

Definition of terms

A

A.P. Møller - Maersk

A.P. Møller - Maersk is referred to as the consolidated group of companies and A.P. Møller - Mærsk A/S as the parent company.

B

Backhaul

The direction of the trade route that has the lowest volumes, whereas the opposite direction is referred to as headhaul.

C

CAPEX

Cash payments for intangible assets and property, plant and equipment, excluding acquisitions and divestments.

Cash conversion

Cash flow from operating activities to EBITDA ratio.

Cash flow from operating activities per share

A.P. Møller - Maersk's operating cash flow from continuing operations divided by the number of shares of DKK 1,000 each, excluding A.P. Møller - Maersk's holding of treasury shares.

Cost base

EBIT costs including VSA income and hub income and adjustments for restructuring costs, the result from associated companies and gains/losses.

D

Discontinued operations

Discontinued operations are a major line of business (disposal group) that is either held for sale or has been sold in previous periods.

The disposal group is reported separately in a single line in the income statement and cash flow statement.

Comparison figures are restated. In the balance sheet assets and liabilities are classified and disclosed separately on an aggregate level as assets held for sale and liabilities associated with assets held for sale. In the balance sheet comparison figures are not restated.

E

EBIT

Earnings Before Interest and Taxes.

EBITA

Earnings Before Interest, Taxes and Amortisation.

EBITDA

Earnings Before Interest, Taxes, Depreciation and Amortisation.

Equity ratio

Calculated as equity divided by total assets.

F

Fatalities

The headcount number of accidents leading to the death of the employee.

FFE

Forty Foot container Equivalent unit.

Free cash flow

Cash flow from operating activities, purchase/sale of intangible assets and property, plant and equipment, dividends received, repayments of lease liabilities, financial payments and financial expenses paid on lease liabilities.

G

Gross profit

The sum of revenue, less variable costs and loss on debtors.

H

Headhaul

The direction of the trade route that has the highest volume, whereas the return direction is referred to as backhaul.

I

Invested capital

Segment operating assets less segment operating liabilities, including investments and deferred taxes related to the operation.

L

Loaded volumes

Loaded volumes refer to the number of FFEs loaded on a shipment which is loaded on first load at vessel departure time excluding displaced FFEs.

Lost-Time Injury frequency (LTIF)

Measures the number of lost-time injuries per million exposure hours. Lost-time injuries are the sum of fatalities, permanent total disability, permanent partial disability and lost workday cases.

N

Net interest-bearing debt (NIBD)

Equals interest-bearing debt, including lease liabilities, fair value of derivatives hedging the underlying debt, less cash and bank balances as well as other interest-bearing assets.

Normalisation

The company's business returning to a more stable and expected level of activity driven by GDP/industry growth following a period of abnormal fluctuations and disruptions during the COVID-19 pandemic.

O

Ocean, loaded freight rate (USD per FFE)

Average freight rate per FFE for all the A.P. Møller - Maersk containers loaded in the period in either Maersk Line or Hamburg Süd vessels or third parties (excluding intermodal). Hamburg Süd is not excluding intermodal.

Ocean, reduction in carbon intensity (EEOI)

Ocean: Reduction in carbon intensity (EEOI) by 2030 (2020 baseline) covers container vessels under A.P. Møller - Maersk's operation. Carbon intensity

reduction is reported on using the EEOI (Energy Efficiency Operational Indicator) methodology. EEOI is defined by the International Maritime Organization in MEPC.1/Circ.684 and is calculated as CO₂ emission per cargo tonne nautical mile (gCO₂/(tonne cargo X nm).

Ocean, unit cost, fixed bunker

(USD per FFE incl. VSA income) Cost per FFE assuming a bunker price at USD 550/tonne excluding intermodal but including hubs and time charter income. Hamburg Süd is not excluding intermodal.

R

Return on equity after tax

Calculated as the profit/loss for the year divided by the average equity.

Return on invested capital after tax (ROIC)

Profit/loss before financial items for the year (EBIT) less tax on EBIT divided by the average invested capital, last twelve months.

T

Towage, number of operational tug jobs (harbour towage) ('000)

Tug jobs on which Svitzer performs the physical job, including jobs where Svitzer has the commercial contract with the customer as well as jobs that Svitzer receives from the competitor through overflow or other agreements.

TEU

Twenty-foot container Equivalent Unit.

Time charter

Hire of a vessel for a specified period.

Total market capitalisation

Total number of shares – excluding A.P. Møller - Mærsk A/S' holding of treasury shares – multiplied by the end-of-year price quoted by Nasdaq Copenhagen.

U

Underlying EBITDA

Underlying EBITDA is earnings before interest, taxes, depreciation and amortisation adjusted for restructuring and integration costs.

Underlying EBIT

Underlying EBIT is operating profit before interest and taxes adjusted for restructuring and integration costs, net gains/losses from sale of non-current – assets and net impairment losses.

Underlying profit/loss

Underlying profit/loss is profit/loss for the year from continuing operations adjusted for net gains/losses from sale of non-current assets, etc., and net impairment losses as well as transaction, restructuring and integration costs related to major transactions. The adjustments are net of tax and include A.P. Møller - Maersk's share of mentioned items in joint ventures and associated companies.

V

VSA

A vessel sharing agreement is usually reached between various partners within a shipping consortium who agree to operate a liner service along a specified route using a specified number of vessels.

W

Women in leadership

The percentage of women referenced as Senior Managers, Leaders, Senior Leaders, and Executives, compared to total headcount of the same levels.

123

4PL

A 4PL is a fourth-party logistics provider managing resources, technology, infrastructure as well as external 3PLs to design, build and provide supply chain solutions for businesses.