible waste to be turned into "Syngas", which can then be used to fuel the system. This is a cleaner and more efficient means of disposal and, as a result, Maersk Laser has achieved emissions lower than even the most stringent requirements. Driving down fuel consumption reduces both costs and emissions. We reduced our CO₂ emissions by 16% per ship between 2008 and 2011 (following operational

data scope). We have set a new target to reduce CO₂ emissions per ship by an additional 10% by 2020 (against a 2010 baseline). We are currently discussing with a number of customers the possibility of introducing live fuel meters and providing daily reports on fuel consumption by our ships. We can then work more closely with these customers to minimise consumption.

DOING BUSINESS IN A SOCIALLY RESPONSIBLE WAY

Alongside our environment and safety focuses, we are increasingly emphasizing the importance of our role as a partner to the communities where we operate. We can provide tremendous benefits as a local employer and investor, working closely with local authorities to train local people and provide careers. We also support a number of community investment initiatives, including an orphanage in Equatorial Guinea. We are part of the Group programme for responsible procurement to enhance the responsible business practices throughout our supply chain, as well as the anti-corruption training and information roll out.

INTEGRATION OF SUSTAINABILITY

To have a real impact on the business and our stakeholders, our commitment to sustainability needs to be

PRIORITISED ISSUES

- **Safety** – In our industry, safety performance can determine whether you win or lose business.
- **Environment** – In recent years, climate and environmental issues have become important determining factors for our customers and other stakeholders around the world.
- **Doing business in a socially responsible way** – We help the communities where we operate to thrive.

deeply embedded in the business. To support this, our 2010 Corporate Responsibility Strategy pulled together our various policies and commitments into a coherent plan that is integrated with the broader needs of the business and our stakeholders.

Our annual HSE Action Plan has grown to become our first Sustainability Review and Action Plan, which contains detailed accounts of our progress and future objectives.

[Read more
www.maersksupplyservice.com](http://www.maersksupplyservice.com)

Maersk Supply Service key sustainability figures 2011

Social performance – safety		2009	2010	2011
Number of full time equivalents (FTE)	number	2,412	2,088	2,186
Lost time injury frequency (LTIF)*	frequency	0.69 ^a	0.78 ^a	0.74 ^a
Fatalities *	number	0	0	1
Environmental performance				
Greenhouse gas (GHG) emissions ^b	1,000 tonnes CO ₂ eq	34	30	83
- of which direct and indirect CO ₂ (scope 1 & 2)	1,000 tonnes	33	30	82
Economic performance				
Revenue	USD million	749	772	824

^a LTIF 2009 and 2010 is offshore hours only, whereas for 2011, shore staff is included as well.

^b The GHG-emitting consumptions/combustions are very much depending on the amounts of off hire.

* Operational scope.

SVITZER



Svitzer is the market leader for towage and emergency response at sea and has been at the forefront of maritime safety and support since 1833.

SUSTAINABILITY IN OUR BUSINESS

Svitzer’s mission is to provide safety and support at sea. We are a vital part of the machinery of global trade, enabling its safe functioning and allowing shipping lines to connect economies, across the globe.

Our approach, summed up as “Do it safely or not at all”, runs through all

business activities and is key to the valued relationships we have with both customers and colleagues. “Respecting each other and the world we live in” is the principle driving our environmental sustainability efforts.

SAFETY AND SECURITY

In 2011, our lost time injury frequency (LTIF) was 0.72, which equates to 12 actual lost time injuries. Many of our operations are already up to five years or more without any lost time injuries, and our ambition is to eliminate these incidents completely by 2015, an initiative we call “Absolute Zero”.

Preparedness through the anticipation of problems is part of what we do. This is also true of our approach to safety. With a 180% increase in reported “Near-Misses” and “Observations”

compared to 2010, we believe that we have increased our safety transparency, which has helped us to build more trust among our colleagues and while also improving our awareness of the specific challenges we face.

Our one day Safety Culture programme was translated into nine different languages and rolled out across the organisation. All 4,500 of our employees will actively participate in the course over the next three years.

We are also making a broad range of improvements to the working environment of our tugs. These include noise reduction initiatives like double-glazed windows, reducing vibrations of engines and fans, and the creation of an air gap between ships, funnels and the crew accommodation.

TARGETS 2011	PERFORMANCE 2011	TARGETS 2012
<ul style="list-style-type: none"> LTIF drive towards zero (improve on 2010 performance of 0.8 LTIF) ^a 	<ul style="list-style-type: none"> LTIF of 0.72 ^a 	<ul style="list-style-type: none"> Progressively reduce lost time injuries to zero by 2015 ^a
<ul style="list-style-type: none"> 1% yearly CO₂ reduction per tug operation (2009 - 2012) ^b 	<ul style="list-style-type: none"> 1% CO₂ reduction per tug operation against the 2009 baseline ^b 	<ul style="list-style-type: none"> 1% yearly CO₂ reduction per tug operation (2009 - 2012) ^b
<ul style="list-style-type: none"> All employees to complete new safety training programme before end 2011 ^a 	<ul style="list-style-type: none"> 10% of employees have completed new safety training programme ^a 	<ul style="list-style-type: none"> All employees to participate in new safety training programme during next three years ^a

^a This target is based on operational scope.

^b Because of a change in reporting scope the baseline is moved from 2008 to 2009.

Piracy remains a challenge for Svitzer especially in terms of salvage, ocean towage opportunities and mobilisations in high risk areas. We regretfully have to maintain a general “no go” policy in some regions, with a case-by-case evaluation of business opportunities when they arise.

REDUCING OUR DIRECT ENVIRONMENTAL IMPACTS

Reducing our GHG emissions is part of being a responsible company. Our target is to reduce fuel consumption relative to tug operations by 1% each year. In 2011, we began integrating GPS feeds into fuel meters on some of the ships in our UK fleet. This simple intervention has increased fuel awareness and reduced fuel consumption and costs. It has also led to an 8% reduction in emissions on the selected UK tugs. This approach has the potential to reduce carbon emissions by as much as 10,000 tonnes across the fleet.

We support the 2016 Tier III requirements put forward by the International Maritime Organization (IMO). This introduces more stringent emission standards and fuel sulphur content, and we continue to work with our engine and vessel manufacturers to evaluate new and more sustainable

specifications for tugs. These include diesel electric hybrid engines, exhaust gas recovery systems, selective catalytic reactors, LNG powered tugs and silicon hull paint.

Focus on environmental impacts is also increasingly a commercial imperative. Demonstrating that we offer support to our customers' sustainability efforts helped us to win a long term terminal contract in a particularly sensitive marine park environment in Australia. The Svitzer designed diesel electric hybrid tugs played a part in this, among many other eco-efficient design features built into the specifications of the contract.

COMMUNITY

Our commitment to building positive relations with local communities is a part of our ability to attract both customers and talented employees, demonstrated by our recently awarded towage contract with Chevron, in Angola. Our commitment to train local Angolans to become expert seamen was a key reason for the decision to award us the contract. By the time the work commenced in September 2011, we had recruited 65 Angolans into the project team.

PRIORITISED ISSUES

- **Safety and security** – A core value for a business like ours, we make safety our utmost priority.
- **Direct environmental impacts** – Making our operations as fuel efficient as possible reduces harmful greenhouse gas emissions.
- **Community** – Good relations with local stakeholders can have a direct impact on our ability to grow.

INTEGRATING SUSTAINABILITY

At Svitzer, annual commitments to sustainability are made throughout the business, including at our headquarters and in every Region and Division. All heads of HSSEQ – Health, Safety, Security, Environment and Quality – meet at least once each year and take responsibility for carrying the message forward to the rest of the organisation through their procedures, regional conferences, monthly updates and newsletters. Sustainability is also a key topic when the senior leadership team meets.

[→ Read more www.svitzer.com](http://www.svitzer.com)

Svitzer key sustainability figures 2011

Social performance – safety		2009	2010	2011
Number of full time equivalents (FTE)	number	3,806	3,461	4,094
Lost time injury frequency (LTIF) *	frequency	1.35	0.82	0.72
Fatalities *	number	0	0	0
Environmental performance				
Greenhouse gas (GHG) emissions	1,000 tonnes CO ₂ eq	244	222	225
- of which direct and indirect CO ₂ (scope 1 & 2)	1,000 tonnes	243	221	223
Economic performance				
Revenue	USD million	779	890	992

* Operational scope.

Dansk Supermarked A/S



Dansk Supermarked

is one of Denmark's leading retail groups and includes the supermarket brands Netto, Føtex and Bilka.

SUSTAINABILITY IN OUR BUSINESS

With a direct interface with both suppliers of a wide range of products and their consumers, supermarkets have a key role to play in the transition to a more sustainable economy.

We strive to offer our customers responsible choices, including organic and fair trade products, and we work to ensure that ethical standards are upheld by our suppliers. With Dansk Supermarked (DS), customers should know they can make an informed decision about what they buy. To achieve

this, on behalf of our customers, we influence our wide range of suppliers to adopt the highest standards of supply chain management.

AN ETHICAL SUPPLY CHAIN

As member of the Business Social Compliance Initiative (BSCI), we have set out to both improve the ethical standards within our own supply chain, and to influence other Danish retailers. The BSCI now involves more than 700 companies committed to improving working conditions in the global supply chain.

At the end of 2011, Dansk Supermarked had a total of 416 suppliers from countries defined as "high risk" in the DS-BSCI database. It is paramount to our business, that we ensure that these suppliers adhere to relevant codes of conduct and certifications. In 2011, of these suppliers:

- 407 have signed the DS Code of Conduct, which is based on the UN Global Compact

- 337 have filled in the BSCI self-assessment scheme, which requires information from companies on issues ranging from working time to child labour
- 242 have been audited independently by an auditor appointed by BSCI
- 197 have been re-audited
- 14 are SA8000 certified
- 20 are International Council of Toy Industry certified

During the past year, 41 of our suppliers indicated that they intend to apply for BSCI membership themselves.

SAVING ENERGY

It is also important that we manage our own direct impacts. A number of initiatives this year have helped us to make progress towards our new target to reduce our operational CO₂ emissions by 5% per square metre of retail space by 2020, with 2010 as our baseline. Reductions in 2011 totalled

TARGETS 2011^a

- Reduce CO₂ emissions relative to building area by 10% by 2012 (2007 baseline)

PERFORMANCE 2011^a

- CO₂ emissions relative to building area have been reduced by 12.5% in 2011 (2007 baseline)

TARGETS 2012

- Reduce CO₂ emissions relative to building area by 5% by 2020 (2010 baseline)

^a This target is based on operational scope.

3%. A number of initiatives this year helped us to do that:

- Netto developed a new heat recovery system that saves energy by using excess heat from the refrigeration system for heating and hot water. This is being rolled out in all new stores.
- In all new Netto, Føtex and Bilka stores, low energy LED light sources have been installed. Føtex and Bilka have also announced that they will exchange all of their old spotlights with new, energy efficient LED lights.
- Føtex is building new low-energy stores in Kolding and Stenløse. Additional insulation, energy efficient windows and ventilation, and photovoltaic technology reduce building energy use.

SAFETY AND SECURITY

A key internal concern remains the in-store safety of our employees and this year we took several measures to reduce the risk of our employees being victims of robberies and other crimes.

- We launched a new training programme for managing conflict situations to help our employees in a robbery situation.

- We piloted a variety of new safety solutions to ensure that cash is not accessible to our employees, reducing the risk of them being victims of robberies. These included reducing the number of cash transports substantially, something that also reduces unnecessary transport emissions. We expect to implement this solution in high risk areas and stores with transportation difficulties in 2012
- In cooperation with Dansk Handel and Service, we have developed a database that registers security related events in the retail business, helping us to identify high risk areas.

COMMUNITY ENGAGEMENT

By offering employment, including to vulnerable groups like unemployed young people and recent immigrants, our business contributes to the communities in which we operate. In 2010 and 2011, we took up seats in the Local Employment Councils in seven municipalities and two Regional Employment Councils. The Councils instruct and advise the municipalities and jobcentres in relation to employment efforts.

We also support a series of university scholarships and have programmes to

PRIORITISED ISSUES

- **Ethical supply chain management** – We aim to use our influence to improve ethical and environmental standards throughout our supply chain.
- **Energy efficiency** – By improving the efficiency of our operations we can cut carbon and reduce our costs.
- **Safety and security** – The safety of our employees and customers and the security of our business are of paramount concern to us.

raise money for the Danish Diabetes Association and for a number of health centres in Malawi.

INTEGRATION OF SUSTAINABILITY

Being a responsible and more sustainable retailer is part of our culture. As one of Denmark's biggest retailers, we are a key part of communities all over the country and we therefore have a stake in the success of those communities. These responsibilities are on the agenda at management committee meetings.

→ [Read more www.dsg.dk](http://www.dsg.dk)

Dansk Supermarked key sustainability figures 2011

Social performance – safety		2009	2010	2011 ^a
Number of full time equivalents (FTE)	number	25,635	26,104	24,537
Lost time injury frequency (LTIF) *	frequency	14.10 ^b	13.53	13.95
Fatalities *	number	0	0	0
Environmental performance				
Greenhouse gas (GHG) emissions	1,000 tonnes CO ₂ eq	210 ^c	224 ^c	200
- of which direct and indirect CO ₂ (scope 1 & 2)	1,000 tonnes	209 ^c	223 ^c	199
Economic performance				
Revenue	USD million	10,683 ^d	10,537	10,314

^a Netto UK was sold with effect from 2011.

^b In the UK and Germany the LTIF has been measured after absence of three days.

^c Subsequently changed due to inclusion of scope 2 emissions from district heating.

^d Revenue is re-stated due to new financial regulations for other income.

* Operational scope.

MAERSK
CONTAINER INDUSTRY



Maersk Container Industry (MCI) is a supplier of containers to the international shipping industry.

Our strategy is to combine growth, profitability and sustainability by producing the most durable and energy-efficient containers.

SUSTAINABILITY IN OUR BUSINESS

MCI has a central role to play in making global trade more efficient, less carbon intensive and a more powerful enabler of economic development.

Our refrigerated containers allow agricultural produce to be transported

around the world with minimal loss of freshness. This allows movement of agricultural products – even high value products such as fish and flowers over longer distances. This in turn helps meet rising global food demand and benefits developing countries in particular who gain access to global markets and is a vital driver of growth and development. At the same time a shift from air to sea transport can result in trade related GHG emissions 90% lower.

SAFETY

The success of MCI must never be at the expense of safety standards. Despite improvements in our safety performance, 2011 was marred by two tragedies as an employee lost his life in Dongguan after walking in front of a moving container on the assembly line. Another employee died in a work

related accident after falling from a roof near his place of work.

No fatalities are acceptable. Regular safety seminars for all employees have been expanded in scope, with the assistance of Maersk Training Centre. MCI's long-term mission is to entrench a safety culture where all employees look out for each other and, regardless of rank, instinctively react to safety hazards on sight.

In 2011, Maersk Container Industry's overall lost time injury frequency (LTIF) was 1.33 per one million work hours (year on year incl. December). This equates to a 29% reduction compared with 2010. At our dry container factory in Dongguan the LTIF was the lowest in the factory's history, with a reduction of more than 40% from 2010.

TARGETS 2011	PERFORMANCE 2011	TARGETS 2012
• CO ₂ : Reduce 20% - from 0.14 to 0.11 kg/USD	• CO ₂ : 27% reduction to 0.099 kg/USD	• CO ₂ : Reduce 5% - from 0.10 to 0.095 kg/USD
• Energy: Reduce 16% - from 0.58 to 0.49 GJ/1,000USD	• Energy: 19% reduction to 0.47 GJ/1,000USD	• Energy: Reduce 4% - from 0.47 to 0.45 GJ/1,000 USD
• Water: Reduce 17% - from 0.64 to 0.53 m ³ /1,000USD	• Water: 23% reduction to 0.49 m ³ /1,000USD	• Water: Reduce 4% - from 0.49 to 0.47 m ³ /1,000 USD
• Waste: Reduce 18% - from 24.8 to 20.4 kg/1,000USD	• Waste: 10% reduction to 22.2 kg /1,000USD	• Hazardous waste: Reduce 8% - from 3.41 to 3.14 kg/ 1,000 USD

This was achieved despite a large number of new, less experienced employees being hired in Dongguan and Qingdao in 2011 to decrease exposure hours of individual employees in line with Maersk Global Labour Principles.

DELIVERING

SUSTAINABLE PRODUCTS

Maersk Container Industry continues to be one of the innovation leaders in container technology. Our latest containers are more energy and carbon efficient, use more sustainable materials and are even better in reducing waste. Our latest innovations that we can offer our customers, include the following:

- Our Controlled Atmosphere® technology allows controlled ripening process of fruit and vegetables during transport.
- Our latest Star Cool containers require 15% less energy usage than those of our closest competitors.
- Q Liner is a specialist plastic used to replace the steel interior of containers. It reduces a container's weight by 200kg and hence increases the carbon efficiency of shipping.
- In 2011, MCI entered a majority owned partnership to produce container floors made of low grade recycled plastic and wood fibres. We believe this represent a sustainable alternative to the conventional hardwood

floors used in container shipping today, eliminating the risk of using illegally sourced wood.

We have dedicated resources to further our work on designing and implementing cradle-to-cradle principles into container manufacturing.

STAKEHOLDER ENGAGEMENT

During 2011, the value of our active approach was shown in our work alongside local government and unions to agree to a reduction in working time at our two production facilities in China. For employees, this was largely offset by wage increases. In 2012, stakeholder engagement will play an important role in the success of our new investment in a reefer factory in Chile. It will give us a better understanding of our new environment and the local community. We hope it will have a positive impact on the ability of agricultural exporters in the region to access the global marketplace.

INTEGRATION OF SUSTAINABILITY

MCI strives constantly to offer the most energy efficient containers on the market. This reduces their cost of use and increases our competitiveness. But this ethos also extends to our own supply chain. During 2011, we have begun implementation of group standards on responsible procurement

PRIORITISED ISSUES

- **Health & Safety** – We operate in heavy manufacturing and health & safety is our highest priority.
- **Sustainable products** – A key competitiveness factor is our customers' demand for lower carbon, energy efficient containers.
- **Stakeholder relations** – Strong stakeholder relations are vital to our ability to operate efficiently. This includes maximising positive economic impact.

across MCI and progress on risk assessment of suppliers so far amounts to 70% of total procurement spend. Similarly, Group principles on anti-fraud have become an integrated part of our training requirements.

In 2012, the senior management team at MCI will participate in a training programme on Maersk Global Labour Principles. The training programme will ensure full compliance with the principles by identifying and closing any gaps there might exist in our organisation.

→ [Read more www.mcicontainers.com](http://www.mcicontainers.com)

Maersk Container Industry key sustainability figures 2011

Social performance – safety		2009	2010	2011
Number of full time equivalents (FTE)	number	3,138	4,105	5,927
Lost time injury frequency (LTIF) *	frequency	2.24	1.88	1.33
Fatalities *	number	0	0	2
Environmental performance				
Greenhouse gas (GHG) emissions	1,000 tonnes CO ₂ eq	170 ^a	175 ^a	226
- of which direct and indirect CO ₂ (scope 1 & 2)	1,000 tonnes	38 ^a	75 ^a	99
Economic performance				
Revenue	USD million	270	689	1,168

^a Subsequently changed due to re-stated CO₂ conversion factor for vented gas.

* Operational scope.

Sustainability

accounting principles

This report has been prepared in accordance with the Global Reporting Initiative's (GRI) G3 Sustainability Reporting Guidelines (application level C+), and has been independently assured by KPMG.

The GRI Content Table and the corresponding UN Global Compact principle covered in this report can be found at www.maersk.com/sustainability

The sustainability accounting principles for 2011 have been changed slightly, as scoping and consolidation for health and safety and spills have been changed to operational scope. Furthermore, the definition for FTE, including gender split, has been updated, with joint ventures now included proportionally. For comparability, 2009 and 2010 figures have been re-stated according to the updated rules and improved data and emission factors.

The consolidated reporting tool is validated via IT audit, and manuals and online training are in place. A set of general accounting principles for sustainability has been established, which defines the reporting rules, processes and responsibilities. A controlling guideline has been distributed to help secure business units' own assurance of submitted data, before

sign off by the respective CEO and CFO. Furthermore, all business units are obliged to provide explanation sheets on significant developments in data.

From 2011, the data reported under financial scope are included in the framework used to assure risks and controls for financial reporting (Risk and control compliance).

SCOPE

Operational scope is applied to health and safety and spills data, and financial scope is applied for all other sustainability data.

Operational scope is assumed when a business unit or one of its subsidiaries holds the governing authority and responsibility for health, safety and environmental management of the people, processes and facility either directly or indirectly via third party contractual arrangements. This approach excludes data from assets which are partly owned by the Business Unit but operated by another company (i.e. a non-operated joint venture). Mobile assets are included, when operated by the business unit. For vessels, the International Safety Management Code Document of Compliance (DOC) must be held by the business unit to include the data.

Financial scope is defined as follows:

- Owned assets, which the Group uses, the Group is liable for consumption, emissions, and other environmental elements
- Owned assets, which are leased out, the Group is not liable for consumption, emissions, and other environmental elements – lessee is.
- Leased in assets, which the Group uses, the Group is liable for consumption, emissions, and other environmental elements – lessor is not.

For technical management of an asset on behalf of third parties, consumption and emissions belong to the asset owner/lessee. If material, the business unit may include the emissions as explanations in the text.

Regarding greenhouse gases, the reporting must be compatible with the Greenhouse Gas (GHG) protocol: direct emissions from own assets (Scope 1), indirect emissions from purchased electricity and district heating, (Scope 2).

Within the current Group wide climate change policy we report only on scope 1 and 2 GHG emissions. A business unit can choose to comment on scope 3 GHG emissions (indirect

emissions from third parties), however, these data are not part of the assured data set.

CONSOLIDATION

For operational control, 100% of the data from the operated assets are included irrespective of percentage ownership.

Financial scope uses the financial consolidation methodology of the Group; data are collected per legal entity per activity, and the figures are consolidated line-by-line. Subsidiaries, in which the Group has full control, are included 100%. Joint ventures, are included by proportional consolidation. Associated companies and other companies, in which the Group does not have control, are excluded. Using financial consolidation principles, help us to compose the sustainability indicators, which can be compared directly with financial data, thereby providing context for our performance.

DEFINITIONS

The Group has defined two categories of data; documented and probable data. The reason for the split is that some data are more difficult to document than others.

Documented data comprise: our employees, energy consumption, other air emissions, steel consumption, oil extraction and financial data.

Probable data comprise health and safety, waste, water consumption, spills and anti-corruption training.

EMISSION CONVERSIONS

The Group GHG emissions are calculated indirectly via default conversion factors for energy consumption and other GHG gases. Based on various official schemes that include standard assumptions for emissions, content

and flare efficiencies, the Group has updated the converters for 2011, and has updated some of the 2009 and 2010 figures to maintain comparability.

AA1000 ACCOUNTABILITY PRINCIPLES STANDARD (APS) 2008

Maersk is committed to the AA1000 principles to help embed sustainability in its Group and business unit (BU) activities in line with stakeholder expectations. Due to the diversity of our businesses, this mainly takes place at BU level. The criteria are challenging but we are making good progress and believe our current level of adherence to the principles is as follows:

Inclusivity: Partial

Stakeholder concerns are a key foundation for Group and BU level sustainability strategies and policies. Some business units have developed a more systematic process for stakeholder engagement while Group Sustainability is developing guidance and tools and monitoring progress. A Group level approach to stakeholder engagement will be developed in 2012.

Materiality: Making progress

The methodology, based on best practice, is defined at group level. Guidelines were distributed in 2009 as part of the sustainability strategy process to all BUs.

Responsiveness: Making good progress

Environment and safety are already well established. From 2009-2011 Group programmes were developed for anti-corruption programmes, responsible procurement and labor principles including policies, codes of conduct and training. Implementation is being monitored by Group sustainability. In addition sustainability has been integrated in a new Enterprise Risk Management structure.

FULL SETS OF DATA AVAILABLE ONLINE

In this report we only include data on a few, select key performance indicators for each business unit. Full sets of data, both consolidated and at the business unit level can be found on our website: www.maersk.com/sustainability.

GENERAL NOTES FOR DATA

- Number of employees measures average number of full time equivalents and employees (FTE) excluding discontinued operations.
- Employee engagement reflects the percentage of engaged employees who participated in the annual engagement survey. Engagement is the combination of satisfaction, pride, referral and intent to stay in the organisation.
- The percentages for performance appraisals are based on headcounts, not FTE.
- Lost time injury frequency measures the number of lost time injuries excluding fatalities per million exposure hours.
- TRCF = Total Recordable Case Frequency measures the number of recordable cases per million exposure hours (LTI + MTC + RWC).
- Particulate matter is calculated on heavy fuel.
- Category 1 oil spills are defined as a function of distance to shore and volume of spill. More than 10 M³ within harbor or less than one mile from shore, more than 100 M³ spill less than 12 miles from shore and more than 1000 M³ in open sea (more than 12 miles from shore).

Assurance Report

Independent assurance report

To the readers of the Sustainability Report 2011 of A.P. Moller - Maersk A/S

We were engaged by the Executive Board of A.P. Moller - Maersk A/S (further 'Maersk') to provide assurance on the information presented in the Sustainability Report 2011 (further 'The Report'). The content of The Report, including the identification of material issues and the determination of the GRI Application Level, is the responsibility of the company's management. Our responsibility is to issue an assurance report based on our engagement as outlined below. Our engagement was designed to provide limited assurance on whether:

- the information in The Report is, in all material respects, fairly stated in accordance with the G3 sustainability reporting guidelines of the Global Reporting Initiative;
- Maersk has applied the 'AA1000 Accountability Principles Standard (2008)' as set out on page 73.

In addition, we were asked to check whether Maersk's GRI Application Level, as disclosed on page 72 (and the related GRI Content Index published on Maersk's website) is consistent with the GRI criteria for the disclosed Application Level.

The scope of our engagement conforms to the requirements of a Type 2 assurance engagement as set out in the AA1000 Assurance Standard (2008) of AccountAbility. We do not provide any assurance on the achievability of the targets, expectations and ambitions of Maersk.

Procedures performed to obtain a limited level of assurance are aimed at determining the plausibility of information and are less extensive than those for a reasonable level of assurance.

Reporting criteria and assurance standards

For the information covered by our engagement scope Maersk applies criteria as detailed on pages 8-9 and 72-73. These include the Sustainability Reporting Guidelines (G3) of the GRI for The Report, the AA1000APS (2008) criteria for the three principles of inclusivity, materiality and responsiveness as set out on page 73. We believe that these criteria are suitable in view of the purpose of our assurance engagement.

We conducted our engagement in accordance with the International Standard for Assurance Engagements (ISAE) 3000: Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board and the AccountAbility 'AA1000 Assurance Standard (2008)'. Limited assurance in ISAE3000 is consistent with a moderate level of assurance as defined by AA1000AS (2008). Among other things, these standards contain requirements regarding the independence and competency of the assurance team.

Independence, impartiality and competence

Our engagement was conducted in accordance with the 'IFAC Code of Ethics for Professional Accountants' which requires, among other things, the independence of the members of the assurance team and of the assurance organization, including not being involved in writing The Report. The Code contains detailed requirements regarding the integrity, objectivity, confidentiality and professional competence and behaviour. KPMG has internal systems and processes to monitor compliance with this Code and to prevent potential conflicts regarding independence. We used a multidisciplinary team including specialists in AA1000APS/AS, stakeholder engagement, environmental, social and financial aspects, with experience in similar engagements.

Work undertaken

We carried out the following work:

- An evaluation of the results of Maersk's stakeholder consultation process and processes for determining the material issues at Group level;
- A media analysis and an internet search for references to Maersk during the reporting period;
- Interviews with relevant staff for each 'Group Performance' section (overall Sustainability strategy, Health and safety, Human rights, Labour principles, Environmental stewardship, Anti-corruption and Value Chain) regarding the strategy and policy development, communication, implementation in the Business Units, monitoring and reporting;
- Interviews with relevant staff at each of the main Business Units (Maersk Line, Damco, Maersk Oil, APM Terminals, Maersk Tankers, Maersk Drilling, Maersk FPSO's, Maersk Supply Services and Dansk Supermarked) concerning stakeholder engagement and materiality, sustainability strategy and policies, communication and management of these in the business, and with other staff responsible for collecting and aggregating the information in The Report;

- A visit to the APMT terminal at Algeciras to review the local environmental and safety data;
- An evaluation of the design and existence of the systems and methods used to collect and process the information reported at Group level and at each of the main Business Units, and the aggregation of the data into the information as presented in The Report;
- Reviewing the existence and results of the internal control procedures for the data at Group level and at the main Business Units;
- Reviewing the information in The Report using internal and external documentation, to determine whether the information presented in The Report corresponds to the information in the relevant underlying sources and whether all the relevant information contained in such underlying sources has been included in the sustainability reporting;
- An evaluation of whether the information presented in the report is in line with our overall knowledge of the organisation.

During our investigation, we discussed the necessary changes to the sustainability reporting with Maersk and verified that these changes were adequately incorporated into the final version.

GRI check

With respect to our work on the disclosed GRI Application Level, our procedures were limited to checking whether the GRI Content Index is consistent with the criteria for the disclosed Application Level and that the relevant information is publicly reported.

Conclusions

In relation to the report:

Based on our procedures, as described above, nothing has come to our attention to indicate that the Report is not fairly presented, in all material respects, in accordance with the G3 Guidelines of the Global Reporting Initiative.

In relation to the AA1000APS principles of inclusiveness, materiality and responsiveness

Based on our procedures, as described above, nothing has come to our attention to indicate that Maersk has not applied the AA1000APS principles to the extent described on page 73. As disclosed by Maersk good progress has been made in relation to 'responsiveness' with a goal of 2013 for implementing the Group programs. For 'Materiality' and 'Inclusiveness' some progress has been made but further work is required at both Group and business level.

Emphasis of Matter

Without modifying our conclusions, we draw attention to the section 'Prioritised issues' on page 49 where Maersk explains that the Business Unit pages cover a limited number of prioritised issues and not necessarily all of the material sustainability issues for each business.

Report on GRI application level

Based on the procedures performed we conclude that the Application Level C+ as disclosed on page 72 and based on the GRI Content Index on Maersk's website is consistent with the GRI criteria for this Application Level.

Observations

Without affecting the conclusions presented above, we would like to draw the readers' attention to the following:

- Maersk has begun implementing stakeholder engagement and materiality assessment at Group level and in the businesses. We recommend extending the materiality assessment at Group level to include other sources of information, including input from Maersk's strategic sustainability partners and stakeholder engagement. We also recommend improving the consistency of the approach to both stakeholder engagement and materiality assessment in the businesses to further ensure the comprehensiveness of the material issues reported upon.
- Maersk uses the Sustainability Group Accounting Principles (GAP) for reporting on environmental and safety performance. We recommend an in-depth review of these guidelines covering, in particular, the current threshold for spills reporting, extending reporting to cover oil in water, and the use, where feasible, of differentiated emission factors per business rather than generic group factors for key emissions such as CO₂, SO_x and NO_x.

Amsterdam,
27 February 2012
KPMG Sustainability,
part of KPMG Advisory N.V.

Wim Bartels
Partner

Copenhagen,
27 February 2012
KPMG Statsautoriseret
Revisionspartnerselskab

Jesper Ridder Olsen
State Authorised
Public Accountant

UN Global Compact LEAD

– Covering the Blueprint Dimension 2 and 3

The Blueprint is intended as a model for achieving higher levels of performance and generating enhanced value through the UN Global Compact. In the context of the Blueprint, corporate sustainability is defined as a company's delivery of long term value in financial, social, environmental and ethical terms. The four dimensions of the Blueprint are:

1. **Implementing the Ten Principles into Strategies and Operations**
2. **Taking Action in Support of Broader UN Goals and Issues**
3. **Engaging with the UN Global Compact**
4. A cross-cutting component of leadership form an overlay to the three dimensions

Dimensions 1 and 4 are covered throughout the report and form the UN Global Compact Advanced Level Reporting Criteria. The tables below display A.P. Moller - Maersk's coverage of the UN Global Compact Principles and the remaining dimensions 2 and 3 of the Blueprint. More information can be found on www.unglobalcompact.org.

Dimension 1: The Ten Principles	
Human Rights	
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights, and;	Page 33
Principle 2: make sure that they are not complicit in human rights abuses.	Page 33
Labour	
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Pages 36-37, www.maersk.com/Sustainability/Documents/Maersk_Global_Labour_Principles.pdf
Principle 4: the elimination of all forms of forced and compulsory labour;	Pages 36-37, www.maersk.com/Sustainability/Documents/Maersk_Global_Labour_Principles.pdf
Principle 5: the effective abolition of child labour, and;	Pages 36-37, www.maersk.com/Sustainability/Documents/Maersk_Global_Labour_Principles.pdf
Principle 6: the elimination of discrimination in respect of employment and occupation.	Pages 36-37, www.maersk.com/Sustainability/Documents/Maersk_Global_Labour_Principles.pdf
Environment	
Principle 7: Businesses should support a precautionary approach to environmental challenges;	Pages 40-44
Principle 8: undertake initiatives to promote greater environmental responsibility, and;	Pages 40-44
Principle 9: encourage the development and diffusion of environmentally friendly technologies.	Pages 43-44
Anti-Corruption	
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Pages 45-46

Dimension 2: Taking Action in Support of Broader UN Goals and Issues	
Core Business Contributions to UN Goals and Issues	
Align core business strategy with one or more relevant UN goals / issues.	The business of A.P. Moller - Maersk supports the long term economic development (LTED) of societies, including Least Developed Countries (LDCs). In this way it is aligned, but the core business strategy as such has not been altered to incorporate UN goals. Emerging work on LTED seeks to support this proposition. The 5th priority of our sustainability strategy – focusing on new markets and innovation – also explicitly seeks to explore new business opportunities with high degree of shared societal value.
Develop relevant products and services or design business models that contribute to UN goals / issues.	Examples of products and services designed to include environmental goals include Triple E vessels (Maersk Line), Green Rig (Drilling), Green Tugboat (Svitzer), Green Logistics (Damco). The Disaster Response Programme under Logistics Emergency Team (LET) initiative is a high profile Group level partnership contributing with A.P. Moller - Maersk resources in response to natural disasters. Further development of new business models – mainly pilots – are envisaged as part of the 5th priority in our strategy.
Adopt and modify operating procedures to maximize contribution to UN goals / issues.	The Group Sustainability Strategy is in itself a roadmap to do this.
Strategic Social Investments and Philanthropy	
Pursue social investments and philanthropic contributions that tie in with the core competences or operating context of the company as an integrated part of its sustainability strategy.	This is a key purpose of the new Guidelines for Donations and Community Investments.
Coordinate efforts with other organizations and initiatives to amplify – and not negate or unnecessarily duplicate – the efforts of other contributors.	This is being undertaken through the LET partnership. Future pilot projects under the 5th priority in the Group Sustainability Strategy will also seek to incorporate relevant partners.
Take responsibility for the intentional and unintentional effects of funding and have due regard for local customs, traditions, religions, and priorities of pertinent individuals and groups.	This is accommodated through new Guidelines for Donations and Community Investments.
Advocacy and Public Policy Engagement	
Publicly advocate the importance of action in relation to one or more UN goals / issues.	We actively advocate the importance of action on climate change, and this is now formally recognised as part of our climate strategy with an explicit position on climate change.
Commit company leaders to participate in key summits, conferences, and other important public policy interactions in relation to one or more UN goals / issues.	Our commitment to this has been demonstrated by our participation in COP15, WEF meetings and the UN LDC conference. in Turkey 2011.
Partnerships and Collective Action	
Develop and implement partnership projects with public or private organizations (UN entities, government, NGOs, or other groups) on core business, social investments and/or advocacy.	Key partnerships include: <ul style="list-style-type: none"> • UN GC • WEF • LET partnership • WWF • Forum for the Future
Join industry peers, UN entities and/or other stakeholders in initiatives that contribute to solving common challenges and dilemmas at the global and/or local levels with an emphasis on initiatives that extend the company's positive impact on its value chain.	Value chain-focused partnerships include: <ul style="list-style-type: none"> • WEF New Vision for Agriculture partnership • UNGC supply chain Advisory Group • BSR Green Supply Chain working group • BSR Clean Cargo working group

Dimension 3: Engaging with the UN Global Compact

Local Networks and Subsidiary Engagement

Contribute to the building and operating of at least one UN Global Compact Local Network and help elevate performance of other companies through training, mentoring, COP peer review, etc.	We are actively engaged in the Nordic Network and the Local networks in Singapore and Mexico.
Encourage subsidiaries to engage with UN Global Compact Local Networks and to participate actively in events and activities.	All business units have been encouraged to engage.
Publish sustainability information related to each individual subsidiary separately or reference it explicitly in the Communication on Progress of Corporate Headquarters.	The Group Sustainability Report includes separate business unit pages. In addition, some business units already publish their own reports. An overview of this can be found under the introduction to the business unit pages.

Global and Local Working Groups

Participate in relevant global or local working groups and share experiences, networks, tools and good practices with other UN Global Compact participants.	A.P. Moller - Maersk is engaged in the following issue working groups: anti-corruption and Supply Chain Sustainability.
Take active part in defining scope and objectives of new working groups when relevant.	A.P. Moller - Maersk has contributed actively to development of above mentioned working groups.

Issue-Based and Sector Initiatives

Join and help advance one or more existing UN Global Compact initiatives, e.g. Caring for Climate, CEO Water Mandate, Women's Empowerment Principles, and Global Business Initiative on Human Rights.	A.P. Moller - Maersk is engaged in the following task forces and initiatives: Business and Peace, Task Force on Communicating Sustainability Leadership.
Spearhead need-driven development of new issue based or sector initiatives within the UN Global Compact and the wider United Nations.	A.P. Moller - Maersk has contributed actively to development of above mentioned working groups and initiatives, and has spearheaded (together with other Danish companies) a LEAD project on New Geographies of Sustainability.

Promotion and Support of the UN Global Compact

Advocate the UN Global Compact to business partners, peers and the general public.	We advocate the UN Global Compact to customers, suppliers, universities, stakeholders and general public in our Sustainability Report, on our website, and in all presentations of our sustainability efforts. We would like to use the LEAD logo even more prominently, and encourage LEAD logo policies to further support this.
Encourage suppliers and other business partners to join the UN Global Compact, and take on mentoring role on issues related to the initiative.	Responsible procurement contract clause specifically references the UN Global Compact. Responsible procurement also follows up on audit improvement plans, but there is no mentoring role as such.
Participate in activities to further develop and strengthen the UN Global Compact.	We do so through active participation in the working groups and initiatives, as well as through LEAD membership and support of the Blueprint.

We value your feedback

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

A.P. Møller - Maersk

Esplanaden 50
1098 Copenhagen K
Denmark
Att: Group Sustainability

Email: Sebastian.Naerbout@maersk.com
Telephone: +45 3363 8128

www.maersk.com/sustainability

Print

This publication is printed by Cool Gray, environmentally certified printing agency

Editors

Sebastian Naerbout
Nina Wedel Jørgensen

Editor in Chief

Annette Stube

Contributing writers

Dan Holmes
Josh Bayly
Eva Harpøth Skjoldborg

Design and layout

e-Types & India

Printed in Denmark 2012





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