The A.P. Moller - Maersk Group's

Sustainability Report 2009

In a **climate** of change

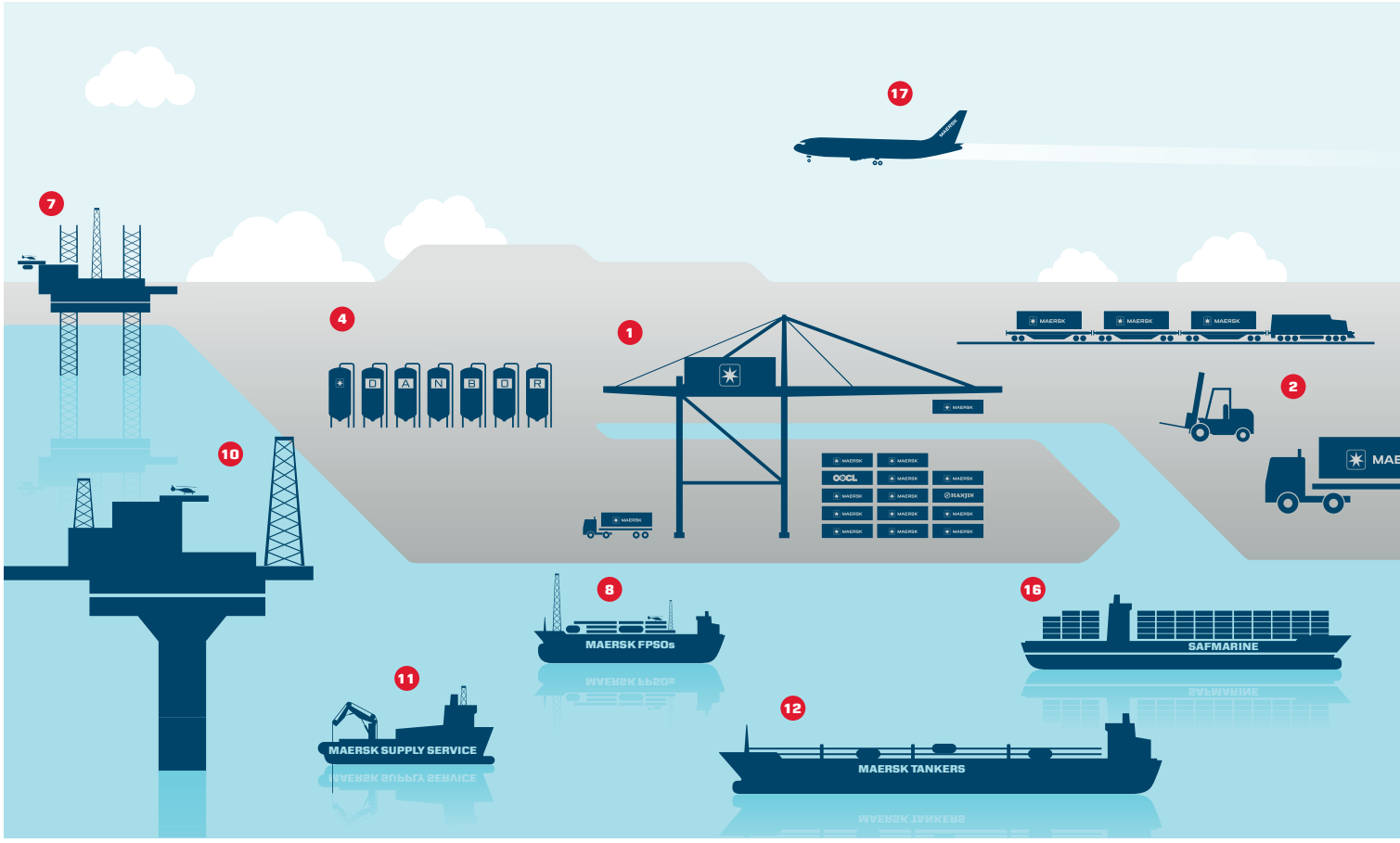
MAERSK

Contents

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. Moller - 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. Moller - Maersk Group's control, may cause actual results and development to differ materially from expectations contained herein.

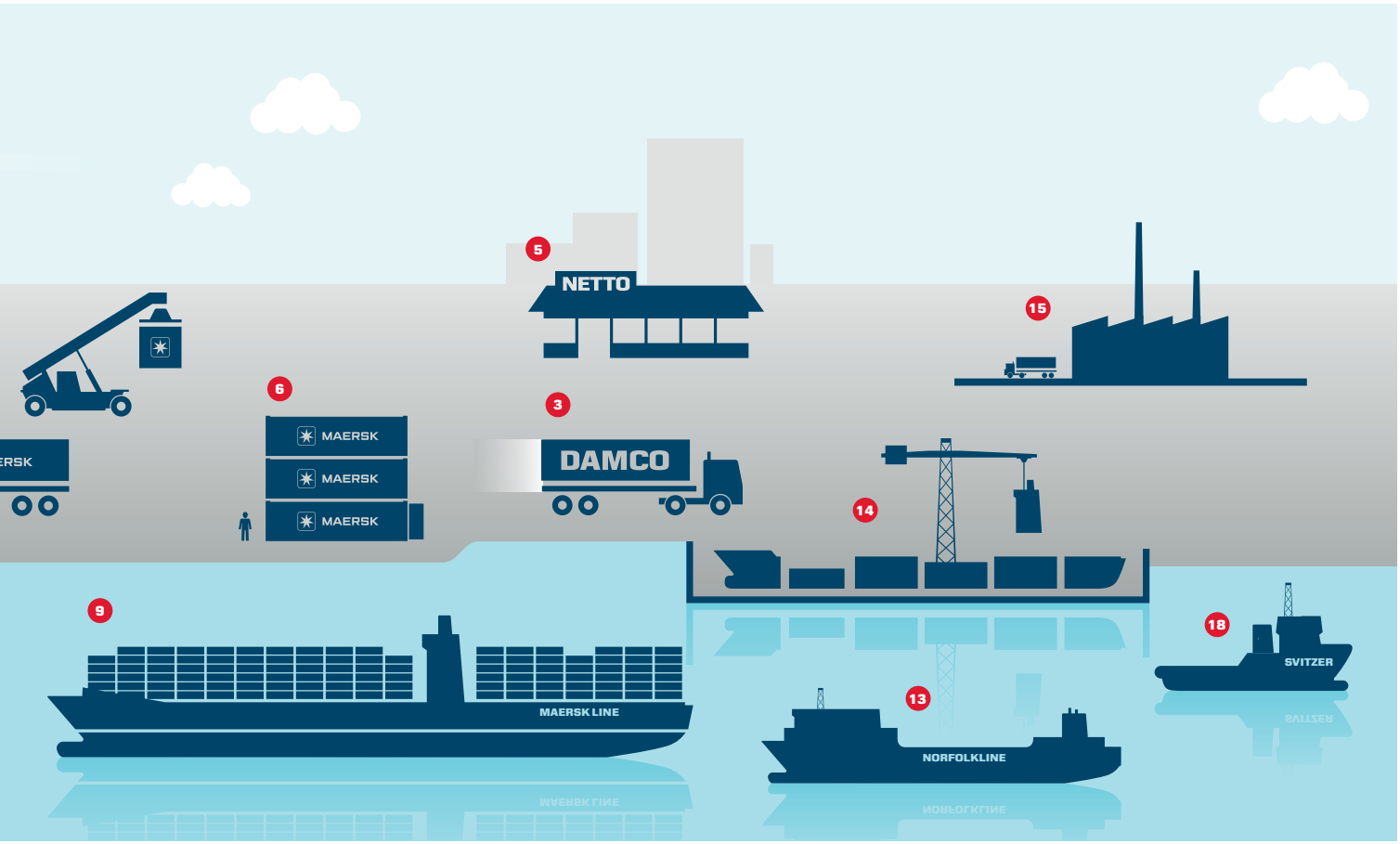
Company profile



1 APM Terminals **2** Container Inland Services **3** Damco **4** Danbor Service **5** Dansk Supermarked **6** Maersk Container Industry **7** Maersk Drilling **8** Maersk FPSOs

The A.P. Moller - Maersk Group is a global conglomerate headquartered in Copenhagen, Denmark, with offices in more than 130 countries, and with over 115,000 employees. Our consolidated revenue in 2009 was USD 48,522 million. In the same year, we posted a loss of USD 1,024 billion in the Group's worst financial year. The Group deals with almost every aspect of container shipping: global transportation of containers by sea, planning efficient transportation for customers, and running container terminals in harbours across the globe. We own companies operating in extractive industries, oil and gas exploration and production, as well as offshore services providing equipment, transport and other services to the oil and gas industry. Finally, we own companies within container production and plastics manufacturing, ship building, air cargo and retail. Our main activities are in shipping, and oil and gas exploration and production, both of which are highly energy-intensive industries. We are global players in both of these industries, our shipping company is one of the world's largest, and we understand and appreciate the special responsibility that this position bestows on us.

The A. P. Moller - Maersk Group comprises approximately 1,100 companies which feed into 18 primary business units. We also own a 37.5% share of the car carrier Höegh Autoliners, and have a 20% interest in Danske Bank.



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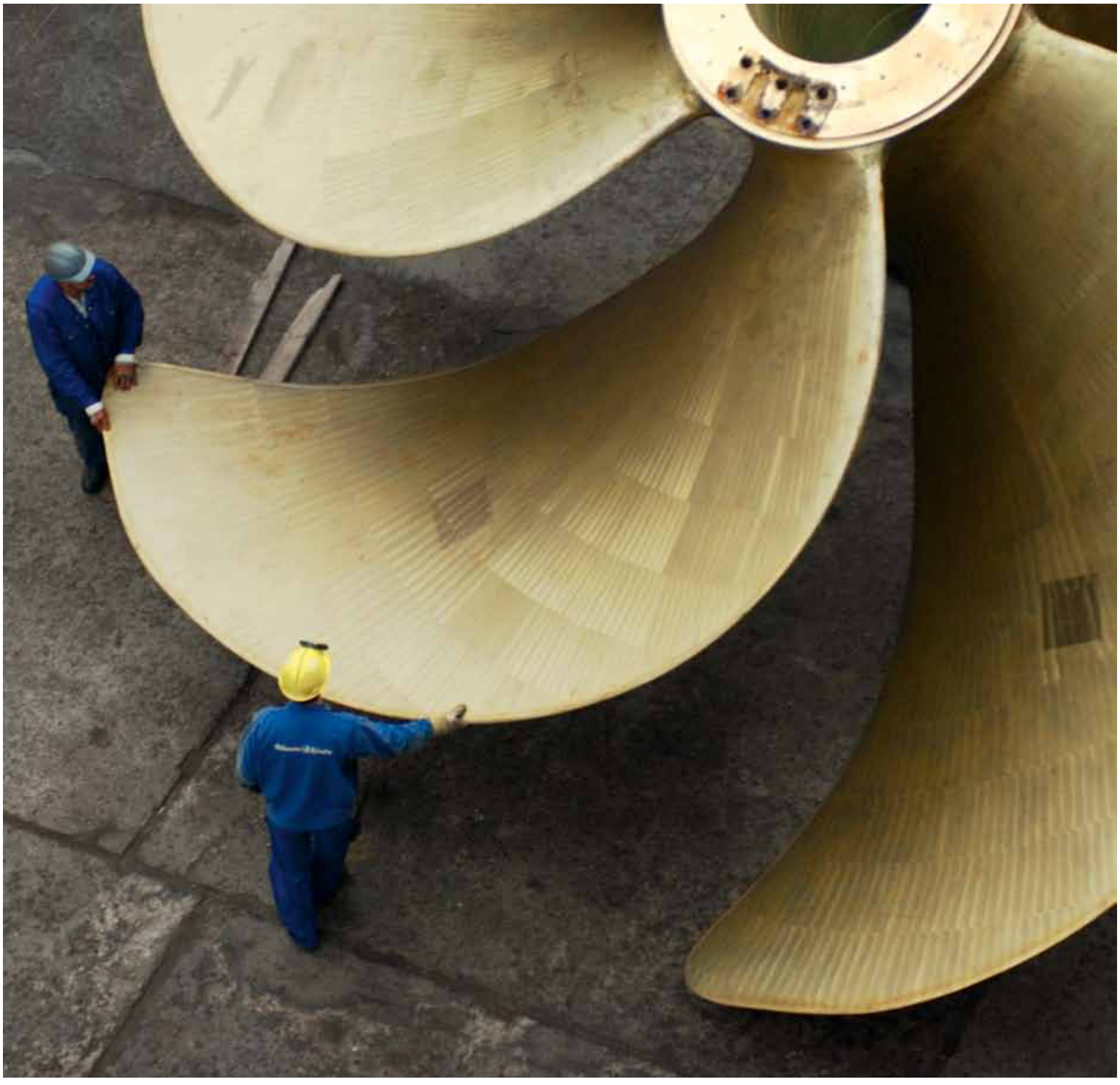
WHO OWNS THE A.P. MOLLER - MAERSK GROUP?

The parent company of the Group, A.P. Møller - Mærsk A/S, is listed on the Danish Stock Exchange, and has around 67,000 shareholders. The company's main shareholder, however, is The A.P. Møller and Chastine Mc-Kinney Møller Foundation, which was established by company founder A.P. Møller in 1953 to ensure that his life's work would always be owned by parties that held a long-term view of the company's development, in the spirit of the founder and according to his principles.

The share capital is split between A and B-shares, and only the A-shares carry voting right. The Foundation holds more than 50 % of the A-shares and consequently has the voting majority.

The Foundation is mainly funded by the A.P. Moller - Maersk Group, but the Group has no influence on the Foundation's decisions regarding donations and investments. The Foundation aims to support Danish culture and heritage, Danish shipping, medical science and causes for the public good. Grants are only occasionally provided for non-Danish projects.

As the world adjusts to using fewer resources, the ability to contribute to the creation of a more sustainable global economy comes with an obligation to act. **This is a unique business opportunity, and we take action through improved results, accountability and transparency.**



FOREWORD BY THE CEO

"We want to be a **profitable, responsible and sustainable business.** It is in line with our values, and is expected by our shareholders, customers, employees and society in general."

Welcome to the A.P. Moller - Maersk Group's first Sustainability Report, which expands on our previous reports on health, safety, security and environment.

In 2009, our company came under tremendous pressure and for the first time in history, the Group reported a negative financial result. We have had to make tough choices. We had to let several thousand employees go, and announced the future closure of Odense Steel Shipyard, in order to align the organisation to current needs and provide job security for those who remain with us. We did this to prepare for what lies ahead.

MEASURING UP TO OUR AMBITIONS

Getting all the elements of sustainability integrated into current business models takes time, but each year we make progress.

We signed up to the UN Global Compact and remain committed to this united corporate effort. We are working on the issues of labour relations, responsible procurement and anti-corruption, and now embrace the sustainability agenda in our work and reporting. We have also added indicators on water consumption and waste management, among others. And for the first time, we report detailed performance data for each business unit, providing our stakeholders with more insight.

SAFETY REMAINS A KEY PRIORITY

For the Group, as for our business units, safety remains an important issue. While we saw a decline in the number of fatalities in 2009 (15, compared with 20 in 2008), no fatality is acceptable, and therefore our safety performance remains a work in progress. While our performance in terms of injuries improved by some 6%, we still need a stronger safety culture, where both standards and systems are in place and where we all take personal responsibility for creating a safe workplace.

SUSTAINABLE BUSINESS

We innovate and are committed to help fight against climate change. We recognise that global problems require global solutions, and we will continue to work in relevant forums to help drive adequate political responses.

The way we run and develop our business is also part of how we contribute to the solution. We are pursuing a great number of opportunities to economise and create efficiencies, and new innovative technologies will continue to reduce both costs and environmental impact – to the benefit of the environment, our customers and our company.

In 2009, we set a relative target of reducing our GHG emissions by 10% by the end of 2012 (using 2007 as a baseline). In 2009, the Group cut its total GHG emissions by almost 7% compared to 2008. In relative terms, the improvement is smaller due to a decrease in business activity in 2009. While pleased with our progress, we are still working to identify the most relevant metrics to consolidate precisely the relative result across business units.

We are determined to continue our efforts to run an efficient and responsible business. This report is part of our attempts to be more accountable and more sustainable, and consequently better prepared for the future.

Nils S. Andersen
CEO of the A.P. Moller - Maersk Group

Highlights 2009

Maersk Line leads

Our largest business unit and contributor to our carbon footprint, Maersk Line, has set an ambitious goal of a 20% reduction of CO_2 per container transported by 2017. We will reach our goal through efficient operations and technological innovation. In 2009, Maersk Line was named 'Sustainable Shipping Operator of the Year', by the publication 'Sustainable Shipping', for its work on engine flexibility, which has been shared with suppliers and competitors to reduce CO_2 emissions. Nearly all business units have completed environmental strategies in 2009, including targets for the reduction of CO_2 emissions.

Read more on page 75-79

Continued efforts

Embedding sustainability in words and actions in all business units is a long-term process. In 2009, we continued our work to create a more structured and managed approach to this task, to strengthen our contribution to a more sustainable world. Policies and programmes regarding climate change, anti-corruption, labour relations, responsible procurement and a sustainability strategy were under development in 2009. They will guide our work in a future marked by transparency regarding the impact of our operations.

Read more on page 24-49

Operating in China

The working conditions at our container factory in Dongguan, China, were publicly criticised by an NGO in 2009. Our response was to commission two independent, third-party audits, and based on the first audit's findings, we took action on a number of items. The final audit in the autumn of 2009 showed 89.8% of the employees were "very satisfied", "satisfied" or "okay" with overall working conditions at our premises in Dongguan.

Read more on page 68

Our business impact

Efficient operations are our greatest contribution to the communities in which we operate. This was the overall conclusion from a survey conducted in 2009 on the impact a port terminal has on the surrounding community, for the Apapa port in Lagos, Nigeria. The port run by APM Terminals has a profound economic impact, with 77% of the port's turnover pumped back into the local economy, and also facilitates trade to the benefit of Nigeria's economy.

Read more on page 47-49

GROUP CONSOLIDATED PERFORMANCE

Social performance[a]

Our employees				
		2007[c]	2008[c]	**2009**
Number of employees[b]		117,319	119,599	**115,386**
Employee engagement[d]	%	66	66	**67**
Performance appraisals	%	–	–	**48**

Safety					
		2007[c]	2008[c]	**2009**	target 2010
Lost time injury frequency (LTIF)[e]	frequency	–	5.08	**4.78**	3.56
Fatalities	number	25	20	**15**	0

Environmental performance[a+f]

Energy consumption				
		2007[c]	2008[c]	**2009**[g]
Fuel oil	1,000 tonnes	13,848.00	13,017.00	**11,840.27**
Diesel	1,000 tonnes	577.00	422.00	**617.32**
Natural gas	1,000 tonnes	908.00	886.00	**804.51**
Electricity	1,000 MWh	737.00	1,581.00	**1,755.42**
Direct energy consumption by primary energy source	GJ	–	–	**536,698,281.23**
Energy intensity	MJ/USD turnover	12.20	10.90	**11.06**
Greenhouse gas (GHG) emissions				
GHG emissions	1,000 tonnes CO_2 eq	53,352.00	48,198.00	**44,888.33**
Direct GHG emissions (Scope 1 GHG Protocol)				
CO_2	1,000 tonnes	50,296.00	46,554.80	**43,419.87**
CH_4	1,000 tonnes CO_2 eq	852.00	130.96	**314.34**
N_2O	1,000 tonnes CO_2 eq	1,076.00	199.66	**263.19**
HFC	tonnes CO_2 eq	–	2,600.00	**4,021.02**
PFC	tonnes CO_2 eq	–	–	**0.00**
SF_6	tonnes CO_2 eq	–	–	**0.00**
Indirect GHG emissions (Scope 2 GHG Protocol)				
CO_2	1,000 tonnes	1,128.00	723.30	**856.33**
CH_4	1,000 tonnes CO_2 eq	–	–	**22.24**
N_2O	1,000 tonnes CO_2 eq	–	–	**8.32**
GHG intensity	kg CO_2 / USD turnover	1.00	0.80	**0.92**
Other air emissions				
SO_x	1,000 tonnes	656.00	652.51[h]	**851.79**
NO_x	1,000 tonnes	1,094.00	1,041.56[h]	**976.74**
VOCs	1,000 tonnes	16.00	31.85	**22.60**
Particulate matters	1,000 tonnes	45.00	28.90	**85.10**
Other resource consumption				
Steel consumption	1,000 tonnes	–	–	**0.18**
Waste consumption	1,000 tonnes	–	–	**642.32**
– recycled (composting, reused, recycled)	1,000 tonnes	–	–	**114.73**
– solid (landfill, on-site storage, incineration)	1,000 tonnes	–	–	**504.87**
– hazardous (controlled deposit)	1,000 tonnes	–	–	**22.71**
Water total	1,000 m^3	–	–	**5,303.20**
– surface water	1,000 m^3	–	–	**4.39**
– ground water	1,000 m^3	–	–	**1,237.94**
– rain water	1,000 m^3	–	–	**0.00**
– municipal water supplies/water utilities	1,000 m^3	–	–	**4,060.87**
Spills (oil)	m^3	–	–	**7,293**

Economic performance

		2007	2008	**2009**
Group revenue	USD million	51,218	61,211	**48,522**
Group revenue	DKK million	–	311,821	**260,026**
Profit/loss for the year	USD million	–	3,462	**-1,024**
Profit/loss for the year	DKK million	–	17,638	**-5,489**
Tax for the year	USD million	–	6,927	**3,805**
Tax for the year	DKK million	–	35,287	**20,393**
Electricity cost	USD million	–	–	**200.78**

– = Not available
n/a = Not applicable

[a] Including Group Functions

[b] Average number of full-time employees including Group functions but excluding jointly-controlled entities and discontinued operations.

[c] Data not fully reported in 2007 and 2008.

[d] The number reflects the percentage of engaged employees who participated in the annual engagement survey. "Engaged" is the combination of satisfaction, pride, referral and intent to stay in the organisation. Data do not include Dansk Supermarked, Odense Steel Shipyard and Star Air.

[e] Lost time injury frequency measures the number of lost time injuries excluding fatalities per million exposure hours.

[f] Different conversion factors have been applied across the years and across various activities.

[g] Includes extrapolated data for the first nine months of 2009 for Damco, Maersk Line, Maersk Supply Service and Odense Steel Shipyard

[h] Numbers corrected for last year's report. The effect on total GHG emission in CO_2 equivalents is about 1%.

Assurance statement

A.P. Moller - Maersk ('APMM' or 'the Group') commissioned Det Norske Veritas ('DNV') to verify the 2009 Sustainability Report ('the Report'). APMM is entirely responsible for the content of the Report. DNV's responsibility is to APMM's management only, according to agreed terms and assuming that all information provided to us is true. This statement is intended for APMM management and broader stakeholders.

Scope of assurance and limitations
DNV has verified the reported performance indicators and statements relating to the Group's activities from January-December 2009. We evaluated the Report's adherence to the three Accountability Principles (Inclusivity, Materiality and Responsiveness) and the reliability of specified sustainability performance information, as required for a Type 2, moderate level of assurance in AA1000 Assurance Standard 2008 ('AA1000AS 2008'). We also evaluated the principles of Completeness and Neutrality, as set out in DNV's Protocol for Verification of Sustainability Reporting. We verified the Group-level data and the consolidated environmental and safety data at individual business unit level. Our scope did not include detailed verification at business units' operating levels, nor did we verify economic performance data or interview any external stakeholders. We confirmed the Application Level according to GRI's Sustainability Reporting Guidelines (2006). Our verification work took place during October 2009-February 2010.

Verification methodology
We planned and carried out the work in accordance with the AA1000AS 2008 and DNV's Protocol. At the outset, we held a workshop to understand APMM's process for defining significant issues to be reported. Through interviews and review of relevant (incl. confidential) documentation and tools, we challenged the statements made in the Report and assessed the robustness of the underlying data management system, information flow and controls. We interviewed 33 senior managers and staff of various functions at Group head office and offices in Denmark of six business units selected by APMM (Damco, Dansk Supermarked, Maersk Drilling, Maersk FPSOs, Maersk Line and Maersk Oil) to assess the data management and mechanisms for implementing the Group's sustainability-related policies.

Conclusions
The expansion in reporting from the Group's 2008 HSSE Report to the 2009 Sustainability Report represents a milestone in APMM's sustainability work. In DNV's opinion, the 2009 Sustainability Report provides a balanced and credible representation of APMM's overall sustainability performance and application of the AA1000 Accountability Principles. It describes the sustainability issues that are most important across the different business units and how the Group has responded. The information is presented in a way that will help stakeholders make informed decisions about the Group's sustainability performance. The report meets the requirements of GRI Application Level C+.

We evaluated adherence to the following principles on a scale of 'Good', 'Acceptable' and 'Needs Improvement':
Inclusivity: Needs Improvement. APMM's public commitment to building an accountable and strategic response to sustainability challenges has focused the Group's efforts to expand and formalise its dialogue with stakeholders, but to date most activities remain ad hoc, with only few business units applying a systematic approach.
Materiality: Good. In 2009, APMM has undergone a thorough, Group-wide internal exercise that has brought out the sustainability issues significant to the Group and its stakeholders. The results have informed the focus and content of the Report and are being integrated into the organisational strategy and decision-making process.
Responsiveness: Acceptable. The Report adequately demonstrates the Group's progress in building a stronger culture of external accountability and transparent communication on material sustainability issues, supported by a clearer mandate for internal strategic governance through the new Group Sustainability function.
Completeness: Acceptable. Within the reporting scope and operational control boundary defined by the Group, we conclude that the Report does not omit information that would significantly influence stakeholders' decisions or that reflects significant sustainability impacts during 2009. The Group follows best practice of reporting work-related fatalities from both APMM controlled and non-APMM controlled facilities.
Neutrality: Good. The information contained in the Report is balanced and presented in an overall neutral tone. Challenges and limitations are presented together with commitments to future improvements.
Reliability: Needs Improvement. Despite some improvements at Group level during 2009, DNV identified several systematic and technical errors in the input, consolidation, calculations and reporting of data in the Group's data management tool. The majority of these have subsequently been corrected. Therefore, in accordance with Type 2, moderate level assurance requirements, we conclude that the specified performance information presented in the Report is generally reliable. Information in the Report is presented so as to allow comparison of year-on-year performance, with clear indication where improved data auditing has resulted in corrected data.

Opportunities for improvement
The following is an excerpt from the observations and opportunities reported back to the management of APMM. They are generally consistent with the management objectives already in place.

- Collection and aggregation of certain social and environmental data remain a challenge for APMM, and a lack of formalised procedures for data reviews and audit trails in business units may increase the risk of continued poor data quality. Expanding and formalising systematic internal monitoring and auditing at business unit level will help ensure improved data reliability. Reducing the use of manual calculation and data transfer will also lower the risk of errors and discrepancies in calculations.
- Building local competence in managing and documenting stakeholder dialogue will strengthen both engagement practices and enhance future reporting.

DNV's competence and independence
DNV provides sustainability risk management services through qualified specialists worldwide. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. DNV maintains complete impartiality towards people interviewed during the assignment. DNV expressly disclaims any liability or co-responsibility for any decision a person or entity would make based on this Assurance Statement.

For Det Norske Veritas,

Dr Helena Barton
Lead Verifier
Global Manager, Corporate Responsibility Services

Jens Peter Høiseth
Key Customer Manager

Copenhagen, 2 March 2010

AA1000
Licensed Assurance Provider
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About the report

This report is the first sustainability report from the A.P. Moller - Maersk Group. It builds on our health, safety, security and environmental (HSSE) reporting from 2007 and 2008.

Our main goal is to provide our stakeholders with a balanced view of the Group's position and performance on our material issues. Performance data are currently available for the environmental and safety areas, and we are developing relevant indicators for future reporting on a number of other subjects.

The report also ensures the Group's compliance with the "Act amending the Danish Financial Statements Act (Accounting for CSR in large businesses)", and fulfils our obligation to communicate on progress to the United Nations' Global Compact.

The reporting period is 1 January to 31 December 2009. The report has the following structure:

- the first part of the report (page 15-49) reflects programmes, initiatives and performance at **Group level**, while
- the second part of the report concerns the **business units'** work on sustainability (page 51-104).

OPERATIONAL CONTROL DEFINES SCOPE

Our reporting includes the impacts of assets over which the A.P. Moller - Maersk Group has operational control. This is defined as ***where the Group has authority to introduce and implement its operating policies***[1].

One example of this is ships. Some of the ships we operate are owned by A.P. Moller - Maersk, and thus we have full operational control, and all data are included. Others are chartered ships. For the majority of these, we influence fuel consumption and subsequent air emissions, and the environmental performance data from these ships are included. However, environmental data from 56 chartered ships for Maersk Tankers are not included in this report, as we do not have any control over these ships from a environmental, technical, health or

Our first sustainability report is an important milestone. **We are working to fully integrate sustainability into our business operations**, and our reporting will continuously improve as we deliver more results in this area.

Annette Stube, Head of Group Sustainability

[1] Stated in the Greenhouse Gas Protocol developed by the World Business Council for Sustainable Development and World Resource Institute.

safety perspective. Likewise, our health and safety management systems are not implemented on chartered ships, and we do not include data from these ships in our reporting. We are considering the inclucion of health and safety terms in our contracts for chartered ships.

SELECTION OF TOPICS FOR THE REPORT

The A.P. Moller - Maersk Group established its most material sustainability issues through six processes (see box), identifying priority issues which apply to the Group as a whole:

1. Health, safety and security
2. Environmental impact, including climate change impacts
3. Human rights and labour standards
4. Business conduct and governance
5. Supply chain management and procurement
6. Community involvement and investment

This report addresses all of the six issues above in varying degree of detail, reflecting our level of maturity regarding each issue.

In addition, in 2009 our business units underwent a process to determine their material issues when they prepared individual CSR strategies. These are covered in the business unit section.

PROCESSES TO DETERMINE MATERIALITY

- A review of the Group's environmental issues conducted in 2007 as part of our environmental strategy process.
- A high-level materiality review of the Group conducted in 2008/2009.
- A gap analysis carried out in 2008 to prepare for our signing of the UN Global Compact.
- A benchmark review and report assessment of the 2008 HSSE report conduted by SustainAbility in June 2009.
- A Corporate Social Responsibility (CSR) strategy process carried out in all business units during 2009.
- An assurance workshop with assurance provider Det Norske Veritas in October 2009.

EXTENSIONS AND IMPROVEMENTS

We have expanded the number of environmental indicators on which we report, and have added economic and social indicators. We introduce reporting at business unit level in order to provide greater transparency on performance data and material issues.

The subjects of anti-corruption, responsible procurement, labour standards and diversity have been introduced this year, while indicators will be added next year.

We started to report on HSSE data in 2007 at Group level, and since then we have been working hard to improve data quality and completeness. On some indicators, the level of data quality in 2007 and 2008 does not permit a meaningful comparison across the years. For 2007 – but also to some extent for 2008 – the data set covers only part of our total operations, and different conversion factors were applied across the various business units. We continue our efforts to standardise our data collection and reporting.

To improve the quality of data, we implemented a more robust model for internal verification at both Group and business unit level prior to the external verification of data. Furthermore, an IT-based data management system for sustainability data, designed to improve data collection and quality, is in the process of being implemented by our many business units across the world.

A more extensive external assurance process has been carried out. Other than verification of all data in this report, the assurance providers have inter-

viewed a number of people from Group HR, Group Procurement, Maersk Maritime Technology and Group Sustainability to talk about ongoing projects. In order to verify data collection and statements in the report, site visits have also been made to six business units.

FUTURE REPORTING

We are in the process of developing a reporting strategy for 2010-2015, due to be completed in 2010. Our existing reporting strategy forms the basis of this work. The main challenge remains providing meaningful information and not simply more data.

A preliminary road map for reporting has been prepared. New indicators will be added in due course, and the road map will be further developed once our reporting strategy for 2010-2015 is finalised.

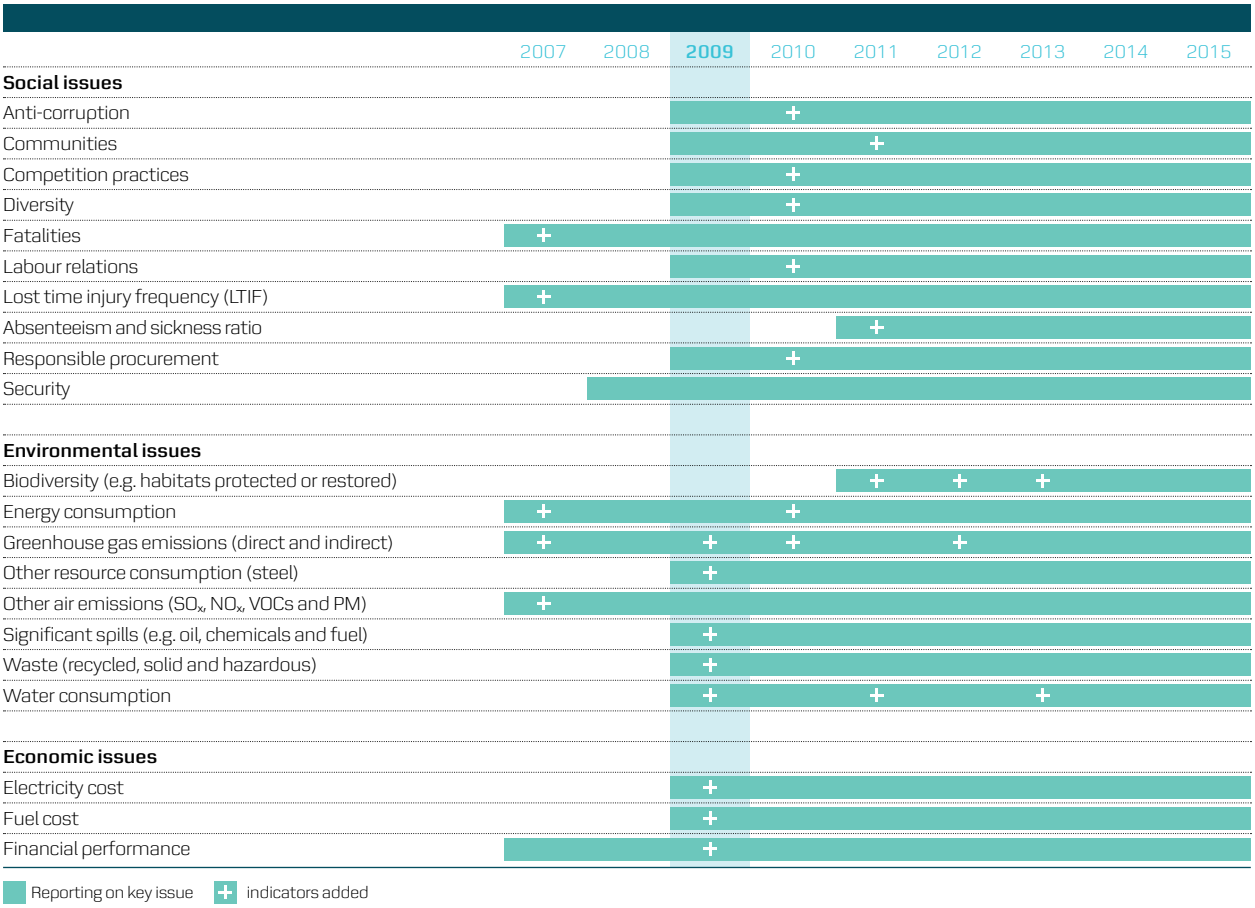
REPORTING PRINCIPLES

Our performance reporting (indicators) is based on the G3 Sustainability Reporting Guidelines developed by the Global Reporting Initiative (GRI), which is the world's most widely-used sustainability reporting framework. A complete overview of GRI standard disclosures as well as the corresponding Global Compact principle, which we cover, can be found on page 106-109.

We also apply the AA1000 AccountAbility Principles Standard (APS) 2008 which provides the basis for establishing, evaluating and communicating accountability.

To provide full-year environmental performance data, four business units have extrapolated figures from the performance of the first nine months of 2009 (dividing the numbers for the first nine months of the year by nine and multiplying the result by 12). Numbers based on extrapolated data are clearly stated in the footnotes to the tables.

Road map for reporting on key sustainability issues



The integration of broader sustainability issues is an ongoing process, as is the documentation of our progress. **We continue to ensure responsible business conduct and maximise business opportunities** in line with both our global commitments and market demands.

Our approach to sustainability

While the idea of good corporate citizenship has been an integral part of the Group's history, the pursuit of a sustainability ambition is an expansion of this purpose.

We are pursuing this ambition at a time when our business is under immense pressure as a result of a difficult economic climate, and we are at the same time making changes to the organisation to improve the company's operational efficiency.

Even prior to the advent of the global economic recession, we had begun a process of change, to evolve the company into a leaner, more efficient and competitive business. We need a new mindset to prepare us for tomorrow's marketplace. The crisis has urged us to act more quickly than we previously planned. But the direction and the actions we take remain the same.

Sustainability is part of this preparation. Today, our sustainability efforts are helping us to cut costs and pursue new business opportunities. We are pleased to see how these efforts facilitate our ability to meet the demands of our customers, our employees and the global environment.

Sustainability is very closely linked to the strategic and competitive needs of our business. We see profitability and the adoption of responsible practices as closely linked: efficiency, looking after our people, reducing our impact on the environment, understanding our impacts and minimising the negative and maximising the positive. This is important for our business, now and in the future, to create the business that will survive the current economic climate and prosper in the future.

A change of this magnitude does not happen by chance. Over the last few years, fulfilling our ambition has led to a number of initiatives to establish a more managed and structured approach to working with sustainability. This includes developing global policies and standards that guide our relationships with a number of stakeholders, and defining performance indicators, setting targets, measuring and documenting our progress.

"We should not forget that making a profit is the purpose of business, but I believe society is on a journey towards sustainability and so we, as a group of businesses, must **make our contribution by integrating sustainability in our business practices.** Doing business in a way that damages society will not be tolerated in the future and will therefore threaten the existence of the company."

Nils S. Andersen, CEO of the A.P. Moller - Maersk Group

Our sustainability framework

A BUSINESS DRIVEN APPROACH

We are pursuing a path towards sustainability because:

- We believe that it will benefit the business, as we will become better prepared to respond to society's concerns. This includes our customers, and working more sustainably can help us meet and perhaps even exceed customer expectations.
- Being alert and responsive to society's expectations is key to operating a business successfully.
- We believe that both current and future talented employees will be attracted to a sustainable and transparent work place.
- We are convinced that working sustainably mitigates risk.
- We are market leaders in a number of the industries in which we compete, and as such, recognise our responsibility to improve the sustainability of how we do business.

Finally, it is our firm belief that pursuing a sustainability strategy can lead to new business opportunities and significant cost savings. Within our operations, we are already seeing examples of this, such as carbon capture storage, slow steaming, recyclable container floors and the SupplyChain Carbon Dashboard.

Naturally, our sustainability ambition is also informed by external trends and developments. The main challenge for society in our time is transforming the world into a low carbon economy. We can be – and will be expected to be – part of this change process, both by preventing and reducing impacts, by living up to and paying for stricter environmental regulation, and by providing innovative solutions.

We are also seeing a move towards extended responsibility for human rights for businesses, requiring a company with global operations to have robust policies and standards in place, and to understand how we contribute to the promotion of human rights.

Among other things, these trends take us beyond the immediate business case for A.P. Moller - Maersk, and highlight the benefits to society flowing from the integration of sustainability into our business: enabling global trade, creating employment around the world, while creating awareness

"We believe that sustainable development is essential for society and business to thrive and grow. We are committed to integrating sustainability into all our business operations and **making our performance transparent** to our stakeholders."

Nils S. Andersen, CEO of the A.P. Moller - Maersk Group

of global standards and human rights, and strengthening local economies.

AMBITION: BUSINESS INTEGRATION

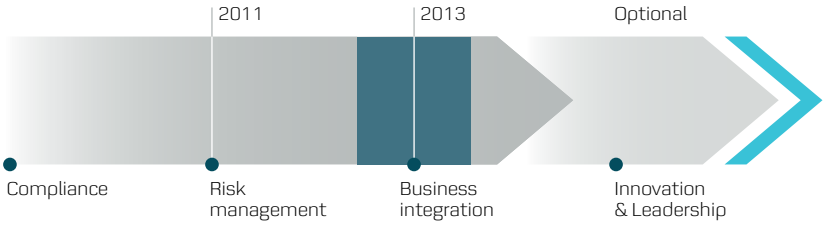
We have worked extensively on the HSSE agenda for many years. Our work in this area is structured, has a comprehensive management system and forms an integral part of our business. CSR issues, on the other hand, have previously been managed on a more ad-hoc basis (see box on page 16).

We intend to fulfil our sustainability ambition through the application of a shared approach and a common ambition level for all business units. This is fixed for all, while the specific content of the business units' CSR strategies may vary. Through a number of activities and changes, we aim to become a Group in which sustainability is an integrated part of business activity in all our business units (see box below).

STAKEHOLDER ENGAGEMENT

Successful business integration requires us to work on the issues that matter most to our business. That includes satisfying the needs of customers and understanding the expectations of our other stakeholders.

Ambition level – target



BUSINESS INTEGRATION IS CHARACTERISED BY:

- Top management involvement and commitment
- Integration in business strategy
- Engagement with civil society
- Anticipation of change
- Systematic management
- Embedding sustainability mindset
- Focus on new opportunities

We need to engage with stakeholders to be able to learn, exchange views and improve our understanding of our extended business environment through consultation and dialogue with relevant stakeholders.

Stakeholder engagement in the A.P. Moller - Maersk Group occurs on a daily basis and at many different levels of the organisation. We liaise regularly with our customers, regulators, employees, suppliers and contractors and with various industry bodies, but most of these stakeholder consultations are not reported in terms of frequency or outcomes.

Expanded stakeholder engagement is one element of the change process that the Group is undergoing as we strive to achieve our sustainability ambition, and our engagement is increasing. We consult with interest groups on a case-by-case basis, and we are in the process of developing a comprehensive strategy guiding both our routine and non-routine activities.

The stakeholders of each business unit have been identified through a new strategy process, which the business units began in 2009.

OUR GOVERNANCE FRAMEWORK

Our work is guided by Group policies on sustainability issues. We have policies on the environment, climate, health, safety, security and anti-corruption. We are in the process of developing policies on labour relations and respon-

Our stakeholders

EXAMPLES OF OUR STAKEHOLDER ENGAGEMENTS

- Damco, Maersk Line, Safmarine and Svitzer – among others – conduct annual customer surveys.
- Damco has engaged in a partnership with Massachusetts Institute of Technology to carry out a survey of methods to calculate the carbon footprint of logistics.
- The Group carries out an employee engagement survey every year.
- We host an annual General Assembly for our shareholders.
- Both at Group and business unit level, we worked with the Danish Institute for Human Rights (DIHR) on a consultancy basis on a number of sustainability projects in 2009. While these consultations are paid services, DIHR still provides a critical eye on our planned activities.
- COP 15 activities, e.g. Climate Box and Carbon War Room (see page 37).
- We engage with trade unions to find common solutions to challenges in different markets.

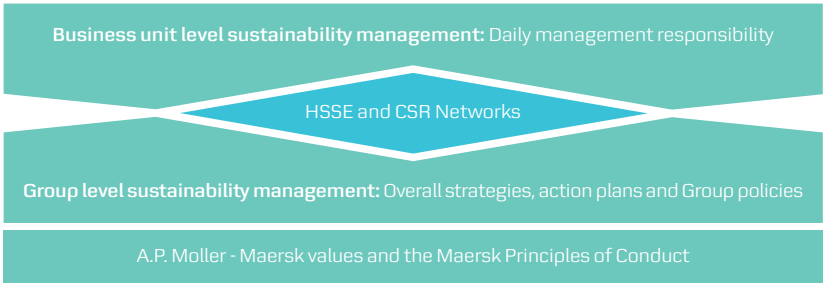
sible procurement, and of developing an overall sustainability strategy.

Overall ownership for sustainability lies with the Group's Executive Board. The Executive Board has mandated the Group Sustainability function to:

- Take on leadership in defining Group strategy and policies on sustainability
- Provide an overview by conducting annual sustainability reviews with all business units
- Conduct trendspotting to identify key sustainability trends, risks and opportunities
- Provide advice and sparring to the Group and the business units
- Direct stakeholder engagement, communications and produce an annual sustainability report
- Provide manuals and standards and data management on sustainability issues
- Run flagship programmes and provide innovation

The Group Sustainability function must report progress made to the Executive Board once a year.

Sustainability – governance framework



MANUALS PROVIDE GUIDANCE

Other documents guiding the work on sustainability are the Group HSSE Policy and Manual, and the Group Health Manual. Working according to the HSSE Manual enables business units to live up to not only the requirements of Group management, but also to two standards, ISO 14001 (environmental management standard) and OHSAS18001 (occupational health and safety management standard). The manual and guidance also serve to establish a coherent management system for HSSE risks.

The responsibility for implementing and operating in accordance with the policy framework provided by Group Sustainability lies with the individual business units. Formally, the business units' CEO has overall responsibility.

The business units are expected to perform annual self-evaluations of their HSSE activities and performance, resulting in an annual HSSE action plan, which must be integrated with the targets set in the annual Group HSSE Action Plan.

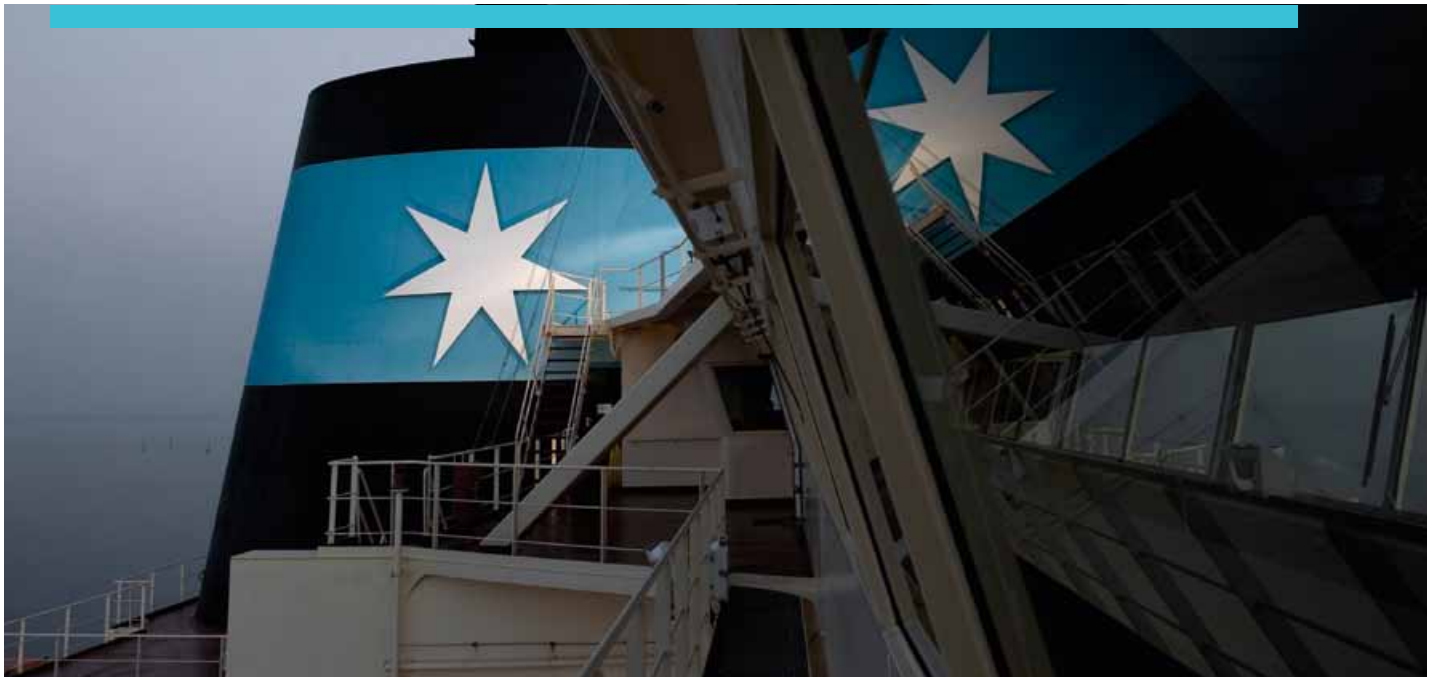
BUSINESS UNIT STRATEGIES

Almost all business units have begun the process to develop a CSR strategy in 2009 supported by Group Sustainability. Based on business strategy and targets, the mapping of trends and key stakeholders, knowledge of Group initiatives and the business units' current CSR status, the business units:

- prioritise issues
- set specific 3-5 year goals, KPIs and metrics for each issue in the strategy
- complete a high-level action plan
- prepare a stakeholder engagement plan
- design a governance structure defining roles and responsibilities

Business unit CEOs are accountable for the business units' sustainability performance. Starting in 2010, each business unit will be subject to an annual review consisting of a two-hour meeting between the business unit's CEO, a member of the Group Executive Board and representatives of Group Sustainability.

In 2009, all business units appointed a CSR representative responsible for driving CSR in their business unit, including strategy development and implementation as well as performance reporting. The CSR representatives meet twice annually in a CSR network to ensure alignment, leverage synergies, develop competencies and share best practices. An HSSE network with similar modus operandi has been in place for three years. These networks serve to connect the work carried out at Group and business unit levels.



The Maersk Principles of Conduct

At its core, any activity in the A.P. Moller - Maersk Group is guided by our values and the Maersk Principles of Conduct.

Our values include regard for our employees, the demonstration of constant care, uprightness, humbleness and protecting our good name. Our success depends on the way we live these values while conducting our business.

The Maersk Principles of Conduct are also the basis of the governance structures in place for our sustainability work. The principles were originally launched in 2007, and they govern how Group functions and each business unit within the A.P. Moller - Maersk Group conduct its business. Compliance with applicable national as well as international legislation is an obvious prerequisite.

During 2009, the principles were revised through consultation with our business units, relevant Group functions (e.g. legal and HR) as well as with the Danish Institute for Human Rights in order to align them with the Group's obligations as a signatory to the United Nations' Global Compact.

An implementation plan was prepared in 2009, and the Maersk Principles of Conduct will be rolled out in 2010. Further to a broad communication effort internally, we will include the principles in employee induction materials. The principles will also be translated into more than15 languages.

The Maersk **Principles of Conduct**

Supporting and respecting internationally proclaimed **human rights**

- We respect human rights and endeavour to ensure that we do not contribute to human rights violations.

Responsible **business behaviour**

- We conduct our business in an ethical and lawful manner, and we will promote the same business behaviour within our sphere of influence.
- We work against all forms of corrupt practices, including bribery and extortion.
- We compete fairly everywhere we do business.
- We are committed to promoting sustainable business practices in our supply chain.

A good place to work

- We treat every employee with respect and dignity and are committed to creating a working environment free from discrimination and harassment, and one in which diversity is encouraged.
- We respect our employees' rights to associate freely – to form and to join, or not to join, trade unions – and to bargain collectively.
- We do not tolerate any form of forced or compulsory labour.
- We prohibit the use of child labour.

Protecting **health and safety**

- We are committed to providing all people working under our direction with a healthy and safe work environment, and continuously strive to improve our performance.

Maintaining **high security standards**

- We endeavour to take all precautions necessary to maintain high security standards and security awareness within our organisation at all times.

Supporting **our customers**

- We wish to be recognised as a reliable, trusted and engaged partner in all our business dealings.

Protecting **the environment**

- We protect the environment by exercising constant care and optimising our operations, and endeavour to use natural resources responsibly and reduce our environmental impact.
- We are committed to countering climate change by striving to minimise greenhouse gas emissions from our business activities.

Engaging **with society**

- We strive to improve the ways in which we contribute directly or indirectly to the sustainable development of the communities in which we work and society at large.
- We are committed to being accountable to our stakeholders and report publicly on our performance.

Global commitments

During 2009, the A.P. Moller - Maersk Group joined three global programmes, which work to ensure transparency and accountability for companies on sustainability issues.

Our commitments will enable us to apply a recognised framework to our work with sustainability. They also build opportunities for engagement with other companies and organisations at local and global levels.

THE GLOBAL COMPACT

We decided to become a signatory to the United Nations' Global Compact (UNGC) in March 2009. The UNGC comprises ten principles for ethical business behaviour in the areas of human rights, labour rights, environment and anti-corruption. By adopting these principles, the Group furthers its objective of strengthening its performance and reporting on sustainability issues.

The UNGC is not a regulatory instrument but relies on public accountability, transparency and the enlightened self-interest of companies to pursue the ten principles. Participants are required to annually communicate their progress in implementing the principles to all stakeholders, and to declare their continued support of the UNGC.

THOROUGH PREPARATION

Prior to signing the UNGC, we undertook an external review to provide us with a gap analysis of the Group and business units' performance in comparison to the ten principles of the UNGC. The resulting overview helped us identify critical gaps in our policy and management systems and procedures. The gap analysis was conducted from March to December 2008, mainly through interviews with employees.

The top three priorities emerging from this project were:

1. To ensure explicit mention of fundamental human rights in the Maersk Principles of Conduct and develop global policies on employment practices, standards and procedures concerning freedom of association, and collective bargaining. A global labour standard responding to the need for policies on employment practices was prepared in 2009 and will be launched in 2010. Another recommendation was to develop standards and procedures concerning the use of security forces, an issue that we will investigate further.
2. To implement policies in relation to third parties (suppliers, contractors, joint venture partners, security personnel and local communities) supported by programmes. Work began in 2009 to develop a policy and implementation plan for responsible procurement and continues in 2010. Guidelines to support the policy implementation for community relations are currently being prepared. The Maersk Principles of Conduct also cover our engagement with society.
3. To ensure a commitment to avoid all forms of corruption, and ensure

communication and training, reporting and compliance systems. In October 2009, a formal anti-corruption policy was approved by the Executive Board and is now being implemented throughout the Group.

CLIMATE COMMITMENTS

In 2009, the A.P. Moller - Maersk Group joined the Carbon Disclosure Project, created and driven by institutional investors, in which over 2,000 organisations in 66 countries around the world measure and disclose their greenhouse gas emissions and climate change strategies. This decision was in part prompted by dialogue with one of our large shareholders, the Danish pension fund, ATP.

Finally, in June 2009 the Group joined more than 300 other companies in the Caring for Climate initiative, a voluntary business leadership action platform complementing the UN Global Compact. Caring for Climate aimed to get businesses to demonstrate leadership on the issue of climate change in the lead-up to the UN Climate Change Conference in Copenhagen in December 2009.

THE GLOBAL COMPACT
WE SUPPORT

The Global Compact Principles

		Read more on page
HUMAN RIGHTS		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights; and	**20-21**
Principle 2	make sure that they are not complicit in human rights abuses.	
LABOUR STANDARDS		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	**20, 21 and 30**
Principle 4	the elimination of all forms of forced and compulsory labour;	
Principle 5	the effective abolition of child labour; and	
Principle 6	the elimination of discrimination in respect of employment and occupation.	
ENVIRONMENT		
Principle 7	Businesses should support a precautionary approach to environmental challenges;	**35-41**
Principle 8	undertake initiatives to promote greater environmental responsibility; and	
Principle 9	encourage the development and diffusion of environmentally-friendly technologies.	
ANTI-CORRUPTION		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	**43-44**

Creating a healthy, safe and stimulating work environment is high on our agenda. **Being safe is a basic human right.** And healthy and satisfied employees are a prerequisite for the success of our business.

OUR EMPLOYEES

Health

To be protected against circumstances that may be damaging health is a basic human right. At the same time, a healthy workforce provides more stable and efficient business operations.

In today's world, the question of employee health is more important than ever. Human health is deteriorating in many corners of the globe. Incidences of infectious and chronic diseases are growing, coinciding with the psychosocial health of many people impacted by the changes in social norms and demands for efficiency. Health issues are affecting corporate and public economies and obviously the quality of life for the people whose health is threatened.

Consequently, in the A.P. Moller - Maersk Group, we have improved our health management system by introducing a Group Health Manual, which the business units began to implement in 2009. All business units must be in compliance by the end of 2010.

HEALTH IN THE MANAGEMENT SYSTEM

Starting in 2011, the Health Manual will be included in the annual self-assessments conducted by the business units based on the overall Health, Safety, Security and Environmental management system.

Our Health Manual requires management programmes to be in place to assess, control and document the identified health risks arising from the chemical, physical, biological, ergonomic and psychological hazards that may be associated with the work environment. This could be air quality, noise, exposure to potentially hazardous substances, work load, discrimination, etc. Monitoring compliance with national statutory requirements is mandatory for all aspects of health management.

DEALING WITH THE THREAT OF A PANDEMIC

One of the major health issues in 2009 was keeping employees informed about H1N1, a pandemic flu which was the topic of much media attention. Group Sustainability created an information page on the corporate intranet providing advice and updates on this disease. We did not conduct a large-scale H1N1 vaccination programme in the company, based on the recommendations of the Danish National Board of Health.

Equally, business units have been asked to include a plan for a break-out of H1N1 in their area in their business continuity plans. These are documents that allow a business unit or Group function to respond to disruptions to business, consider the safety of employees and recover critical business processes.

OUR EMPLOYEES

Safety

Oil rigs, ships sailing the global seas, port terminals, container production and ship building are all workplaces that involve many risks for employee safety. They require heavy equipment, and work is often carried out in harsh and challenging environments. As a consequence, we must go to great lengths to control the risks the working environment poses to our employees' safety.

Safety is the key sustainability issue for many of our business units, first and foremost due to risks inherent in the jobs and due to demands from customers and partners. We are part of a supply chain and must prove that employee safety is managed, or we may not get the order. Some of our businesses sell safety services and must demonstrate that they can manage this issue on their own turf.

In 2009, we finalised the implementation of the Group Health, Safety, Security and Environment Manual (Group HSSE Manual). All business units now have in place a governance, management and reporting structure for the important task of protecting employees in the workplace.

While our performance does not yet live up to our vision of zero fatalities and no injuries in our workplaces, we have made important strides in reducing the numbers of both work-related injuries and fatalities.

DROP IN FATALITIES

While we saw a decline in the number of fatalities in 2009 (15 compared to 20 in 2008), no fatalities are acceptable, and our safety performance therefore remains a work in progress. We must continue our efforts to eliminate these sad events. Each and every fatality should have been avoided, and is at the core unacceptable.

An incident investigation tool was implemented across the business units in 2009 in order to better determine, not only what immediately caused an injury, but also the root cause of the incident. The improved level of understanding will allow for better action plans to improve workplace safety.

FEWER WORK-RELATED INJURIES IN 2009

The Group's overall goal is to have an injury-free workplace, and in 2009 we came one step closer to achieving this ambition, as we reduced the number of work-related injuries by 5.9%. We acknowledge, however, that work remains to be done if we are to reach our goal. The overall result for lost time injury frequency for the A.P. Moller - Maersk Group in 2009 was 4.78 compared to 5.08 in 2008.

The contribution of employees every day in taking responsibility for safety is key to progress. "We wish to have a corporate safety culture in which every individual takes responsibility for safety. Each and every one of us should take action if they see or observe something unsafe. It is important that safety is embedded so it is a way of life and comes naturally," says Annette Stube, Head of Group Sustainability.

The tools we employ to build a corporate safety culture are ongoing training and awareness-raising through communication activities and campaigns. A variety of examples is provided in the business unit section of this report.

OUR EMPLOYEES

Fatalities 2009

Business unit	Location	Description	Employed by
APM Terminals	Pipavav, India	Traffic accident	A.P.Moller - Maersk
	Tanjin, China	Stevedore crushed under container on top of hatch cover	Contractor
	Apapa, Nigeria	Adverse reaction to blood transfusion at hospital, while receiving medical treatment for an injury caused by a traffic accident at the terminal	A.P. Moller - Maersk
	Port Said, Egypt	Employee run over by forklift	A.P.Moller - Maersk
Container Inland Services	Douala Port, Cameroon	While preparing to offload, the container and trailer leaned and collapsed on the cabin, killing the driver	A.P. Moller - Maersk
	Dammam, Saudi- Arabia	Traffic accident on public road	Contractor
	Dammam, Saudi- Arabia	Fall from lifted flat rack used during mechanical repairs	A.P.Moller - Maersk
	Mumbai, India	Traffic accident on public road	Contractor
	Callao Alconsa, Peru	Section of wall fell on the contractor	Contractor
Damco	Shanghai, China	Traffic accident on public road	A.P.Moller - Maersk
	Ninbo, China	Hit by falling cargo during unloading of a truck	Third party
Maersk Drilling	Singapore	Fall from a height on a rig at facility not controlled by Maersk Drilling	A.P. Moller - Maersk
	Denmark	Hit by pressure release valve while testing nitrogen system	Contractor
Maersk Oil	Dunga, Kazakhstan	Traffic accident on public road	Contractor
Odense Steel Shipyard	Lindø, Denmark	Fall from ladder	Third party

Lost time injury frequency (LTIF)*

Business unit	2007	2008	Target 2009	Performance 2009	Industry Benchmark
APM Terminals	9.6	7.15	6.38	4.07	n/a
Container Inland Services [a]		19.88	13.60	12.03	n/a
Damco [a]		3.83	3.26	5.58	n/a
Danbor	4.80	0.00	2.38	0.90	31.2 [e]
Dansk Supermarked	13.76 [b]	14.40 [b]	8.75	14.10	n/a
Maersk Container Industry [a]		3.34	3.09	2.24	25.7 [f]
Maersk Drilling [c]	1.67 [d]	1.09	1.10	0.76	1.88 [g]
Maersk FPSOs [c]	1.67 [d]	1.09	1.10	0.00	n/a
Maersk Line [a]	–	1.07	1.00	0.86	n/a
Maersk Oil	1.53	1.96	1.62	2.16	0.55 [h]
Maersk Supply Services	2.34	1.43	1.10	0.69	1.19 [i]
Maersk Tankers	0.59	1.38	0.60	1.42	1.39 [j]
Norfolkline	13.59	5.63	11.50	6.38	2.5 [k]
Odense Steel Shipyard	57.00	42.11	33.70	33.20	25.7 [l]
Rosti	10.78	3.58	8.42	2.26	16 [m]
Safmarine	–	–	–	1.06	n/a
Star Air	–	–	0.00	0.00	n/a
Svitzer	2.60	1.64	1.50	1.35	n/a
A.P. Moller - Maersk Group	–	**5.08**	**4.35**	**4.78**	**n/a**

* Lost time injury frequency measures the number of lost time injuries excluding fatalities per million exposure hours
– = Not available
n/a = Not applicable
[a] In 2007, all business units marked "a" were part of the Container Business and reported under Maersk Line (ships) (2.12) and Container Business (2.35)
[b] An error in the calculation for previous years has been noted, hence the difference from previous years' reports
[c] In 2007 and 2008 Maersk Drilling and Maersk FPSOs reported as one unit
[d] Figure is based on the Group reporting standard for 2007 (working hours), and the equivalent number in 2009 terms (exposure hours) is 1.08
[e] 2007 figure from Confederation Of Danish Industry webpage www.di.dk
[f] Confederation Of Danish Employers (DA), Statistik-Nyt arbejdsulykker 2008, 7 July 2009
[g] International Association of Drilling Contractors Incidents Statistics Program 2009, Year to Date Summary Report by Category 3rd Quarter Numbers
[h] International Association of Oil & Gas Producers, Safety Performance Indicators – 2008 data, Report No. 419, May 2009
[i] Marine Safety Forum 2009 – www.marinesafetyforum.org/upload-files//notices/hse-data-amm-261109-g-henderson.pdf
[j] International Association of Independent Tanker Owners (INTERTANKO), www.intertanko.com
[k] Port Skills & Safety Ltd www.portskillsandsafety.co.uk/safety
[l] Confederation Of Danish Employers (DA) Arbejdsulykker 2008, 7 July 2009 www.da.dk/bilag/Nyhedsbrev-Ulykke2008.pdf
[m] EU Health and Safety Executives Statistics 2009 www.hse.gov.uk/

OUR EMPLOYEES

Security

Security in the A.P. Moller - Maersk Group is first and foremost a question of protecting our employees. In that respect, piracy continues to be our main maritime security concern.

Piracy represents a threat to international trade and global growth, and must be dealt with by the international community. Through the Danish Shipowners' Association, the Group participates in United Nations, European Union and NATO working groups and meetings, to find relevant instruments to deal with this threat.

We back proposals such as establishing a regional maritime sea patrol supported by the international community.

TREND: MORE ATTACKS

According to the International Maritime Bureau (IMB), a division of the International Chamber of Commerce, the total number of incidents in 2009 attributed to Somali pirates was 217, with 47 ships hijacked[2]. In 2008, 111 ships

[2] Source: IMB Report "Piracy and armed robbery against ships, 1 January-31 December 2009"

OUR EMPLOYEES

were targeted by Somali pirates, resulting in 42 hijackings. The proportionately smaller number of successful hijackings can be directly attributed to the increased presence and coordination of international navies, heightened awareness and robust action by the captains and crews in transiting these waters.

Furthermore, the area in which pirates operate is expanding to include attacks more than 1,000 nautical miles off Mogadishu. Nigeria continues to be viewed as another risk area, and our ships operating in Nigerian waters and/or calling Nigerian ports are also subject to stringent security procedures.

ATTACKS ON MAERSK IN 2009

In 2009, A.P. Moller - Maersk Group ships experienced five attacks by pirates in the Gulf of Aden or off the East African coast:

- Container ship Nedlloyd Barentz on 13 January. The attack was averted.
- Container ship Maersk Alabama on 8 April. Boarded by pirates (see box).
- Crude oil tanker Maersk Phoenix on 22 June. The attack was averted.
- Container ship Nele Maersk on 10 November. The attack was averted.
- Container ship Maersk Alabama on 18 November. The attack was averted.

PROTECTION THROUGH COLLABORATION

We occasionally reroute ships away from the Gulf of Aden. Some of our transits through the Gulf of Aden in 2009 were made as part of a convoy system. This can be either under the direct protection of a designated war ship or as part of a group transit, where a number of ships sail under the protection of war ships from European Union countries. These same systems are not employed for the Somali Basin, and here our ships are instructed to sail at a distance from the shore sufficient to impede most attacks by pirates.

CONTINUOUSLY UPDATED MEASURES

A comprehensive set of security instructions is being continuously updated, taking into account the latest knowledge of best practices, and supplied to our ships sailing in this area. Updates are provided more than once a month to take into account the latest knowledge of best practices. Specific measures include strict lookouts, spraying of water, sounding of the general alarm and performing evasive measures.

We maintain our policy of not arming crews or allowing armed guards onboard its ships. However, in certain instances, when force protection is government-mandated, the Group will work with and comply with government instructions. This was the case with the second attack on the Maersk Alabama.

SECURITY ON LAND

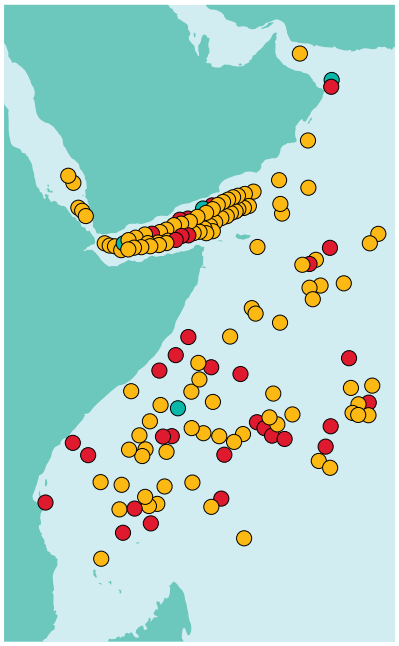
In 2009, there were no incidents on land posing major security threats to A.P. Moller - Maersk staff. The security situation of areas of potential unrest is evaluated and monitored daily by Group and business unit security functions. Decisions to remain open or close down at times of unrest are made by local management. This was, for instance, the case in Conakry, Guinea where, on several occasions, it was decided to close the office due to severe unrest related to general elections in the country.

MAERSK ALABAMA

When the US flagged ship Maersk Alabama was attacked in the Somali Basin, the crew retook the ship, but, the ship's captain was taken hostage by Somali pirates on a lifeboat. A very high level of interest from international media ensued, focusing on the lifeboat, the captain and the US Navy ship USS Bainbridge, which had arrived on the scene. On 12 April, US Special Forces rescued the captain, killing three pirates.

Maersk Alabama is now again sailing the waters of the Somali Basin and Gulf of Aden. Since its rescue, it has been renovated and fitted with extensive anti-piracy measures, which proved useful when the ship was attacked once more in November 2009.

Piracy attacks 2009



Actual attack Attempted attack
Suspicious ship

OUR EMPLOYEES

Labour relations

Across the globe, people work for the A.P. Moller - Maersk Group in different workplaces – land or sea-based – across diverse functions and occupations. Group. Our responsibility for our workforce of approximately 115,000 individuals includes setting and observing minimum standards to secure their internationally-recognised human rights in the workplace.

"Having a minimum standard, which clearly defines how the company supports all employees' right to a good working environment, is imperative" says Jens Munch Lund-Nielsen, who works in Group Sustainability and is project manager for the labour standard project. "The standard provides the business with a position, a framework for setting standards locally and an opportunity to communicate our approach on labour issues to our stakeholders."

In September 2009, the Group began work to produce such a standard including supporting guidelines for managers and a roadmap for implementation across the Group. The Danish Institute for Human Rights has been working alongside A.P. Moller - Maersk during this process.

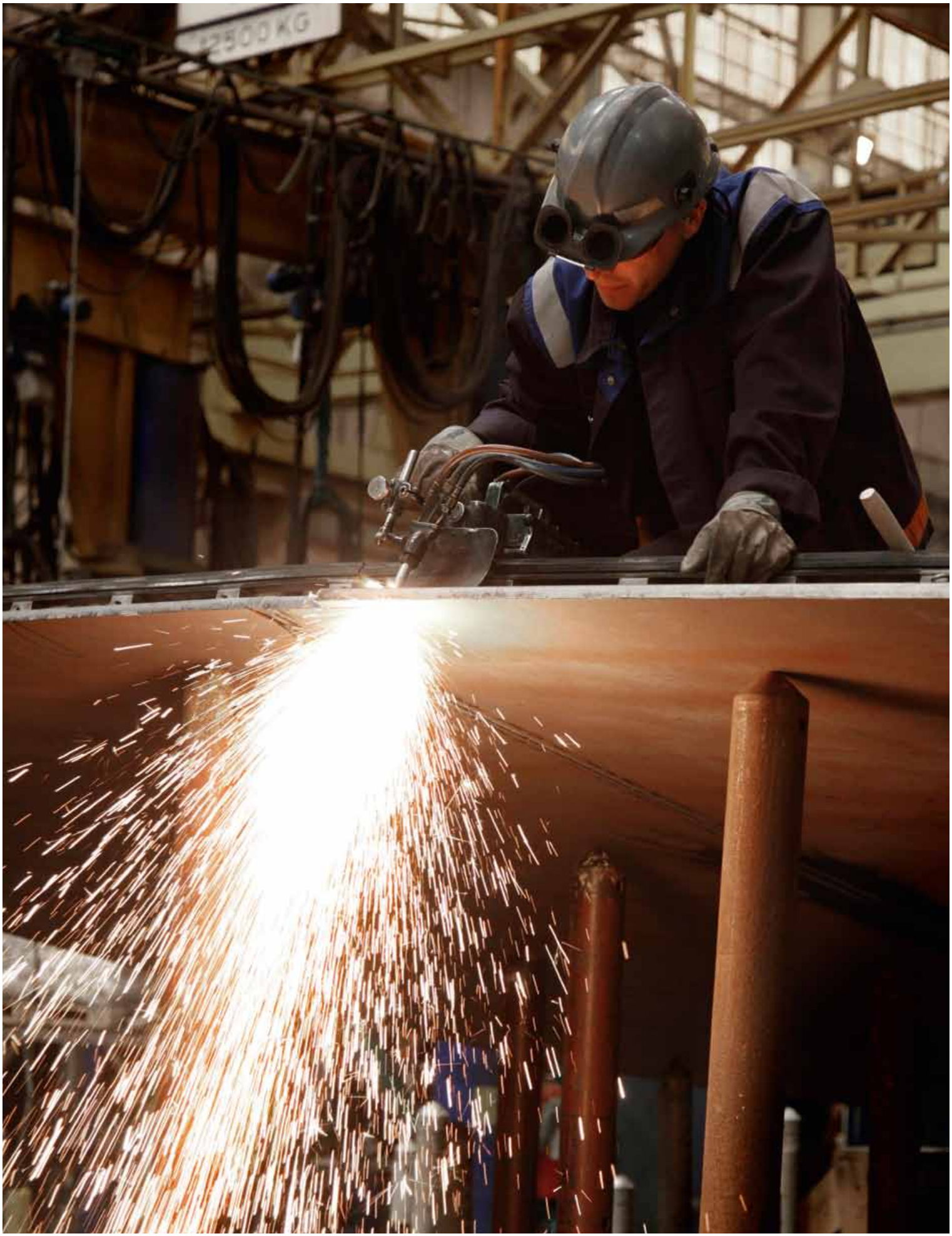
"The realisation of human rights in the business context begins with corporate policies that define and recognise those rights," says Margaret Jungk of the Human Rights and Business Project at the Danish Institute for Human Rights. "These policies can then provide a platform for a robust, comprehensive implementation process."

"The realisation of human rights in the business context begins with corporate policies that define and recognise those rights. These policies can then provide a platform for a robust, comprehensive implementation process."

Margaret Jungk, Danish Institute for Human Rights

A RISK MITIGATING INSTRUMENT

The Group's global labour standard will address areas such as collective bargaining, working hours and non-discrimination. It is based on the International Labour Organisation's (ILO) core conventions and other fundamental human rights standards, and will frame the way labour relations are conducted across the Group. The Group's business units have been closely involved in the development of the standard and supporting guidelines. Both are due to be completed, tested and rolled out throughout the Group in 2010.



OUR EMPLOYEES

Diversity

Highly talented and high-performing individuals are an absolute necessity to ensure the future success of the Group. We need a multitude of highly competent people and must ensure that we have access to the breadth and width of the future talent pool amid intensifying global competition for talent.

This requires a focus on diversity in its many forms when we recruit or offer career opportunities to those who already work for us. We believe this focus will help us remain very attractive to high performers, gain access to a larger talent pool and thus secure the leadership pipeline needed to carry the company forward.

BROAD ISSUE, NARROW START

With operations in more than 130 countries, the Group is by default widely diverse in terms of nationality. On ships, rigs, in offices and other land-based operations, people of various cultural backgrounds, speaking many different languages, work alongside each other.

While recognising many forms of diversity, the Group launched its first official diversity initiative in 2009, with a focus on the representation of women in management at the Danish headquarters.

Today, female representation at corporate headquarters in Copenhagen among general managers is 17%,

OUR EMPLOYEES

among directors 9% and among vice presidents 4%. We have set targets for each of these groups, aiming to reach 20%, 15% and 10% respectively within the next five years.

"Heading towards 10-20% female representation in management at our headquarters is ambitious. A benchmark with other large companies shows at best 16% women in management among the top 1,000. We want to set ambitious targets – but they should also be realistic. There are some areas of higher education that attract relatively few women, and it's clear that we as a company cannot change that on our own," says Maria Pejter, Director, Group Human Resources.

"We take pride in recruiting the best person for the job irrespective of gender, age, nationality, ethnicity or religious belief. **With our active and public commitment to driving diversity** and with clear targets for women's positions, I certainly hope we will see more high-performing women in top positions in the future."

Nils S. Andersen, CEO of the A.P. Moller - Maersk Group

FOUR FOCUS AREAS

The programme focuses on four areas:

1. Flexibility – guidelines and tools for leaders to offer their teams flexibility. All employees will be encouraged to plan their careers proactively and ask for flexibility if needed.
2. Career models – implementing career development tools that facilitate realistic conversations on the subject, including topics such as timing and different paths for careers. There will also be development of role model stories.
3. Networking – support of an internal Women's Leadership Network consisting of self-managing groups across business units and managerial levels.
4. Recruitment – offering tools that help write a gender-neutral job advertisement and provide a framework for interviews.

GLOBAL FRAMEWORK – LOCAL CONTENT

We began our efforts in our headquarters in Denmark, where we made a public commitment to driving diversity by signing the Charter for More Women in Management, an initiative developed by the Danish Ministry for Gender Equality.

The global roll-out of a diversity drive is expected to take place during 2010-2011. It is, however, important to acknowledge that diversity is heavily influenced by and connected to the dominant cultural norms in communities and countries, and the focus as well as targets will vary between business units and countries.

Hence, the roll-out will only obligate business units to set diversity targets and to apply the methodology developed by Group Human Resources. This will take place in three phases:

- Getting started (research, establishment of local baseline and business case)
- Solution design (considering stakeholders, interviews with internal representatives, creation of reference group and design of initiatives)
- Execution and follow-up (governance structure and communication plan).

The methodology has been developed by Group Human Resources and will be tested in a pilot organisation outside Denmark before it is cascaded globally.

Group Human Resources has worked with the Danish Institute for Human Rights, among others, on the creation of tools and the framework design.

Social performance[a]

Our employees	2007	2008	2009
Number of employees	117,319	119,599	**115,386**

[a] Average number of full-time employees including Group functions but excluding jointly-controlled entities and discontinued operations.

Tougher markets and the financial crisis place an even greater emphasis on the need for energy savings and sustainable business practices. Through operational efficiencies and innovation, **we are reducing our emissions and use of natural resources,** benefiting both the climate and our business.

Environment and climate change

Climate change is one of the greatest challenges facing the world, and is already causing more droughts and floods, stronger hurricanes, and more wildfires and heat waves. These impacts have and will affect shipping lanes, ports as well as drilling and oil production operations. It will also affect our customers, suppliers and employees.

To keep temperatures from rising less than two degrees Celsius will require immense efforts and changes to the way we live our lives and to the way business is conducted. This entails major risks to current business models, but also provides major business opportunities through the creation of low carbon services and business models for a growing world economy and population.

CO_2 emissions represent the main environmental impact of the A.P. Moller - Maersk Group, and it is the only environmental impact that is relevant across all business units in the Group. This fact made climate change and CO_2-emissions an obvious focus for our activities, when the environment was selected as one of our four top priorities in 2009. In April 2009, the Group issued its first climate change policy.

PART OF BOTH THE PROBLEM AND SOLUTION

The Group is committed to fighting climate change and aspires to be recognised as a leader in environmental innovation and efficiency.

We extract and produce energy and provide related services, as well as transporting goods across the seas. These are all energy-intensive activities, and we emit considerable amounts of CO_2, also because of the size of our operations. On the other hand, climate change is also the environmental issue entailing the greatest potential for the company.

Improving environmental performance has a clear link to improved business performance, as it makes operations more efficient: every time energy consumption is reduced, a number of emissions as well as energy costs drop alongside it. In that light, 'being green' can be a competitive advantage, and efforts to reduce our impact on the environment help us secure our business.

Furthermore, providing low carbon services to our customers represents an area of enhanced business opportunities. For example, as companies seek ways to lower their carbon footprint, they may turn to ocean shipping as a viable alternative to air freight and other forms of transport. Our shipping fleet is the most modern and also the

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CLIMATE CHANGE PRINCIPLES

1. To reduce their environmental impact, each of our business activities must strive to become as energy efficient as possible.

2. Shipping is the most energy-efficient form of transport and accounts for 3.3% of world CO_2 emissions [4]. We acknowledge our responsibility as a market leader and strive to improve the energy efficiency of our ships.

3. Shipping is global and regulations must be applied internationally in order to ensure fair competition and achieve real environmental benefit.

4. The less fuel we use, the less CO_2 we emit. Environmental initiatives often go hand in hand with financial benefits.

5. Oil and natural gas will remain indispensable in our daily lives for many years to come. The challenge is to produce the necessary oil and gas in the most environmentally-friendly manner.

most energy efficient, emitting less CO_2 per tonne of goods transported 1 km[3].

For example, we have calculated that one pair of shoes produced in China and shipped from Hong Kong to Rotterdam will generate CO_2 emissions of 370 g. Driving 20 km by car to buy the shoes will cause 3,700 g CO_2 to be emitted.

Clearly, climate change will also present added costs for the Group. Based on the expected yearly additional cost for bunker fuel due to the new regulations coming into force in the next few years, and the expected CO_2 regulation for shipping, our exposure to these proposed tighter maritime regulations could lead to added costs.

ACTIONS ON CLIMATE CHANGE

Our efforts on climate change are powered by three levers: first, we set greenhouse gas (GHG) emission reduction targets. Our performance data is verified by a third party, and we publish the results openly. Second, we work to enhance energy efficiency through innovation and operational improvements, and finally we engage with the policy setting community, advocating a sector approach to addressing climate change.

Setting reduction targets

We are striving to reduce GHG emissions by 10% as a Group form 2007 to 2012. We have chosen to set a target relative to business activity, as growth is our ambition. We believe this is an ambitious, yet realistic target, which will also allow for optimal business growth.

The diversity of our business units further requires a target that allows for flexibility in the choice of metric so that it can be adapted to the specific needs of the business units. For example, Maersk Oil's reduction target is related to flaring, Maersk Tankers measures reductions per tonne transported one kilometre, and APM Terminals measures theirs per Twenty Foot Equivalent Unit (TEU) handled.

[3] Source: Clean Cargo Working Group, Business for Social Responsibility. [4] Second IMO GHG study 2009

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Each business unit has in 2009 completed the process of developing environmental strategies, including the setting of reduction targets, which feed into the Group's overall goal of a relative reduction of GHG emissions by 10% in 2012 (baseline 2007). Business units have designed key performance indicators and set up a strategy including an action plan describing how they will fulfil their ambitions.

Our performance data on this target is verified by third party assurers, who have also reviewed and verified our Data Reporting Manual and the digital tool used for collecting performance data.

We communicate our progress openly – both in the form of annual sustainability reports, and by submitting our performance data to the Carbon Disclosure Project.

We are striving to reduce GHG emissions by 10% as a Group between 2007 and 2012. We have chosen to set a target relative to business activity, as growth is our ambition. **We believe this is an ambitious, yet realistic target**, which will also allow for optimal business growth.

Energy efficiency and innovation
In the Group, innovation and technology are essential for addressing climate change and have become key business drivers in our business units. Some examples are:

- Container ships – the design philosophy has been reinvented potentially saving more than 20% bunker fuel
- Auto-tuning of main engine – intelligently controls the main engine injection timing on ships, ensuring the lowest possible fuel consumption at any given load. Fuel savings in the range of 1-3 g/KwH seem within reach
- Containers – improved design can reduce the level of emissions from cooling (read more on page 67)
- Installation of gas compression facilities and export facilities allowing previously flared gas to be exported onshore for domestic use

In 2007, the Group was instrumental in initiating the Denmark-based project 'Green Ship of the Future', in collaboration with Odense Steel Shipyard, MAN Diesel and Aalborg Industries. Since then, the forum has grown to about 20 participants. The objective of the project is to develop and assess new technology and processes that reduce ships' emissions significantly. The goal is to achieve a 30% reduction in CO_2 and a 90% reduction in sulphur oxide (SO_x) and nitrogen oxide (NO_x).

Project participants are in the process of designing ships that incorporate all Green Ship of the Future technologies.

Political engagement
Climate change is a global issue and requires global solutions to be developed if the rate of climate change is to be slowed and the solutions are to support economic growth.

In December 2009, political leaders from around the world convened in Copenhagen at the United Nations' Climate Change Conference, COP15, and ended with the voluntary and legally non-binding Copenhagen Accord. This document contains no mention of shipping. However, in the A.P. Moller - Maersk Group, we are convinced that global concerns need to be addressed in cooperation with other parties, which is why we are involved in a number of organisations dealing with these matters – e.g. the UN's International Maritime Organization (IMO).

OUR COP 15 ACTIVITIES

Climate Box: In the weeks leading up to and during the COP15 meeting, the Group displayed a custom-made container to the public, filled with interactive learning experiences to explain the climate impact of shipping and energy production.

Carbon War Room: The A.P. Moller - Maersk Group hosted a Carbon War Room event at company headquarters. The Carbon War Room, founded by owner of Virgin Airlines Sir Richard Branson, is an NGO that seeks to promote market-driven solutions to climate change, encouraging entrepreneurs to show leadership in this area. At this event, the spotlight was on the shipping industry and the need for the industry to do more in terms of reducing CO_2 emissions from ships.

Participation in business leaders' events: Nils S. Andersen, Group CEO, advocated in favour of a global agreement on climate change. For example, on 15 December he participated as a panellist at the COP15 debate together with the Danish Minister of Economic and Business Affairs, Lene Espersen, and author/journalist Thomas Friedman.

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INVESTOR CALL: CLIMATE CHANGE IS CRUCIAL

"Climate change is an extremely important investment risk in the mid- and longer term. Climate change confronts companies with new physical, social, political as well as financial risks – in some cases dramatically so".

"We at ATP believe that companies dealing effectively and systematically with climate change are likely to perform better in the longer term. Companies need to prepare and adapt to a low-carbon future. We seek to manage our investment risk by integrating climate change into standard investment practices. This means understanding the climate risks – as well as climate opportunities – of individual companies," says Bjarne Graven Larsen, Chief Investment Officer of ATP.

"Regulation of international shipping requires a global approach. Otherwise, it is hard, if not impossible, to avoid carbon leakage and climate re-flagging to countries with the lowest environmental denominator," says Anders Würtzen, Head of Public Affairs in the A.P. Moller - Maersk Group.

The fact that COP15 did not provide a global framework for the shipping industry only bolsters our intent to get an agreement among the member states in the IMO.

"We would welcome clear and unambiguous IMO rules on emissions to cover international shipping globally, and we will continue to lead innovation in order for shipping to be as climate-friendly as possible," says Würtzen.

We firmly believe that the IMO is best suited to resolving and establishing the international regulations that secure fair competition and protect our environment. It is the most stringent framework and will ensure regulations are implemented. New IMO regulations should include incentives for operating new and efficient ships and investing in operational improvements.

To that end, we support a suggested scheme whereby ship operators would pay a sum relative to the amount of fuel they use into a bunker compensation fund. The proceeds from this fund could either be used to help developing countries affected by climate change, or be spent on development of sustainable shipping technology.

ENVIRONMENTAL PERFORMANCE 2009

The Group's total GHG emissions in 2009 were close to 45 million tonnes CO_2 equivalent, a decrease of over 3

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million tonnes CO_2 equivalent compared to 2008. Our GHG emissions were reduced by almost 7% from 2008 to 2009. However, most of our business units faced a decrease in business activity in 2009, and thus the Group-level reductions do not necessarily imply that the relative target has been or is close to being met. The relative target is subject to business activity, and we have been working continuously to identify the most relevant metrics to make comparisons across the Group and over the years. This has proven to be a difficult task given the diversity of our business activities. We are currently finalising this work, which will ensure that we can indicate in our next sustainability report whether – and at what pace – we are progressing towards the 2012 target.

On our ships, we use data from our performance monitoring system to support our constant efforts to optimise operational performance with the aim of minimising fuel consumption. These efforts include super slow steaming, waste heat recovery system optimisation, antifouling, hull cleaning, ballasting and voyage planning.

Significant fuel efficiency improvements have been introduced for our latest newbuilding projects by designing the hull and propulsion system for a range

Group environmental performance[a+b]

		2007[c]	2008[c]	**2009[d]**
Energy consumption				
Fuel oil	1,000 tonnes	13,848.00	13,017.00	**11,840.27**
Diesel	1,000 tonnes	577.00	422.00	**617.32**
Natural gas	1,000 tonnes	908.00	886.00	**804.51**
Electricity	1,000 MWh	737.00	1,581.00	**1,755.42**
Direct energy consumption by primary energy source	GJ	–	–	**536,698,281.23**
Energy intensity	MJ/USD turnover	12.20	10.90	**11.06**
Greenhouse gas (GHG) emissions				
GHG emissions	1,000 tonnes CO_2 eq	53,352.00	48,198.00	**44,888.33**
Direct GHG emissions (Scope 1 GHG Protocol)				
CO_2	1,000 tonnes	50,296.00	46,554.80	**43,419.87**
CH_4	1,000 tonnes CO_2 eq	852.00	130.96	**314.34**
N_2O	1,000 tonnes CO_2 eq	1,076.00	199.66	**263.19**
HFC	tonnes CO_2 eq	–	2,600.00	**4,021.02**
PFC	tonnes CO_2 eq	–	–	**0.00**
SF_6	tonnes CO_2 eq	–	–	**0.00**
Indirect GHG emissions (Scope 2 GHG Protocol)				
CO_2	1,000 tonnes	1,128.00	723.30	**856.33**
CH_4	1,000 tonnes CO_2 eq	–	–	**22.24**
N_2O	1,000 tonnes CO_2 eq	–	–	**8.32**
GHG intensity	kg CO_2 / USD turnover	1.00	0.80	**0.92**
Other air emissions				
SO_x	1,000 tonnes	656.00	652.51[e]	**851.79**
NO_x	1,000 tonnes	1,094.00	1,041.56[e]	**976.74**
VOCs	1,000 tonnes	16.00	31.85	**22.60**
Particulate matters	1,000 tonnes	45.00	28.90	**85.10**
Other resource consumption				
Steel consumption	1,000 tonnes	–	–	**0.18**
Waste total	1,000 tonnes	–	–	**642.32**
– recycled (composting, reused, recycled)	1,000 tonnes	–	–	**114.73**
– solid (landfill, on-site storage, incineration)	1,000 tonnes	–	–	**504.87**
– hazardous (controlled deposit)	1,000 tonnes	–	–	**22.71**
Water consumption	1,000 m^3	–	–	**5,303.20**
– surface water	1,000 m^3	–	–	**4.39**
– ground water	1,000 m^3	–	–	**1,237.94**
– rain water	1,000 m^3	–	–	**0.00**
– municipal water supplies/water utilities	1,000 m^3	–	–	**4,060.87**
Spills (oil)	m^3	–	–	**7,293**

– = Not available
n/a = Not applicable
[a] Including Group Functions
[b] Different conversion factors have been applied across the years and across various activities.
[c] Data not fully reported in 2007 and 2008.
[d] Includes extrapolated data for the first nine months of 2009 for Damco, Maersk Line, Maersk Supply Service and Odense Steel Shipyard.
[e] Numbers corrected for last year's report. The effect on total GHG emission in CO_2 equivalents is about 1%.

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ENVIRONMENTAL STRATEGY

In 2008, our Executive Board approved an environmental policy and strategy covering the entire Group. This strategy (termed Eco-Efficiency) was been fully rolled out in the business units in 2009; with this, we are both accountable for the reduction targets set by the business units and continue our efforts to achieve energy-efficient solutions through innovation and technological advances.

The Eco-Efficiency strategy contains the aspiration to go beyond compliance in order to build a competitive advantage. The strategy is expected to reduce our environmental impact as well as create economic value and enhance competitiveness by:

- Improving resource productivity (energy, water and material);
- Cutting down environmental costs and the regulatory burden;
- Better managing environmentally-driven business risk.

Through the Group HSSE Manual, we have a system identifying risk and opportunity which includes looking at climate impact. Each business unit is responsible for this, and for the regulated industries this risk process forms part of the regulatory compliance framework.

We strive to comply with all evolving regulatory requirements – these are very likely to be more stringent by 2020 than they are today (e.g. IMO MARPOL VI requiring to switch to lower sulphur fuel where the global SOx limit will change by 2020 from 4.5% to 0.5%). As these could have significant financial implications on our daily running costs due to the additional costs for bunker fuel, our environmental strategy prescribes ways to anticipate regulatory changes in order to reduce the regulatory burden and better manage environmentally-driven business risk.

of relevant loading and speed conditions instead of one fixed design speed and draft. Energy efficiency measures and new technologies are targeted at both installation on board existing ships and at application in new ships.

In the energy sector, GHG emissions stem mainly from flaring. We are working to reduce this by installing gas compression facilities and export facilities, allowing previously flared gas to be exported onshore for domestic use.

OTHER EMISSIONS IMPORTANT

Emissions of SO_x, NO_x and particulate matter (PM) contribute to various forms of local pollution. Managing these emissions is also a priority for us.

Sulphur is a natural component of crude oil, and residual amounts remain in the refined oil used for fuel. The amount of SO_x emitted in exhaust gases is directly linked to the amount of sulphur in the fuel. The IMO has introduced regulations limiting the maximum sulphur content of marine heavy fuel to 4.5%.

During the Californian voluntary fuel switch programme initiated in 2006, A.P. Moller - Maersk gained a solid experience in operating on low sulphur fuels. Based on this experience, operational guidance was put in place to allow all ships to be able to switch safely to 0.1% sulphur fuel in due time in accordance with the new EU Directive 93/12/EEC, which came into force on 1 January 2010. The directive requires that during port stay, ships are to burn fuels with a sulphur content of 0.1% or below on auxiliary engines and boilers. The fuel switch must take place immediately after arrival and again during preparation for departure.

Limits on sulphur content will be lowered even further in the future – especially close to shore, where sulphur poses the greatest risks. We fully support stricter limits on sulphur emissions, and we are working closely with regulators to bring this about.

NO_x emissions stem from the combustion process in engines. Here, more efficient combustion actually means more NO_x. Consequently, the traditional way to reduce NO_x emissions is to make engines less efficient – which obviously has an undesired side effect of greater fuel consumption and CO_2 emissions. We are researching new technologies to reduce NO_x emissions without increasing the fuel consumption and CO_2 emissions.

PARTICULATE MATTER

During 2009, our cost efficiency drive resulted in the considerable optimisation of cylinder lubrication oil dosage. The total cylinder lubrication oil consumption was reduced by more than 20% i.e. over lubrication has been reduced dramatically. There is a clear relationship between over lubrication and PM, as excess lubrication oil will be burned off in the combustion process, and this is a major contributing factor to PM pollution.

REPORTING ON NEW INDICATORS

This year, we report on five new indicators: two new emissions to air, consumption of steel and water and handling of waste. The data for 2009 constitute our baseline, and therefore we will only be setting future targets in 2010.

We wish to emphasise our activities within two areas: waste and ballast water management. While we do not report on ballast water in this report,

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it is an environmental impact deriving from our business activities, and one on which we have worked diligently for a number of years.

HANDLING WASTE

Like other businesses, our activities produce various types of waste. We handle, store and dispose of harmful chemicals, bio-hazardous materials, paints, solvents and any other products labelled flammable, caustic or poisonous according to rules and regulations:

- We are implementing a sludge and garbage management system in those business units that are progressing towards ISO 14001 certification.
- To improve the performance of oily water separators, we continue to install emulsion-breaking filters on separators that can accommodate them.
- All our container ships operate with a zero dumping policy on board, prohibiting the disposal of any unprocessed non-biodegradable solid waste into the ocean.
- Hazardous waste, such as batteries, light bulbs, medical waste and chemicals, is separated and disposed of in a safe and environmentally-responsible manner.

BALLAST WATER MANAGEMENT

Ships carry ballast water to optimise operations, however, discharging ballast water originating in one marine environment into another can introduce undesired organisms into a marine ecosystem, threatening its ecological balance and acting as a medium for the spread of epidemic diseases.

To ensure proper handling of ballast water, we have ballast water management plans and ballast water logs on all our ships. We also seek to minimise the use of ballast water and to conduct internal and mid-ocean ballast exchange whenever possible.

We have initiated a project with two companies to develop a ballast water treatment system that is 100% environment-neutral. In addition to being environmentally friendly, the new system is expected to be less costly to produce and operate, and to take up less space onboard ships.

More information on ballast water is available on our websites, e.g. www.maerskline.com.

BROADER FUTURE FOCUS

As we progress, new targets will be set for other environmental impacts besides GHG. We expect this to broaden the focus in our environmental work in the years to come.

Responsible business practices are a far-reaching agenda that encompass anti-corruption, responsible procurement and labour relations to name a few. In 2009, our focus was on these particular issues, **which are essential to the Global Compact,** but other programmes will be added as we progress.

RESPONSIBLE BUSINESS PRACTICES

Anti-corruption

Good business is clean business. Bribery cannot be part of what we do.

Maintaining our strong global reputation can only occur if we continuously gain our business through the quality of our work and competitive prices. To support this, the A.P. Moller - Maersk Group's Executive Board approved the Group's first formal anti-corruption policy and guidelines in the autumn of 2009.

In brief, the A.P. Moller - Maersk Group's anti-corruption policy states that:

No Group employee at any level may offer, promise, authorise or give anything of value to any public official in any country, or to any business partner, in order to gain any improper business advantage of any kind. Nor may any employee solicit or accept any form of bribe from any person.

Recognising that corruption only leads to inefficiencies, undermines fair business practices, and is detrimental to the healthy growth of both the local and global economy, governments and companies have been changing laws and practices, creating increased demand for anti-corruption policies from both the business community and governments.

Our commitment to the UN Global Compact has been part of the drive to work more systematically against corruption.

CONCISE AND CRYSTAL CLEAR

"We now have a concise policy that covers the significant elements of the many different national anti-corruption laws," says Joseph Simon from Group Legal, who is responsible for designing and coordinating the implementation of the anti-corruption programme throughout the Group. "To support this policy, a set of detailed guidelines has been produced. And while everyone in the Group must know the policy, in-depth knowledge of the guidelines is meant primarily for managers and certain other categories of employees," he explains.

The Group applies relevant international rules and standards dealing with facilitation payments, and is committed to the eventual elimination of such payments.

Finally, the policy makes clear that anti-corruption is everyone's responsibility, and that employees at any level who ignore or knowingly violate this policy, the Group Anti-corruption Guidelines and/or relevant laws will face internal discipline – and possible prosecution.

CONSULTATION AND IMPLEMENTATION

The policy and guidelines have involved the widespread internal consultation and are inspired by similar materials at other global companies and by the work done by some international NGOs, such as Transparency International.

"It is important for the Group that this anti-corruption programme adds value to the business. It is our firm belief that it will, since the policy and guidelines in the short term demonstrate clearly to business partners and governments that we have responsible business

practices. In the long term there is the added benefit of avoiding risk to the business," says Joseph Simon.

The programme will be continually assessed with the goal of continuous improvement.

Training in all the Group's business units began in the last few months of 2009. Initially, it is being carried out solely through workshops, but an e-learning platform with training sessions in support of the policy, as well as web-ex training, will be implemented in 2010. The initial phase of training will continue through 2010 and 2011, and will be monitored and documented throughout this period. A whistleblower system is also planned for implementation in the first half of 2010.

Responsible procurement

Procurement in the A.P. Moller - Maersk Group is undertaken by both the individual business units and the central Group Procurement organisation. Currently an estimated 80,000 suppliers from more than 100 countries deliver goods and services to the business units.

As a global company, we take responsibility in our own sphere of influence. Local standards on labour and environmental protection differ around the world, and international standards are not always enforced. Companies therefore often issue their own standards, or supplier codes of conduct. These codes are typically based on applicable international law as well as on recognised best practice.

"We are currently developing a programme across the Group for the consistent evaluation of suppliers' performance on working conditions and environmental performance, in alignment with the UN Global Compact," says Casper Christensen, Senior Director, Group Procurement.

IN SUPPORT OF BUSINESS

In today's economic climate, sustainable supply chain management becomes an even more challenging task, as business priorities are focused on cost efficiency and business profitability. Can a Responsible Procurement programme support this mission?

"We believe that in the long term this programme will lead to a cost-efficient and lean supplier base, supporting Group efficiency and profitability. It is of course about managing risk – but it is also about opportunities through further development of our relationship with suppliers," says Christensen.

"Working with Responsible Procurement is first and foremost about **building suppliers' capacity and systems for managing sustainability** and improving on their social and environmental performance, not about deselecting suppliers when they perform poorly."

Casper Christensen, Group Procurement

RESPONSIBLE BUSINESS PRACTICES

Assessing suppliers is not new to the Group's business units, but prior to the Responsible Procurement programme, there was no uniform process to evaluate and scrutinise of the supply base.

WORKING FROM THE BASE UP

The Group's Responsible Procurement programme will include an initial risk segmentation of suppliers across the globe. This initial segmentation will allow the Group to set priorities for follow-up actions with potentially non-compliant suppliers. Through cooperation and training, we will build sustainable business relationships to effectively protect and enhance value, and grow opportunities in support of business profitability.

The immediate goal is to have an implementation plan ready for global roll-out by the second half of 2010. This will entail a structured assessment process, and a set of enabling tools and governance structures. When implemented, this programme will establish the basic foundation for the Group to document compliance.

At a later stage, the Group will develop indicators and targets, which will be reported on in future reports.

A 'BEYOND MONITORING' MEMBER

The A.P. Moller - Maersk Group has joined the 'Beyond Monitoring' group run by Business for Social Responsibility (BSR), who are specialised in sustainability consulting, research and cross-sector collaboration. The group works to drive a next-generation approach to sustainable supply chain management, in order to achieve a deeper and more systemic impact.

www.bsr.org/consulting/working-groups/beyond-monitoring.cfm

Our businesses are active in more than half of the world's nations. A reach of this magnitude provides not only an obligation, but also a vast **opportunity to influence local and global development towards greater sustainability.**

Community engagement and impact

The A.P. Moller - Maersk Group has a long tradition of philanthropy and community involvement. As stated in the Maersk Principles of Conduct, we strive to improve the ways in which we contribute directly or indirectly to the sustainable development of the communities in which we work and society at large.

In line with our ambition to become a more sustainable and transparent company, we wish to improve how we contribute to the development of societies in which we work. We approach this in two ways: by improving our ability to account for our donations and partnership contributions, and by gaining a deeper understanding of how our business activities contribute to the surrounding community.

NEW GUIDELINES FOR STRATEGIC DONATIONS

Community involvement in the Group is primarily the responsibitity of business units and has to date been highly decentralised. In 2009, we began producing both a set of guidelines and administrative tools to support decision-making on strategic donations and partnerships in the business units, and on select occasions at Group level.

The purpose of the project is to ensure that future donations and partnerships are both sustainable in the long term, and apply the strengths of our businesses to secure the largest possible positive impact on society.

Decisions on donations and partnerships will continue to be made by business units, but the project will provide shared guidelines and process tools, such as donation templates, process overview for operating a partnership, templates for partnership design in terms of resource allocation, and ideas for measuring impact.

IMPACT STUDY: ALL BENEFIT FROM BUSINESS

The better we are at running an efficient and profitable business, the better it is for the community in which we operate. This is the top-line result from a survey on the impact that a port terminal has on the surrounding community.

The A.P. Moller - Maersk Group's many business activities often have a

COMMUNITIES AND IMPACT

widespread impact on the communities in which we engage. So far, however, the Group has not gained a deep understanding of what this impact is, and how it lives up to both our own and our stakeholders' expectations.

In the autumn of 2009, the effects of community engagement were measured in-depth at the Apapa port in Lagos, Nigeria, by APM Terminals in collaboration with the Group Sustainability team. In Apapa, APM Terminals operate Nigeria's largest port facility, with profound effects on the surrounding society, according to the study. Documentation that might end up as an argument to be used to secure new business.

"The Apapa study shows how corporate social responsibility could matter in terms of competitive advantage. Our hope is to move sustainability issues from being a 'time-consumer' to a 'business-getter'," says Jens Munch Lund-Nielsen of Group Sustainability, who ran the study.

"We want to be able to document what actually happens when A.P. Moller - Maersk moves into an area and sets up a business venue. Next, we will use the results as arguments when we seek similar business in other parts of the world."

Jens Munch Lund-Nielsen, Group Sustainability

The study yielded results specific to Apapa, Nigeria, but has led to the development of a socio-economic model describing the many dimensions in which an A.P. Moller - Maersk Group company impacts and is impacted by its surroundings.

THE FINDINGS

The raw figures from Apapa tell a story of large-scale productivity and capital intensity through investments of more than USD 100 million. The economic impact is profound: 77% of the terminal's turnover is pumped back into the local economy.

Of this, 53% goes directly into the local community in the form of procurement, salaries or tax, while 11% goes to inves-

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tors and owners, and 13% remains in company control, for example as capital. Since December 2007, employment at the terminal has risen by 76%.

The terminal's turnover is equivalent to 0.6% of the Gross National Product in the state of Lagos, whose population numbers at least 17 million. Already in 2007, each of the 517 employees at Apapa represented as much GDP as 200 of their fellow inhabitants.

BEYOND THE NUMBERS

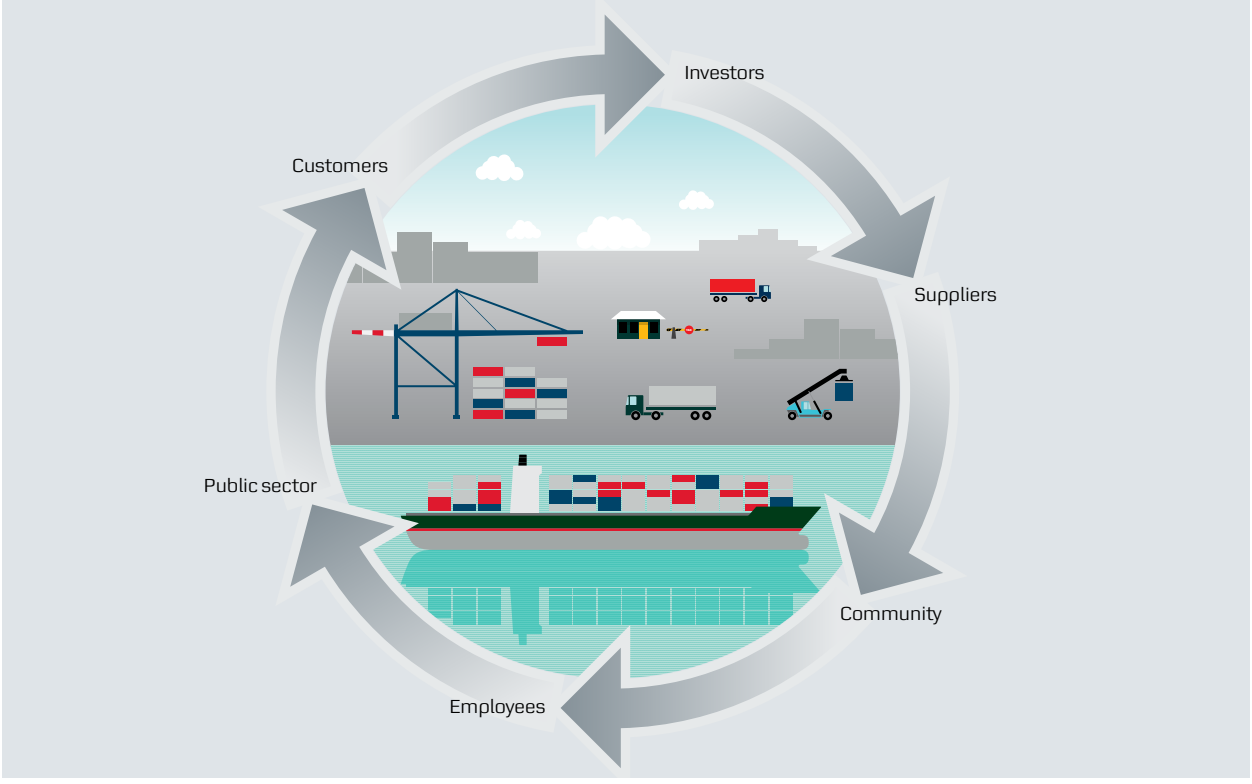
To identify sustainability initiatives unique to the A.P. Moller - Maersk Group, the study looks beyond the numbers and gauges sentiment among national and local government officials, vendors, exporters, importers, workers and others who work directly and indirectly with the terminal.

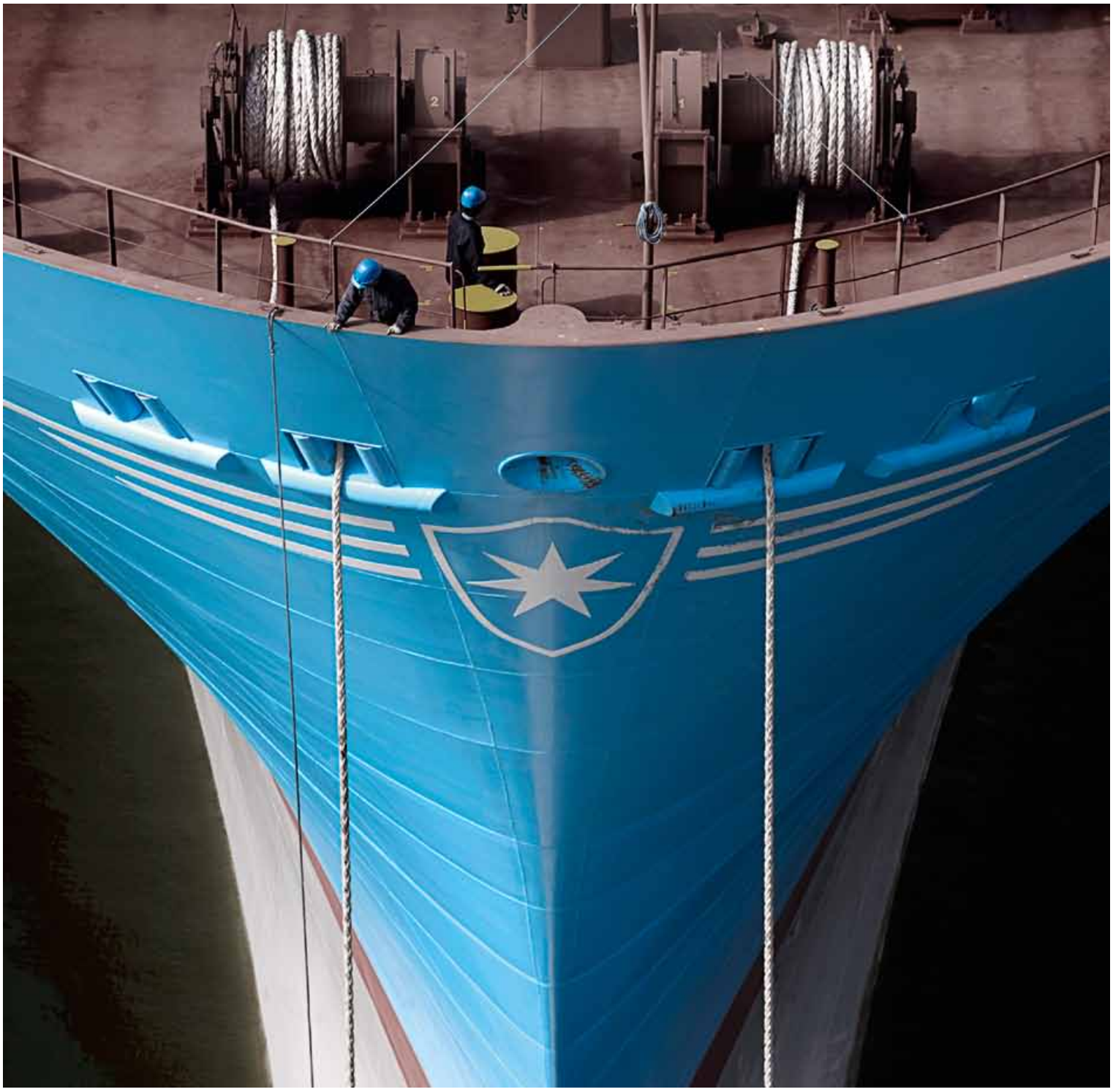
One indicator that may be unique: the chance to advance by merit, grit and determination is by no means a given, according to Charles George, Vice Chairman of the Maritime Workers Union of Nigeria. But at APM Terminals' operation in Apapa, it is.

Another factor is "trade enabling". A very efficient port operation - moving products quickly through customs and administration to and from ships is of immense benefit to Nigeria's economy. Among other things, it reduces the cost of imports and provides efficient and quality service for the 20,000 local manufacturers who are dependent on access to the world market.

"We want to be able to document what actually happens when A.P. Moller - Maersk moves into an area and sets up a business venue," says Lund-Nielsen. "Next, we will use the results as arguments when we seek similar business in other parts of the world."

Impact assessment in Nigeria





With the diversity in our group of companies comes a special challenge to create transparency. We have made data from the individual business units available in this part of the report **to provide our stakeholders with an improved insight** into the performance of the individual businesses.

Business unit reporting

Eighteen individual business units make up the flesh and bones of the A.P. Moller - Maersk Group's performance, on which we report in this document. They show the wide variety of business activities in the Group.

Each of the business units presents their performance data in the following pages, as well as an extract of their activities on sustainability issues. In terms of the subjects selected for the report, each business unit has chosen to present what is most material to their business in terms of sustainability. As such, it is not a complete overview of all activities.

The main focus is on safety and environmental issues. This is where our work on sustainability issues began, and these are issues that are key to all business units.

During 2009, the business units began – and a few completed – a strategy process to expand their work on health, safety and the environment to include issues of corporate social responsibility.

At this point in our journey, the Group programmes on responsible procurement, anti-corruption, labour standard and diversity, are still being prepared at Group level.

In accordance with our governance model, these programmes will not be implemented in the business units until they are final and approved by Group management. Within a few years, however, all business units will implement activities within the broader spectrum of sustainability.

It should be obvious that we are in the midst of a process of change. We are building on a long history of innovation and corporate citizenship, but are now applying a shared, managed approach.

APM TERMINALS

APM Terminals operates 50 port terminals in 34 countries and five continents. The company provides port and terminal management and operational expertise to over 60 container shipping line customers.

APM Terminals' port operations are an integral part of the global logistics chain, and a key factor in world trade and the economic development of emerging countries in Asia, Africa and Latin America. This position makes the company's actions significant within its industry and to the communities in which it works. With significance comes responsibility. No less so in a time of economic crisis.

Through our daily operations, employee and customer surveys, we understand that the issues most material to us are:

- The safety of our people
- Our environmental impact
- Our engagement with communities

SAFETY: A LONG JOURNEY PAYS OFF

"There's no getting around it – safety is our number one priority. We have to make sure employees working for APM Terminals make it home safe, every day. And to avoid damage to customers' cargo or ships," says Henrik Kristensen, Head of Sustainability at APM Terminals.

Container terminals are areas with a high potential for injuries. Containers are moved from ship to shore and stacked high, cranes and trucks lift and move these heavy units around the terminal, and cargo is picked up and delivered by trucks. Accidents can happen in any one of these processes.

To avoid this, five years ago APM Terminals adopted the "Safety for Life"-programme to continuously improve safety practices throughout the terminal network. Safety education, training, drills and rigorous measurement are employed to increase focus, awareness and generate positive results.

In 2009, the safety performance results placed APM Terminals in the top quartile bracket of the ports and terminal industry[1], with a lost time injury frequency of 4.1 per 1 million man hours.

"This makes us both proud and wanting to achieve even more. Because an-

[1] Source: Confidential industry benchmark study by International Container Handling Cargo Association

other thing we have learned is that good safety performance improves business performance," says Kristensen, "It lowers the cost of insurance, of employees being away from work, and equates to faster operations," he continues. "This helps add value to the business, but so does the fact that if employees act responsibly and have an interest in performance in terms of safety, they will do the same in terms of business."

2009: GETTING EACH AND EVERYONE INVOLVED

Our performance level has come out of a journey, which started in securing compliance and setting up Health, Safety, Security and Environment departments (HSSE) at every port terminal. Next came leadership engagement with safety performance becoming part of APM Terminals CEO's performance targets in 2007, and through that, included in every manager's annual targets.

In 2009, we worked on the final challenge: to make safety an issue owned by all APM Terminals' employees.

"That is the final stage, where a sound safety culture pervades the company and makes each and every one of us take ownership," says Kristensen.

We carried out a number of activities in 2009:

- 17,000 of our employees went through a four-hour safety culture programme, which had been translated into 12 languages. We chose to develop and roll-out this programme in spite of a stringent focus on costs.
- Global Safety Day was once again celebrated across the company, involving employees and local stakeholders.
- Communication to all employees asking them to think about what they can do, as individuals, to avoid accidents at the workplace.
- Best practice safety sharing campaign, "Play to Win" – a safety competition that resulted in 26 video-documented initiatives from terminals.

One measure of whether workplace safety has grown into a responsibility shared by everybody, is the level of near-miss reports. This rose from 2,607 in 2008 to 10,151 in 2009.

"We see this as a clear sign of buy-in and an increased level of accountability. A near-miss report can dissolve potentially dangerous situations, and they send an important signal of how alert our people are to safety issues in their day-to-day operations," explains Kristensen.

FATALITIES: A 'MUST-WIN' BATTLE

Since 2008, we have declared fatalities a 'must-win' battle in APM Terminals. So far, we have managed to break the curve, reducing fatalities from 10 in 2007, to nine in 2008 and four in 2009. However, there is no cause to celebrate until this number is zero.

Every fatality is investigated using the incident investigation tool implemented at all container terminals in 2009. The challenge of putting this tool to good and equal use across the organisation remains. We learnt from the 2009 fatalities that most occur due to a lack of adherence to procedures. We will continue to fight this battle in the future.

AMBITIOUS GREEN GOAL GETS US GOING

Today's global economy depends on world trade, as the recent global economic crisis has illustrated. Port terminals such as ours play an important part in this. At the same time, the pressure to create more carbon-friendly modes of transport is high. Global trends point in this direction and customers have begun to add environmental factors to their list of priorities when choosing a supplier.

Kim Fejfer, CEO of APM Terminals, recognises this: "We understand the transport sector will have to reduce its emissions. And we have set a target for ourselves: we will cut CO_2 emissions from terminal operations worldwide by 15% by 2012 relative to the 2007 baseline number."

OUR TOOLS: INNOVATION AND BEST PRACTICE SHARING

A number of key activities are already in progress. Actions taken in 2009 included:

- Creating awareness of excessive energy consumption
- Developing best practice sharing material and tools to further accelerate local reductions
- Operational efficiencies, by use of process excellence projects that determine possibilities to eliminate operational steps – all about "doing more with less"
- Employing efficient innovative yard equipment. A successful example is the Eco-Rubber-Tyred Gantry Cranes (RTGs), which save up to 40% on fuel and emissions. More than 20% of APM Terminals' fleet of RTGs has now switched to electric RTGs.
- Researching innovative ways to apply green technologies in the container terminal business, projects that include wind and solar power generation, amongst others.

In the near future, we will also work to extensively share best practices across our terminals. At present, more than 80 environmental projects are running in different ports, and the spread of knowledge and procedures from these across our terminal network will help us cut consumption and reaching our target.

"If a container terminal implements an idea to reduce its environmental impact, it's considered a good idea", says Henrik Kristensen, "but if the idea is shared and implemented by all terminals – it suddenly becomes a great idea".

Today, more than one third of the electricity consumed by APM Terminals' facilities is CO_2 neutral, coming from nuclear power plants or renewable energy sources such as wind, solar or hydroelectric power. This figure is expected to grow. See text box on the world's first green port.

COMMUNITIES: HOW WE MAKE AN IMPACT

Almost half of our terminals are located in developing countries where poverty is often the norm, and APM Terminals is becoming conscious of how much our presence impacts and benefits the local communities. To understand this subject further, we carried out a thorough mapping of our socio-economic impacts at one of our terminals, Apapa, near Lagos in Nigeria.

BEING THE BEST THROUGH SUSTAINABILITY

The Apapa socio-economic study provided insights that we have injected into our understanding of sustainability as an integral part of business. To further this process, we developed a tool to understand APM Terminals' business from a sustainability perspective.

APM Terminals aspires to become the best terminal operator in the industry. We will accomplish this goal by: actively engaging in the communities in which we operate, serving our customers according to their needs, ensuring we continuously drive efficiencies forward, reducing our footprint, etc. which will eventually lead to sustainable, profitable growth.

WORLD'S FIRST GREEN-POWERED PORT

In a major first for the company and the industry, in 2009 APM Terminals Rotterdam became "green-powered". On 16 October, APM Terminals officially opened its new EUR 12.5 million power distribution network at the Rotterdam container terminal with electricity generated solely by wind power.

The Rotterdam terminal is one of the busiest in our network, accommodating weekly port calls from 11 ultra-large container ships, 20 smaller feeder ships and 160 barges. The terminal also requires more than 5,500 truck trips to drop off and pick up containers each week, as well as moving 3,000 containers a week by rail to inland European locations. By using non-fossil fuel produced power, the terminal reduces its CO_2 emissions by 45% per year.

The electricity feeding the Rotterdam terminal is produced by two Dutch windmill farms. It is anticipated that the Rotterdam green power supply can serve as a model for other terminal locations.

Social performance

Our employees				
		2007	2008	**2009**
Number of employees[a]		–	–	**13,441**
Employee engagement[b]	%	70	73	**73**
Performance appraisals	%	–	–	**19**

Safety						
		2007	2008	**2009**	benchmark	target 2010
Lost time injury frequency (LTIF)[c]	frequency	9.60	7.15	**4.07**	–	3.5
Fatalities	number	10	9	**4**	–	0

Environmental performance[d]

Energy consumption				
		2007	2008	**2009**
Fuel oil	1,000 tonnes	0.00	0.00	**0.00**
Diesel	1,000 tonnes	108.31	117.43	**115.93**
Natural gas	1,000 tonnes	0.00	0.00	**0.00**
Electricity	1,000 MWh	519.38	568.39	**563.67**
Direct energy consumption by primary energy source	GJ	–	–	**7,141,605.68**
Energy intensity	MJ/USD turnover	–	–	**2.36**
Greenhouse gas (GHG) emissions				
GHG emissions	1,000 tonnes CO_2 eq	648.46	737.98	**697.90**
Direct GHG emissions (Scope 1 GHG Protocol)				
CO_2	1,000 tonnes	304.00	389.31	**365.20**
CH_4	1,000 tonnes CO_2 eq	0.00	0.03	**0.03**
N_2O	1,000 tonnes CO_2 eq	0.00	0.91	**0.87**
HFC	tonnes CO_2 eq	n/a	n/a	**n/a**
PFC	tonnes CO_2 eq	n/a	n/a	**n/a**
SF_6	tonnes CO_2 eq	n/a	n/a	**n/a**
Indirect GHG emissions (Scope 2 GHG Protocol)				
CO_2	1,000 tonnes	303.39	363.85	**330.40**
CH_4	1,000 tonnes CO_2 eq	–	–	**0.21**
N_2O	1,000 tonnes CO_2 eq	–	–	**1.23**
GHG intensity	kg CO_2 / USD turnover	–	–	**0.23**
Other air emissions				
SO_x	1,000 tonnes	0.00	0.00	**0.15**
NO_x	1,000 tonnes	0.02	1.36	**1.30**
VOCs	1,000 tonnes	0.00	1.01	**0.96**
Particulate matters	1,000 tonnes	0.00	0.00	**0.00**
Other environmental impacts				
Steel consumption	1,000 tonnes	–	–	**–**
Waste total	1,000 tonnes	–	–	**14.05**
– recycled (composting, reused, recycled)	1,000 tonnes	–	–	**0.00**
– solid (landfill, on-site storage, incineration)	1,000 tonnes	–	–	**14.05**
– hazardous (controlled deposit)	1,000 tonnes	–	–	**0.00**
Water consumption	1,000 m³	–	–	**1,836.24**
– surface water	1,000 m³	–	–	**0.00**
– ground water	1,000 m³	–	–	**0.00**
– rain water	1,000 m³	–	–	**0.00**
– municipal water supplies/water utilities	1,000 m³	–	–	**1,836.24**
Spills (oil)	m³	–	–	**3,643**

Economic performance

		2007	2008	**2009**
Revenue	USD million	–	3,119	**3,021**
Revenue	DKK million	–	15,888	**16,190**
Electricity cost	USD million	–	–	**54.48**

n/a = Not applicable
– = Not available

[a] Average number of full-time employees excluding jointly-controlled entities and discontinued operations.

[b] The number reflects the percentage of engaged employees who participated in the annual engagement survey. "Engaged" is the combination of satisfaction, pride, referral and intent to stay in the organisation.

[c] Lost time injury frequency measures the number of lost time injuries excluding fatalities per million exposure hours.

[d] Different conversion factors have been applied across the years and across various activities.

Assets

- 50 container terminals and buildings
- 10 port projects
- Cargo handling equipment (quay cranes, rubber tired gantry cranes, trucks, tractors and reach stackers)

Container Inland Services (CIS) provides inland transportation, equipment repair, container modifications and inland depots. We work from 200 locations in 85 countries.

When CIS was separated from Maersk Line in 2008, one of the new company's priorities was to set up a safety organisation.

"We had no shared standards, data, records or reporting," says Nigel Pusey, CEO of CIS from its headquarters in London. "We have 86 independent businesses and great variation in regional standards, which we are now trying to integrate into a shared safety culture and system."

Safety is very important in CIS's line of business. With its high proportion of operational employees, a safe working environment is critical. In addition there is extensive scrutiny from regulatory bodies and safety is also increasingly important to our customers.

CREATING BUILDING BLOCKS

In 2009, CIS established a standard reporting system, carried out local safety assessments and conducted training and awareness-raising activities. Our lost time injury frequency improved from around 20 in 2008 to around 12 in 2009.

"People are starting to understand that safety must be taken seriously. At the same time we are slowly collecting better data, allowing us to start analysing trends and prioritise our efforts," says Pusey.

Training activities have focused on preparing 38 employees to become Health and Safety professionals, with particular emphasis on risk assessment and accident investigation. Five of these employees, one in each of the company's regions, will conduct local training based on their assessment of local needs and trends from their area.

In 2010, we will implement the Group data system Synergi, which will provide improved data for analyses of trends to steer our efforts.

To ensure awareness, safety is on the agenda for all team meetings, and we have created leadership role models through health and safety training for senior management.

FATALITIES A CHALLENGE

CIS sadly experienced five fatalities in 2009, the same number as in 2008. "Our goal is to eliminate these tragic events in future," says Pusey. "A strong safety culture and mindset across our business is paramount to achieving this vision".

Social performance

Our employees						
			2007[a]	2008	**2009**	
Number of employees[b]			n/a	–	**7,527**	
Employee engagement[c]	%		n/a	69	**65**	
Performance appraisals	%		n/a	–	**34**	
Safety						
		2007[a]	2008	**2009**	benchmark	target 2010
Lost time injury frequency (LTIF)[d]	frequency	n/a	19.88	**12.03**	–	11.79
Fatalities	number	n/a	5	**5**	–	0

Environmental performance[e]

Energy consumption				
		2007[a]	2008[f]	**2009**
Fuel oil	1,000 tonnes	n/a	0.00	**0.00**
Diesel	1,000 tonnes	n/a	15.65	**281.05**
Natural gas	1,000 tonnes	n/a	0.00	**0.00**
Electricity	1,000 MWh	n/a	28.27	**185.33**
Direct energy consumption by primary energy source	GJ	n/a	–	**13,061,330.28**
Energy intensity	MJ/USD turnover	n/a	–	**0.68**
Greenhouse gas (GHG) emissions				
GHG emissions	1,000 tonnes CO_2 eq	n/a	29.41	**927.62**
Direct GHG emissions (Scope 1 GHG Protocol)				
CO_2	1,000 tonnes	n/a	17.90	**894.51**
CH_4	1,000 tonnes CO_2 eq	n/a	0.00	**1.16**
N_2O	1,000 tonnes CO_2 eq	n/a	0.05	**4.05**
HFC	tonnes CO_2 eq	n/a	n/a	**n/a**
PFC	tonnes CO_2 eq	n/a	n/a	**n/a**
SF_6	tonnes CO_2 eq	n/a	n/a	**n/a**
Indirect GHG emissions (Scope 2 GHG Protocol)				
CO_2	1,000 tonnes	n/a	11.46	**26.52**
CH_4	1,000 tonnes CO_2 eq	n/a	–	**1.07**
N_2O	1,000 tonnes CO_2 eq	n/a	–	**0.31**
GHG intensity	kg CO_2 / USD turnover	n/a	–	**0.05**
Other air emissions				
SO_x	1,000 tonnes	n/a	0.00	**185.49**
NO_x	1,000 tonnes	n/a	0.06	**22.19**
VOCs	1,000 tonnes	n/a	0.06	**2.00**
Particulate matters	1,000 tonnes	n/a	0.00	**0.00**
Other environmental impacts				
Steel consumption	1,000 tonnes	n/a	–	–
Waste total	1,000 tonnes	n/a	–	**370.38**
– recycled (composting, reused, recycled)	1,000 tonnes	n/a	–	**1.42**
– solid (landfill, on-site storage, incineration)	1,000 tonnes	n/a	–	**368.96**
– hazardous (controlled deposit)	1,000 tonnes	n/a	–	**0.00**
Water consumption	1,000 m^3	n/a	–	**215.37**
– surface water	1,000 m^3	n/a	–	**0.00**
– ground water	1,000 m^3	n/a	–	**36.80**
– rain water	1,000 m^3	n/a	–	**0.00**
– municipal water supplies/water utilities	1,000 m^3	n/a	–	**178.58**
Spills	m^3	n/a	–	**0.00**

Economic performance

		2007[a]	2008	**2009**
Revenue	USD million	n/a	26,846[g]	**19,192[g]**
Electricity cost	USD million	n/a	–	**4.77**

n/a = Not applicable
– = Not available

[a] CIS did not exist as a separate business unit in 2007.

[b] Average number of full-time employees excluding jointly-controlled entities and discontinued operations.

[c] The number reflects the percentage of engaged employees who participated in the annual engagement survey. "Engaged" is the combination of satisfaction, pride, referral and intent to stay in the organisation.

[d] Lost time injury frequency measures the number of lost time injuries excluding fatalities per million exposure hours.

[e] Different conversion factors have been applied across the years and across various activities.

[f] Environmental data not reported fully in 2008.

[g] Figure reflects total revenue for our container business which includes Maersk Line, Safmarine, Container Inland Services and Maersk Container Industry.

Assets

- 2,090,161 m^2
- 389 reach stackers
- 900 trucks
- 2,097 trailers
- 115 fork lifts
- 796 chassis

Global logistics. Individual solutions.

Damco provides freight forwarding and supply chain management services from 270 offices worldwide. Our customers include many of the world's largest companies.

Damco's main sustainability achievements in 2009 were the establishment of an HSSE policy, an environmental strategy and the market recognition of the company as a thought leader in the field of green logistics. In 2009, we also prepared a global HSSE awareness programme which we will roll out in 2010.

MARKET DRIVEN ENVIRONMENTALISM

As a global freight forwarding and supply chain management company, we are highly conscious of our responsibility to protect the environment. We are pursuing activities to that end, in spite of an adverse business climate in 2009. The market for logistics activities was severely affected by the economic crisis, substantially reducing volumes compared to previous years.

In 2009, Damco developed its environmental strategy, with which we aim to both meet our own environmental goals and to help our customers and service providers reduce their environmental impacts. We believe this will provide us with opportunities to cut costs both internally and for our customers, as well as giving us a competitive advantage as we compete on parameters other than price and lead-time.

CHASING CO_2 REDUCTIONS – OUTSIDE DAMCO

"We have set a target of reducing our own CO_2 emissions by 30% per TEU by 2014. During 2010, our organisation will develop activities to reach that goal. But keeping in mind our baseline is emissions of only some 50,000 tonnes of CO_2 in 2008, we feel that we can influence environment and climate change on a much larger scale through the portfolio of products we offer our customers and the collaborative initiatives in which we engage," says Rolf Habben-Jansen, CEO of Damco.

As a result, Damco's environmental strategy focuses particularly on supplier and customer related activities, e.g. helping customers assess and reduce their carbon footprint, partnering experts in sustainability like Massachusetts Institute of Technology (MIT) as well as assessing sustainability

opportunities for the existing product portfolio.

"Customers are increasingly concerned about sustainability issues. This is not only due to increased regulatory pressures but mainly to the fact that being greener is more efficient so there is a good business case. Moreover, customers know more about how products are sourced and manufactured. Damco wants to be at the forefront of sustainability practices to be able to advise our customers and be recognised as thought leaders within green logistics", says Erling Johns Nielsen, Head of Supply Chain Development in Damco.

PRODUCTS WITH A GREEN IMPACT

Damco has so far developed two supply chain products that are on the market and offered to customers.

SupplyChain CarbonCheck™ – a product which was launched globally at the end of 2007 and implemented by some of the world's largest retailers. With this product, Damco assists customers in estimating and reducing CO_2 emissions from the customer's logistics activities.

SupplyChain CarbonDashboard – a product which delivers a quarterly graphical representation of customer's logistics footprint at shipment, product group and mode of transport (ocean, rail, truck, barge and air) levels. It enables the customer to get a detailed understanding of what causes carbon emissions and locate its carbon hot spots – and to closely track the effects of any new reduction initiatives.

"We see customers getting more specific in their target-setting for CO_2-emissions," says Jordi Avellaneda, Global Head of Green Logistics for Damco. "And we want to be right there with them."

SETTING UP THE BUILDING BLOCKS OF SAFETY

Damco was established as an individual business unit in 2008 and 're-branded' both its forwarding and supply chain management businesses under the Damco name in 2009. Our safety work has to be re-built in this new organisation, and the right processes and internal organisation are in the process of being established with the ultimate goal of having a workplace free of HSSE incidents, as outlined in our HSSE Policy.

Reporting of injuries improved immensely in 2009. This, together with the opening of a new operation in Spain, explains the large increase in our lost time injury frequency.

"Starting in 2010, we will begin to measure and communicate our performance much more widely," says Antoine Minot, Global CSR and HSSE Manager in Damco. "Communication will be upgraded in terms of HSSE and we have a strong belief that this will help improve behavioural-based safety performance and bring our LTIF number down."

Sadly, we experienced two fatal accidents in China. The first was a third-party chauffeur working within the borders of our facility. A root-cause analysis led to the corrective action of designing a new procedure and improving supervision.

The second event was a traffic accident involving one of our trucks. The incident is still under investigation by the police. When the results are ready, all necessary measures will be taken to prevent a recurrence.

Any fatal accident is one too many, and we will continue to strengthen our focus on fatalities along with the rest of our safety work.

DAMCO'S ENVIRONMENTAL STRATEGY

The strategy focuses on five main areas:

Environmental performance

- Focus on global environmental KPIs including carbon footprint and air miles
- Reduction of carbon intensity to meet our goal of a 30% reduction by 2014

Responsible procurement

- Mapping of main suppliers' sustainability practices
- Introduction of environmental criteria in supplier selection

Supply chain carbon footprint

- Helping customers to assess and reduce their carbon footprint
- Development of low-carbon supply chain solutions

Collaboration

- Establishment of partnerships with environmentally-renowned institutions
- Sharing sustainability best practices with competition

Green product portfolio

- Assessment of sustainability opportunities for existing product portfolio
- Introduction of new services with a lower environmental impact

Social performance

Our employees				
		2007[a]	2008	**2009**
Number of employees[b]		n/a	–	**9,622**
Employee engagement[c]	%	n/a	63	**66**
Performance appraisals	%	n/a	–	**67**

Safety[d]						
		2007[a]	2008	**2009**	benchmark	target 2010
Lost time injury frequency (LTIF)[f]	frequency	n/a	3.83	**5.58**	–	5.1
Fatalities	number	n/a	1	**2**	–	0

Environmental performance[g]

Energy consumption				
		2007[a]	2008	**2009**[e]
Fuel oil	1,000 tonnes	n/a	n/a	**n/a**
Diesel	1,000 tonnes	n/a	8.46	**4.50**
Natural gas	1,000 tonnes	n/a	–	**–**
Electricity	1,000 MWh	n/a	38.73	**30.52**
Direct energy consumption by primary energy source	GJ	n/a	–	**308,503.28**
Energy intensity	MJ/USD turnover	n/a	–	**0.15**
Greenhouse gas (GHG) emissions				
GHG emissions	1,000 tonnes CO_2 eq	n/a	49.92[h]	**32.87**
Direct GHG emissions (Scope 1 GHG Protocol)				
CO_2	1,000 tonnes	n/a	35.43	**14.22**
CH_4	1,000 tonnes CO_2 eq	n/a	0.00	**0.00**
N_2O	1,000 tonnes CO_2 eq	n/a	0.06	**0.02**
HFC	tonnes CO_2 eq	n/a	n/a	**n/a**
PFC	tonnes CO_2 eq	n/a	n/a	**n/a**
SF_6	tonnes CO_2 eq	n/a	n/a	**n/a**
Indirect GHG emissions (Scope 2 GHG Protocol)				
CO_2	1,000 tonnes	n/a	13.87	**18.57**
CH_4	1,000 tonnes CO_2 eq	n/a	–	**0.00**
N_2O	1,000 tonnes CO_2 eq	n/a	–	**0.05**
GHG intensity	kg CO_2 / USD turnover	n/a	–	**0.02**
Other air emissions				
SO_x	1,000 tonnes	n/a	0.00	**0.12**
NO_x	1,000 tonnes	n/a	0.84	**0.00**
VOCs	1,000 tonnes	n/a	0.06	**0.00**
Particulate matters	1,000 tonnes	n/a	0.01	**0.00**
Other environmental impacts				
Steel consumption	1,000 tonnes	n/a	–	**–**
Waste total[i]	1,000 tonnes	n/a	–	**64.72**
– recycled (composting, reused, recycled)	1,000 tonnes	n/a	–	**1.63**
– solid (landfill, on-site storage, incineration)	1,000 tonnes	n/a	–	**63.10**
– hazardous (controlled deposit)	1,000 tonnes	n/a	–	**0.00**
Water consumption	1,000 m^3	n/a	–	**n/a**
– surface water	1,000 m^3	n/a	–	**n/a**
– ground water	1,000 m^3	n/a	–	**n/a**
– rain water	1,000 m^3	n/a	–	**n/a**
– municipal water supplies/water utilities	1,000 m^3	n/a	–	**n/a**
Spills	m^3	–	–	**0.00**

n/a = Not applicable
– = Not available

[a] Damco did not exist as a separate business unit in 2007.

[b] Average number of full-time employees excluding jointly-controlled entities and discontinued operations.

[c] The number reflects the percentage of engaged employees who participated in the annual engagement survey. "Engaged" is the combination of satisfaction, pride, referral and intent to stay in the organisation.

[d] 2009 data will serve as the baseline for safety in Damco.

[e] 2009 data is based on extrapolated data from the first nine months and from 80% of the activities.

[f] Lost time injury frequency measures the number of lost time injuries excluding fatalities per million exposure hours.

[g] Different conversion factors have been applied across the years and across various activities.

[h] Three major facilities that were part of the data in 2008 should not have been, as they are out of the scope of our reporting. They have been excluded in 2009.

[i] As 2009 was the first year of reporting for this indicator, not all facilities were able to provide full data.

Economic performance

		2007[a]	2008	**2009**
Revenue	USD million	n/a	2,841	**2,019**
Electricity cost	USD million	n/a	–	**4.72**

Assets

150+ operated and subcontracted warehouses and freight stations and trucks

DANBOR SERVICE

Danbor Service AS offers a variety of services to the offshore industry such as rig maintenance, safety including Maersk H2S safety services, manning and catering and onshore base services. We are headquartered in Denmark, but operate internationally.

Danbor Service operates in environments characterised by large installations, heavy machinery and harsh weather conditions. We are very proud to declare 2009 as yet another year with zero lost-time injuries. This is the third time in a row for our onshore activities and the second time in a row for our offshore activities.

"As a service provider to the offshore industry, safety has top priority," says Per Hjort Lorenzen, HSEQ Manager at Danbor Service.

The main tools for this work are: an efficient safety organisation, campaigns, airport briefings for off-shore staff prior to their transport to rigs in the North Sea, quarterly newsletters and other internal communication on safety issues from management.

SEE FOR YOURSELF: NOTHING TO HIDE

Last but not least, a new online management system was introduced in 2009, and provides transparency and access to all information for all employees.

"All manuals, the security handbook, all policies and news are available here. Reporting of lost-time injuries and near-misses is also carried out electronically. This has made it much easier for people to handle the paperwork, and it creates a new openness and a new level of engagement from employees," Lorenzen says.

ON THE CUSTOMERS' AGENDA

Danbor Service primarily works for oil companies, which are all deeply concerned with the safety records of their suppliers.

Many contracts in the offshore service sector are awarded through a tender process. A company is often only allowed to bid after an audit of their HSE systems and performance by the company launching the tender. Danbor Service goes through 5-8 audits every year.

A GOOD PLACE TO WORK – AND HEALTHY TOO

"Our deliverables are our people and their performance. This fact makes our employees our most important asset, and we work hard to provide an attractive workplace," says Lars Schmidt, HR Manager at Danbor Service.

A number of key performance indicators are in place to measure whether the work has been successful. Targets are set, and employee turnover, engagement and absenteeism are measured. For 2009 we registered a very satisfying performance on these, all above target.

"Employee involvement is included in department managers' job description and success criteria. Empowerment is a very conscious management strategy at Danbor Service," Lars Schmidt explains.

An area which received special attention in 2009 was health. Canteen staff were educated in healthy and nutritious foods, and a new fitness room was opened as well.

"Healthy employees are productive employees. If you focus on health, everyone wins," Schmidt says.

Social performance

Our employees				
		2007	2008	**2009**
Number of employees[a]		–	–	**523**
Employee engagement[b]	%	62	78	**77**
Performance appraisals	%	–	–	**13**

Safety						
		2007	2008	**2009**	benchmark	target 2010
Lost time injury frequency (LTIF)[c]	frequency	4.80	0.00	**0.95**	31.2[d]	0
Fatalities	number	0	0	**0**	–	0

Environmental performance[e]

Energy consumption				
		2007	2008	**2009**
Fuel oil	1,000 tonnes	0.30	0.30	**0.00**
Diesel	1,000 tonnes	1.14	1.46	**1.03**
Natural gas	1,000 tonnes	0.00	0.00	**0.00**
Electricity	1,000 MWh	3.00	3.31	**3.55**
Direct energy consumption by primary energy source	GJ	–	–	**60,404.81**
Energy intensity	MJ/USD turnover	–	–	**0.64**
Greenhouse gas (GHG) emissions				
GHG emissions	1,000 tonnes CO_2 eq	5.00	5.00	**4.56**
Direct GHG emissions (Scope 1 GHG Protocol)				
CO_2	1,000 tonnes	3.62	4.00	**3.26**
CH_4	1,000 tonnes CO_2 eq	0.06	0.00	**0.00**
N_2O	1,000 tonnes CO_2 eq	0.42	0.01	**0.01**
HFC	tonnes CO_2 eq	n/a	n/a	**n/a**
PFC	tonnes CO_2 eq	n/a	n/a	**n/a**
SF_6	tonnes CO_2 eq	n/a	n/a	**n/a**
Indirect GHG emissions (Scope 2 GHG Protocol)				
CO_2	1,000 tonnes	1.20	1.18	**1.27**
CH_4	1,000 tonnes CO_2 eq	–	–	**0.00**
N_2O	1,000 tonnes CO_2 eq	–	–	**0.01**
GHG intensity	kg CO_2 / USD turnover	–	–	**0.05**
Other air emissions				
SO_x	1,000 tonnes	0.00	0.23	**0.04**
NO_x	1,000 tonnes	0.00	0.02	**0.01**
VOCs	1,000 tonnes	0.00	0.01	**0.01**
Particulate matters	1,000 tonnes	0.00	0.00	**0.00**
Other environmental impacts				
Steel consumption	1,000 tonnes	–	–	–
Waste total	1,000 tonnes	–	–	**0.17**
– recycled (composting, reused, recycled)	1,000 tonnes	–	–	**0.05**
– solid (landfill, on-site storage, incineration)	1,000 tonnes	–	–	**0.11**
– hazardous (controlled deposit)	1,000 tonnes	–	–	**0.00**
Water consumption	1,000 m^3	–	–	**75.77**
– surface water	1,000 m^3	–	–	**0.00**
– ground water	1,000 m^3	–	–	**0.00**
– rain water	1,000 m^3	–	–	**0.00**
– municipal water supplies/water utilities	1,000 m^3	–	–	**75.77**
Spills	m^3	–	–	–

Economic performance

		2007	2008	**2009**
Revenue	DKK million	–	470	**510**
Electricity cost	USD million	–	–	**0.90**

n/a = Not applicable
– = Not available

[a] Average number of full-time employees excluding jointly-controlled entities and discontinued operations.

[b] The number reflects the percentage of engaged employees who participated in the annual engagement survey. "Engaged" is the combination of satisfaction, pride, referral and intent to stay in the organisation.

[c] Lost time injury frequency measures the number of lost time injuries excluding fatalities per million exposure hours

[d] 2007 figure from Confederation Of Danish Industry webpage www.di.dk

[e] Different conversion factors have been applied across the years and across various activities.

Assets

7 locations

- Warehouses, workshops and offices
- Outdoor and indoor storage facilities
- Harbour crane and forklift trucks
- Trucks and trailers
- Vans and cars

Dansk Supermarked A/S

Dansk Supermarked consists of three major retail brands with more than 1,345 stores in Denmark, Germany, Poland, Sweden and the UK.

Dansk Supermarked worked diligently in 2009 to service its main stakeholders in terms of both financial and sustainability performance, which in spite of the economic down-turn has remained positive.

We prepared a new CSR strategy covering the whole of Dansk Supermarked's operations, and focused on four main areas: financial performance, products, environment and social responsibility.

The strategy further states that we want to be a responsible company, but that all initiatives are to be carried out with respect for the customers' right to choose freely and for Dansk Supermarked's overall vision of being known as the best place to shop. Our chains and units are free to focus their work on one or more areas for profiling purposes.

BUSINESS DRIVEN EFFORT

"For us, sustainability is a matter of being prepared to meet the demands of our stakeholders, and whatever we do, it has to make business sense," says Erling Jensen, CEO of Dansk Supermarked, when asked to explain how they work with sustainability issues.

Particularly in a Danish context, Dansk Supermarked runs a set of highly visible brands, in which both customers and media take a great interest.

"General market surveys indicate that our customers want us to work on environmental issues and responsible sourcing. The media take a great interest in these issues as well. We work to respond to this interest," Jensen continues.

THE CUSTOMER IS KING

Customers are without question our key stakeholder and we engage widely in dialogue and provide service to this group. One example is our 'Climate Week' in October, when we issued 'green climate advice' in our weekly Danish catalogue from the Netto brand of stores.

Another issue of concern to customers is food safety. Stores in Denmark are audited frequently by the Danish Veterinary and Food Administration. In 2009, our Danish stores were subject to 1,140 audits. Our goal is to achieve the best grade in the system as often as possible. On average, this was the case for over 90% of the audits in 2009.

MANAGING THE SUPPLY CHAIN

The business of retail entails the sourcing of products from thousands of suppliers worldwide. This creates inherent risk if Dansk Supermarked finds itself selling products produced under conditions not in compliance with international laws and conventions.

To ensure that suppliers conduct their business in a responsible way, Dansk Supermarked – as the first Danish company – joined the European supply chain initiative 'Business Social Compliance Initiative' (BSCI) in 2006.

"This collaboration is very interesting because of its global reach. Once a supplier has been approved by one BSCI member, this approval extends to the remaining more than 400 member companies. It creates a lot of incentive for suppliers, and BSCI conducts local work sessions for potential suppliers. All of which prospectively saves us a lot of work", Jensen explains.

Dansk Supermarked itself audits a share of its suppliers every year – mainly private label producers, or suppliers of a large share of the product range or products which are always on the retailers' shelves. These audits are conducted by global auditor SGS. In 2009, 43 suppliers were audited.

We derive a lot of value from our procurement in developing countries being regulated according to an unambiguous set of rules, which are aligned with UN Global Compact and ILO standards, controlled by a third party and with clear guidelines on how to handle non-compliance.

ENERGY SAVINGS CUT COSTS

Our work to control and reduce our energy consumption has been ongoing for more than 10 years. The incentive to work with this issue was the direct correlation between energy and cost savings.

We have invested in equipment and systems that control electricity, heating, water and gas consumption, e.g. light control systems that allow for only specific areas of the stores to be lit during cleaning and filling activities, replacement of cooling installations and old gas boilers.

NEXT STEP: BEHAVIOUR

"What comes after getting all the right systems in place? Getting people to use them!" says Erling Jensen. "That is the challenge we are facing at this stage."

To get this started, in 2008 large supermarket brands Bilka and Føtex, operating exclusively in Denmark, introduced an inter-store competition on reducing energy consumption. This has led to a catalogue of ideas on how to lower the carbon footprint of a store, by for example defrosting items in the cooling units, and only lighting parts of the store during cleaning.

In other words – the devil is in the detail. And even small things can make a big difference. The inter-store competition reduced electricity consumption by 8,500 MWh in 2009 compared to 2008. This corresponds to 5,700 people's or 1,700 households' annual consumption* or 4,000 tonnes of CO_2**.

INTEGRATION AND DIVERSITY

We want our staff to reflect our customer base. Since this is comprised by the entire Danish population, we want to have employees of different nationalities, educational backgrounds, gender, age, disabilities, sexual orientation, etc.

At present, 14% of our employees are of non-Danish origin, 2% live with a disability, 40% of our middle managers are women and nearly 5% of our employees are more than 50 years old.

It is our policy to assume social responsibility by offering jobs to employees from marginalised groups in programmes offered by local authorities. In 2009, we entered into 20 such agreements. The goal is for the person employed on special terms to be able to continue to work for us under normal terms when the project period ends.

PARTNERSHIP ON FISH AND SHELLFISH

Since 2007, Dansk Supermarked has been in partnership with WWF (Worldwide Fund for Nature) to provide sustainable fish and shellfish to consumers. The goal is to supply documentation of sustainability for all fish and shellfish sold in stores owned by Dansk Supermarked by 2012, using the Marine Stewardship Council's (MSC) labelling, which is the only recognised label for sustainable fisheries. Dansk Supermarked was the first company in Denmark to use MSC labelling.

The collaboration terminated in 2009 at the request of WWF, which entered into an exclusive collaboration with a competing retailer in Denmark.

"We will continue our work to make the fish and shellfish we offer consumers sustainable. We believe sustainable seafood products are a shared responsibility", says Dansk Supermarked Director Claus Ravnsbo.

*Source: www.elsparefonden.dk ** Source: www.energinet.dk

Social performance

Our employees				
		2007	2008	**2009**
Number of employees[a]		–	–	**25,635**
Employee engagement[b]	%	–	–	–
Performance appraisals	%	–	–	**70**

Safety						
		2007	2008	**2009**	benchmark	target 2010
Lost time injury frequency (LTIF)[c]	frequency	13.76	14.40[d]	**14.10**	–	10.02
Fatalities	number	0	0	**0**	–	0

Environmental performance[e]

Energy consumption				
		2007	2008	**2009**
Fuel oil	1,000 tonnes	0.00	0.00	**0.00**
Diesel	1,000 tonnes	0.46	0.37	**0.38**
Natural gas	1,000 tonnes	4.00	4.39	**4.49**
Electricity	1,000 MWh	445.73	455.39	**481.71**
Direct energy consumption by primary energy source	GJ	–	–	**2,073,572.19**
Energy intensity	MJ/USD turnover	–	–	**0.20**
Greenhouse gas (GHG) emissions				
GHG emissions	1,000 tonnes CO_2 eq	242.06	184.05	**210.74**
Direct GHG emissions (Scope 1 GHG Protocol)				
CO_2	1,000 tonnes	61.60	13.24	**13.55**
CH_4	1,000 tonnes CO_2 eq	0.03	0.00	**0.01**
N_2O	1,000 tonnes CO_2 eq	0.01	0.07	**0.07**
HFC	tonnes CO_2 eq	n/a	n/a	**n/a**
PFC	tonnes CO_2 eq	n/a	n/a	**n/a**
SF_6	tonnes CO_2 eq	n/a	n/a	**n/a**
Indirect GHG emissions (Scope 2 GHG Protocol)				
CO_2	1,000 tonnes	180.46	163.03	**195.84**
CH_4	1,000 tonnes CO_2 eq	–	–	**0.12**
N_2O	1,000 tonnes CO_2 eq	–	–	**1.15**
GHG intensity	kg CO_2 / USD turnover	–	–	**0.02**
Other air emissions				
SO_x	1,000 tonnes	0.00	8.78	–
NO_x	1,000 tonnes	0.00	0.21	**0.18**
VOCs	1,000 tonnes	0.00	0.02	**0.02**
Particulate matters	1,000 tonnes	0.00	0.00	**0.00**
Other environmental impacts				
Steel consumption	1,000 tonnes	–	–	**0.00**
Waste total	1,000 tonnes	–	–	**73.27**
– recycled (composting, reused, recycled)	1,000 tonnes	–	–	**73.27**
– solid (landfill, on-site storage, incineration)	1,000 tonnes	–	–	**0.00**
– hazardous (controlled deposit)	1,000 tonnes	–	–	**0.00**
Water consumption	1,000 m^3	–	–	**722.89**
– surface water	1,000 m^3	–	–	**0.00**
– ground water	1,000 m^3	–	–	**0.00**
– rain water	1,000 m^3	–	–	**0.00**
– municipal water supplies/water utilities	1,000 m^3	–	–	**722.89**
Spills	m^3	–	–	–

Economic performance

		2007	2008	**2009**
Revenue	USD million	–	11,376	**10,625**
Revenue	DKK million	–	57,949	**56,937**
Electricity cost	USD million	–	–	**74.24**

n/a = Not applicable
– = Not available

[a] Average number of full-time employees excluding jointly-controlled entities and discontinued operations.

[b] Dansk Supermarked are not part of the Group's annual Employee Engagement Survey but carry out an individual survey every 2nd year. Their next survey is due in 2010.

[c] Lost time injury frequency measures the number of lost time injuries excluding fatalities per million exposure hours. In the UK and Germany it has been measured after and absence of three days, but that will be changed to 1 day's absence in 2010.

[d] An error in previous years' calculations has been noted, hence the difference versus 9.21 as previously reported for 2008.

[e] Different conversion factors have been applied across the years and across various activities.

Assets

- 1,345 stores in Denmark, Sweden, Poland, the UK and Germany

MAERSK
CONTAINER INDUSTRY

Maersk Container Industry provides customers with the most cost-efficient intermodal equipment in the market place. We develop and supply reefer containers, reefer machines and dry containers including spare parts for the same. We have production facilities in Qingdao and Dongguan in China, and high-tech R&D facilities at our headquarters in Denmark.

2009 was in many ways a challenging year for Maersk Container Industry. The global financial crisis hit world trade hard, including the shipping industry – our customers. The reefer container and machine market fell by more than 60%.

The market for dry containers in fact became non-existent in 2009. Our competitors closed their factories, while we decided to scale down production and to try to expand the possible use of our dry containers through innovation.

Even though we cut our total overheads by 20%, we still had to reduce our number of employees significantly, which especially affected our dry container factory in Dongguan.

Unrelated to the above, but simultaneously, we were the subject of media attention as the conditions at our factory in Dongguan were criticised by a Hong Kong NGO (see page 68).

Reasons for celebrations were also a part of 2009. Firstly, we were able to launch a number of product innovations which will make the containers of the future more environmentally-sustainable. Secondly, we were able to continue our strong safety record.

Finally, Maersk Container Industry developed its first sustainability strategy in 2009. We will use our industry leadership in this area to strengthen our business in the future, through cost savings, enhanced reputation and leadership, improved risk management and a competitive advantage.

"I see sustainability as an area presenting possibilities", says Peter K. Nymand, CEO of the Maersk Container Industry Group. "We will distinguish ourselves from our competitors through a more strategic approach. We have come quite far, but work remains to be done – both internally and in convincing our customers that sustainability is the way forward."

"We will differentiate ourselves from our competitors through a more strategic approach. We have come quite far, but work remains to be done – both internally and in convincing our customers that **sustainability is the way forward**."

Peter K. Nymand, CEO of Maersk Container Industry

GREEN PRODUCT INNOVATION

Maersk Container Industry is the container industry's market leader in terms of green innovation. In 2009 we introduced a number of product innovations, which all add sustainability to our containers:

– No ozone depletion from insulation

The main environmental challenges to the container manufacturing industry stem from the manufacturing process of insulation foam, in which a compound that depletes the ozone layer is used and adds significantly to global warming. Maersk Container Industry has developed a substitute foam, patented under the name SuPoTec with no ozone depleting potential and minimal global warming potential, but with properties comparable to the foams commonly used today. SuPoTec was tested in 2009 and will, from March 2010, be used in all containers we produce.

– Recyclable container floors

The floor of a container is an important factor when it comes to establishing the strength of the box. Because the floor has to be durable, easy to maintain and clean, tropical hardwood has, until now, been the best material for container floors in dry containers. After five years and significant investment and development efforts, we have been able to launch a plastic floor made from sawdust and low-grade recycled plastic, i.e. bags and bottles. The new floors are easier to recycle and will consequently reduce emissions as the raw materials are currently often burned. In 2009, 60% of our floors were made of legally-produced, imported and audited tropical hardwood from Indonesia, and 40% had floors made of plastic, bamboo or birch, which are recognised as sustainable products. During 2010, we will phase out the production of floors made from tropical hardwood and thereby only use sustainable flooring.

– Cool containers using less energy

Several improvements to containers carrying items in need of cooling were added in 2009. One is integration of the refrigeration machine directly into the reefer container, which allows for a container that weighs less, carries more and consumes less energy. Another is the option of automatic ventilation, which adjusts the amount of fresh air in the container, achieving energy savings and longer product shelf life. Finally, we have introduced the feature of controlling the atmosphere inside a reefer container by regulating the composition of oxygen, nitrogen and CO_2 inside it. This process is carried out naturally through air-valves which allow fresh air to maintain the optimal oxygen level. Less energy consumption is achieved, as cooling needs are reduced. We began production of this product in 2009.

SAFETY: THE TARGET IS ZERO

"We have a long-term target of zero accidents and injuries, and we aim to reduce lost time injuries by 10% each year," says Nymand.

In 2009, Maersk Container Industry had a lost time injury frequency of 2.24, compared with 3.34 in 2008 – a reduction of more than 30%.

In China, we provide safety training for the majority of the employees. We also began conducting work-place assessments and run quarterly campaigns based on the type of injuries with most reports, and discuss safety issues on a daily basis at management meetings.

Hard at work at Dongguan

In December 2008, the media criticised the conditions at our container factory in Dongguan in China.

"At the time, I felt some of the criticism was unjust, but that didn't help me. We are a company in China being held up to Danish standards," says Irving Hultengren, Head of Maersk Container Industry in Dongguan.

Confronted with the allegations, we took several initiatives, as there is no doubt that conditions at our factories should comply with the rules, and the working environment has to meet valid standards.

We hired a well-known British consultancy company, specialising in employee rights in China, to audit the case. Also, factory management met with workers representatives and the NGO that initiated the criticism.

The report, delivered in March, showed that 86% of the employees who participated in the survey were okay, satisfied or very satisfied with the factory environment in Dongguan, meaning 14% were not. It found accusations of illegal firings and of a climate of nepotism among mid-level Chinese managers, who allegedly used their authority to help friends and unduly extract benefits from lower-ranking workers. There were also complaints that foremen prevented safety equipment from being renewed.

TAKING ACTION THAT SHOWS

Based on the audit findings, we initiated an action list. We changed several procedures and reviewed the employee handbook, based on Chinese law and ILO conventions, and implemented the new handbook after it was approved by employee representatives.

In the autumn of 2009, a new audit was performed by international auditor Crecea, in which 89.8% of the employees were "very satisfied," "satisfied" or "okay" with the whole factory environment at Maersk Container Industry in Dongguan. The conclusions were based on anonymous input from 925 out of about 1,000 factory workers.

The Crecea report also found that:

- All allegations that employees were fired illegally have been dismissed. This has now been established both by the courts,a legal review and the Crecea audit.
- Alleged nepotism has also been dealt with in a slightly revised employment and promotion policy, with more checks and balances.
- Overall, conditions at Maersk Container Industry in Dongguan go beyond the average in China, Crecea states.

IMPROVEMENT AREAS 'TRICKY'

"But there are still areas where we need to improve," says Hultengren, referring to job insecurity, promotion possibilities and dissatisfaction with overall pay levels.

"These are all tricky questions relating to the financial crisis. Our base hourly salary, for example, is about twice the comparable local average, according to Crecea. This is good, but the financial crisis has meant less production and less work, so take-home pay is less," Hultengren says.

Part of the solution is to get the production wheels moving again with a new generation of "green" containers. This is where we are looking to increase our competitive advantage in the future and with increased production, there will be more work.

Social performance

Our employees					
		2007[a]	2008	**2009**	
Number of employees[b]		n/a	–	**3,138**	
Employee engagement[c]	%	n/a	77	**81**	
Performance appraisals	%	n/a	–	**60**	

Safety						
		2007[a]	2008	**2009**	benchmark	target 2010
Lost time injury frequency (LTIF)[d]	frequency	n/a	3.34	**2.24**	25.7[e]	0
Fatalities	number	n/a	0	**0**	–	0

Environmental performance[f]

Energy consumption				
		2007[a]	2008	**2009**
Fuel oil	1,000 tonnes	n/a	0.00	**0.00**
Diesel	1,000 tonnes	n/a	3.16	**1.74**
Natural gas	1,000 tonnes	n/a	0.75	**0.21**
Electricity	1,000 MWh	n/a	85.20	**38.94**
Direct energy consumption by primary energy source	GJ	n/a	–	**223,055.80**
Energy intensity	MJ/USD turnover	n/a	–	**0.01**
Greenhouse gas (GHG) emissions				
GHG emissions	1,000 tonnes CO_2 eq	n/a	44.06	**38.47**
Direct GHG emissions (Scope 1 GHG Protocol)				
CO_2	1,000 tonnes	n/a	12.14	**6.08**
CH_4	1,000 tonnes CO_2 eq	n/a	1.33	**0.00**
N_2O	1,000 tonnes CO_2 eq	n/a	0.08	**0.01**
HFC	tonnes CO_2 eq	n/a	n/a	**n/a**
PFC	tonnes CO_2 eq	n/a	n/a	**n/a**
SF_6	tonnes CO_2 eq	n/a	n/a	**n/a**
Indirect GHG emissions (Scope 2 GHG Protocol)				
CO_2	1,000 tonnes	n/a	30.50	**32.15**
CH_4	1,000 tonnes CO_2 eq	n/a	–	**0.01**
N_2O	1,000 tonnes CO_2 eq	n/a	–	**0.21**
GHG intensity	kg CO_2 / USD turnover	n/a	–	**0.00**
Other air emissions				
SO_x	1,000 tonnes	n/a	1.50	**0.01**
NO_x	1,000 tonnes	n/a	0.30	**0.03**
VOCs	1,000 tonnes	n/a	0.03	**0.02**
Particulate matters	1,000 tonnes	n/a	0.00	**0.00**
Other environmental impacts				
Steel consumption	1,000 tonnes	n/a	–	**75.39**
Waste total	1,000 tonnes	n/a	–	**5.36**
– recycled (composting, reused, recycled)	1,000 tonnes	n/a	–	**3.68**
– solid (landfill, on-site storage, incineration)	1,000 tonnes	n/a	–	**1.68**
– hazardous (controlled deposit)	1,000 tonnes	n/a	–	**0.00**
Water consumption	1,000 m^3	n/a	–	**434.75**
– surface water	1,000 m^3	n/a	–	**0.00**
– ground water	1,000 m^3	n/a	–	**185.20**
– rain water	1,000 m^3	n/a	–	**0.00**
– municipal water supplies/water utilities	1,000 m^3	n/a	–	**249.55**
Spills	m^3	n/a	–	**0.00**

Economic performance

		2007[a]	2008	**2009**
Revenue	USD million	n/a	26,846[g]	**19,192[g]**
Electricity cost	USD million	n/a	–	**5.57**

n/a = Not applicable
– = Not available

[a] Maersk Container Industry reported under Maersk Line in 2007.

[b] Average number of full-time employees excluding jointly-controlled entities and discontinued operations.

[c] The number reflects the percentage of engaged employees who participated in the annual engagement survey. "Engaged" is the combination of satisfaction, pride, referral and intent to stay in the organisation.

[d] Lost time injury frequency measures the number of lost time injuries excluding fatalities per million exposure hours.

[e] Confederation Of Danish Employers (DA), Statistik-Nyt arbejdsulykker 2008, 7 July 2009.

[f] Different conversion factors have been applied across the years and across various activities.

[g] Figure reflects total revenue for our container business, which includes Maersk Line, Safmarine, Container Inland Services and Maersk Container Industry.

Assets

- 3 production plants incl. office areas
- 1 power station
- 42 forklifts
- 8 stackers
- 11 trucks

MAERSK DRILLING

Headquartered in Copenhagen, Denmark Maersk Drilling has offices in eight countries. The company supports global oil and gas production by providing drilling services to oil companies around the world.

We are a leader in the North Sea jack-up market, where we operate the world's largest and most advanced harsh environment jack-up rigs at water depths up to 150 m. These highly-automated rigs provide safe working conditions for our crew and increased drilling efficiency for our customers. We have operated drilling rigs on a global basis for more than 35 years.

Our main sustainabilty concerns are work safety and environmental impact, and we work to engage our employees actively in both.

NEW MANAGEMENT SYSTEM

In 2009, we finalised the development of our second-generation management system, Sirius, a web based e-system built around work processes. It is designed to support a more standardised and mature safety culture and to improve safety through increased transparency and a more user-friendly set-up.

Sirius will also ensure better compliance management and improve "best practice" sharing and the validation of processes against local legal requirements.

SAFETY INITIATIVES

Maersk Drilling's safety culture takes a zero-tolerance approach to accidents. We have an array of measures in place to safeguard our people, our operation and the environment. Much to our regret, we had two fatalities in 2009, which emphasises that there is room for improvement.

"We still have too many accidents and mechanical mishaps and we have to take even more precautions to protect the safety of our colleagues, our equipment and our assets," says CEO of Maersk Drilling Claus V. Hemmingsen.

Even so, our safety performance compares favourably with industry peers within the offshore drilling industry.

Apart from Sirius, several other safety initiatives were launched in 2009:

- A campaign was launched early 2009 with the purpose of increasing awareness of the risks relating to hand and finger accidents. An overall reduction of 10% has already been achieved.
- An updated HSE handbook was released, providing a basic overview of our management system's key elements in order to increase HSE awareness among the crew
- A training database was created to share best practice across all operational areas
- The ACTIVE Card system was produced and implemented: this system enhances behavioural-based safety at our units and promotes an intervention culture where our employees feel empowered to intervene and discuss safety with each other. Proactive reporting which includes near misses increased by 47% compared to 2008
- Focus was placed on the prevention of dropped objects by initiating the use of a DROPS manual for each unit, which is used to identify potential dropped objects and ensure inspection and maintenance routines are in place to prevent incidents
- A new concept for HSE cases was introduced to improve how we carry out risk analysis and communicate this to our employees

ENVIRONMENTAL INITIATIVES

The need to reduce CO_2 emissions is high on the world agenda – and Maersk Drilling is looking into ways to reduce ours. In accordance with Group strategy, we have set a target of reducing our CO_2 emissions relative to production by10% by 2012.

In addition, we are striving to reduce general environmental impacts such as waste, spills, discharges etc. from our drilling activities, says Hemmingsen.

MAKING RIGS GREENER

Our Green Rig project was initiated in 2008. The Green Rig project focuses on four main areas: energy savings and emissions, discharges, accidental spills and waste management.

"We have set a target of reducing our CO_2 emissions relative to production by10% by 2012. In addition, **we are striving to reduce general environmental impacts such as waste, spills, discharges, etc. from our drilling activities**."

Claus V. Hemmingsen, CEO of Maersk Drilling

As part of the Green Rig Projects, a Green Rig Competition was launched in 2009. This involved the collection of ideas from on- and offshore employees for reducing our environmental impact. Close to 300 ideas were submitted.

Some ideas have already been implemented:

- "leak seek" projects with the purpose of identifying air leaks in the compressed air systems have been conducted
- new procedures for lighting rigs are currently being implemented
- a booklet has been prepared and will be distributed at the beginning of 2010 to offshore employees and shore bases describing environmental topics and suggestions for improvements.

A number of ideas are currently being analysed further, and will in due course be presented to customers who will participate in their possible implementation. Throughout 2009, we were in dialogue with select customers, discussing ideas for environmental improvements and possibilities for cooperation.

In 2009, an innovation portal was launched through which all employees can submit new ideas for developing a greener rig and more environmentally-friendly operations.

SUSTAINABLE BUSINESS IS GOOD BUSINESS

As part of the A.P. Moller - Maersk Group, we are committed to the UN Global Compact, we have recently participated in internal working groups on e.g. labour standard and responsible procurement. Safe and environmentally-friendly operations are imperative to Maersk Drilling, and we intend to increase our focus on social issues in the next few years.

Social performance

Our employees				
		2007[a]	2008[a]	**2009**
Number of employees[b]		–	–	**2,867**
Employee engagement[c]	%	72	69	**70**
Performance appraisals	%	–	–	**26**

Safety						
		2007[a]	2008[a]	**2009**	benchmark	target 2010
Lost time injury frequency (LTIF)[d]	frequency	1.67[e]	1.09	**0.76**	1.88[f]	1.1
Fatalities	number	0	0	**2**[g]	–	0

Environmental performance[h]

Energy consumption				
		2007[a]	2008[a]	**2009**
Fuel oil	1,000 tonnes	61.00	74.00	**76.15**
Diesel	1,000 tonnes	0.00	0.00	**0.00**
Natural gas	1,000 tonnes	81.00	56.00	**0.00**
Electricity	1,000 MWh	–	3.70	**4.83**
Direct energy consumption by primary energy source	GJ	–	–	**3,375,660.20**
Energy intensity	MJ/USD turnover	–	–	**2.03**
Greenhouse gas (GHG) emissions				
GHG emissions	1,000 tonnes CO_2 eq	406.40	766.67	**245.53**
Direct GHG emissions (Scope 1 GHG Protocol)				
CO_2	1,000 tonnes	406.16	718.94	**242.62**
CH_4	1,000 tonnes CO_2 eq	0.24	44.13	**0.34**
N_2O	1,000 tonnes CO_2 eq	0.20	3.60	**1.15**
HFC	tonnes CO_2 eq	n/a	n/a	**n/a**
PFC	tonnes CO_2 eq	n/a	n/a	**n/a**
SF_6	tonnes CO_2 eq	n/a	n/a	**n/a**
Indirect GHG emissions (Scope 2 GHG Protocol)				
CO_2	1,000 tonnes	0.00	0.83	**1.41**
CH_4	1,000 tonnes CO_2 eq	–	–	**0.00**
N_2O	1,000 tonnes CO_2 eq	–	–	**0.01**
GHG intensity	kg CO_2 / USD turnover	–	–	**0.15**
Other air emissions				
SO_x	1,000 tonnes	0.01	0.35	**0.30**
NO_x	1,000 tonnes	0.49	7.99	**5.64**
VOCs	1,000 tonnes	0.02	0.00	**0.10**
Particulate matters	1,000 tonnes	0.00	0.00	**0.00**
Other environmental impacts				
Steel consumption	1,000 tonnes	–	–	**0.00**
Waste total	1,000 tonnes	–	–	**42.00**
– recycled (composting, reused, recycled)	1,000 tonnes	–	–	**7.34**
– solid (landfill, on-site storage, incineration)	1,000 tonnes	–	–	**15.19**
– hazardous (controlled deposit)	1,000 tonnes	–	–	**19.47**
Water consumption	1,000 m^3	–	–	**193.87**
– surface water	1,000 m^3	–	–	**0.00**
– ground water	1,000 m^3	–	–	**0.00**
– rain water	1,000 m^3	–	–	**0.00**
– municipal water supplies/water utilities	1,000 m^3	–	–	**193.87**
Spills	m^3	–	–	**0.000**

Economic performance

		2007	2008	**2009**
Revenue	USD million	–	1,450[i]	**1,659**[i]
Electricity cost	USD million	–	–	–

n/a = Not applicable
– = Not available

[a] 2007 and 2008 environmental and safety data is collected for Maersk Drilling and Maersk FPSOs as one unit.

[b] Average number of full-time employees excluding jointly-controlled entities and discontinued operations.

[c] The number reflects the percentage of engaged employees who participated in the annual engagement survey. "Engaged" is the combination of satisfaction, pride, referral and intent to stay in the organisation.

[d] LTIF measures the number of lost time injuries excluding fatalities per million exposure hours.

[e] Figure is based on the Group reporting standard for 2007 (working hours), and the equivalent number in 2009 terms (exposure hours) is 1.08.

[f] International Association of Drilling Contractors Incidents Statistics Program 2009 Year to Date Summary Report by Category 3rd Quarter Numbers.

[g] One fatality took place at a facility not controlled by Maersk Drilling.

[h] Different conversion factors have been applied across the years and across various activities. Did not report electricity and flaring in 2007, which explains both low CO_2 and CH_4 emissions.

[i] Covers revenue for Maersk Drilling, Maersk FPSOs and Maersk LNG.

Assets

25 offshore drilling units

- 3 semi-submersibles
- 12 jack-up rigs

(1 is managed by EDC and not part of the data)

- 10 drilling barges

Maersk Drilling also operates three rigs under management contracts, which are included in the data.

MAERSK
FPSOs

Headquartered in Copenhagen, Denmark, Maersk FPSOs has offices in six countries, leasing out and operating mobile oil and gas production units to oil companies around the world. Maersk FPSOs owns and operates advanced mobile oil and gas production storage and offloading vessels (FPSOs). The FPSOs are leased on a day-rate basis.

Safety is a top priority at Maersk FPSOs and a number of safety initiatives were launched in 2009. The initiatives launched included:

- A campaign to increase awareness of the risk of hand and finger accidents
- An updated Health, Safety and Environment (HSE) handbook, providing a basic overview of our management system's key elements in order to increase HSE awareness among the crew.

ONE YEAR WITHOUT ANY LTIs

In 2009, Maersk FPSOs reached an impressive milestone, achieving one year without any lost time injuries, proving that it is possible to accomplish our overall target of zero injuries. By achieving this result, Maersk FPSOs compares favourably with industry peers within the offshore production sector.

In 2009, a fire broke out on one of our vessels, the Maersk Ngujima-Yin. An extensive investigation was launched immediately after the accident to ensure lessons were learned and incorporated into our management systems. The fire led to a number of technical improvements and changes in quality control. Furthermore, even though the immediate fire fighting was performed excellently, changes were made to fire protection and fire fighting support equipment.

IMPROVED LIFEBOATS

Lifeboats are built to save lives, but unfortunately accidents sometimes happen during the testing of the equipment. In 2008, an employee in our QM/HSE department set out to investigate why. The survey generated a number of new ideas. Based on these ideas, a new and safer lifeboat design was developed and commercialised in 2009.

In August 2009, Maersk FPSOs became the first company to ensure safer lifesaving equipment for their employees, ordering two 100-person lifeboat systems for the company's new ship, the Peregrino FPSO, which is currently under construction in Singapore.

Social performance

Our employees				
		2007[a]	2008[a]	**2009[b]**
Number of employees[c]		–	–	**875**
Employee engagement[d]	%	72	69	**59**
Performance appraisals	%	–	–	**26**

Safety						
		2007[a]	2008[a]	**2009**	benchmark	target 2010
Lost time injury frequency (LTIF)[e]	frequency	1.67[h]	1.09	**0.00**	–	1.1
Fatalities	number	0.00	0.00	**0**	–	0

Environmental performance[f]

Energy consumption				
		2007[a]	2008[a]	**2009**
Fuel oil	1,000 tonnes	61.00	74.00	**0.00**
Diesel	1,000 tonnes	0.00	0.00	**0.00**
Natural gas	1,000 tonnes	81.00	56.00	**29.17**
Electricity	1,000 MWh	0.00	3.70	**0.00**
Direct energy consumption by primary energy source sc	GJ	–	–	**1,014,311.37**
Energy intensity	MJ/USD turnover	–	–	**0.61**
Greenhouse gas (GHG) emissions				
GHG emissions	1,000 tonnes CO_2 eq	406.40	766.67	**548.21**
Direct GHG emissions (Scope 1 GHG Protocol)				
CO_2	1,000 tonnes	406.16	718.94	**525.38**
CH_4	1,000 tonnes CO_2 eq	0.24	44.13	**1.30**
N_2O	1,000 tonnes CO_2 eq	0.20	3.60	**2.89**
HFC	tonnes CO_2 eq	n/a	n/a	**n/a**
PFC	tonnes CO_2 eq	n/a	n/a	**n/a**
SF_6	tonnes CO_2 eq	n/a	n/a	**n/a**
Indirect GHG emissions (Scope 2 GHG Protocol)				
CO_2	1,000 tonnes	0.00	0.83	**18.50**
CH_4	1,000 tonnes CO_2 eq	–	–	**0.02**
N_2O	1,000 tonnes CO_2 eq	–	–	**0.13**
GHG intensity	kg CO_2 / USD turnover	–	–	**0.33**
Other air emissions				
SO_x	1,000 tonnes	0.01	0.35	**0.66**
NO_x	1,000 tonnes	0.49	7.99	**0.48**
VOCs	1,000 tonnes	0.02	0.00	**0.00**
Particulate matters	1,000 tonnes	0.00	0.00	**0.00**
Other environmental impacts				
Steel consumption	1,000 tonnes	–	–	**0.00**
Waste total	1,000 tonnes	–	–	**1.16**
– recycled (composting, reused, recycled)	1,000 tonnes	–	–	**0.32**
– solid (landfill, on-site storage, incineration)	1,000 tonnes	–	–	**0.46**
– hazardous (controlled deposit)	1,000 tonnes	–	–	**0.38**
Water consumption	1,000 m^3	–	–	**16.23**
– surface water	1,000 m^3	–	–	**0.00**
– ground water	1,000 m^3	–	–	**0.00**
– rain water	1,000 m^3	–	–	**0.00**
– municipal water supplies/water utilities	1,000 m^3	–	–	**16.23**
Spills (oil)	m^3	–	–	**2,500**

Economic performance

		2007	2008	**2009**
Revenue	USD million	–	1,450[g]	**1,659[g]**
Electricity cost	USD million	–	–	–

n/a = Not applicable
– = Not available

[a] All 2007 and 2008 environmental and safety data is collected for Maersk Drilling and Maersk FPSOs as one unit.

[b] Safety data, but not environmental data is reported for LNG ships.

[c] Average number of full-time employees excluding jointly-controlled entities and discontinued operations.

[d] The number reflects the percentage of engaged employees who participated in the annual engagement survey. "Engaged" is the combination of satisfaction, pride, referral and intent to stay in the organisation.

[e] LTIF measures the number of lost time injuries excluding fatalities per million exposure hours.

[f] Different conversion factors have been applied across the years and across various activities. Did not report electricity and flaring in 2007, which explains both low CO_2 and CH_4 emissions.

[g] Figure covers revenue for Maersk Drilling, Maersk FPSOs and Maersk LNG.

[h] Figure is based on the Group reporting standard for 2007 (working hours). The equivalent number in 2009 terms (exposure hours) is 1.08.

Assets

- 3 FPSOs (Floating Processing, Storage and Offloading units)
- 1 FGSO (Floating Gas, Storage, Offloading)
- 1 MOPU (Mobile Offshore Production Unit)
- 7 LNG ships (5 fuel diesel electric and 2 steam ships.)

MAERSK LINE

Maersk Line is one of the leading shipping companies in the world, serving customers and transporting containers all over the globe. Our fleet comprises more than 500 ships, and we have some 300 offices in over 125 countries.

For Maersk Line, the global financial crisis made 2009 the most challenging year in memory. Companies – including our customers – were forced to cut back, leading to a significant drop in both shipping rates and containerised transport. The business of Maersk Line was hit hard as a result, and revenues dropped.

As a consequence, we have accelerated our turn-around strategy and undertaken a thorough review of our business. The focus has been on reducing costs and adjusting the company to the new market realities.

Most importantly, we have worked to prepare Maersk Line for the future. A future in which we are accelerating our commitment to become a more sustainable company. "We firmly believe that the pursuit of a leadership position within sustainability is aligned with our company values but also that it will award us with a competitive edge through constant innovation and new business opportunities," says Eivind Kolding, CEO of Maersk Line.

A NEW ENVIRONMENTAL STRATEGY

A sustainable leadership position is not achieved by chance. Maersk Line has invested significantly in its management system and implemented a broad range of activities to save both energy and improve its environmental performance. Between 2002 and 2008, these initiatives – across our owned fleet – resulted in a 15% increase in energy efficiency per container shipped. We are very proud to report that we are among the best in our industry in terms of fuel efficiency, environmental performance and reduction of CO_2 emissions.

We also recognise that there are a number of areas in which we need to

improve our performance. To better understand the business risks and opportunities, we developed a new environmental strategy during 2009. The ambition of the EcoAdvantage strategy is captured in our environmental vision:

Maersk Line will be the recognised environmental leader in the container shipping industry. This will enable us to set the course for the industry and navigate the future more competitively, more profitably and more sustainably.

The main focus areas for our environmental strategy are:

- Reduction of environmental impacts
- Further integration of environmental aspects in decision-making
- Supplier management, with a particular focus on chartered ships
- Stakeholder engagement and partnerships
- Transparency and clear communication

Across these focus areas, several initiatives and projects have already been initiated. These projects will not only allow us to meet future regulations but also drive significant cost savings. Meeting sustainability-related expectations and requirements from customers and other stakeholders will be an important aspect of distancing Maersk Line from the rest of the container shipping industry.

TAKING THE LEAD

As a part of our drive to reduce our environmental footprint, Maersk Line has established targets for our major environmental impacts. Our main target is to reduce CO_2 emissions by 20% per container shipped from 2007 to 2017.

"We aim to achieve the targets through an increased focus on fuel efficiency, optimised operational processes and the potential use of other low-carbon solutions such as new fuel types. In addition to the environmental benefits, this will also afford Maersk Line significant cost reductions, as well as an attractive leadership position in the industry," says Søren Stig Nielsen, Senior Director of Sustainability at Maersk Line.

IMPROVED PROCEDURES AND INNOVATIONS

Maersk Line's major environmental impacts come from our own as well as time-chartered ships, which contribute more than 99% of our energy use and emissions. During 2009 we implemented a number of new procedures and initiatives to help reduce our emissions. These include an innovative – and now industry-wide – speed reduction programme called Super Slow Steaming. Driving our performance has been a key reason for setting up a central ship performance group and a central situational room that monitors and tracks our global operations.

Technological innovation further increases our ability to reach our CO_2 reduction targets. Maersk Line is aggressively pursuing technical solutions including waste heat recovery systems, which are standard on all our new ships (reducing CO_2 emissions by 10%). Two other examples are optimised hull designs (resulting in an almost 8% reduction in CO_2 emissions), and auto-tuning of our main engines.

Many other innovative solutions are being investigated and tested by Maersk Line together with Maersk Maritime Technology (our innovation department). Amongst a pipeline of more than 100 initiatives are the use of alternative energy sources such as biofuels, new types of hull paint, optimised propellers, air lubrication, fuel switches and new voyage planning systems.

ENGINE TESTS HAVE A BROAD IMPACT

Super slow steaming potentially reduces CO_2 emissions from ships by up to 20%. But will it harm the ship's engines? Since 2007, Maersk Line and Maersk Maritime Technology have been working to find out. Operating more than 100 of our owned container ships without significant restrictions on the main engine minimum load, we were able to demonstrate that engines can run safely with an operating load as low as 10%, rather than the 40%-60% previously recommended by the engine makers.

The increased flexibility in sailing speed is now resulting in significant CO_2 and fuel savings throughout the industry. As results were shared with engine manufacturers, they adjusted their guidelines and guarantees, and the rest of the industry soon followed. Maersk Line has implemented the slow steaming solution across its entire own fleet, and has encouraged the owners of its chartered fleet to follow suit.

The publication 'Sustainable Shipping' named Maersk Line 'Sustainable Shipping Operator of the Year' in 2009 for this initiative. According to Sustainable Shipping, we challenged industry perception and thereby brought about significant and immediate reductions in energy consumption and emissions.

FOR NIKE, MAERSK LINE IS A VALUED PARTNER

"We are largely dependent on our shipping partners to reduce emissions. We need suppliers to engage in an open and transparent dialogue," says Dawn Vance, head of Nike's Sustainable Global Logistics Infrastructure.

Nike has set a target of a 30% absolute reduction in CO_2 by 2020 for transport from factory to distributor using 2003 as baseline, and according to Vance, they need a lot of input and project ideas to reach that target.

"Maersk has turned out to be our most willing partner in sharing information on projects, including the details of project outcomes and transport solutions' design. On top of that, they have really good and innovative ideas for the future! Maersk has so far been a trusted partner for us," Vance says.

Maersk Line works with Nike, and several other clients and shipping businesses in the Clean Cargo Working Group to reduce environmental impacts in the supply chain.

SAFETY AWARD RECEIVED FOR HOLISTIC EFFORT

Besides environmental issues, safety remains another top priority for Maersk Line. In 2009, we were awarded the Lloyds' List award for safety, in recognition of our holistic and multifaceted approach to the personal safety of our employees.

The main elements of our safety management programme are:

Targeted tools: Management receives leadership tools and KPI reports, while safety for operational staff is focused on good risk management, transparent reporting and clear instructions.

Leadership: We have built and rolled out a Global Safety Ambassadors' programme, which focuses on training the captains in safety leadership and conduct. At the end of 2009, 138 captains had completed the two-day course, out of a target group of 356.

Personal responsibility: With leadership and management structures in place, we are now focusing on building a sustainable safety culture. We are driving this through campaigns and communication initiative.

As Arnab Chakravorty, safety manager at Maersk Line, says: "You can't write an instruction which says 'Please don't fall down the stairs'. Avoiding accidents comes through changes in behaviour and preventive techniques." In 2009, Maersk Line ran the campaign "Slips, trips and falls". In 2010, a new campaign will be launched focussing on safer mooring.

ADDRESSING ISSUES WITH STAKEHOLDERS

Our change process has motivated us to seek out new relationships with stakeholders. These efforts turned out to be beneficial to the company in 2009.

"We began a more open dialogue process with stakeholders – especially those whom we hadn't talked to before," says Søren Stig Nielsen. "We recognised the need to better explain our

ambitions and also to listen to those who are critical of our performance. As we continue to engage we expect to see further benefits. We are certainly learning a lot and we hope that the dialogue helps our stakeholders broaden their understanding of our business as well," he continues.

"We recognised the need to better explain our ambitions and also to listen to those who are critical of our performance. As we continue to engage, we expect to see further benefits."

Søren Stig Nielsen, Senior Director of Sustainability at Maersk Line

Examples of our engagement with external stakeholders include:

Lay-up of ships

The community of Loch Striven in Scotland reacted angrily when six Maersk Line ships were laid up in the lake early in 2009. At first, their anger was directed at Maersk Line.

Initially, we directed their attention to the harbour authorities 'Clydeport' with whom we had negotiated the permit and placement of the lay-up. Later in the process, it became clear that we needed to engage with the community. We might not have had the legal responsibility, but as they were our ships, we were part of the issue.

A number of different activities designed to improve community relations were undertaken at the loch. Firstly, an acoustic survey was conducted which gave some indication that the fairly low noise-levels could be improved, and modifications were implemented. Secondly, the community were invited onto Maersk Beaumont for a tour of the ship. This was an important step, as it was the first time we organised a community meeting in the face of outspoken local criticism.

While not all residents are satisfied, most have acknowledged Maersk Line's effort to alleviate the problem (see box). "The Loch Striven case reminds us that we can turn a difficult situation into a positive one by being open and by engaging with the broader community. The way our organisation has handled this case makes me proud to work for Maersk Line," says Soren Andersen, Head of Fleet Management.

Illegal cargo

Shipment of contraband and illegal cargo is a growing international challenge for both the world customs authorities and shipping lines such as Maersk Line. Despite significant collaborative efforts, we are only able to assume limited responsibility for the cargo inside the containers we transport. When shippers or customers have sealed the containers and delivered them to us, we are not authorised to open them. The situation is similar to that of an airline or postal service, which cannot take responsibility for the content of the millions of suitcases or packages they transport or distribute every day.

Through our IT systems and our dedicated security functions, we address part of the issue of illegal cargo by applying screening procedures and consulting lists of registered shippers. This allows us to avoid some of the shippers with a poor performance. These lists may be provided by authorities or non-governmental organisations. We screen all bookings of tuna to ensure that we only accept bookings from shippers that are known to operate legally using internationally-recognised fishing practices.

HOW THE LOCALS SEE IT

In an e-mail to Maersk Line, Mary and Jim Lamb (photo), who lives right next to the lay-up site on Loch Striven, wrote:

"Maersk ... have been courteous and sympathetic towards our concerns. We enjoyed a wonderful afternoon as guests on board the vessels. ... We now realise that ... it is a situation none of us can help. With that in mind we must move forward in co-operation and we at Clan Lamont wish to help and co-operate."

Social performance

Our employees				
		2007	2008	**2009**
Number of employees[a]		–	–	**26,645**
Employee engagement[b]	%	66	63	**66**
Performance appraisals	%	–	–	**51**

Safety						
		2007	2008	**2009**	benchmark	target 2010
Lost time injury frequency (LTIF)[c]	frequency	–	1.07	**0.86**	–	0.63[d]
Fatalities	number	0	5	**0**	–	0

Environmental performance[f]

Energy consumption				
		2007[g]	2008[h]	**2009[e]**
Fuel oil	1,000 tonnes	11,681.00	11,582.04	**9,537.27**
Diesel	1,000 tonnes	–	105.33	**13.32**
Natural gas	1,000 tonnes	–	0.26	**3.94**
Electricity	1,000 MWh	–	109.65	**107.48**
Direct energy consumption by primary energy source	GJ	–	–	**386,296,202.60**
Energy intensity	MJ/USD turnover	–	–	**20.13**
Greenhouse gas (GHG) emissions				
GHG emissions	1,000 tonnes CO_2 eq	36,619.66	37,889.04	**30,002.33**
Direct GHG emissions (Scope 1 GHG Protocol)				
CO_2	1,000 tonnes	36,376.00	36,138.91	**29,755.21**
CH_4	1,000 tonnes CO_2 eq	67.18	53.07	**42.92**
N_2O	1,000 tonnes CO_2 eq	176.48	152.61	**144.24**
HFC	tonnes CO_2 eq	n/a	n/a	**n/a**
PFC	tonnes CO_2 eq	n/a	n/a	**n/a**
SF_6	tonnes CO_2 eq	n/a	n/a	**n/a**
Indirect GHG emissions (Scope 2 GHG Protocol)				
CO_2	1,000 tonnes	–	39.25	**59.68**
CH_4	1,000 tonnes CO_2 eq	–	–	**0.04**
N_2O	1,000 tonnes CO_2 eq	–	–	**0.25**
GHG intensity	kg CO_2 / USD turnover	–	–	**1.56**
Other air emissions				
SO_x[i]	1,000 tonnes	545.39	602.00	**563.12**
NO_x	1,000 tonnes	905.96	859.27	**758.08**
VOCs	1,000 tonnes	0.00	15.47	**12.15**
Particulate matters	1,000 tonnes	38.95	28.46	**71.71**
Other environmental impacts				
Steel consumption	1,000 tonnes	–	–	**0.00**
Waste total[j]	1,000 tonnes	–	–	**6.35**
– recycled (composting, reused, recycled)	1,000 tonnes	–	–	**4.52**
– solid (landfill, on-site storage, incineration)	1,000 tonnes	–	–	**1.83**
– hazardous (controlled deposit)	1,000 tonnes	–	–	**0.00**
Water consumption	1,000 m³	–	–	**327.66**
– surface water	1,000 m³	–	–	**0.00**
– ground water	1,000 m³	–	–	**14.72**
– rain water	1,000 m³	–	–	**0.00**
– municipal water supplies/water utilities	1,000 m³	–	–	**312.94**
Spills	m³	–	–	**0.00**

Economic performance

		2007	2008	**2009**
Revenue	USD million	–	26,846[k]	**19,192[k]**
Electricity cost	USD million	–	–	**11.08**

n/a = Not applicable
– = Not available

[a] Average number of full-time employees excluding jointly-controlled entities and discontinued operations.

[b] The number reflects the percentage of engaged employees who participated in the annual engagement survey. "Engaged" is the combination of satisfaction, pride, referral and intent to stay in the organisation.

[c] LTIF measures the number of lost time injuries excluding fatalities per million exposure hours.

[d] Target includes Maersk Line (land and ships) only.

[e] 2009 environmental data includes extrapolated data for Maersk Line (land), and Safmarine (land). Also, full-year data for Maersk Line ships and Maersk Line Limited are included.

[f] Different conversion factors have been applied across the years and across various activities. Safmarine (land) offices are included in 2008 and 2009 environmental data.

[g] In 2007 only Maersk Line ships reported environmental data.

[h] 2008 environmental data includes owned ships, chartered ships and Maersk Line Limited.

[i] Sulphur content in fuel oil varies from 2007 to 2008.

[j] Waste total is the sum of the waste reported to be recycled and sent to landfill and incineration. Reported waste figures for ships have been estimated based on type of waste and port of discharge.

[k] Figure reflects total revenue for our container business which includes Maersk Line, Safmarine, Container Inland Services and Maersk Container Industry.

Assets

- 427 container ships (195 own and 232 chartered)

MAERSK OIL

Maersk Oil is an international oil and gas company with production and exploration activities in several locations. We are present in Denmark, the UK, Qatar, Kazakhstan, Algeria, Angola, Brazil, Norway and the US Gulf of Mexico.

Maersk Oil invests extensively in exploration every year, and 2009 saw significant discoveries in Angola and the UK. We also acquired interests in oil fields in the Norwegian Sea and the US Gulf of Mexico, underlining the Group's focus on the oil and gas business.

Our direction and activities to replace reserves and ensure continued growth has been reinforced. We are committed to producing oil and gas sustainably to enhance shareholder value and stimulate economic progress.

MANAGING THE ENVIRONMENT

Maersk Oil recognises the need for a structured approach focusing on risk management and continuous improvement when it comes to managing our impact on the environment.

"We believe it is essential that we systematically manage our impact on the environment. It may cost money short term but in the end it will strengthen our competitiveness if we are ahead of legislative and stakeholder requirements," says Tim Magee, Director of Corporate HSSEQ.

To achieve that, Maersk Oil is implementing environmental management systems (EMS) in all its main areas of operation. The EMS will be certified to ISO 14001:2004 standard in all units by the end of 2010. Certification of the EMS should, however, not be the end-point. The fundamental purpose of the EMS is to ensure that environmental risks are identified and managed in a systematic and thorough manner across Maersk Oil to support continuous improvement.

"While the aspects are often the same, the impacts vary depending on, for example, site-specific biodiversity and

the volumes of emissions and discharges. It is important that we have a detailed understanding of the local environment so that we can choose the most suitable solutions" says biologist Steffen Bach, Maersk Oil.

REDUCING GHG EMISSIONS

A new environmental strategy for Maersk Oil was approved in September 2009. One element in the strategy is the corporate targets for reducing Green House Gas (GHG) emissions.

The main target is to reduce CO_2, through more energy-efficient production methods and less flaring.

Our target is to reduce global CO_2 emissions from flaring by 50% in 2012 compared to 2007 levels. Flaring will still be needed for safety reasons.

We are optimising our production in our Danish operations. Furthermore, a triple redundant safety system designed to reduce the need for base flaring of gas was under development in 2009, and is scheduled to be tested on a North Sea platform in 2010.

In Qatar and Kazakhstan, the gas previously flared will be used as energy. We prefer to sell this energy, but infrastructure challenges remain, making it difficult to use and distribute the gas.

CO_2 – AN EMERGING BUSINESS OPPORTUNITY

As an environmentally-conscious company, we want to help fight climate change. Carbon Capture and Storage (CCS) and CO_2-based Enhanced Oil Recovery (EOR), where CO_2 is injected into the subsoil in order to increase oil recovery could turn out to be a key solution in combating climate change and the energy security challenges that the world is facing.

In 2009, Maersk Oil teamed up with two Finnish power producers and Maersk Tankers in a project to test CCS. The partners aim to capture CO_2 at a coal-fired power plant on Finland's west coast, transport it on Maersk Tankers' ships and store it in depleted oil and gas fields in the Danish part of the North Sea. In addition to storing CO_2, Maersk will also explore the potential for injecting CO_2 for enhanced oil recovery. The aim is to capture, transport and store in excess of 1.2 million tonnes of CO_2 per year, and the project aims to be in operation by 2015.

"The partnership is the first step for Maersk Oil to develop CCS as a potential business area," says Lars Hende, Director of Business Development. "Furthermore, the partnership is in line with our commitment to contribute in a responsible manner to solving the global challenge of climate change via sustainable solutions in the business areas in which the Group operates."

Maersk Oil became a full founding member of the Global Carbon Capture and Storage Institute (GCCSI) in 2009. In addition to GCCSI, Maersk Oil is a member of the London-based Carbon Capture and Storage Association, as well as an authorised stakeholder in the Carbon Sequestration Leadership Forum.

SAFETY: OUR LICENSE TO OPERATE

Oil and gas exploration and production are conducted in difficult working environments. Maersk Oil prioritises health and safety and strives to continuously improve its safety performance. Safe and reliable operations are key to our license to operate, and protecting the health and safety of our people is integral to our core values and business principles.

Conducting safe and reliable operations from incident-free worksites is an achievable goal. In Denmark, the crew on the Harald production facility set a Danish offshore safety record in platform safety: 10 years without a work-related incident. And in Qatar, we have recently achieved two years without a lost workday case on our offshore platforms.

But there is more to managing the safety of personnel than looking at accident statistics.

"The traditional measure of lost time injury frequency doesn't reflect our ability to control the major process safety risks of fire and explosion, and for the oil industry these types of risks have a much larger potential impact", says Tim Magee.

"We believe **it is important that we systematically manage our impact on the environment.** It may cost money short term but in the end it will strengthen our competitiveness because we are ahead of legislative and stakeholder requirements."

Tim Magee, Director of Corporate HSSEQ in Maersk Oil

During 2009, we initiated a new Process Safety Incident Frequency (PSIF) metric that enables us to track our progress in managing process safety related risks.

Global Process Safety training is being implemented at all company levels, to increase awareness of process safety and improve the management of major accident hazards. The programme will continue to evolve during 2010.

SAFETY CULTURE

We want to be recognised for our ability to consistently deliver a high safety performance. Over the years, we have achieved much and significantly reduced our lost time injury frequency. Recently, we have seen a tendency for this frequency to increase, and this is the subject of a detailed review and analysis to ensure that we understand why this is, and where we need to make additional efforts to achieve our ultimate goal of zero injuries in the workplace. Unfortunately, some incidents still occur because people do not follow procedures or 'do the right thing'. That is why we constantly need to maintain and improve our safety culture.

A clear focus on how our people should behave to protect themselves and their colleagues is crucial and our top management team is committed to supporting the right behaviour.

"Constant Care – one of our core values – is about making the time to plan so we spot any hazards with the potential to cause harm and take action to reduce risk. It is about looking after ourselves and everyone around us. Ultimately it is about returning home to our family and friends healthy and safe. We can only develop a safer working environment if everyone is fully committed to this task. We must want to do the right thing, the right way, at the right time, all the time – even when no-one is looking", says Tom van Leenen, Managing Director, Maersk Oil, UK.

Regrettably, in 2009 we had one fatality, when a contractor working with us on our Kazakhstan operations was the victim of a traffic accident.

MAIN ENVIRONMENTAL ASPECTS RELATED TO OIL AND GAS ACTIVITIES

Atmospheric emissions such as CO_2, NO_x, SO_x, CH_4 and other non-methane Volatile Organic Compounds (nmVOCs) generated from e.g. combustion of fossil fuels in turbines, flaring and venting of excess gas, and fugitive emission from storage and loading of oil.
Formation water (also called produced water) discharged in to the sea after being separated from the oil and gas on the production facilities. The formation water is treated before discharge, but may still contain traces of oil and chemicals.
Mud and cuttings from drilling activities containing traces of oil and chemicals.
Accidental discharges (reportable spills) Strenuous efforts are made to prevent such incidents, but accidental spillages of oil or chemicals do happen.
Waste management – all operations produce waste including: waste chemicals, waste oil, paper, scrap metal, glass and wood.
Use of natural resources – use of freshwater and local energy sources.

Read more on www.maerskoil.com

Social performance

Our employees				
		2007	2008	**2009**
Number of employees[a]		–	–	**2,631**
Employee engagement[b]	%	67	72	**74**
Performance appraisals	%	–	–	**68**

Safety						
		2007	2008	**2009**	benchmark	target 2010
Lost time injury frequency (LTIF)[c]	frequency	1.53	1.96	**2.16**	0.55[d]	1.46
Fatalities	number	0	0	1	–	0

Environmental performance[e]

Energy consumption				
		2007	2008[f]	**2009[g]**
Fuel oil	1,000 tonnes	0.00	90.08	**86.02**
Diesel	1,000 tonnes	112.00	60.31	**89.13**
Natural gas	1,000 tonnes	778.00	817.84	**758.53**
Electricity[h]	1,000 MWh	5.00	10.15	**5.33**
Direct energy consumption by primary energy source	GJ	–	–	**29,169,849.84**
Energy intensity	MJ/USD turnover	3.60	–	**3.23**
Greenhouse gas (GHG) emissions				
GHG emissions	1,000 tonnes CO_2 eq	6,505.71	5,127.80	**4,903.32**
Direct GHG emissions (Scope 1 GHG Protocol)				
CO_2	1,000 tonnes	6,050.40	4,877.43	**4,533.00**
CH_4	1,000 tonnes CO_2 eq	436.68	169.05	**257.96**
N_2O	1,000 tonnes CO_2 eq	13.28	81.10	**75.58**
HFC	tonnes CO_2 eq	–	2,479.62	**3,976.83**
PFC	tonnes CO_2 eq	–	0.00	**0.00**
SF_6	tonnes CO_2 eq	–	0.00	**0.00**
Indirect GHG emissions (Scope 2 GHG Protocol)				
CO_2	1,000 tonnes	5.35	10.92	**7.69**
CH_4	1,000 tonnes CO_2 eq	–	–	**20.60**
N_2O	1,000 tonnes CO_2 eq	–	–	**4.51**
GHG intensity	kg CO_2 / USD turnover	–	–	**0.54**
Other air emissions				
SO_x	1,000 tonnes	11.48	7.01	**6.39**
NO_x	1,000 tonnes	16.71	14.63	**20.37**
VOCs	1,000 tonnes	15.63	13.47	**4.50**
Particulate matters	1,000 tonnes	–	–	–
Other environmental impacts				
Steel consumption	1,000 tonnes	–	–	**–**
Waste total	1,000 tonnes	–	–	**11.94**
– recycled (composting, reused, recycled)	1,000 tonnes	–	–	**6.14**
– solid (landfill, on-site storage, incineration)	1,000 tonnes	–	–	**3.85**
– hazardous (controlled deposit)	1,000 tonnes	–	–	**1.95**
Water consumption	1,000 m^3	–	–	**–**
– surface water	1,000 m^3	–	–	**–**
– ground water	1,000 m^3	–	–	**–**
– rain water	1,000 m^3	–	–	**–**
– municipal water supplies/water utilities	1,000 m^3	–	–	**–**
Spills	m^3	–	–	**0.00**

Economic performance

		2007	2008	**2009**
Revenue	USD million	–	13,494	**9,025**
Revenue	DKK million	–	68,743	**48,362**
Electricity cost	USD million	–	–	**–**

– = Not available

[a] Average number of full-time employees excluding jointly-controlled entities and discontinued operations.

[b] The number reflects the percentage of engaged employees who participated in the annual engagement survey. "Engaged" is the combination of satisfaction, pride, referral and intent to stay in the organisation.

[c] LTIF measures the number of lost time injuries excluding fatalities per million exposure hours.

[d] International Association of Oil & Gas Producers, Safety Performance Indicators – 2008 data, Report No. 419, May 2009.

[e] Different conversion factors have been applied across the years and across various activities.

[f] Reduction in CH_4 is caused by reduction in flaring and use of different conversion factors.

[g] Emissions and energy use from onshore offices not included in 2009.

[h] Not all countries reported electricity in 2007.

Assets

36 production units

- 17 offshore installations (9 in Qatar, 8 manned in Denmark)
- 13 satellite installations (unmanned)
- 2 onshore installations
- 2 floating production, storage and offloading (FPSO) units
- 1 floating production unit
- 2 floating storage offloading (FSO) units

MAERSK
SUPPLY SERVICE

Maersk Supply Service serves the offshore industry with over 60 ships, employing approximately 2,400 people and operating in all major deep-water regions world-wide.

While Maersk Supply Service had a profitable year in 2009, adding 15 new ships to its fleet, it was also a challenging year for the company. Like most other companies, the global financial climate was our main business challenge, but we have also been simplifying and making our organisation more efficient.

Nevertheless, we have not lost sight of our main sustainability challenges. The safety of our people – or others who are on board our ships – is imperative for our business and remains our most material issue.

Another issue of increasing importance is our environmental impact, an issue within which we want to improve our performance and meet upcoming demands ahead of time.

A COMPETENT SAFETY ORGANISATION

"We want to show our stakeholders – employees, customers, shareholders - that we can competently manage safety in all our operations," says Carsten Plougmann Andersen, CEO of Maersk Supply Service.

This is a challenging job, since Maersk Supply Service roles include subsea support, transport of equipment to drilling rigs and production units, anchor handling in ultra-deep water, mooring installations and towage of offshore structures, drilling rigs and barges.

To navigate these tasks safely, a dedicated Maersk Supply Service safety department was established in 2008. The department's initial task was to place safety high on everyone's agenda, which was achieved through a two-tiered process:

- Investigation of all serious accidents or incidents with a potential for serious injury, the results of which were then communicated to the fleet with the involvement of the company's top management.

- Visits to ships to audit compliance with procedures and requirements.

"Those two activities allowed us to see where our weaknesses were. We found that we could improve on near-miss reporting, on the attitude towards risk assessment and compliance with procedures," explains David Blencowe, Director of Health, Safety, Environment and Quality at Maersk Supply Service .

A system to increase communication and create incentives for the ships to focus on near-miss reporting was implemented, resulting in an increase from less than 800 reports in 2007 to 1,600 in 2009. In 2009, we developed and tested a new safety observation card for reporting near-misses and unsafe acts and conditions, which ties in with the systems used by our customers. This will be implemented across our fleet in 2010.

We also managed to close in on the goal of a workplace free of incidents, ending 2009 on a LTIF figure of 0.69.

Over the year, the majority of captains and chief engineers talked to HSEQ about safety as part of their annual performance appraisal.

"This is a great way to get the central safety message across: 'Be safe, think things through, consider what can harm you – and if you don't feel safe: Stop'," Blencowe says.

A STRATEGY FOR ENVIRONMENTAL PERFORMANCE

In accordance with the Group environmental strategy, in 2009 Maersk Supply Service developed its environmental strategy with a focus on eco-efficiency. We will be focussing on four specific areas:

1. Reducing CO_2 by 5% by the end of 2011. This is a goal we can only reach by working with our customers, as they alone decide on our sailing patterns. We will initiate this dialogue in 2010.

2. Reducing the amount of oily waste discharged ashore. In 2009, we invested in better separators on board our ships to reduce the amount of water in the waste, thereby reducing the volume landed. Over the year, we achieved a reduction of 20%, which also has a positive impact on our costs.

3. Reducing the amount of chemicals used on board our ships, where in 2009 we worked to establish a baseline for future reductions.

4. Reducing garbage disposal.

"We want to show our stakeholders – employees, customers, shareholders – that **we can competently manage safety in all our operations.**"

Carsten Plougmann Andersen, CEO of Maersk Supply Service.

Also in 2009, we held e-training sessions for 85% of all officers in our company and 95% of office staff in environmental awareness, in total more than 750 people.

Finally, we are part of a Group initiative to investigate the use of bio-fuels.

HOW TO COMMUNICATE SAFETY?

Maersk Supply Service focused heavity on communication of safety issues in 2009. A quarterly newsletter and monthly posters with real people celebrating achievements or explaining the reality of safety at their workplace is distributed across the organisation. Safety is on the agenda of all management meetings and the results of quarterly safety reviews are sent to the entire fleet.

But the most important tool has turned out to be sharing lessons learned from actual accidents or incidents. And surprisingly, the most effective form of communication has turned out to be a simple exercise: bringing people who have been part of an accident into the office to talk the events through.

"It allows us to learn much more. And sometimes we have had these crew members write their stories themselves in our newsletter. The effect of this is much bigger than anything the safety organisation may come up with. At the same time, we are appointing safety ambassadors in the organisation," says David Blencowe.

Social performance

Our employees				
		2007	2008	**2009**
Number of employees[a]		–	–	**2,412**
Employee engagement[b]	%	65	72	**75**
Performance appraisals	%	–	–	**3**

Safety						
		2007	2008	**2009**	benchmark	target 2010
Lost time injury frequency (LTIF)[c]	frequency	2.34	1.43	**0.69**	1.19[d]	1.1
Fatalities	number	0	0	**0**	–	0

Environmental performance[f]

Energy consumption				
		2007	2008	**2009**[e]
Fuel oil	1,000 tonnes	239.80	233.57	**243.63**[g]
Diesel	1,000 tonnes	0.00	0.00	**0.00**
Natural gas	1,000 tonnes	0.00	0.00	**0.00**
Electricity	1,000 MWh	0.00	0.00	**0.00**
Direct energy consumption by primary energy source	GJ	–	0.00	**10,668,767.85**
Energy intensity	MJ/USD turnover	–	–	**14.24**
Greenhouse gas (GHG) emissions				
GHG emissions	1,000 tonnes CO_2 eq	790.93	760.61	**779.53**
Direct GHG emissions (Scope 1 GHG Protocol)				
CO_2	1,000 tonnes	764.60	735.09	**774.75**
CH_4	1,000 tonnes CO_2 eq	1.79	1.06	**1.10**
N_2O	1,000 tonnes CO_2 eq	3.62	3.53	**3.68**
HFC	tonnes CO_2 eq	n/a	n/a	**n/a**
PFC	tonnes CO_2 eq	n/a	n/a	**n/a**
SF_6	tonnes CO_2 eq	n/a	n/a	**n/a**
Indirect GHG emissions (Scope 2 GHG Protocol)				
CO_2	1,000 tonnes	0.00	0.00	**0.00**
CH_4	1,000 tonnes CO_2 eq	–	–	**0.00**
N_2O	1,000 tonnes CO_2 eq	–	–	**0.00**
GHG intensity	kg CO_2 / USD turnover	–	–	**1.04**
Other air emissions				
SO_x[g]	1,000 tonnes	0.78	2.29	**1.05**
NO_x	1,000 tonnes	18.94	18.35	**18.13**
VOCs	1,000 tonnes	0.00	0.29	**0.31**
Particulate matters	1,000 tonnes	0.00	0.00	**0.15**
Other environmental impacts				
Steel consumption	1,000 tonnes	–	–	**0.00**
Waste total	1,000 tonnes	–	–	**4.66**
– recycled (composting, reused, recycled)	1,000 tonnes	–	–	**0.00**
– solid (landfill, on-site storage, incineration)	1,000 tonnes	–	–	**4.66**
– hazardous (controlled deposit)	1,000 tonnes	–	–	**0.00**
Water consumption	1,000 m^3	–	–	**0.00**
– surface water	1,000 m^3	–	–	**0.00**
– ground water	1,000 m^3	–	–	**0.00**
– rain water	1,000 m^3	–	–	**0.00**
– municipal water supplies/water utilities	1,000 m^3	–	–	**0.00**
Spills (oil)	m^3	–	–	**1,150**

Economic performance

		2007	2008	**2009**
Revenue	USD million	–	712	**749**
Electricity cost	USD million	–	–	**0.00**

n/a = Not applicable
– = Not available

[a] Average number of full-time employees excluding jointly-controlled entities and discontinued operations.

[b] The number 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.

[c] LTIF measures the number of lost time injuries excluding fatalities per million exposure hours.

[d] Marine Safety Forum 2009: www.marinesafetyforum.org/upload-files//notices/hse-data-amm-261109-g-henderson.pdf.

[e] 2009 environmental data is based on extrapolated data from the first nine months.

[f] Different conversion factors have been applied across the years and across various activities.

[g] Fuel consumption has been entered as fuel oil, although almost 90% of the fuel is marine gas oil. However, the right sulphur fraction has been applied according to its various proportions in the fuel used. Our reporting manual does not yet have a conversion factor for marine gas oil and the one for fuel oil has been used resulting in higher GHG figures.

[h] Fuel oil sulphur content varies.

Assets

63 ships

- 47 anchor-handling tug supply ships and multipurpose support vessels
- 11 platform supply ships
- 3 craned offshore support ships
- 2 field and subsea support ships

MAERSK TANKERS

Maersk Tankers operates a large fleet of crude oil carriers, product tankers and gas carriers. We are headquartered in Copenhagen, Denmark and have offices in Japan, Singapore, China, South Korea, the USA, Sweden, France and Italy. Around 3,000 people work for us, including seafarers and shorestaff.

Highly dependent on the oil industry, the reduced global demand for oil put tanker shipping companies under pressure in 2009. In January, Maersk Tankers acquired Broström, forming the world's leading product tanker company with a combined fleet of around 275 product tanker ships. The integration of Broström was a main priority in 2009.

We believe the rules of doing business have permanently changed. Looking ahead, we must focus on maintaining a competitive edge through maximising our performance. We recognise that these new market conditions call for new ideas to keep us ahead of our competitors.

"Sustainability is the new way of doing our business and delivering our services," says Søren Skou, CEO of Maersk Tankers. "In all areas of operations, we need to strive for continuous, socially responsible improvement in our performance."

VISION: RECOGNISED SUSTAINABLE LEADER

In this environment, we prepared a sustainability strategy 2009. It supports our business strategy and provides a competitive advantage through cost savings and cost avoidance, more effective and environmentally-friendly operations, creation of innovative business opportunities and the ability to attract and retain engaged employees. Our vision is to be positioned as a recognised sustainable leader in the tanker industry.

As part of the strategy process, we have consulted employee engagement surveys, analysed tenders and reviewed customer audits for trends and opinions on our stakeholders' preferences.

The results were apparent across the board, costs and safety are of the highest concern and requests for proof of sound environmental management are also beginning to show.

Safety and the environment constitute the mainstay of our sustainability strategy. We have recently included CSR, and aim to ensure that our organisation is capable of implementing the Group programmes of responsible procurement, labour rights and anti-corruption.

COST: REDUCTIONS BY OPTIMISATION

Throughout 2009, the focus of our business was on cost reductions. Some of these have been achieved through a dedicated emphasis on analyses and tests of possible methods for fuel optimisation and other efficiencies. Among these are slow steaming and a related concept 'virtual arrival', which through cooperation with customers permits Maersk Tankers to optimise sailing (see text box on page 89).

Thus far, many of our projects have been through the test phase and proven viable in terms of costs and benefits.

"Sustainability is the new way of doing our business and delivering our services. In all areas of operations we need to strive for continuous, socially responsible improvement in our performance."

Søren Skou, CEO of Maersk Tankers

We aim to apply these – and others that may be found and proven at a later stage – to our entire fleet.

FOCUS: HEALTH, SAFETY AND SECURITY

The highest safety, health and security standards are pivotal to operating successfully in our industry. Since the release of our last 2007/2008 HSE Action Plan in this area, we have achieved a number of improvements:

- All round quality improvement in safety and environmental reporting and the responses to reports. Responsible parties have, since 2008, been designated to review, investigate and impart constructive responses to submitted reports; this in turn has reduced the number of unresolved reports in our safety reporting system.
- Near-miss reporting has increased nearly 70%. This equates to an in-

crease in hazard-spotting and safety awareness, which in turn leads to an improved organisational safety culture.

- Ships have been encouraged to formulate their own safety initiatives, fostering a proactive onboard approach to safety.

- The focus on knowledge-sharing has been a key issue. Maersk Tankers and Broström have both participated in industry knowledge-sharing events, with important information from these events being cascaded down to our ships.

For 2010, we have a Sustainability Action Plan including 10 items for safety, health and security covering campaigns, safety training, analysis of data for trends as well as security training and drills.

ENVIRONMENT: 'HIGH BUT ACHIEVABLE TARGETS'

In terms of environmental issues, Maersk Tankers recognises that it is part of the problem, but also part of the solution. The sustainable development of our business unit includes the development of environmentally-sound solutions to the challenges relating to the environment and climate change.

"Good environmental solutions offer a competitive edge to our business. They improve risk management and make us less exposed to the compliance costs related to the increasing amount of environmental regulations. Equally important, they bring benefits to our employees, the environment and the communities in which we operate," explains Maurice Meehan, Environmental Manager for Maersk Tankers.

Setting high but achievable targets is our preferred approach to realising improvements in our performance. The prime example of this is our reduction target for CO_2 emissions: we aim to achive a relative 15% reduction between 2007 and 2015 for all ships. To align with Group strategy, we have a sub-target to reduce our emissions (also relative) by 5% by 2012.

Meeting this target will require a combination of initiatives within new technologies, optimised operation of ships, improved communication between sea and shore and investigation of alternative fuels.

PERFORMANCE IS KEY

The general trend shows an improvement in our environmental performance from 2008 to 2009. The main contributing factors are a range of focused efforts to limit fuel consumption, instal technology which improves ship performance, and train employees in environmental management and awareness.

"We have to recognise that when we talk about Green Shipping, we are still talking in future terms, but we acknowledge that we cannot sit and wait for these technologies to become available. Running our ships with an increased focus on energy efficiency will give us immediate benefits from a cost perspective, an environmental perspective and also a social responsibility perspective," says Søren Skou.

Maersk Tankers have set targets for 11 areas in our action plan for 2010. These relate to our long-term environmental focus areas, which are:

- Air emission reduction targets
- Waste management
- Sustainable use of resources
- Chemical management
- ISO 14001 for entire fleet
- Increased environmental management and awareness

"At the moment, I don't think customers will choose us for our CO_2 cutting initiatives if we are more expensive. Especially in the spot market, where price is the main factor given current market conditions. But we are convinced that in the long term, enabling our customers to reduce their carbon footprints will give us a strong competitive edge," says Maurice Meehan.

VIRTUAL ARRIVAL

'Virtual arrival' provides the customer with the possibility of slow steaming a ship, when other factors such as congestion at the discharge port will cause waiting time. By slow steaming, a tanker will use less fuel oil and thereby reduce costs and CO_2 emissions.

'Virtual arrival' refers to the point in time when the ship would have arrived in port had it continued at the original speed set out in the Charter Party. The calculations require detailed input on consumption, weather forecasts and route details, and are made using a programme developed specifically for this purpose.

In September 2009, Maersk Tankers piloted the 'virtual arrival' concept on a voyage from Batumi in the Black Sea to the UK. 550 nautical miles from loading port, after passing the Bosporus Strait, the ship commenced slow-steaming. The result was a delay of 27 hours and savings of 58MT of fuel oil and 183MT of CO_2 emissions, which resulted both in an increase in profit of about 8-10% on Maersk Tankers' part (based on market conditions at the time) as well as improved CO_2 results.

Social performance

Our employees				
		2007	2008	**2009**[a]
Number of employees[b]		–	–	**2,964**
Employee engagement[c]	%	67	74	**67**[d]
Performance appraisals	%	–	–	**5**

Safety						
		2007	2008	**2009**	benchmark	target 2010
Lost time injury frequency (LTIF)[e]	frequency	0.59	1.38	**1.42**[f]	1.39[g]	0.6
Fatalities	number	0	0	**0**	–	0

Environmental performance[h]

Energy consumption				
		2007	2008	**2009**[a]
Fuel oil	1,000 tonnes	528.00	624.13	**456.43**
Diesel	1,000 tonnes	–	51.21	**51.65**
Natural gas	1,000 tonnes	38.10	–	–
Electricity	1,000 MWh	–	–	**0.00**
Direct energy consumption by primary energy source	GJ	–	–	**20,698,400.19**
Energy intensity	MJ/USD turnover	29.60	–	**17.75**
Greenhouse gas (GHG) emissions				
GHG emissions	1,000 tonnes CO_2 eq	1,775.00	2,211.91	**1,598.89**
Direct GHG emissions (Scope 1 GHG Protocol)				
CO_2	1,000 tonnes	1,764.86	2,111.19	**1,585.95**
CH_4	1,000 tonnes CO_2 eq	2.38	2.86	**2.11**
N_2O	1,000 tonnes CO_2 eq	7.98	9.69	**7.17**
HFC	tonnes CO_2 eq	n/a	n/a	**n/a**
PFC	tonnes CO_2 eq	n/a	n/a	**n/a**
SF_6	tonnes CO_2 eq	n/a	n/a	**n/a**
Indirect GHG emissions (Scope 2 GHG Protocol)				
CO_2	1,000 tonnes	–	–	**0.00**
CH_4	1,000 tonnes CO_2 eq	–	–	**0.00**
N_2O	1,000 tonnes CO_2 eq	–	–	**0.00**
GHG intensity	kg CO_2 / USD turnover	–	–	**1.37**
Other air emissions				
SO_x	1,000 tonnes	25.71	34.07	**18.87**
NO_x	1,000 tonnes	42.62	49.36	**36.20**
VOCs	1,000 tonnes	0.00	1.49	**0.58**
Particulate matters	1,000 tonnes	1.68	4.74	**3.46**
Other environmental impacts				
Steel consumption	1,000 tonnes	–	–	**0.00**
Waste total[i]	1,000 tonnes	–	–	**0.26**
– recycled (composting, reused, recycled)	1,000 tonnes	–	–	**0.24**
– solid (landfill, on-site storage, incineration)	1,000 tonnes	–	–	**0.03**
– hazardous (controlled deposit)	1,000 tonnes	–	–	**n/a**
Water consumption	1,000 m^3	–	–	**n/a**
– surface water	1,000 m^3	–	–	**n/a**
– ground water	1,000 m^3	–	–	**n/a**
– rain water	1,000 m^3	–	–	**n/a**
– municipal water supplies/water utilities	1,000 m^3	–	–	**n/a**
Spills	m^3	–	–	**0.00**

Economic performance

		2007	2008	**2009**
Revenue	USD million	–	940	**1,166**
Electricity cost	USD million	–	–	**0.00**

n/a = Not applicable
– = Not available

[a] Broström activities not included in environmental and safety data.

[b] Average number of full-time employees excluding jointly-controlled entities and discontinued operations.

[c] The number reflects the % of engaged employees who participated in the annual engagement survey. "Engaged" is the combination of satisfaction, pride, referral and intent to stay in the organisation.

[d] Includes both Maersk Tankers and Broström.

[e] LTIF measures the number of lost time injuries excluding fatalities per million exposure hours.

[f] This figure includes LPG's which are not under direct technical management of Maersk Tankers' Technical Operations.

[g] International Association of Independent Tanker Owners (INTERTANKO), www.intertanko.com.

[h] Different conversion factors have been applied across the years and across various activities.

[i] Data is based on landing of waste at Green Rated ports. Maersk Tankers rates Green Ports as those with the infrastructure available to manage waste landed to the highest environmental standards. Only waste landed at these Green Ports has been presented in this report. Waste from ships is measured in m^3, and a conversion factor of 1 has been used to convert amounts into tonnes.

Assets

166 ships

- 10 owned crude carriers
- 84 owned product tankers
- 51 chartered product tankers (not operated by us)
- 10 owned LPG carriers
- 11 chartered LPG carriers

Norfolkline operates passenger and freight ferries in Northern Europe, provides door-to-door logistics services across Europe, and has land-based locations in 13 countries.

At the end of 2009, Norfolkline was sold by the A.P. Moller - Maersk Group to the Danish company DFDS, in which the Group will subsequently hold a 31% share. The transaction is still subject to approval by competition authorities and a successful share issue by DFDS.

A possible sale had been on the agenda for most of the year and influenced our priorities: among other things, we did not build a sustainability strategy.

However, our main issues in terms of sustainability are clear to us. Norfolkline views the world in terms of the four Cs: cash (i.e. shareholders), customers, colleagues and climate, the fourth being a more recent addition.

Based on this stakeholder universe, we focus on the environment, safety and employee wellbeing. We outline our work to reduce our environmental impact below.

ATTACKING FUEL USE ON ALL FLANKS

Our environmental initiatives are in line with the Group's and revolve around reducing CO_2 and waste.

Norfolkline's target is to reduce CO_2 emissions by at least 5% (compared to a 2007 baseline) by 2012. Our main method of cutting CO_2 emissions is to reduce bunker fuel consumption by:

- slow steaming, i.e. reducing speed to use less fuel
- greater efficiency in ports, i.e., spending less time in ports
- optimal sailing during voyage.

On land, we are shifting to energy-efficient light bulbs and purchasing wind energy for our warehouses.

WORKING ON WASTE

Reduction of waste is a priority. On passenger ships, the waste consists of garbage as well as oil and fat from the kitchen. For the latter, our supply partner disposes of oil and fat through recycling. We aim to minimise our on board packaging and food waste by reducing the amount of packaging used, and producing the food on board, which produces a lower amount of surplus products.

For warehousing, we have worked to reduce the amount of waste going into normal waste streams, i.e. burning or landfill. Sorting allows for more by-products to enter regenerative waste streams, and was established in three locations in 2009. Our Belfast location reduced their contribution to normal waste streams by 70% and aims to have zero waste to landfill by the end of 2010.

Social performance

Our employees				
		2007	2008	**2009**
Number of employees[a]		–	–	**1,954**
Employee engagement[b]	%	60	65	**58**
Performance appraisals	%	–	–	**74**

Safety[f]						
		2007	2008	**2009**	benchmark	target 2010
Lost time injury frequency (LTIF)[c]	frequency	13.59	5.63	**6.38**[d]	2.5[e]	5.08
Fatalities	number	0	0	**0**	–	0

Environmental performance[f]

Energy consumption				
		2007	2008	**2009**
Fuel oil	1,000 tonnes	198.46	191.23	**191.20**
Diesel	1,000 tonnes	2.23	4.39	**8.29**
Natural gas	1,000 tonnes	0.00	0.00	**0.00**
Electricity	1,000 MWh	–	8.96	**9.80**
Direct energy consumption by primary energy source	GJ	–	–	**8,162,351.30**
Energy intensity	MJ/USD turnover	–	–	**9.81**
Greenhouse gas (GHG) emissions				
GHG emissions	1,000 tonnes CO_2 eq	627.46	628.48	**630.61**
Direct GHG emissions (Scope 1 GHG Protocol)				
CO_2	1,000 tonnes	625.12	619.31	**622.43**
CH_4	1,000 tonnes CO_2 eq	0.90	1.45	**0.86**
N_2O	1,000 tonnes CO_2 eq	1.43	3.43	**2.95**
HFC	tonnes CO_2 eq	n/a	n/a	**n/a**
PFC	tonnes CO_2 eq	n/a	n/a	**n/a**
SF_6	tonnes CO_2 eq	n/a	n/a	**n/a**
Indirect GHG emissions (Scope 2 GHG Protocol)				
CO_2	1,000 tonnes	–	4.29	**4.35**
CH_4	1,000 tonnes CO_2 eq	–	–	**0.00**
N_2O	1,000 tonnes CO_2 eq	–	–	**0.01**
GHG intensity	kg CO_2 / USD turnover	–	–	**0.76**
Other air emissions				
SO_x	1,000 tonnes	16.87	7.82	**7.98**
NO_x	1,000 tonnes	0.60	0.62	**15.14**
VOCs	1,000 tonnes	0.01	0.01	**0.31**
Particulate matters	1,000 tonnes	1.51	1.45	**1.36**
Other environmental impacts				
Steel consumption	1,000 tonnes	–	–	**0.00**
Waste total[g]	1,000 tonnes	–	–	**0.84**
– recycled (composting, reused, recycled)	1,000 tonnes	–	–	**0.03**
– solid (landfill, on-site storage, incineration)	1,000 tonnes	–	–	**0.81**
– hazardous (controlled deposit)	1,000 tonnes	–	–	**0.00**
Water consumption	1,000 m^3	–	–	**48.41**
– surface water	1,000 m^3	–	–	**0.00**
– ground water	1,000 m^3	–	–	**0.00**
– rain water	1,000 m^3	–	–	**0.00**
– municipal water supplies/water utilities	1,000 m^3	–	–	**48.41**
Spills	m^3	–	–	**0.00**

n/a = Not applicable
– = Not available

[a] Average number of full-time employees excluding jointly-controlled entities and discontinued operations.

[b] The number reflects the percentage of engaged employees who participated in the annual engagement survey. "Engaged" is the combination of satisfaction, pride, referral and intent to stay in the organisation.

[c] LTIF measures the number of lost time injuries excluding fatalities per million exposure hours.

[d] The LTIF increase from 2008 to 2009 is due to static LTI volume but reduced man hours causing frequency to increase.

[e] Port Skills & Safety Ltd www.portskillsandsafety.co.uk/safety

[f] Different conversion factors have been applied across the years and across various activities.

[g] A 1:1 conversion factor from cubic meters to tonnes has been used.

Economic performance

		2007	2008	**2009**
Revenue	USD million	–	1,068	**832**
Electricity cost	USD million	–	–	**1.81**

Assets

- 18 freight and passenger ferries
- Trailers and swap body trucks

Odense Lindø
Odense Steel Shipyard Ltd.

Odense Steel Shipyard Ltd. operates the shipyard at Lindø in Denmark and the Baltija Shipyard in Lithuania.

Odense Steel Shipyard is closely connected to the history of the A.P. Moller - Maersk Group. Founded in 1918 by Mr A.P. Moller, the shipyard has played a key role in developing the Group into a global player in the shipping industry. For decades, the ships from the Danish shipyard have been famed for their size, quality and innovative solutions, setting new standards in the industry.

But times are changing. Tough competition from Asian shipyards and overcapacity in the market have made the situation increasingly difficult during the past few years. The annual results for the past six years have been negative. The last ship on order will be delivered in 2011.

A TOUGH DECISION

Over the years, many initiatives have been taken to meet the challenges at Odense Steel Shipyard but in vain. In August 2009, we had to make the tough decision to close down the shipyard in its current set-up.

"We sincerely hoped that we could survive by increasing productivity and cutting costs. The economic crisis and the subsequent global stop to new-building orders extinguished our last hope of survival," explains Lars-Erik Brenøe, Chairman of the Board of Odense Steel Shipyard.

To end the run of a former cornerstone of the Group is a tough task, but our strategy is clear.

"The challenge for the shipyard is to ensure this exit is implemented with the pride and dignity this company deserves," says Brenøe. "We owe that to our customers and above all to the many employees who have spent a

large part of their working lives at this shipyard," he continues.

A NEW BUSINESS MODEL FOR THE YARD

A new business model has been launched for the shipyard area. It is split into two areas: a closing shipyard with the task of building the remaining 13 ships on order – and the establishment of an industrial park where facilities can be let to other industries.

Lindø Industrial Park is an important part of the exit strategy. Attracting new businesses to the area is the best way to soften the impact of the yard's closure. The facilities at the shipyard offer unique opportunities for heavy industry and such companies could employ a large portion of the employees made redundant by the closure of the shipyard.

The first customer, Fredericia Shipyard, quickly signed on, renting the original dock facilities and a number of buildings amounting to 10% of the shipyard's facilities. Fredericia Shipyard expects to employ about 400 people here.

Several other companies are showing interest, and we expect that more customers will follow.

PROVIDING HELP FOR EMPLOYEES

Despite the efforts to attract new business, reducing the number of employees at the shipyard is unavoidable. Odense Steel Shipyard has set up a 'Job House' providing services to ease our workers' transition to other employment.

In the Job House, representatives of the human resources department, employment consultants from surrounding municipalities and a representative from local educational institutions are present daily to assist in job searches, and writing applications and CVs, and provide sparring on future opportunities. They also organise job fairs and company visits to the shipyard, where prospective employers can browse the complete collection of CVs.

All redundancies are followed up by a five-day outplacement course mapping competencies and qualifications and the need for certification of qualifications. All employees are entitled to at least two weeks of training in the notice period.

LOCAL COMMUNITY IMPACT

"They created 50 years of growth in the area," says Palle Hansborg-Sørensen, who served as Mayor for 20 years until December 2009 in the municipality hosting Odense Steel Shipyard. "The relationship between the local authorities and the shipyard has always been good and professional. "We have always been informed in advance of anything major about to happen," he says.

Closing down the shipyard leaves the municipality with the challenge of unemployed workers.

"The redundancies will come gradually, but 1,500 unemployed are still 1,500 unemployed with very specialised competencies. We can't blame the company for closing, but it isn't easy for the municipality either," says Hansborg-Sørensen.

BALTIC SHIPYARDS

Odense Steel Shipyard had subsidiaries in Estonia and Lithuania. The closure of the shipyard in Denmark will have a major impact on these companies' business and employment. Accordingly, the Loksa Shipyard in Estonia with about 600 employees was sold to a local consortium in November 2009. The Baltija Shipyard in Lithuania with about 1,500 employees is likewise for sale, in order to secure continued business and employment.

ODENSE STEEL SHIPYARD IN BRIEF

- Odense Steel Shipyard was founded in 1918 by Arnold Peter Møller.
- The first ship, a steamship, was delivered on 26 May 1920.
- In total, the shipyard has delivered 413 new-buildings, including 250 to the A.P. Moller - Maersk Group.
- The shipyard has received several awards for its groundbreaking innovative shipbuilding design. In 1993 it delivered the world's first double hull super tanker, and in 2006 all records were broken when Emma Mærsk, the world's largest and most environmentally-friendly container ship, was delivered.
- Generally speaking, the shipyard has constantly redefined the design of containerships, e.g. inventing cell guide systems allowing more containers for the same hull size and developing fuel saving systems such as the waste heat recovery system (see page 76).

Social performance

Our employees				
		2007[a]	2008[a]	**2009**
Number of employees[b]		–	–	**4,546**
Employee engagement[c]	%	–	–	–
Performance appraisals	%	–	–	**8**

Safety						
		2007[a]	2008[a]	**2009**	benchmark	target 2010
Lost time injury frequency (LTIF)[d]	frequency	57.00	42.11	**33.20**	25.7[f]	27.8
Fatalities	number	0	0	**1**	-	0

Environmental performance[g]

Energy consumption				
		2007[a]	2008[a]	**2009[e]**
Fuel oil	1,000 tonnes	0.14	9.50	**6.13**
Diesel	1,000 tonnes	0.74	0.96	**0.72**
Natural gas	1,000 tonnes	4.78	6.73	**7.88**
Electricity	1,000 MWh	54.32	87.02	**78.02**
Direct energy consumption by primary energy source	GJ	–	–	**924,840.27**
Energy intensity	MJ/USD turnover	–	–	**1.19**
Greenhouse gas (GHG) emissions				
GHG emissions	1,000 tonnes CO_2 eq	34.03	92.55	**70.23**
Direct GHG emissions (Scope 1 GHG Protocol)				
CO_2	1,000 tonnes	14.26	48.88	**43.30**
CH_4	1,000 tonnes CO_2 eq	0.04	11.92	**0.04**
N_2O	1,000 tonnes CO_2 eq	0.02	0.47	**0.21**
HFC	tonnes CO_2 eq	–	141.57	**44.19**
PFC	tonnes CO_2 eq	–	0.00	**0.00**
SF_6	tonnes CO_2 eq	–	0.00	**0.00**
Indirect GHG emissions (Scope 2 GHG Protocol)				
CO_2	1,000 tonnes	19.72	31.15	**26.43**
CH_4	1,000 tonnes CO_2 eq	–	–	**0.02**
N_2O	1,000 tonnes CO_2 eq	–	–	**0.18**
GHG intensity	kg CO_2 / USD turnover	–	–	**0.09**
Other air emissions				
SO_x	1,000 tonnes	0.54	0.45	**0.13**
NO_x	1,000 tonnes	5.33	1.02	**0.79**
VOCs	1,000 tonnes	0.78	0.05	**0.05**
Particulate matters	1,000 tonnes	0.00	0.00	**0.02**
Other environmental impacts				
Steel consumption	1,000 tonnes	–	–	**102.06**
Waste total	1,000 tonnes	–	–	**22.39**
– recycled (composting, reused, recycled)	1,000 tonnes	–	–	**15.82**
– solid (landfill, on-site storage, incineration)	1,000 tonnes	–	–	**5.87**
– hazardous (controlled deposit)	1,000 tonnes	–	–	**0.70**
Water consumption	1,000 m^3	–	–	**170.00**
– surface water	1,000 m^3	–	–	**0.00**
– ground water	1,000 m^3	–	–	**0.00**
– rain water	1,000 m^3	–	–	**0.00**
– municipal water supplies/water utilities	1,000 m^3	–	–	**170.00**
Spills	m^3	–	–	**0.00**

– = Not available

[a] Did not report for the Baltic shipyards in 2007 and 2008.

[b] Average number of full-time employees excluding jointly-controlled entities and discontinued operations.

[c] Odense Steel Shipyard did not participate in the Group's annual Employee Engagement Survey in 2009. "Engaged" is the combination of satisfaction, pride, referral and intent to stay in the organisation.

[d] LTIF measures the number of lost time injuries excluding fatalities per million exposure hours.

[e] 2009 environmental data is based on extrapolated data from the first nine months.

[f] Confederation of Danish Employers (DA), Arbejdsulykker 2008, 7 July 2009 www.da.dk/bilag/Nyhedsbrev-Ulykke2008.pdf.

[g] Different conversion factors have been applied across the years and across various activities.

Economic performance

		2007[a]	2008[a]	**2009**
Revenue	DKK million	–	5,121	**4,231**
Electricity cost	USD million	–	–	**9.57**

Assets

- 1 steel shipyard
- 170,000 m^2 roofed building
- 86 cranes
- 83 trucks

Rosti

Rosti develops, manufactures and supplies plastic products to customers primarily in the electronics, medical, automotive and packaging industries. Rosti has 11 sites in nine countries on three continents.

Rosti continued to do well in 2009. Profits increased and are better than expected, despite lower sales due to the recession. Nevertheless, as part of the A.P. Moller - Maersk Group's strategy to divest activities outside its core businesses, the lion's share of Rosti was sold to Swedish group 'Stella Plastic Holding'. Rosti's US-based activities remains with the Group, and the buyers have an option to purchase these at a later date.

Rosti worked diligently on the main sustainability issues in 2009. Our main priorities were health and safety and the environment.

HEALTH AND SAFETY

Our lost time injury frequency figures have once again improved. This journey started in 2003, when we formally created management-driven systems and procedures to improve health and safety. Since then, the LTIF ratio has reduced from more than 18 cases per million hours worked to less than three in 2009.

Additionally, two of our production facilities achieved OSHAS18001 accreditation in 2009. Our goal is to have all remaining facilities accredited during 2010.

ENVIRONMENTAL MANAGEMENT

In line with Group strategy, Rosti committed to a target of a 5% reduction in CO_2 emissions by 2012. This is below the Group target of 10% for the simple reason that due to the nature of our business, our facilities do not generate particularly high levels of CO_2. However, we are committed to continuously reduce our carbon footprint. In the UK for example, Rosti will in 2010 install a wind turbine adjacent to the plant that will provide more than 60% of the energy needed for this facility as well as reduce the cost of energy by an estimated 20%.

As environmental management continues to grow in importance, we are working to gain ISO 14001 accreditation for our remaining factories by the end of 2010. In 2009, two factories reached this goal.

These accreditation efforts are very much led by customer demands.

"We're part of our customers' supply chain, and they need to make sure that we are performing well in terms of sustainability issues – our accreditations help us provide that assurance," says David Knight, Chief Operating Officer of Rosti.

Social performance

Our employees				
		2007	2008	**2009**
Number of employees[a]		2130	1852	**1736**
Employee engagement[b]	%	50	62	**67**
Performance appraisals	%	42	89	**18**

Safety						
		2007	2008	**2009**	benchmark	target 2010
Lost time injury frequency (LTIF)[c]	frequency	10.78	3.58	**2.26**	16[d]	3.16
Fatalities	number	0	0	**0**	–	0

Environmental performance[e]

Energy consumption				
		2007	2008	**2009**
Fuel oil	1,000 tonnes	0.00	0.00	**0.00**
Diesel	1,000 tonnes	0.00	0.00	**0.02**
Natural gas	1,000 tonnes	0.22	0.30	**0.20**
Electricity	1,000 MWh	48.73	46.64	**62.24**
Direct energy consumption by primary energy source	GJ	–	–	**224,066.16**
Energy intensity	MJ/USD turnover	–	–	**1.11**
Greenhouse gas (GHG) emissions				
GHG emissions	1,000 tonnes CO_2 eq	19.72	19.87	**23.52**
Direct GHG emissions (Scope 1 GHG Protocol)				
CO_2	1,000 tonnes	1.89	2.80	**0.74**
CH_4	1,000 tonnes CO_2 eq	0.00	0.00	**0.00**
N_2O	1,000 tonnes CO_2 eq	0.00	0.00	**0.00**
HFC	tonnes CO_2 eq	n/a	n/a	**n/a**
PFC	tonnes CO_2 eq	n/a	n/a	**n/a**
SF_6	tonnes CO_2 eq	n/a	n/a	**n/a**
Indirect GHG emissions (Scope 2 GHG Protocol)				
CO_2	1,000 tonnes	17.83	17.07	**22.78**
CH_4	1,000 tonnes CO_2 eq	–	–	**0.00**
N_2O	1,000 tonnes CO_2 eq	–	–	**0.00**
GHG intensity	kg CO_2 / USD turnover	–	–	**0.12**
Other air emissions				
SO_x	1,000 tonnes	0.00	0.00	**0.00**
NO_x	1,000 tonnes	0.00	0.00	**0.00**
VOCs	1,000 tonnes	0.19	0.00	**0.00**
Particulate matters	1,000 tonnes	0.00	0.00	**0.00**
Other environmental impacts				
Steel consumption	1,000 tonnes	–	–	**0.00**
Waste total	1,000 tonnes	–	–	**22.60**
– recycled (composting, reused, recycled)	1,000 tonnes	–	–	**0.27**
– solid (landfill, on-site storage, incineration)	1,000 tonnes	–	–	**22.29**
– hazardous (controlled deposit)	1,000 tonnes	–	–	**0.04**
Water consumption	1,000 m^3	–	–	**1,052.27**
– surface water	1,000 m^3	–	–	**4.39**
– ground water	1,000 m^3	–	–	**998.55**
– rain water	1,000 m^3	–	–	**0.00**
– municipal water supplies/water utilities	1,000 m^3	–	–	**49.32**
Spills	m^3	–	–	**n/a**

Economic performance

		2007	2008	**2009**
Revenue	DKK million	–	1,276	**1,031**
Electricity cost	USD million	–	–	**6.37**

n/a = Not applicable
– = Not available

[a] Average number of full-time employees excluding jointly-controlled entities and discontinued operations.

[b] The number reflects the percentage of engaged employees who participated in the annual engagement survey. "Engaged" is the combination of satisfaction, pride, referral and intent to stay in the organisation.

[c] LTIF measures the number of lost time injuries excluding fatalities per million exposure hours.

[d] EU Health and Safety Executives Statistics 2009 www.hse.gov.uk/

[e] Different conversion factors have been applied across the years and across various activities.

Assets

- 11 production plants
- 92,075 m^2 production, warehouse, office area
- 296 injection and moulding machines

Safmarine is a shipping company with a fleet of more than 60 ships. We focus our containerised and multi-purpose vessel services on destinations in Africa and other emerging markets, and are represented in 110 countries.

Although Safmarine is a stand-alone brand with its own identity in the world of shipping, we benefit from the economies of scale and specialised back-office services of Maersk Line, with whom we have an extensive co-operation after 10 years as part of the A.P. Moller - Maersk Group.

PEOPLE MAKING THE DIFFERENCE

Safmarine has customer-centred business ethics, and our corporate culture is one in which Safmariners make the difference for both their colleagues and customers in daily business life.

Customer and stakeholder surveys conducted in recent years show that what sets Safmarine apart in the market is the company's personal approach. We aim to bolster this perception by focusing on people and communities in our approach to sustainability.

True to our origin and our current operational sphere, we focus our social responsibility and community activities on emerging economies, particularly the African continent.

COMMUNITIES: A CHANGE IN STRATEGY

In 1991, Safmarine pioneered the re-use of containers by launching the Containers in the Community programme. We have responded to community requests by converting more than 8,000 containers into educational, health care and job-creation facilities. The majority of the projects were initiated by Safmarine and the local communities.

We recently reviewed our CSR strategy to ensure alignment with our business needs and those of our customers – and the broader requirement of balancing 'people, planet and profit'.

These considerations – together with lessons learnt from a 2009 Containers in the Community project in Liberia – led to a revised strategy for Safmarine's CSR engagement.

The Liberian project involved using containers to build a vocational training institute for former child soldiers and other youths. The container building was designed and assembled by Dutch students, and a Liberian NGO provided land and links to local authorities.

The Liberian project taught us a number of important lessons including:

- Projects require extensive human resources
- It is difficult to involve customers in Safmarine-led CSR projects as customers as a rule have their own programmes or initiatives.

So, rather than initiate our own projects and attempt to win the support of our customers as collaborators in our projects or ideas, our new strategy will be to use our resources to engage with customers on their CSR projects.

"We believe this approach will not only increase the impact our resources will have, but potentially lead to more people being helped," says Tomas Dyrbye, CEO of Safmarine. "Also, by collaborating with and supporting customers, we have the potential to increase loyalty between Safmariners and customers because joint involvement in community-based projects will allow us to share something beyond business."

Safmarine created internal awareness for this new CSR strategy in 2009 and plans are to implement the strategy in 2010.

ENGAGING SAFMARINERS

Safmarine launched an internal, employee-awareness 'theme month' campaign in 2009, which focused on the themes of health, planet, water and people. The aim was to involve as many Safmariners as possible – both on shore and at sea.

"Creating engagement and dialogue internally for these projects was an important precursor to involvement in new, larger external campaigns and initiatives," explains Victor Shieh, Safmarine's PR & Communications Executive.

"Also, by collaborating with and supporting customers, **we have the potential to increase loyalty between Safmariners and customers** because joint involvement in community-based projects will allow us to share something beyond business".

Tomas Dyrbye, CEO of Safmarine

A range of activities, give-aways and information on the four theme months was made available to Safmariners, as part of the framework provided by head office in Belgium. Safmariners in the regions and countries interpreted and implemented the themes.

SAFMARINE AND THE ENVIRONMENT

Safmariners around the world share a common goal: to be the people who make the difference in shipping. This philosophy extends to our greater environment.

We believe that, as a shipping company, there is much we can do to protect and improve our environment. While we are the first to acknowledge that the goal of perfect environmental practice is still some way off for the shipping industry, it is a journey which Safmarine is committed to, and where we want to make a difference.

For example, in 2009 we decided to 'clean recycle' one of the oldest ships in our fleet, the Safmarine Cotonou, at the end of her useful life. By using the green recycling facilities of an ISO 14001 and OHSMS 18001 certified facility in China, we exceeded the current industry standard and practice in ship recycling.

We are also focused on limiting consumption of energy and subsequent air emissions. Among other things, we strive to:

- reduce our relative CO_2 emissions by 20% by 2012 against 2007 levels.
- control our emissions of sulphur. The average annual sulphur content of fuel in 2009 was 2.26% for heavy fuel oil and 0.19% for DMA (marine distillate fuel A). In 2010, we plan to increase usage of low sulphur fuels.

To reach our environmental targets, we employ many of the same methods as Maersk Line.

Social performance

Our employees				
		2007	2008	**2009**
Number of employees[a]		–	–	**2,636**
Employee engagement[b]	%	67	70	**72**
Performance appraisals	%	–	–	**67**

Safety						
		2007	2008	**2009**	benchmark	target 2010
Lost time injury frequency (LTIF)[c]	frequency	–	0	**1.06**	–	0.8
Fatalities	number	0	0	0	–	0

Environmental performance[d]

Energy consumption				
		2007	2008[e]	**2009**
Fuel oil	1,000 tonnes	607.00	–	**691.18**
Diesel	1,000 tonnes	0.00	–	**0.00**
Natural gas	1,000 tonnes	0.00	–	**0.00**
Electricity[f]	1,000 MWh	0.00	–	**n/a**
Direct energy consumption by primary energy source	GJ	–	–	**27,947,797.50**
Energy intensity	MJ/USD turnover	–	–	**1.46**
Greenhouse gas (GHG) emissions				
GHG emissions	1,000 tonnes CO_2 eq	1,933.66	–	**2,167.01**
Direct GHG emissions (Scope 1 GHG Protocol)				
CO_2	1,000 tonnes	1,889.85	–	**2,153.45**
CH_4	1,000 tonnes CO_2 eq	1.01	–	**3.11**
N_2O	1,000 tonnes CO_2 eq	42.80	–	**10.44**
HFC	tonnes CO_2 eq	n/a	–	**n/a**
PFC	tonnes CO_2 eq	n/a	–	**n/a**
SF_6	tonnes CO_2 eq	n/a	–	**n/a**
Indirect GHG emissions (Scope 2 GHG Protocol)				
CO_2	1,000 tonnes	0.00	–	**n/a**
CH_4	1,000 tonnes CO_2 eq	–	–	**n/a**
N_2O	1,000 tonnes CO_2 eq	–	–	**n/a**
GHG intensity	kg CO_2 / USD turnover	–	–	**0.11**
Other air emissions				
SO_x	1,000 tonnes	37.55	–	**30.59**
NO_x	1,000 tonnes	52.17	–	**54.52**
VOCs	1,000 tonnes	0.00	–	**0.87**
Particulate matters	1,000 tonnes	2.27	–	**5.13**
Other environmental impacts				
Steel consumption	1,000 tonnes	–	–	–
Waste total	1,000 tonnes	–	–	–
– recycled (composting, reused, recycled)	1,000 tonnes	–	–	–
– solid (landfill, on-site storage, incineration)	1,000 tonnes	–	–	–
– hazardous (controlled deposit)	1,000 tonnes	–	–	–
Water consumption	1,000 m^3	–	–	–
– surface water	1,000 m^3	–	–	–
– ground water	1,000 m^3	–	–	–
– rain water	1,000 m^3	–	–	–
– municipal water supplies/water utilities	1,000 m^3	–	–	–
Spills	m^3	–	–	**0.00**

Economic performance

		2007	2008	**2009**
Revenue	USD million	–	26,846[g]	**19,192[g]**
Electricity cost	USD million	–	–	–

n/a = Not applicable
– = Not available

[a] Average number of full-time employees excluding jointly-controlled entities and discontinued operations.

[b] The number reflects the percentage of engaged employees who participated in the annual engagement survey. "Engaged" is the combination of satisfaction, pride, referral and intent to stay in the organisation.

[c] LTIF measures the number of lost time injuries excluding fatalities per million exposure hours.

[d] Different conversion factors have been applied across the years and across various activities.

[e] In 2008, all Safmarine environmental data was reported by Maersk Line.

[f] In 2009 Safmarine (land) electricity data is reported by Maersk Line as they share offices.

[g] Figure reflects total revenue for our container business, which includes Maersk Line, Safmarine, Container Inland Services and Maersk Container Industry.

Assets

62 ships

- 20 own container ships
- 28 chartered container ships
- 14 chartered multi-purpose ships

STAR AIR

Star Air is a Danish cargo airline founded in 1987, specialising in providing cargo air transport. Our headquarters are in Copenhagen Airport, whilst our main operational hub is located in Cologne, Germany. We operate a fleet of 11 Boeing 767-200 SFs.

CO_2 EMISSIONS THE MAIN CHALLENGE

"In the aviation business, the main sustainability challenge is fuel consumption and subsequent CO_2 emissions," says Søren Graversen, CEO of Star Air. "At Star Air, we are continuously working to reduce our consumption of fuel – it makes sense for business and for the environment."

Star Air's Flight Department has worked on initiatives such as:

- Reduced take-off thrust, which does not only save fuel but also safeguards the engines.
- Continuous Descent Approach (CDA), which can be described as going down a ramp as opposed to going down stairs, as is the conventional approach method for aircraft. The benefits of CDA include reductions in noise, fuel burn and emissions. On Star Air's route network, it has been introduced at East Midlands and Cologne. We expect that Marseilles Airport will also introduce the CDA procedure some time during 2010.
- In our continuous dialogue with our main customer, United Parcel Service (UPS), we discuss ways and means to reduce fuel consumption. Following tests, we introduced single engine taxi-in from 1 September 2009. However, due to short taxi sectors on our route network and engine cooling requirements, the effects are in fact minimal.
- As required by EU and national legislation, our IT system and all our aircraft will from 1 January 2010 be equipped to monitor and report fuel burn, CO_2 emissions and cargo weight on all flight sectors on a day-to-day basis.

AIRCRAFT ARE KEY

Neither of these activities, will, however, have sufficient notable effects to enable us to set firm target reductions. Also, it should be noted that Star Air operates under a ten-year agreement with UPS, which runs till 2015/16. More than 90% of Star Air's total flight hour production is operated on behalf of UPS.

"If we were to significantly reduce our fuel consumption per flight hour, we would need to replace our B767 aircraft fleet with new aircraft equipped with new more fuel-efficient engines. This is, however, not likely to happen, as our current fleet is under contract until 2015/16. Also the costs are substantial," says Graversen.

Social performance

Our employees				
		2007	2008	**2009**
Number of employees[a]		–	–	**196**
Employee engagement[b]	%	–	–	–
Performance appraisals	%	–	–	**29**

Safety						
		2007	2008	**2009**	benchmark	target 2010
Lost time injury frequency (LTIF)[c]	frequency	–	–	**0.00**	–	0.00
Fatalities	number	0	–	0	–	0

n/a = Not applicable
– = Not available
[a] Average number of full-time employees excluding jointly-controlled entities and discontinued operations.
[b] Star Air is not part of the A.P. Moller - Maersk Group's annual Employee Engagement Survey.
[c] LTIF measures the number of lost time injuries excluding fatalities per million exposure hours.
[d] Different conversion factors have been applied across the years and across various activities.
[e] Did not report electricity in 2007.

Environmental performance[d]

Energy consumption				
		2007	2008	**2009**
Fuel oil	1,000 tonnes	0.00	0.00	**0.00**
Diesel (including jet fuel)	1,000 tonnes	44.98	48.74	**49.56**
Natural gas	1,000 tonnes	0.00	0.04	**0.03**
Electricity[e]	1,000 MWh	–	0.04	**0.07**
Direct energy consumption by primary energy source	GJ	–	–	**2,246,055.86**
Energy intensity	MJ/USD turnover	–	–	**17.28**
Greenhouse gas (GHG) emissions				
GHG emissions	1,000 tonnes CO_2 eq	142.36	154.22	**159.90**
Direct GHG emissions (Scope 1 GHG Protocol)				
CO_2	1,000 tonnes	140.86	153.66	**157.45**
CH_4	1,000 tonnes CO_2 eq	0.08	0.18	**0.93**
N_2O	1,000 tonnes CO_2 eq	0.35	0.38	**1.49**
HFC	tonnes CO_2 eq	n/a	n/a	**n/a**
PFC	tonnes CO_2 eq	n/a	n/a	**n/a**
SF_6	tonnes CO_2 eq	n/a	n/a	**n/a**
Indirect GHG emissions (Scope 2 GHG Protocol)				
CO_2	1,000 tonnes	–	0.01	**0.03**
CH_4	1,000 tonnes CO_2 eq	–	–	**0.00**
N_2O	1,000 tonnes CO_2 eq	–	–	**0.00**
GHG intensity	kg CO_2 / USD turnover	–	–	**1.23**
Other air emissions				
SO_x	1,000 tonnes	0.27	0.29	**0.05**
NO_x	1,000 tonnes	–	0.61	**0.66**
VOCs	1,000 tonnes	–	0.04	**0.04**
Particulate matters	1,000 tonnes	–	0.00	**0.00**
Other environmental impacts				
Steel consumption	1,000 tonnes	–	–	**0.00**
Waste total	1,000 tonnes	–	–	**0.02**
– recycled (composting, reused, recycled)	1,000 tonnes	–	–	**0.01**
– solid (landfill, on-site storage, incineration)	1,000 tonnes	–	–	**0.00**
– hazardous (controlled deposit)	1,000 tonnes	–	–	**0.00**
Water consumption	1,000 m^3	–	–	**0.42**
– surface water	1,000 m^3	–	–	**0.00**
– ground water	1,000 m^3	–	–	**0.42**
– rain water	1,000 m^3	–	–	**0.00**
– municipal water supplies/water utilities	1,000 m^3	–	–	**0.00**
Spills	m^3	–	–	**0.00**

Economic performance

		2007	2008	**2009**
Revenue	DKK million	–	670	**710**
Electricity cost	USD million	-	-	**0.03**

Assets

11 aircraft

- 11 Boeing 767-200 SF aircraft

SVITZER

Svitzer provides safety and support at sea, and is market leader within towage and emergency response. We have offices in around 40 countries and operate in numerous locations across the world.

From our start in 1833, the focus has always been on delivering safety and support at sea and as such this is exactly what is stated in Svitzer's purpose: Safety and Support at Sea.

Safety has the highest priority in our everyday work. We unconditionally believe that:

- All accidents and incidents are preventable
- No business objective is so important that it will be pursued at the sacrifice of safety

Living this principle in every Svitzer operation is how we maintain a solid safety record. "Safety is our business, our livelihood – it's what we offer to the market," says Jesper Lok, CEO of Svitzer.

FROM DATA TO ACTION

The foundation is the understanding, acceptance and living of our safety culture by our employees. By doing this, we ensure a safe place for our employees to work. One way of monitoring our safety performance and learning from accidents and incidents is by means of a newly-implemented reporting system called Synergi. The primary purpose is to facilitate the reporting of actual incidents, near misses and other safety observations.

By extracting statistics from Synergi, we are able to provide information and key learnings on where and what type of accidents are happening, whereby Svitzer operations throughout the world can benefit and minimise the risk of accidents occurring.

IN STAKEHOLDER DIALOGUE

Another way of monitoring our safety performance is through the continued dialogue with our stakeholders on our performance in areas such as the environment and safety.

Every year, stakeholders are invited to participate in the Svitzer Satisfaction Survey in which all participants are able to rate Svitzer's performance on issues such as how well we protect the environment, our safety performance, the condition of our ships and the skills of our employees. Besides these ratings, stakeholders can suggest areas of improvement.

All responses are aggregated into Group level performance and targets. Areas of improvements are identified and activities to meet the targets and improve are planned. Besides working with this on a Group level, individual reports and conclusions are being prepared and feedback and discussions with each participating stakeholder are initiated.

By having safety at the top of our agenda whenever colleagues go to work, no matter whether it is for the sake of their families, the environment or our customers, we ensure that we are able to sustain and further develop our business.

Social performance

Our employees				
		2007	2008	**2009**
Number of employees[a]		–	–	**3,806**
Employee engagement[b]	%	61	65	**66**
Performance appraisals	%	–	–	**24**

Safety						
		2007	2008	**2009**	benchmark	target 2010
Lost time injury frequency (LTIF)[c]	frequency	2.60	1.64	**1.35**	–	0
Fatalities	number	3	0	**0**	–	0

Environmental performance[d]

Energy consumption				
		2007	2008	**2009**
Fuel oil	1,000 tonnes	136.00	154.09	**136.99**
Diesel	1,000 tonnes	0.00	0.43	**0.00**
Natural gas	1,000 tonnes	0.00	0.01	**0.00**
Electricity[e]	1,000 MWh	–	9.47	**9.62**
Direct energy consumption by primary energy source	GJ	–	–	**5,989,229.82**
Energy intensity	MJ/USD turnover	–	–	**7.69**

Greenhouse gas (GHG) emissions				
GHG emissions	1,000 tonnes CO_2 eq	443.92	505.57	**442.84**
Direct GHG emissions (Scope 1 GHG Protocol)				
CO_2	1,000 tonnes	432.60	484.32	**434.79**
CH_4	1,000 tonnes CO_2 eq	1.44	1.62	**0.62**
N_2O	1,000 tonnes CO_2 eq	1.23	2.33	**2.07**
HFC	tonnes CO_2 eq	n/a	n/a	**n/a**
PFC	tonnes CO_2 eq	n/a	n/a	**n/a**
SF_6	tonnes CO_2 eq	n/a	n/a	**n/a**
Indirect GHG emissions (Scope 2 GHG Protocol)				
CO_2	1,000 tonnes	0.00	3.39	**5.34**
CH_4	1,000 tonnes CO_2 eq	–	–	**0.00**
N_2O	1,000 tonnes CO_2 eq	–	–	**0.02**
GHG intensity	kg CO_2 / USD turnover	–	–	**0.57**

Other air emissions				
SO_x	1,000 tonnes	0.44	1.30	**1.15**
NO_x	1,000 tonnes	8.05	12.00	**10.25**
VOCs	1,000 tonnes	0.00	0.20	**0.17**
Particulate matters	1,000 tonnes	0.18	0.40	**0.18**

Other environmental impacts				
Steel consumption	1,000 tonnes	–	–	**0.00**
Waste total	1,000 tonnes	–	–	**2.12**
– recycled (composting, reused, recycled)	1,000 tonnes	–	–	**0.00**
– solid (landfill, on-site storage, incineration)	1,000 tonnes	–	–	**1.96**
– hazardous (controlled deposit)	1,000 tonnes	–	–	**0.16**
Water consumption	1,000 m^3	–	–	**185.05**
– surface water	1,000 m^3	–	–	**0.00**
– ground water	1,000 m^3	–	–	**0.00**
– rain water	1,000 m^3	–	–	**0.00**
– municipal water supplies/water utilities	1,000 m^3	–	–	**185.05**
Spills	m^3	–	–	–

Economic performance

		2007	2008	**2009**
Revenue	USD million	–	917	**779**
Electricity cost	USD million	–	–	**2.28**

n/a = Not applicable
– = Not available

[a] Average number of full-time employees excluding jointly-controlled entities and discontinued operations.

[b] The number reflects the percentage of engaged employees who participated in the annual engagement survey. "Engaged" is the combination of satisfaction, pride, referral and intent to stay in the organisation.

[c] LTIF measures the number of lost time injuries excluding fatalities per million exposure hours.

[d] Different conversion factors have been applied across the years and across various activities.

[e] Did not report electricity in 2007.

Assets

510 ships

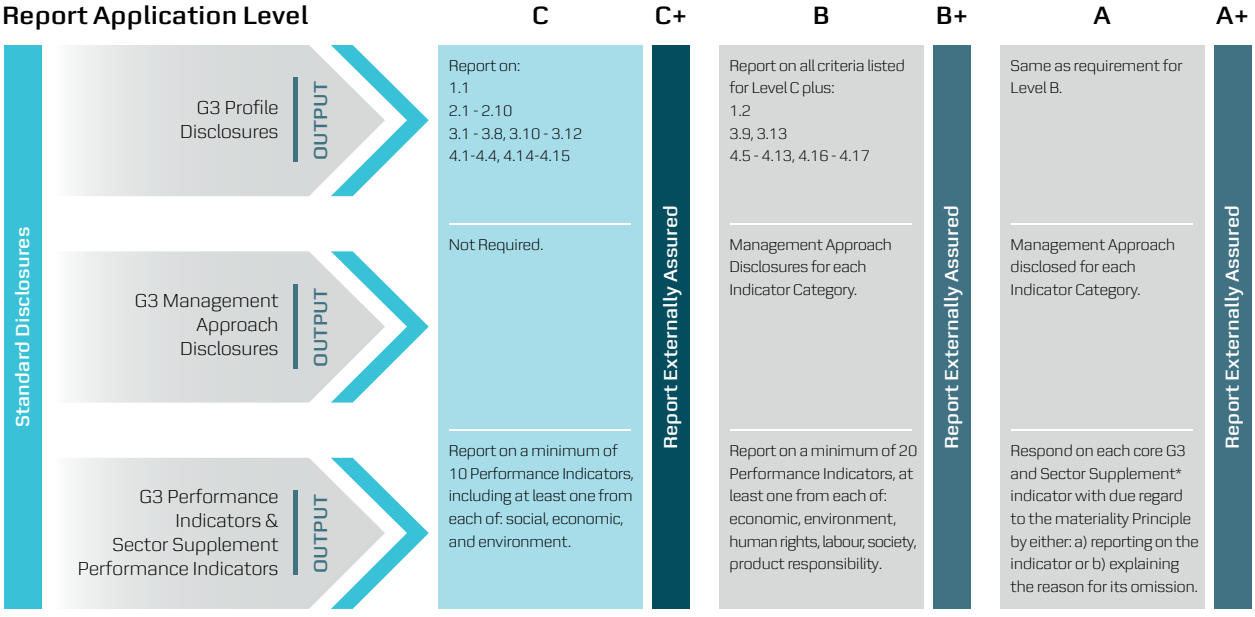
- 337 tug boats
- 104 work boats
- 30 offshore support ships
- 4 crew boats
- 3 ocean towage ships
- 32 miscellaneous ships


FENJA
BRO GRACE

Global Reporting Initiative

This report is aligned with the Global Reporting Initiative's (GRI) G3 Sustainability Reporting Guidelines, and has been independently verified by Det Norske Veritas (DNV) to be consistent with an application level of C+.

A detailed overview of the GRI standard disclosures and indicators and the corresponding UN Global Compact Principle are summarised on page 107-109.



*Sector supplement in final version

GRI Standard Disclosures		
		Where to find the indicator
Strategy and analysis		
1.1	Statement from the most senior decision-maker of the organisation about the relevance of sustainability to the organisation and its strategy	CEO foreword, page 7
Organisational profile		
2.1	Name of the organisation	Company profile, page 4
2.2	Primary brands, products and/or services	Company profile, page 4-5
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries and joint ventures	Company profile, page 4-5
2.4	Location of organisation's headquarters	Company profile, page 4
2.5	Number of countries where the organisation operates with either major operations or that are specifically relevant to the sustainability issues covered in the report	Company profile, page 4
2.6	Nature of ownership and legal form	Company profile, page 5
2.7	Markets served (including geographic breakdown, sectors served and types of customers/ beneficiaries)	Business units, page 51-104
2.8	Scale of the reporting organisation, including: • Number of employees • Net sales (for private sector organisations) or net revenues (for public sector organisations) • Total capitalisation broken down in terms of debt and equity (for private sector organisations), and • Quantity of products and services provided	Company profile, page 4 Annual Report 2009, www.maersk.com/investorrelations
2.9	Significant changes during the reporting period regarding size, structure, or ownership including: • The location of, or changes in operations, including facility openings, closings, and expansions; and • Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organisations).	No significant changes
2.10	Awards received in the reporting period.	www.maersk.com/sustainability
Report parameters		
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	About the report, page 11
3.2	Date of most recent previous report (if any).	May 2009
3.3	Reporting cycle (annual, biennial, etc.)	Annual
3.4	Contact point for questions regarding the report or its contents.	Colophon, inside of this report
3.5	Process for defining report content, including: • Determining materiality; • Prioritising topics within the report; and • Identifying stakeholders the organisation expects to use the report.	About the report, page 11-13
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	About the report, page 11-13 Footnotes in the performance tables
3.7	State any specific limitations on the scope or boundary of the report.	About the report, page 11-13
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organisations.	About the report, page 11-13
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	About the report, page 12
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	About the report, page 11-13

GRI Standard Disclosures		
		Where to find the indicator
Report parameters		
3.12	Table identifying the location of the Standard Disclosures in the report. Identify the page numbers or web links where the following can be found: • Strategy and analysis 1.1 – 1.2; • Organisational profile 2.1 – 2.10; • Report parameters 3.1 – 3.13; • Governance, commitments, and engagement 4.1 – 4.17; • Disclosure of management approach, per category; • Core performance indicators; • Any GRI Additional Indicators that were included; and • Any GRI Sector Supplement Indicators included in the report.	This table
Report parameters		
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.	Governance, page 15-19
4.2	Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organisation's management and the reasons for this arrangement).	Annual Report 2009, www.maersk.com/investorrelations
4.3	For organisations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	Annual Report 2009, www.maersk.com/investorrelations
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body. Include reference to processes regarding: • The use of shareholder resolutions or other mechanisms for enabling minority shareholders to express opinions to the highest governance body; and • Informing and consulting employees about the working relationships with formal representation bodies such as organisation level 'work councils', and representation of employees in the highest governance body. Identify topics related to economic, environmental, and social performance raised through these mechanisms during the reporting period.	Annual Report 2009, www.maersk.com/investorrelations
4.14	List of stakeholder groups engaged by the organisation.	Governance, page 17-18
4.15	Basis for identification and selection of stakeholders with whom to engage.	Governance, page 17-18

		Level of fulfilment	Corresponding UN Global Compact	Where to find the indicator	Comments
Economic Performance Indicators					
EC1	(core) Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community Investments, retained earnings, and payments to capital providers and governments.	Partly		Introduction, page 9	Reporting on: • Revenue at Group and business unit levels • Tax for the year (at Group level) • Profit for the year (at Group level)
EC2	(core) Financial implications and other risks and opportunities for the organisation's activities due to climate change.	Fully		Environment and climate change, page 34-41	
Environmental Performance Indicators					
EN1	(core) Materials used by weight or volume.	Fully	8	Group performance table page 9 and business unit tables pages 50-104	Reporting on steel usage only for construction of ships and containers, and fuel used.
EN3	(core) Direct energy consumption by primary energy source.	Fully	8	Same as above	Consumption of fuel, kerosene, diesel and gas.
EN4	(core) Indirect energy consumption by primary source.	Fully	8	Same as above	Consumption of electricity and district heating.
EN7	(additional) Initiatives to reduce indirect energy consumption and reductions achieved.	Fully	8	Same as above	Description of initiatives to reduce indirect energy consumption related to business travel such as using web-ex and energy efficient company cars. Not included in the indicator tables but described in the text.
EN8	(core) Total water withdrawal by source.	Fully	8	Same as above	Only water from offices and offshore assets where available.
EN16	(core) Total direct and indirect greenhouse gas emissions by weight.	Fully	8	Same as above	Includes GHG emission from electricity, heat, flaring, venting and fugitive emissions. Does not include GHG emissions from transportation of materials, products and waste.
EN18	(additional) Initiatives to reduce greenhouse gas emissions and reductions achieved.	Fully	8	Same as above	Not included in the indicator tables but described in the text.
EN20	(core) NO, SO, and other significant air emissions by type and weight.	Fully	8	Same as above	Emissions of NOx, SOx, VOC and particulate matters.
EN22	(core) Total weight of waste by type and disposal method.	Partly	8	Same as above	Only report on total waste by disposal method from offices where available, and not by type.
Labour practices and decent work performance indicators					
LA1	(core) Total workforce by employment type, employment contract, and region.	Partly	6	Same as above	Not reporting on employment type, contract and region.
LA7	(core) Rates of injury, occupational diseases, lost days, absenteeism and number of work-related fatalities by region.	Partly	1	Same as above	Not reporting on occupational diseases, lost days and absenteeism.
LA12	(additional) Percentage of employees receiving regular performance and career development reviews.	Fully	6	Same as above	

Colophon

We value your feedback
If you have any questions, comments or suggestions about this report or our performance, we welcome your feedback. You can send your comments to:

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