The Chair's speech AGM 2025

After a period of slower trade growth relative to GDP, 2024 saw a notable rebound in container demand, with global trade expanding by 7%, largely driven by Chinese exports. Strong import demand in key regions, particularly North America and Latin America, contributed to this growth, while Europe saw more moderate demand.

However, despite the strong underlying performance in the past year, trade is increasingly exposed to two worrying developments.

Firstly, we are seeing a deteriorating security situation in several parts of the world. After a few decades of relative peace and stability in international waters, maritime traffic has become subject to attacks, challenging long held assumptions about safe passage for shipping and international trade. The Houthi rebels assault on the global merchant fleet in the Bab al-Mandab strait has forced a significant part of seaborne trade to circumvent the Suez Canal and sail south of the Cape of Good Hope, adding more than 13,000 km to a round trip voyage from Shanghai to Rotterdam. This also means that despite a 10% global fleet expansion and many new ships on water, vessel capacity remained tight in 2024, driving up freight rates.

Secondly, we are also witnessing the rapid rise of economic nationalism and protectionism. During 2024, the US and EU imposed import duties on Chinese goods, particularly targeting electric vehicles, to safeguard domestic industries. During 2025, we are seeing the beginning of multiple escalating trade conflicts, which may hold profound implications for the global economy, for global trade, and for many of our customers.

Despite these challenges, Maersk managed to successfully navigate 2024 by focusing on operational performance and by working closely with customers to solve their transportation needs. Our colleagues' ability to rapidly adapt to shifting markets, including the Red Sea situation, was reflected in a 28% improvement in customer satisfaction, with Maersk recognized as a trusted industry leader in terms of its supply chain response.

During the year, we have worked hard to further progress our strategy and operational performance across our three main activities: Ocean, logistics & services and terminals.

For Ocean, in early 2024, we announced the Gemini Cooperation with Hapag Lloyd, comprising of almost 50% of our global network capacity, with the objective to dramatically improve port schedule reliability, while also increasing our asset utilization. The new network is enabled by A.P. Moller Terminals' hubs in locations such as Tanjung Pelepas and Tangier to ensure fast and efficient transshipment. Once fully phased in, the number of port calls on affected routes is reduced by approximately 40%, markedly reducing the number of instances of potential vessel delays, which typically occur in ports. Consequently, Maersk intends to deliver 90% schedule reliability in the Gemini network, which would be a dramatic improvement compared to current industry performance, enhancing the quality of our supply chain offering to customers.

The Gemini Cooperation was officially launched on February 1st this year. Customer feedback has been positive with operations and service levels progressing as planned. A successful phase-in of the new network, replacing old services, is an important priority for this year.

In 2024, we also progressed on the turnaround of our logistics activities with margin improvements and renewed growth momentum at the end of the year. A key milestone last year was the successful integration of Asia based LF Logistics, bringing 10,000 new colleagues and 155 new warehouses fully into the Maersk network. LF's key clients were successfully retained, while our colleagues also managed to attract new customers, as we strengthened our global contract logistics capabilities. We are mindful that our performance in logistics need to be solidified, as some of the product margins are not where we'd like them to be. At the same time, we believe the shifting geopolitical environment increases the importance of strong capabilities across our customers supply chains, which will provide us with new growth opportunities.

Finally, 2024 was another solid year for APM Terminals, which continued to deliver strong financial results based on continuous productivity improvements, automation and volume growth. Our terminal activities were further strengthened by the renewal of key concessions in Santos, Brazil, as well as Aqaba, Jordan. At the same time, we continued to invest in future growth, launching two greenfield projects in Brazil and Croatia to expand our portfolio of world class gateway terminals. Both these facilities will offer cutting-edge technology, enhancing local port services and providing broader access to global markets. We have also commenced expansion in Lazaro Cardenas, significantly increasing capacity to meet the demand along Mexico's Pacific Coast.

Let me also give a brief perspective on three important areas for A.P. Moller – Maersk: our technology related initiatives, our commitment to the energy transition and our safety program.

Technology plays a crucial role for Maersk.

We have made strong headway in the modernisation of our technology in 2024. The projected IT migration of our estate to the cloud is almost completed. The standardisation and modernisation of our applications also progressed well, including for instance the migration of most of our existing warehouse sites to the acquired LF Logistics' warehousing management system. This is important not only from a cost and efficiency perspective, but it also creates a strong base for us to develop our customer offering and to leverage the potential of new technologies such as AI at scale. The first efforts in automating workflows are showing promising signs and will be an important lever to improve efficiency and customer satisfaction further in 2025.

The second area I would like to comment on is our energy transition.

Maersk remains committed to reducing emissions of its operations. During 2024, we welcomed new green enabled vessels to the fleet, while also progressing on our fleet renewal program with a total fleet order of 800,000 TEU. These vessels will replace end-oflife ships, offering a far more fuel efficient vessel design with dual fuel engines catering for what is about to become a multi fuel world.

We see good progress on our energy transition initiatives, such as the ordering of green methanol and the electrification of ports, warehouses and of some of our intermodal operations. However, it is also clear that we are dependent on customers to support and pay for green transport solutions. In this respect, the biggest challenge that we face is the cost gap between clean and traditional fuels. As also stressed last year, we need a strong regulatory framework under the International Maritime Organization, or IMO, to get the industry moving in the right direction.

The final area to comment on is our safety program.

Safety is a topic of great importance to our Board and to management. Last year, Maersk conducted over 15,000 on-site safety inspections and assessed more than 350 logistics sites. However, accidents still happen. Last year, we tragically lost a colleague in a warehouse in the Philippines. While the number of fatalities across our global operations has significantly declined in the last decade, due to our ongoing safety efforts, this loss is a reminder that the development of our safety culture is a never ending journey.

2024 was also another year with distressing attacks on cargo ships in the Red Sea and in the Black Sea. The safety of our seafarers is always at the forefront of our minds.

This brings me to the financial review.

Last year our colleagues in Maersk delivered the third best results ever.

The company generated revenues of 55.5 billion US dollars and a net profit after tax of 6.2 billion US dollars.

Cash flow from operating activities reached 11.4 billion US dollars, while gross CAPEX for the year totaled 4.2 billion US dollars. By year-end, Maersk's liquidity reserve had increased to 29.0 billion US dollars. Based on these results the Board has proposed a dividend to the shareholders of 1,120 Danish kroner per nominal share of 1,000 Danish kroner. The dividend payout represents 40% of the 2024 net profit, in line with our financial policy.

In February 2024, the Board made the decision to suspend the share buy-back program, with consideration to later re-instate such program depending on market developments in Ocean. Looking ahead, a new share buy-back program up to 14.4 billion Danish kroner will be executed over 12 months. The first phase, amounting to 7.2 billion Danish kroner, will run from February 7 up to August 6 of this year. This is also why the Board has asked for a mandate to acquire own shares.

The total amount paid out to shareholders in the last five years, if including share buybacks and dividends, equals approximately 201 billion Danish kroner or 30 billion US dollars. In addition, we have also demerged Svitzer at a shareholder value of another 1.1 US billion dollars.

GOVERNANCE

As part of our ongoing efforts to strengthen the Board's governance of A.P. Moller – Maersk, the Board of Directors conducts annual Board evaluations. The Board and its Nomination Committee also review how to enhance Board capabilities in areas of strategic importance to the company. With this in mind, I am very pleased to announce that the Board has nominated Xavier Urbain as a new Director. With a distinguished career in the logistics industry, including executive roles at Ceva and Kühne + Nagel, Xavier brings deep and highly relevant logistics domain knowledge to Maersk.

It is proposed that Xavier replaces Arne Karlsson, who steps down after being a Director of our Board since 2010. Over his 15 years on the Board, Arne has spent more than a decade as Chair of the Audit Committee. On behalf of the Board, I would like to thank Arne for his valuable contribution and his unwavering commitment to our company.

I know that remuneration is a matter of importance to many shareholders. The remuneration report, available on our website, discloses the remuneration of our Executive Board as well as our Board of Directors.

CLOSING

This brings me to the end of my speech.

As we look back on 2024, let me express my sincere gratitude to our Directors, to our executive team and our many colleagues across the Group for their relentless efforts and dedication to provide our valued customers with reliable and sustainable services.

I am also grateful for our team's ability to provide impactful support to our local communities. In 2024, A.P. Moller - Maersk played a critical role enabling logistics of humanitarian aid, transporting significant volumes of relief cargo to several conflict areas around the world, including to the most affected war zones in Europe as well as the Middle East.

As we look ahead, we recognize that recurring supply chain disruptions, and the longer term implications of global warming, military conflicts and large economies' evolving economic nationalism, hereunder trade policies, present formidable challenges for many of our customers and for communities dependent on trade. These challenges underscore the purpose and opportunity for Maersk, to provide reliable and impactful supply chain offerings in a changing world.

Thank you.
CLOSING REMARKS

I would like to conclude the AGM by first of all thanking the Chair of the AGM, Niels, for today's meeting. Let me also again stress that as Chair, and on behalf of the Board, we are very grateful for the enormous efforts of our people at sea and on shore, and for all their contributions during 2024, and for the very solid results you delivered.

With that said, we conclude today's Annual General Meeting. Thanks to our shareholders for your support, for your engagement and for your participation.