

## Note 5.2 Share-based payments

	Members of the Executive Board	Employees	Total	Fair value per share <sup>1</sup>	Total fair value <sup>2</sup>
	No.	No.	No.	DKK	USD million
Outstanding restricted shares					
1 January 2020	1,867	11,935	13,802		
Granted	1,626	6,165	7,791	5,975	7
Exercised and vested <sup>3</sup>	-	3,777	3,777		
Forfeited	-	125	125		
<b>Outstanding 31 December 2020</b>	<b>3,493</b>	<b>14,198</b>	<b>17,691</b>		
Granted	1,775	6,107	7,882	14,793	19
Exercised and vested <sup>3</sup>	-	3,542	3,542		
Forfeited	-	134	134		
Cancelled	-	11	11		
<b>Outstanding 31 December 2021</b>	<b>5,268</b>	<b>16,618</b>	<b>21,886</b>		

1 Equal to the volume weighted average share price on the date of grant, i.e. 1 April 2021 (1 April 2020).

2 At the time of grant.

3 The weighted average share price at the settlement date was DKK 14,793 (DKK 5,975).

**Restricted shares plan**

Restricted shares are awarded to certain key employees and members of the Executive Board annually. Each restricted share granted is a right to receive an existing B share of nominal DKK 1,000 in A.P. Møller - Mærsk A/S.

Transfer of restricted shares is contingent upon the employee still being employed and not being under notice of termination and takes place when three years have passed from the date of grant. For members of the Executive Board the vesting period is five years.

The employees are not entitled to any dividends during the vesting period. Special conditions apply regarding illness, death and resignation as well as changes in the company's capital structure, etc. A part of A.P. Møller - Mærsk A/S' treasury B shares will be used to meet the company's obligations in connection with the restricted shares plan.

The remuneration expense related to the restricted shares plan is USD 9m (USD 6m).

The average remaining contractual life for the restricted shares as per 31 December 2021 is 1.8 years (1.8 years).

	Members of the Executive Board	Employees	Total	Average exercise price <sup>1</sup>	Total fair value
	No.	No.	No.	DKK	USD million
Outstanding share options					
1 January 2020	11,799	56,026	67,825	9,057	
Granted	8,741	31,383	40,124	8,639	4
Exercised <sup>1</sup>	-	18,446	18,446	9,968	
Forfeited	-	1,073	1,073	9,636	
<b>Outstanding 31 December 2020</b>	<b>20,540</b>	<b>67,890</b>	<b>88,430</b>	<b>8,670</b>	
<b>Exercisable 31 December 2020</b>	<b>2,347</b>	<b>32,474</b>	<b>34,821</b>	<b>10,187</b>	
Granted	7,323	20,891	28,214	13,754	17
Exercised <sup>1</sup>	2,933	10,950	13,883	9,988	
<b>Outstanding 31 December 2021</b>	<b>24,930</b>	<b>77,831</b>	<b>102,761</b>	<b>9,873</b>	
<b>Exercisable 31 December 2021</b>	<b>3,496</b>	<b>4,080</b>	<b>7,576</b>	<b>9,941</b>	

1 The weighted average share price at the dates of exercise of share options exercised in 2021 was DKK 16,490 (DKK 12,389).

**Share options plan**

In addition to the restricted shares plan, A.P. Møller - Mærsk has share option plans for members of the Executive Board and other key employees. Each share option granted is a call option to buy an existing B share of nominal DKK 1,000 in A.P. Møller - Mærsk A/S.

The share options are granted at an exercise price corresponding to 110% of the average of the market price on the first five trading days following the release of A.P. Møller - Mærsk A/S' most recent Annual Report. Exercise of the share options is contingent upon the option holder still being employed at the time of vesting, which takes place when three years have passed from the date of grant. The share options can then be exercised when at least three years and no more than six years (seven years for share options granted to employees not members of the Executive Board) have passed from the date of grant. Special conditions apply regarding illness, death and resignation as well as changes in the company's capital structure, etc.

The share options can only be settled in shares. A part of A.P. Møller - Mærsk A/S' holding of own B shares will be used to meet the company's obligations in respect of the share option plans.

The remuneration expense related to the share option plan is USD 8m (USD 5m).

The average remaining contractual life as per 31 December 2021 is 4.8 years (5.1 years).

## Note 5.2 Share-based payments – continued

The following principal assumptions are used in the valuation:

	Share options granted to members of the Executive Board		Share options granted to employees not members of the Executive Board	
	2021	2020	2021	2020
Outstanding share options				
Share price, volume weighted average at the date of grant, 1 April, DKK	14,793	5,975	14,793	5,975
Share price, five days volume weighted average after publication of Annual Report, DKK	12,503	7,854	12,503	7,854
Exercise price, DKK	13,754	8,639	13,754	8,639
Expected volatility (based on historic volatility)	33%	31%	33%	31%
Expected term	5	5	5.75	5.75
Expected dividend per share, DKK	330	150	330	150
Risk-free interest rate	-0.47%	-0.66%	-0.43%	-0.63%
Fair value per option at grant date, DKK	3,670	625	3,837	697

The fair value of the options granted is based on the Black-Scholes option pricing model using the assumptions in the table above.

### ACCOUNTING POLICY

*Equity-settled restricted shares and share options* allocated to the executive employees of A.P. Moller - Maersk as part of A.P. Moller - Maersk's long-term incentive programme is recognised as staff costs over the vesting period at estimated fair value at the grant date and a corresponding adjustment in equity.

At the end of each reporting period, A.P. Moller - Maersk revises its estimated number of awards that are expected to vest based on the non-market vesting conditions and service conditions. Any impact of the revision is recognised in the income statement with a corresponding adjustment to equity and other payables.