

PERFORMANCE ON SOCIAL, ENVIRONMENTAL AND ECONOMIC INDICATORS



	A.P. Moller - Maersk			Maersk Line			APM Terminals			Damco			Svitzer			Maersk Oil			Maersk Drilling			Maersk Supply Service			Maersk Tankers			Other businesses			Unallocated and eliminations			
	2016	2015	2014	2016	2015	2014	2016	2015	2014	2016	2015	2014	2016	2015	2014	2016	2015	2014	2016	2015	2014	2016	2015	2014	2016	2015	2014	2016	2015	2014				
Social performance																																		
Our employees																																		
Number of employees (FTEs)	87,736	88,355	89,207	31,858	32,750	32,622	22,615	21,171	20,639	11,292	11,087	11,313	2,870	2,847	2,723	4,005	4,427	4,475	3,325	3,965	4,741	1,726	2,066	2,114	2,415	2,366	2,487	6,291	6,392	7,365	1,339	1,284	728	
Gender – female/total (% based on FTE)	25	25	23	34	35	36	11	10	10	48	52	38	6	6	6	23	23	24	9	9	9	8	8	8	3	3	3	13	11	10	36	38	42	
Women in leadership (% based on FTE)	16	15	14	17	17	16	15	13	15	30	26	24	24	21	16	15	14	14	13	9	10	6	3	3	3	3	3	3	8	6	5	23	23	24
Fatalities (headcount)	2	7	11	0	0	1	2	4	10	0	1	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0
Lost-time injury frequency (based on exposure hours)	n/a	n/a	n/a	0.42	0.55	0.71	1.53	1.94	1.41	1.04	0.63	0.43	0.63	0.53	1.06	0.43	0.58	0.73	0.49	0.31	0.57	0.72	0.11	0.57	0.40	0.13	0.41	1.84	n/a	n/a	n/a	n/a	n/a	
Employee engagement – percentage favourable (% based on headcount)	76	76	73	76	76	75	79	78	74	75	77	68	77	74	72	67	71	73	79	80	81	68	77	73	77	77	73	n/a	n/a	n/a	n/a	n/a	n/a	
Environmental performance																																		
Energy consumption																																		
Fuel oil (1,000 tonnes)	10,115	9,455	9,388	9,477	8,858	8,699	4	5	4	0	0	0	57	55	51	57	65	72	23	17	14	32	54	33	457	392	501	7	8	13	1	1	1	
Gas fuels (1,000 tonnes)	617	683	651	1	2	4	1	3	1	1	1	4	0	0	0	610	674	639	0	0	0	0	0	0	0	0	0	0	3	3	3	1	0	0
Other fuels (1,000 tonnes)	289	192	189	8	8	8	200	114	116	3	3	3	0	0	0	77	65	59	0	0	0	0	0	0	0	0	0	0	1	2	3	0	0	0
Electricity (1,000 MWh)	524	808	794	54	60	63	231	481	468	37	38	38	10	9	10	123	112	119	2	2	3	1	1	1	0	0	0	64	102	90	2	3	2	
Energy consumption (total, TJ)	454,853	428,874	423,796	387,290	362,405	355,129	8,249	6,189	6,165	300	319	481	2,473	2,373	2,211	34,745	37,483	36,156	974	731	620	1,354	2,300	1,422	18,707	16,112	20,450	716	916	1,109	45	45	53	
Greenhouse gas (GHG) emissions (1,000 tonnes CO₂ eq)																																		
GHG emissions	36,169	33,459	32,808	30,461	27,973	27,332	662	576	574	32	35	44	200	193	181	3,088	3,064	2,798	79	59	50	109	185	114	1,458	1,260	1,588	76	110	123	4	4	4	
Direct GHG emissions (scope 1 GHG Protocol)	35,917	33,044	32,406	30,429	27,935	27,294	573	358	366	11	11	22	196	189	176	3,025	3,006	2,737	78	58	49	109	185	114	1,458	1,259	1,588	36	40	57	2	3	3	
Indirect GHG emissions (scope 2 GHG Protocol)	252	415	402	32	38	38	89	218	208	21	23	22	4	5	5	63	58	61	1	1	1	0	0	0	0	0	0	40	71	66	2	1	1	
Other air emissions (1,000 tonnes)																																		
SO _x	513	482	500	489	458	466	0	0	2	0	0	0	0	1	1	2	2	4	0	0	0	0	1	1	22	19	26	0	1	0	0	0	0	0
NO _x	809	755	752	751	702	690	4	2	3	0	0	0	4	4	4	8	9	10	2	1	1	2	4	3	36	31	40	2	2	1	0	0	0	
Other resource consumption																																		
Waste (1,000 tonnes)	226	479	461	125	317	338	24	70	34	5	5	5	1	3	3	15	21	42	1	2	0	3	4	1	17	12	11	33	45	27	2	0	0	
Water (1,000 m ³)	2,384	4,025	3,730	308	321	345	739	2,249	2,051	237	250	215	36	40	46	474	466	327	14	14	16	56	54	18	176	218	259	334	407	447	10	6	6	
Spills																																		
>10 m ³ (number of spills)	1	3	n/a	1	1	n/a	0	0	n/a	0	0	n/a	0	1	n/a	0	0	n/a	0	1	n/a	0	0	n/a	0	0	n/a	0	0	n/a	0	0	n/a	
Economic performance (USD million)																																		
Revenue	35,464	40,308	47,569	20,715	23,729	27,351	4,176	4,240	4,455	2,507	2,740	3,164	642	669	812	4,808	5,639	8,737	2,297	2,517	2,102	386	613	778	877	1,058	1,175	915	1,185	1,480	-1,859	-2,082	-2,485	
Result	-1,897	925	5,195	-376	1,303	2,341	438	654	900	31	19	-293	91	120	-270	477	-2,146	-861	-694	751	478	-1,228	147	201	62	160	132	-117	316	408	-581	-399	2,159	
Underlying result	711	3,071	4,532	-384	1,287	2,199	433	626	849	31	15	-225	89	116	82	497	435	1,035	743	732	471	-44	117	189	58	156	139	-	-	-	-	-	-	
Tax	1,054	522	2,972	+20	128	163	149	106	234	24	21	52	6	6	20	931	175	2,327	3	163	123	+24	10	18	2	1	+1	-	-	-	-	-	-	

■ Financial scope. Covered by the Group's Generally Accepted Accounting Policies and controlling guideline.
 ■ Operational scope. Covered by the Group's Generally Accepted Accounting Policies.
 ■ Described in the Group's Generally Accepted Accounting Policies, but data coming from other sources than the financial and operational scoped data.
 Financial data is taken from the audited Annual Report of A.P. Moller - Maersk. The annual accounts and independent auditors' report can be found at <http://investor.maersk.com/financials.cfm>

SUSTAINABILITY ACCOUNTING PRINCIPLES

Reporting framework

The report was prepared using the Global Reporting Initiative's (GRI) G4 Sustainability Reporting Guidelines as guidance to determine report content and quality in terms of materiality, stakeholder inclusiveness, sustainability context, completeness, balance, comparability, accuracy, timeliness, clarity and reliability. The Group no longer applies GRI-specific disclosures.

Reporting period

Our reporting covers the period from 1 January to 31 December 2016.

Controls

The consolidated reporting tool used by our businesses to report performance data is validated via IT audit, with manuals and online training in place. A set of generally accepted accounting principles for sustainability has been established, which defines the reporting rules, processes and responsibilities. A controlling guideline has been distributed to help secure the businesses own assurance of submitted data, before sign-off by the respective CEOs and CFOs. Furthermore, all businesses are obliged to provide explanation sheets on significant data developments. Furthermore, the data reported under financial scope is included in the framework used to assure risks and controls for financial reporting (Danish Statements Act §107b, section 1, no 6).

Scope

Operational scope is only applied for safety and spills data when a business unit or one of its subsidiaries has the governing

authority and responsibility for 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 that 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 must be held by the business unit to include the data.

Financial scope is applied for all other sustainability data, and is defined as follows:

- Owned assets and leased in assets that the Group uses: the Group is liable for consumption, emissions and other environmental elements
- Owned assets that are leased out: the Group is not liable for consumption, emissions and other environmental elements – the lessee is

Technical management of an asset on behalf of third parties does not change the responsibility. Thus, consumption and emissions still belong to the asset owner/lessee who uses the asset. With regard to 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 our current climate change policy, we report on scope 1 and 2 GHG emissions.

Comparability

APM Terminals energy consumption, GHG emissions and other resource consumption was estimated on the basis of 2015 data in the case of entities for which 2016 data was unavailable.

2016 and 2015 environmental data for Maersk Tankers cannot be compared to 2014 data due to changes in the basis for scoping, which has changed to pool points rather than pool vessels.

Consolidation

For operational control, 100% of the data from the operated assets is included irrespective of percentage ownership. Financial scope uses our financial consolidation methodology; data is 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 operations are included by proportional consolidation. Joint ventures and associated companies and other companies, in which the Group does not have control, are excluded. Using financial consolidation principles helps us establish the sustainability indicators, which can be compared directly with financial data, thereby providing context for our performance.

Data categories and accuracy

The Group has defined two categories of data: documented and probable data. The reason for this split is that some data is more difficult to document than other data.

- Documented data comprises: our employees, energy consumption, other air emissions, oil extraction and financial data

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

Documented data (financial and non-financial) is valid and complete, and is essentially at the same quality level.

The reliability of probable data is somewhat lower, but is still provided to the best of the management's knowledge.

Financially scoped probable data (water and waste) must always be defensible, and if assumptions are necessary due to lack of documentation, then the assumptions made must be verifiable. The documentation demand is that we use ISA 500 evidence, to the extent that it exists. If no such evidences exist, then assumptions based on the probable data must be made in writing and shall be verified by the reviewer, whereby the data are always defensible.

Probable data, which is operationally scoped (health and safety, spills and anti-corruption), has the weakest data quality, as it is not possible to review for validity and completeness. The data is still provided to the best of the management's knowledge, bearing the practices of the individual business units' industries in mind.

Emission conversions

Our GHG emissions are calculated indirectly via default conversion factors for energy consumption and other GHG gases. The converters for 2016 have been updated for electricity. The basis of the update was the annual update of these converters, by the International Energy Agency.

The principles for choosing among the schemes are:

- Newest schemes are preferred
- Internationally recognised generic schemes are preferred
- A scheme must always be used in full. Thus, no combined schemes are allowed unless specific elements were not included in the primary scheme
- Specific industry schemes can be included when not in conflict with the above

Primary schemes used are API (updated 2009), DEFRA (updated 2014) and IEA (updated 2016).

Definitions:

- Number of employees measures the average number of full-time equivalents (FTEs). FTEs are calculated based on the total number of compensable hours (days) in a work year compared to the number of hours (days) in a 'norm' work year. Excluded are employees on unpaid leave, contractors and temporary staff

- Headcounts are defined as regular employees not on leave, on paid leave and on unpaid leave. Excluded are contractors and temporary staff

- Employee engagement scores reflect the percentage of satisfaction of employees, who participated in the annual engagement survey. Engagement is measured on four factors, namely satisfaction, advocacy, loyalty and pride. The percentage is based on headcounts

- LTI (Lost-Time Injury) is defined as a fatality or lost workday case (LWC). A LWC is any work related injury, other than a fatal injury, which results in a person being unfit for work on any day or shift after the day of occurrence of the occupational injury. "Any day" includes rest days, weekends, leave days, public holidays or days after ceasing employment. Any time spend on delays in connection with medical assistance is not included in this determination

- LTI-F (Lost-Time Injury Frequency) measures the number of lost-time injuries including fatalities, but excluding fatalities categorised as criminal acts, per million exposure hours

- Energy consumption is based on fuel oil, natural gas, other fuels (diesel, diesel, kerosene and heating oil) as well as the consumption of electricity / district heating

- Direct GHG is the sum of all six Kyoto gasses converted to CO₂ equivalents. Kyoto gasses comprise: CO₂, CH₄, and

N₂O, which are calculated based on fuel consumption/combustion, and HFC, SF₆, NF₃ and HCFC, which are based on direct consumption

- Indirect GHG is the CO₂ equivalents' converted sum of CO₂, CH₄ and N₂O, calculated on consumed electricity and district heating bought from a third party

The Group relative efficiency is based on an index, weighing business relative CO₂ efficiencies (defined per business) in terms of their share of the total Group CO₂ emissions.

- Amount of waste is the sum of all waste types generated, split into hazardous and non-hazardous

- Amount of water is the sum of all water consumed, excluding ballast water and water for re-injection

- Oil spills are defined as any type of spills of hydrocarbon liquids greater than ten m³, resulting from any unintended release associated with current operations, from primary or secondary containment

- To secure completeness, office standards have been developed based on 2014 data, which can be used for offices with no production or warehousing, etc. These standards are only to be used, if other more accurate information is not available

- Clean Cargo Working Group methodology: (CO₂ from fuel consumed to transport TEUs)/(max. number of TEUs transported per kilometre); excl. MCC. Verified by Lloyd Register. Learn more here: <http://www.bsr.org/en/collaboration/groups/clean-cargo-working-group>