MAERSK

February 2024

# Green Financing Framework

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# A.P. Moller - Maersk

A.P. Moller - Maersk ("Maersk" or "the Company") is an integrated logistics company founded in 1904 working to connect and simplify its customers' supply chains. In 2023, Maersk delivered a revenue of USD 51,065m, employed more than 100,000 employees and served more than 100,000 customers. The Company is present in 130 countries and has one of the largest fleets in the world. The Company is publicly listed on Nasdaq Copenhagen, with A.P. Moller Holding A/S as its largest shareholder, owning 41.5% of the share capital and 51.5% of votes as per 31 December 2023. The Møller family remains the majority owner of A.P. Moller - Maersk.

In 2016, Maersk adopted its new strategy around integrated logistics and a separation of the existing energy related activities was initiated. Maersk Tankers, Maersk Oil & Gas and Maersk Drilling were divested in the period 2017-2019. The sale of Maersk Supply Service in 2023 marked the final divestment of the energy related activities—enabling the Company to be a pure transport and logistics operator[1]. Maersk's **strategic vision is to become the "Global Integrator" of logistics**, providing integrated solutions that address the inefficiencies in global supply chains. To achieve this goal, Maersk has organised three primary reporting **segments in "Ocean", "Logistics & Services", and "Terminals"**[2]. These business segments work together to provide customers with a global portfolio of end-to-end logistics products and services, from ocean and air transport to container port services, towage, inland transportation, warehousing and distribution – including cold storage, customs services and lead logistics products such as supply chain management services and e-commerce fulfilment.

As a **purpose-driven company**, Maersk aims to fulfil the need for integrated logistics by sustainably and responsibly delivering better, simpler and more reliable outcomes for its customers – **"improving life for all by integrating the world"** summarizes the Company's ability to put the customer first, help them navigate supply chain disruptions, and absorb the inherent complexity of global logistics.

Building on over a decade of progress on environmental, social and governance (ESG) indicators, Maersk charts an ambitious course **with sustainability as core to its purpose**, critical to the success of its business strategy, and a differentiator in the value it creates for its customers. As a testament of its **pioneering role in sustainability within its industry**, Maersk was the first company in the shipping industry to secure validation from the Science-Based Target Initiative for 1.5°C - aligned 2030 targets and net-zero 2040 targets in 2023, under the new SBTi Maritime Guidance.

[1] See more here: A. P. Moller - Maersk to divest Maersk Supply Service, a leading provider of global offshore marine services and project solutions for the energy sector I Maersk

[2] "Ocean" refers to Maersk's global container shipping activities; "Logistics and Services" to integrated transportation, fulfilment and management solutions, including landside and air transportation as well as warehousing and supply chain management offerings; "Terminals" to gateway terminal activities – see more on page 72 of the 2023 Annual Report


# 2. ESG Strategy

# ESG Strategy and Governance

Building on over a decade of commitment to sustainability progress, Maersk's ESG strategy charts an ambitious course and establishes ESG as core to its purpose, critical to the success of its business strategy, and a differentiator in the value it creates for its customers.

The strategy encompasses the Company's material sustainability impacts, risks and opportunities for Maersk and is centered around **three core commitments** that represent issues where Maersk's position, scale and reach can create the most significant impact.

The development of the ESG strategy in 2021 was informed by an assessment of material topics based on globally recognised frameworks, ESG benchmarks and stakeholder expectations. The outcome of this assessment was a holistic strategy spanning **14 ESG categories with defined sub-topics, ambitions and KPIs.** Out of these categories, 12 have strategic targets, as outlined on the right.

Maersk **holds itself accountable on its ESG commitments by measuring progress** against key performance indicators that are disclosed annually in Maersk's annual and sustainability reports[3].

## Maersk ESG Strategy

### Environment

| | | |
|---|---|---|
| Commitments | **We will take leadership in the decarbonisation of logistics** | |
| | We will deliver on our customer commitment to decarbonise their supply chains in time and our societal commitment to act and have impact in this decade | |
| Strategic targets<br>*All targets are for end of year* | **2030:**<br>• Aligned with the Science Based Targets initiative 1.5°C pathway<br>• Industry-leading green customer offerings across the supply chain | **2040:**<br>• Net zero across the business<br>• 100% green solutions to customers |
| 2023 performance highlights | • Carbon intensity (Ocean) -4% vs. 2020<br>• -13% on Scope 1 and 2 GHG emissions of Terminals since 2020 | • Share of ocean freight transported with Green Fuels: 3% |
| Overview of all ESG categories | **Climate change – Environment & Ecosystems** | |

### Social

| | | | |
|---|---|---|---|
| Commitments | **We will ensure that our people thrive at work by providing a safe and inspiring workplace** | | |
| | We ensure everyone gets home safe by preventing fatal and life-altering incidents | We create an engaging environment for all colleagues | We facilitate diversity of thought |
| Strategic targets<br>*All targets are for end of year* | **2023:**<br>• 100% of Learning Teams completed following a High Potential Incident<br>**2023:**<br>• Global Leadership (Top 1,200) upskilled in Maersk safety and security principles | **2025:**<br>• Employee Engagement Survey score in the top quartile of global norm (75th percentile) | **2025:**<br>• >40% women in management and leadership<br>• >30% diverse nationality (non-OECD) of executives |
| 2023 performance highlights | • 99% Learning Teams completed following High Potential Incidents<br>• 98% leadership trained in Maersk safety and security principles | • 60th Percentile | • 35% women in management and leadership<br>• 20% diverse nationality (non-OECD) of executives |
| Overview of all ESG categories | **Safety & resilience – DE&I – Human capital – Employee relations & labour rights – Human rights** | | |

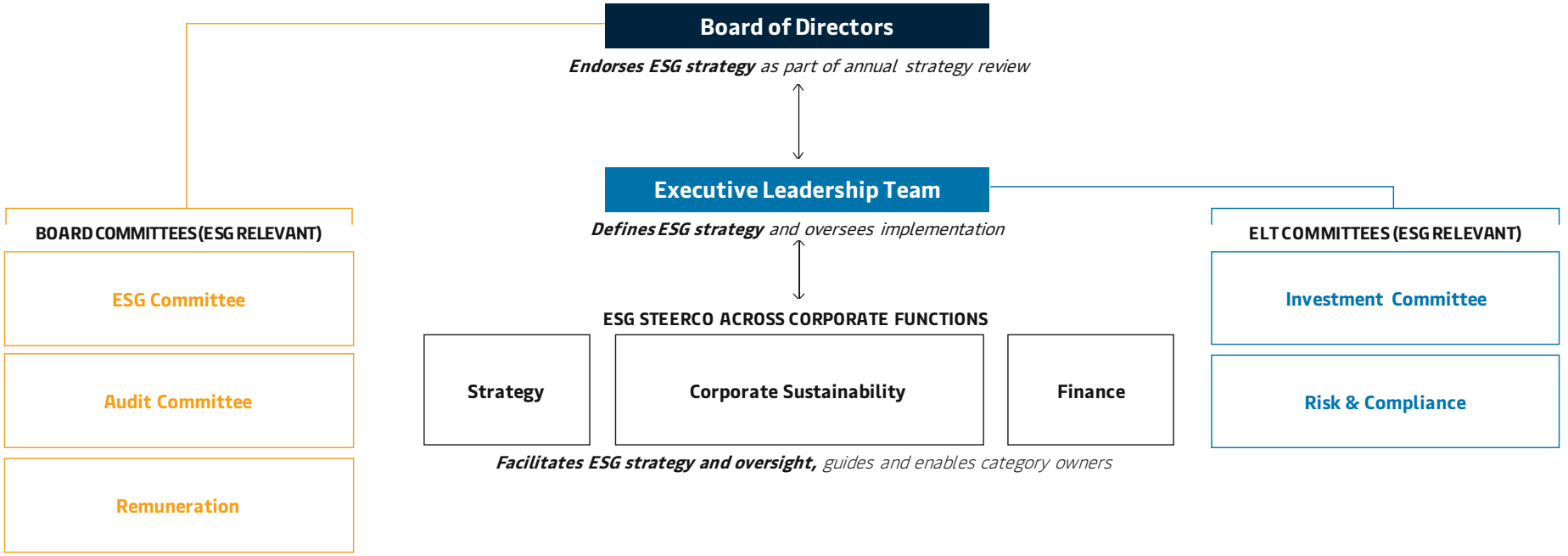
### Governance

| | | | |
|---|---|---|---|
| Commitments | **We operate based on responsible business practices** | | |
| | We live our Code of Conduct | We protect and treat data with respect | We procure sustainably |
| Strategic targets<br>*All targets are for end of year* | **2023:**<br>100% of employees trained in the Maersk Code of Conduct | **2023:**<br>100% of employees trained on data ethics | **2024:**<br>100% of suppliers committed to the Supplier Code of Conduct |
| 2023 performance highlights | • 92% | • 91% | • 95% |
| Overview of all ESG categories | **Business ethics – Data ethics – Sustainable procurement – Responsible tax – Citizenship** | | |

[3] See more at: Sustainability | Committed to Sustainable Logistics | Maersk

Regarding ESG governance, Maersk's Board of Directors endorses the overall ESG strategy[4]. In 2023, Maersk announced a new organisational structure and a new Executive Leadership Team (ELT). As a result of these changes, new ELT members took over sponsorship for several ESG categories. Also, a new **Board ESG Committee was established** with the purpose of supporting the development of the overall ESG strategic direction. The Committee meets quarterly to discuss strategic topics such as Maersk's decarbonisation commitments, human and labour rights, DE&I or **ESG targets for executive remuneration**. The latter is part of the Company's Long Term Incentive program and scorecard for approval by the Remuneration Committee.

## Governance of ESG in A.P. Moller - Maersk




[4] See more on the "ESG governance framework" section on ESG strategy and governance | Sustainability | Maersk

# 2.1 Environment: Taking leadership in the decarbonisation of logistics

As a key player in global logistics supply chains, which are responsible for 11% of all global greenhouse gas (GHG) emissions[5], Maersk is committed to leading the decarbonisation of logistics and taking responsibility for being a part of the solution. Maersk has the ambition to provide a response to the climate emergency by **transforming the transport and logistics sector to net zero operations and help its customers decarbonise their global supply chains end to end.**

In 2023, Maersk became the **first in the shipping industry** to have its 2030 and 2040 targets **validated** by the Science Based Targets initiative **(SBTi)** in alignment with a 1.5°C and net zero pathway. These new targets are critical to its decarbonisation efforts and to aligning with its customers' targets. They include specific sub-targets for its scope 1, 2 and 3 emissions.

## Maersk's climate commitments validated by the SBTi

**Aligned with 1.5-degree pathway by 2030** — 2030 — **Net Zero by 2040** — 2040

Main KPIs and targets: Baseline year 2022

| | | |
|---|---|---|
| **Scope 1** *Own operation* | 35% | Absolute reduction in total scope 1 emissions |
| **Scope 2** *Purchased electricity* | 100% | Renewable electricity sourcing |
| **Scope 3** *Value chain* | 22% | Absolute reduction in total scope 3 emissions |

| | |
|---|---|
| 96% | Absolute reduction in total scope 1 and 2 emissions |
| 90% | Absolute reduction in total scope 3 emissions |

Sub KPIs and targets: Baseline year 2022

**Maritime operations**

- 35% Absolute reduction in **scope 1** and **scope 3** well-to-wake emissions from own container shipping operations
- 17% Absolute reduction in **scope 3** well-to-wake emissions from subcontracted container shipping operations

**Other operations**

- 42% Absolute reduction in **scope 1** emissions from all other sources
- 25% Absolute reduction in **scope 3** fuel and energy related activities and upstream transportation
- 42% Absolute reduction in **scope 3** emissions from use of sold products covering distributed fossil fuels

**Maritime operations**

- 96% Absolute reduction in **scope 1** and **scope 3** well-to-wake emissions from own container shipping operations
- 97% Absolute reduction in **scope 3** well-to-wake emissions from subcontracted container shipping operations

**Other operations**

- 90% Absolute reduction in **scope 1** and **scope 2** emissions from all other sources
- 90% Absolute reduction in **scope 3** emissions from all other sources


Following the maritime sectoral framework, the sub-targets for maritime operations cover emissions from fuels across scope 1 and 3 (well-to-wake). Well-to-wake emissions refer to the sum of upstream (well-to-tank) and downstream (tank-to-wake) emissions

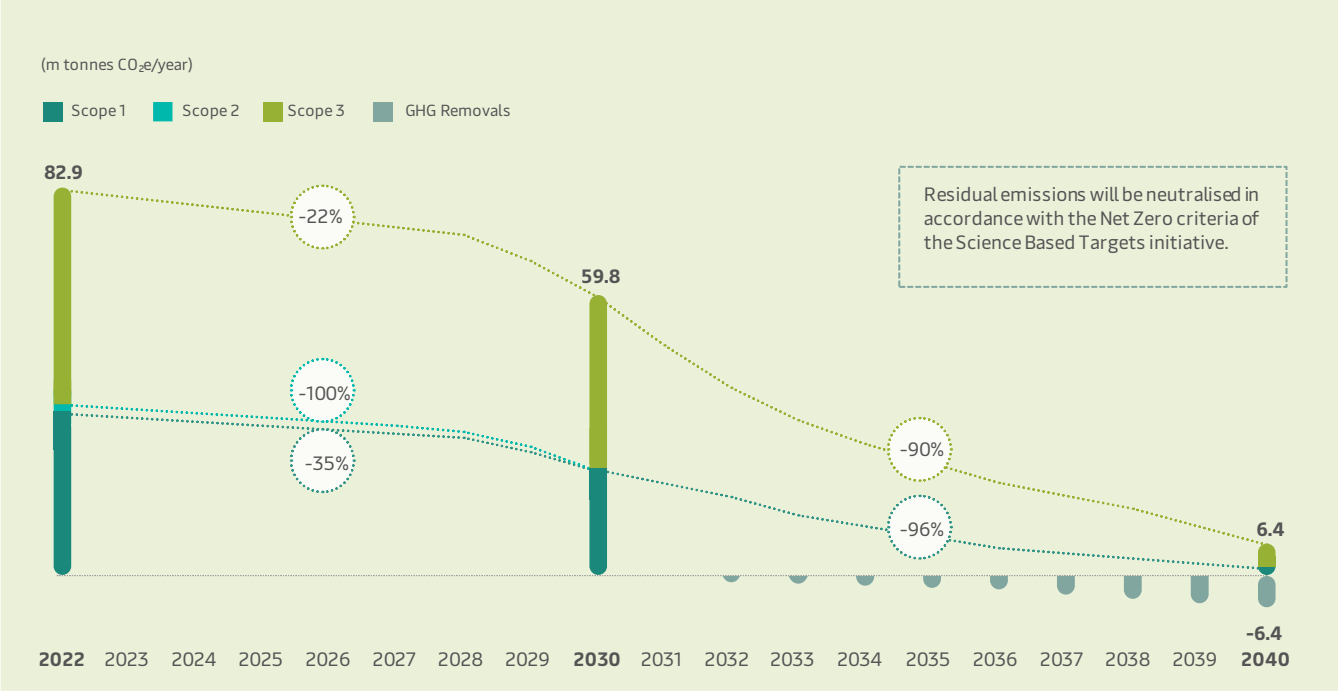
[5] According to researchers from the Massachusetts Institute of Technology Supply Chains Initiative - see more here

## Aligning the decarbonisation path to the Science Based Target initiative

Following the publication of the long-awaited SBTi sectoral framework for maritime shipping in late 2022, Maersk has, during 2023, done extensive work to prepare and submit 2030 and 2040 targets. **These have successfully been validated by the SBTi as the first in the shipping industry**, allowing the Company to deliver on its public commitment to externally verified emissions reduction targets. The SBTi-validated targets are not directly connected to its previous business segment sub-targets. They have a different baseline year (2022), reflecting that 2022 is a more representative baseline compared to the previous two years of pandemic, and enabling Maersk to take recent acquisitions into account in the baseline.

A significant change is that they are **absolute emissions reductions targets rather than relative intensity targets**, and for the first time the Company is setting specific targets for scope 1, 2 and 3 emissions across Maersk, with required sub-targets for certain operations and GHG sources - in particular related to ocean activities as it follows the maritime sector framework. This means that the sub-targets for maritime operations cover well-to-wake emissions, whereas the previous ocean KPI on EEOI is a relative target covering only tank-to-wake emissions. While Maersk's overall roadmap to decarbonise remains the same, these new targets will require additional effort in certain business areas.

## Emissions reduction pathways to achieve SBTi-aligned 2030 and 2040 targets




[6] Maersk defines "Green Fuels" as fuels with low to very low GHG emissions over their life cycle compared to fossil fuels. Different Green Fuels achieve different life cycle reductions depending on their production pathway. By "low", Maersk refers to fuels with 65-80% life cycle GHG reductions compared to fossil fuels. 'Very low' refers to fuels with 80-95% life cycle GHG reductions compared to fossil fuels

### 2.1.1. Decarbonising Maersk's Ocean business

The two key levers to decarbonising its Ocean business – Maersk's largest source of GHG emissions – are improving fuel efficiency and transitioning to Green Fuels[6]:

#### Improving fuel efficiency

Improving fuel efficiency is a key lever to reduce vessels' emissions. Maersk managed to lower its emissions intensity measure (EEOI), from 22.65 in 2008 to 11.68 in 2023, a 48.4% improvement through:

- **Vessel optimisation:** rollout of efficiency technologies on owned and time charter vessels such as new and improved propellers, bulbous bows, and shore power enablement allowing to improve both the energy efficiency and the GHG emissions of the vessels.
- **Network execution and optimisation:** improvement in port productivity and reducing vessel-waiting times.
- **Technical management:** share operating and emissions performance data with charter owners, to gain efficiency.

#### Transition the fleet to Green Fuels

Energy efficiency improvements will help Maersk reduce GHG emissions, but they are **not sufficient to meet its net zero target by 2040. Success will depend on a transition to Green Fuels. From a vessel capacity perspective, Maersk will achieve its goals through natural fleet renewal and all new built vessels will be able to run on Green Fuels.** With 24 methanol-enabled vessels on order, Maersk is taking paving the way for the transformation of its fleet of 700 vessels poised to follow suit[7]. Like for efficiency measures, there are also opportunities to make the green transition through vessel conversions (e.g. converting existing engines to run on Green Fuels), and through the use of charter vessels that can run on Green Fuels.

- **Investments in vessels enabled for methanol:** A hallmark moment for Maersk - and the shipping industry in 2023 - was the arrival of Laura Mærsk, the world's first methanol-enabled container vessel. The 2,100 TEU (Twenty-foot Equivalent Unit container) feeder is now in service, operating on Green Methanol[8]. In 2023, Maersk expanded its portfolio of methanol-enabled vessels on order with 6 additional vessels with a capacity of 9,000 TEU each, to be delivered in 2026 and 2027. In January 2024, the Company received the first of its large methanol-enabled fleet[9], and continue taking delivery of the additional 17 large container vessels, each with a capacity of 16,000-17,000 TEU, between 2024 and 2025.
- **Retrofitting existing vessels:** In addition to ordering new methanol-enabled vessels, Maersk also announced in 2023 **intentions to convert the engine in an existing 14,000 TEU vessel from a traditional diesel engine to a dual-fuel methanol one**. This first-of-its-kind project will help demonstrate that new builds are no longer the only pathway to decarbonisation. A first vessel conversion will take place in 2024, with the intention of replicating the retrofit on additional vessels in the coming years.

To transition towards decarbonisation, **the shipping industry needs a significant and timely acceleration in the production of Green Fuels**. Green Methanol is promising market-ready and scalable available solution today for shipping. However, the **current production must be increased** through collaborations across ecosystems and around the world. In addition, the issue of the pricing premium needs to be addressed.

This is the rationale behind **Maersk's partnerships and efforts.**

- **Sourcing Green Methanol at scale**: Maersk has established stringent guidelines based on lifecycle assessment (LCA) which are detailed in **Maersk's Methanol Sustainability Policy**[10] (see Appendix 1), and is intensifying its biodiversity focus with a project aimed at quantifying biodiversity loss. In a significant move in 2023, Maersk entered a landmark offtake agreement with Goldwind. This agreement, a first of its kind in the global shipping industry, involves Goldwind supplying 500,000 tons of Green Methanol annually starting in 2026.

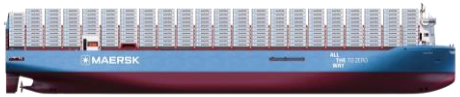
  This supply is sufficient to fuel the first 12 out of Maersk's 24 methanol-enabled vessels. To accelerate this ramp up, AP Moller Holding, together with A.P. Moller-Maersk as a minority owner, created C2X – an independent company that will build, own and operate assets to produce Green Methanol at scale.
- Maersk continues working hard on securing the volumes of green methanol and other green fuels needed to reach its 2030 and 2040 targets. Technologies and being developed and Maersk continues to explore potential fuels. Ammonia is one promising fuel Maersk is investigating for its vessels.
- **Maersk ECO Delivery Ocean**: 2023 saw a strong demand for Maersk's ECO Delivery products[11], which replaces fossil fuels with biodiesel and Green Methanol which are International Sustainability and Carbon Certification certified (ISCC), to ensure fully traceable, responsible feedstock and sourcing. This reflects customers' growing engagement with supply chain partners who can help realise their climate ambitions with impactful solutions and credible data to support their science-based targets and enhanced reporting requirements.

At the COP28, Maersk called for an end date for fossil fuel-only powered new builds and urged the IMO to create more supportive regulatory conditions for the green fuel transition[12]. This includes Maersk's climate advocacy for regulations and policies that support industry-wide decarbonisation objectives.

**Laura Mærsk**
In operation since September 2023

**2,100 container capacity**

**18 vessels**
2024-2025 delivery




**16,000 / 17,000 container capacity**

**6 vessels**
2026-2027 delivery

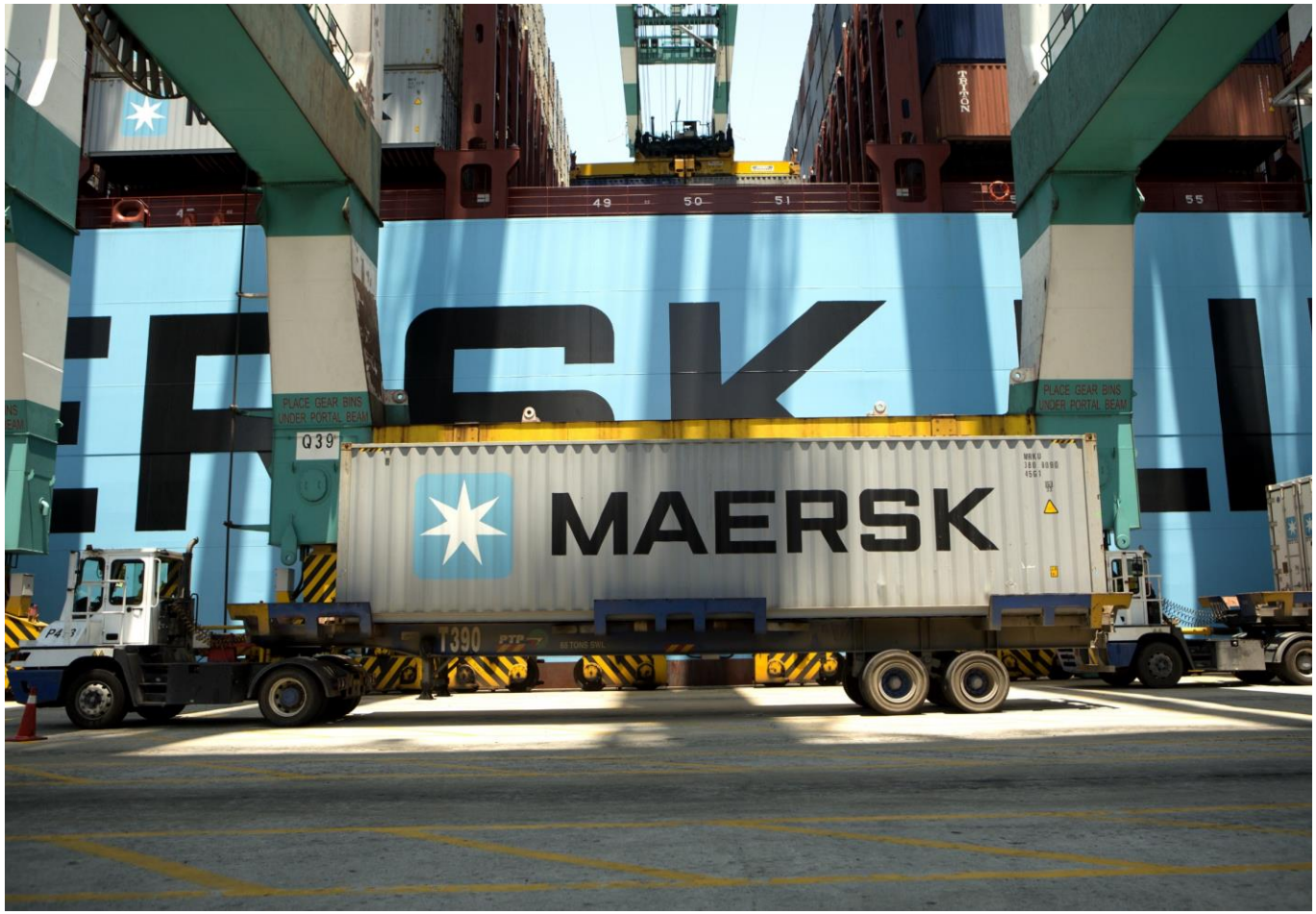
**9,000 container capacity**

[7] Maersk to pioneer first container vessel conversion to methanol dual-fuel engine | Press Release
[8] Maersk defines "Green Fuels" including Green Methanol as fuels with more than 65% GHG reduction on a lifecycle basis compared to fossil reference fuels. See Maersk's Methanol Sustainability Policy (see Appendix 1) for more details.
[9] Maersk names first vessel of its large methanol-enabled fleet "Ane Maersk" | Press Release
[10] See Appendix 1
[11] See more here: Decarbonising shipping with Maersk ECO Delivery | Maersk
[12] See more here: Shipping CEOs join forces to accelerate the decarbonization of the global maritime transport | Maersk

## 2.1.2. Decarbonising Logistics and Services

The rapidly growing need for end-to-end logistics solutions and heightened expectations for sustainable supply chains are driving demand for more road, rail, warehouse and air decarbonisation solutions. These are reflected in Maersk's commitments to increase its adoption of renewable electricity and/or green fuels in its operations.

In this context, addressing Logistics and Services value chain emissions is a key focus for Maersk. For many customers, land or air freight-based GHG emissions are a larger share of their overall emissions from logistics than ocean freight.




Depending on the product, the decarbonisation potential and challenges to scale vary significantly: logistics facilities and landside transportation depend heavily on local availability of renewable electricity sources, investment needs into infrastructure, regulatory support, and willingness of suppliers to engage. Logistics facilities benefit from existing technology to improve energy efficiency of the buildings and to electrify moving assets and heating, in contrast to landside transportation, where electric vehicles or alternative energy solutions for rail and barge only currently exist at small scale.

- **In warehouses**, Maersk will continue driving energy consumption visibility and reduction targets through the retrofitting of smart meters and site level energy transition roadmaps:
  - **Sourcing renewable electricity** in 100+ key locations during 2024, as part of its SBTi target.
  - **Improving energy efficiency** through automation and asset digitisation, building design, LED lighting, insulation, ventilation and use of natural, lower impact refrigerants (ammonia and $CO_2$).
  - **Inaugurating low- and very-low emissions warehouses** such as dry storage warehouses launched in the UK, Malaysia, and Colombia.

- **In landside transportation**
  - Maersk offers heavy-duty battery-electric trucks services through owned or subcontracted capacity internationally
  - Maersk also launched an ECO Delivery[13] Inland product in selected locations using electric vehicles.
  - In 2024, Maersk will continue broadening its offerings across geographies and transport modes. This includes expanding to electric rail and barge solutions and increasing its heavy electric truck capacity.

- **Air cargo** remains a critical part of supply chains, and an important contributor to logistics emissions.
  - **Sustainable Aviation Fuel (SAF)** is the only current available solution, however it is costly and expected to remain too scarce to make a significant emission reduction impact. Although there is currently no line of sight on scalable solutions, Maersk remains committed to driving transformation through deep engagement with airlines, fuel suppliers and customers.
  - In 2023, Maersk focused on the needed governance and resources to support SAF sourcing requirements. In 2024, Maersk will continue building relationships with suppliers and airlines. Maersk also started piloting its ECO Delivery Air solution with its first customers.

[13] Maersk ECO Delivery | Low-emissions Shipping | Maersk

## 2.1.3. Decarbonising Terminals

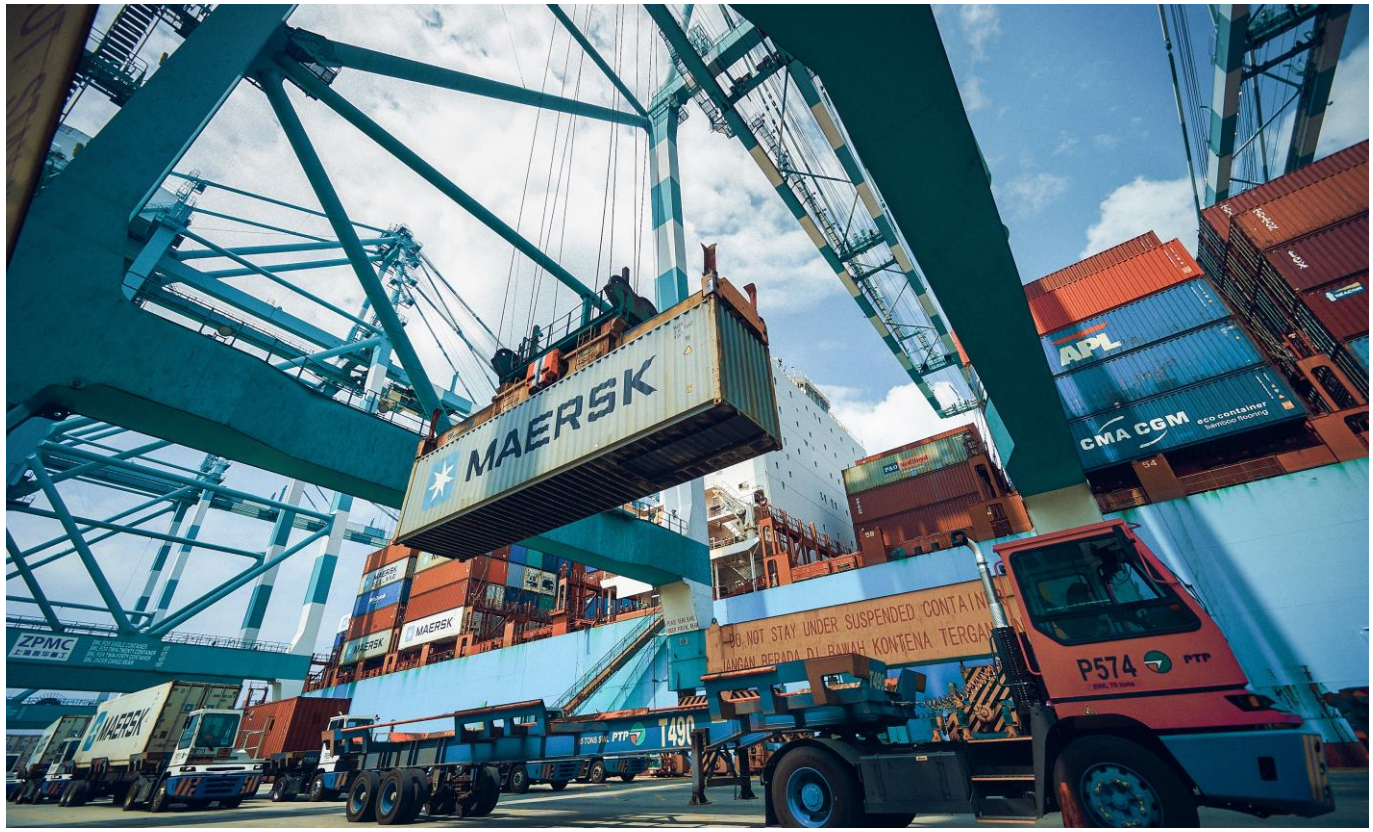
Maersk's commitment to decarbonisation also applies to APM Terminals' (APMT) network of owned and operated terminals that connect its ocean and landside operations.

Maersk's net-zero by 2040 target includes APMT and makes this the most ambitious target in the port industry to date. The challenge in addressing terminal emissions is the fragmented footprint across almost 4,000 pieces of equipment and nearly 40 different locations (financially consolidated terminals only) with unique infrastructure, regulatory and concession context.

Since 2020, APM Terminals has reduced its absolute scope 1 and 2 emissions by 13%. Additionally, 40% of electricity demand is now procured by renewable resources. Key initiatives driving the emissions reduction include the implementation of dedicated green tariffs in European terminals, Elizabeth (USA) and Callao (Peru), a virtual power purchase agreement covering 40% of electricity in Pipavav (India), switching from diesel to renewable diesel in Los Angeles (USA), installation of on-site solar in Pipavav (India), Aqaba (Jordan) and Barcelona (Spain), and implementation of energy optimisation initiatives at 12 terminals to reduce fuel and electricity use.

To ensure a successful implementation of its global strategy, APMT is building local end-to-end net zero roadmaps with its terminals. APMT's main GHG emissions abatement levers are:

- **Switching to renewable electricity** is essential as a significant share of APMT's emissions come from purchased electricity (scope 2 accounts for approximately 40% of total scope 1 and 2 GHG emissions for APMT). APMT's near-term focus is to double down on switching to renewable electricity leveraging both onsite and offsite solutions. In 2023, APMT sourced 100% renewable electricity in multiple terminals[14].
- **(Battery) electrification of equipment**: In 2023, APMT and DP World published a joint white paper emphasising the importance of electrified container handling equipment[15]. The high cost of battery-electric equipment is a primary challenge to decarbonisation in the terminals industry; however, the white paper shows that with the right actions from industry stakeholders, battery-electric equipment can be an affordable and accessible solution this decade, and competitive with incumbent diesel technologies. The white paper offers a roadmap for container terminal electrification, with key levers and actions for all players across the value chain.




The companies also announced the formation of the Zero Emission Port Alliance during COP28[16] – an industry-wide strategic coalition with the goal of accelerating container handling equipment electrification.

- **Energy optimisation** enables cost-efficient reductions in scope 1 and 2 emissions. In 2023, APMT completed energy optimisation assessments at 12 terminals to identify solutions that will help further reduce fuel and electricity consumption.
- **Alternative Maritime Power systems:** GHG emissions from diesel generators on vessels at ports is APMT's largest scope 3 category. Alternative Maritime Power systems, which provide vessels with electricity from shore, are seen as a crucial tool to cut port emissions and prepare for increasing regulation. In 2023, an evaluation of berthing-related Scope 3 emissions led APMT to identify multiple AMP systems for future consideration.

[14] Algeciras, Aarhus, Barcelona, Callao, Elizabeth, Gijon, Gothenburg, Rotterdam, Vado, Valencia.

[15] The Case For Electrified Container Handling - APM Terminals

[16] See more here: APM Terminals and DP World launch Zero Emission Port Alliance at COP28 - APM Terminals

## 2.1.4. Environment and ecosystems

As a global company operating on land, air, and sea, Maersk aims at **minimising the negative impacts arising from its activities and contributing positively to the environment**. The Company's strategic efforts within this category span a broad scope of topics including biodiversity and ecosystem health, waste and pollution, and resource use. In addition, the Company assesses and documents **compliance with the DNSH criteria** relating to the eligible activities in Scope for its Taxonomy reporting and for most of the EU Taxonomy activities covered by the Framework. This includes the DNSH criteria for "Protection and restoration of biodiversity and ecosystems", "Transition to a circular economy", "Pollution prevention and control" and "Sustainable use and protection of water and marine resources". Maersk prioritises four key areas of action:

- **Ecosystem health and biodiversity**[17]: As a first step in its roadmap, a more comprehensive identification of baselines for biodiversity impacts will progress in 2024, guided by globally recognised frameworks. Maersk's targets are to avoid invasive species from ballast water, abstain transporting illegal wildlife, refrain from having operations in sensitive areas, and support ocean health through collaborations and partnerships.
- **Pollution and waste:** Maersk's commitments to reduce pollution and waste cover impacts to land, air and oceans. The Company has a particular focus on improving its management systems and methods for accounting and reporting on air emissions, waste and environmental incidents in line with the European Sustainability Reporting Standards. Its targets include avoiding spills from vessels, restraining pollution impacts across all operations, reducing air emissions impacts ($SO_x$, $NO_x$ and particulate matters), limiting accidental loss of containers and ensuring strong environmental management systems across all operations.
- **Efficient resource consumption:** The increasing expansion of landside operations and the rising sourcing of biofuels and e-fuels can have the potential to increase Maersk's impacts on water consumption. Throughout 2023, the Company have continued to assess the increasing risk of water stress and enhanced its methodologies to ensure greater consistency and accuracy in its assessments. Maersk is engaged in several initiatives focusing on recycling and circular materials use, including steel and plastic.
- **Responsible ship recycling**[18]: Maersk ensures the responsible recycling of its vessels at end of life. Across the global industry, there is an urgent need to create new responsible practice driven, financially viable solutions for responsible recycling that can also meet the projected growth in demand for recycling capacity of large vessels. While leveraging these volumes, shipping can contribute towards decarbonisation of the global steel value chain.

[17] See more at: Ecosystems and Environment | Sustainability and ESG | Maersk

[18] See more at: Responsible Ship Recycling | Sustainability and ESG | Maersk

## 2.2 Social: Ensuring that people thrive at work by providing a safe and inspiring workplace

Maersk strives to provide a safe and inspiring environment for people to grow as a diverse global team, as detailed below:

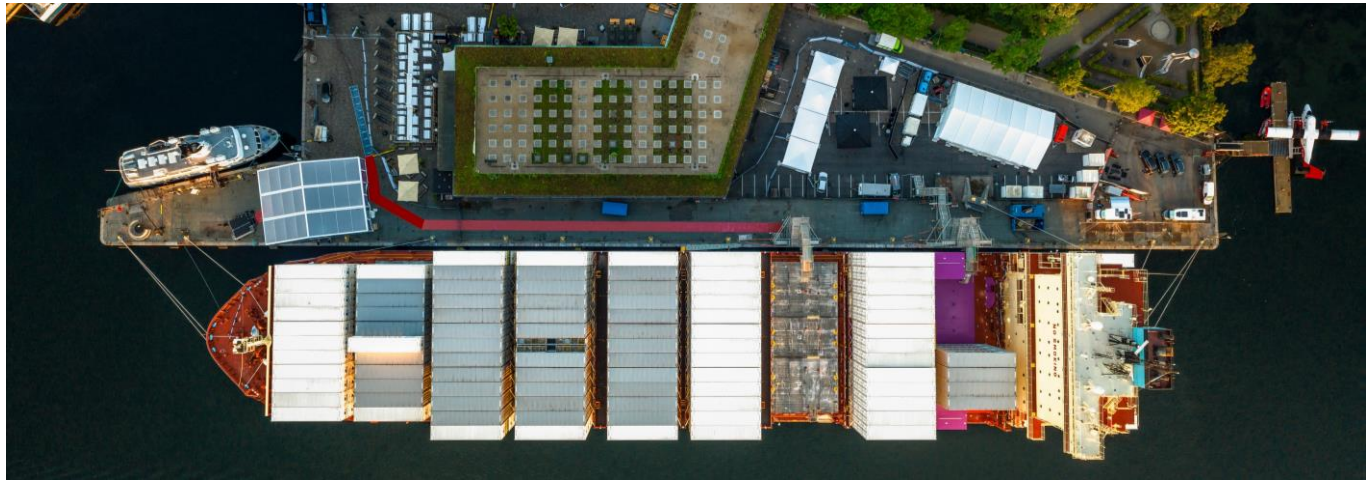
- **Safety and Security**[19]: Maersk works to guarantee that all people within their duty of care across have safe and secure working conditions. This commitment goes beyond compliance and legal requirements and is core to the Company's values. Maersk has set up key programs, trainings, assessments and campaigns to improve safety and stay ahead of constantly evolving risk.
- **Human Capital**[20]: In line with its People Strategy, Maersk continued to make progress on its initiatives for performance management, leadership capabilities, career building and upskilling. The main highlights included empowering talent through an array of solutions; addressing diverse training needs; helping every team reach their full potential; launching upskilling platforms; engaging with external experts to establish a global ambition; and strengthening its approach to pay equity and pay transparency. This work will continue in 2024 to keep attracting and retaining highly engaged employees to deliver on the ambitions of its Global Integrator business strategy.
- **Diversity, equity and inclusion (DE&I)** is a core value of the Company. Maersk wants to facilitate diversity of thought and create a more diverse, equitable and inclusive workplace. A key priority is to foster gender diversity as reflected in the 2025 target of ">40% women in management and leadership".
- **Employee relations and Labour rights**[21]: Maersk deploys responsible business practices across its workplaces, by ensuring decent, fair and equitable working conditions for all. The Company implements mitigating and preventive actions to ensure that operations consider its social responsibilities. The fundamental rights of employees are inscribed in its Governance Framework and for suppliers; Maersk has established a Code of Conduct with labour expectations.
- **Human rights**[22]: Maersk is committed to respecting human rights in its own operations and entire value chain. Maersk's approach is rooted in its values and based on the UN Guiding Principles on Business and Human Rights (UNGPs).

## 2.3 Governance: Operating on responsible business practices

Maersk upholds a dedication to delivering services based on high standards of responsible business practices, encompassing key governance priorities:

- **Business ethics**: Maersk aims at eliminating corruption in the industries in which the company is active. In addition to meeting the highest responsible business standards, the Company has deployed trainings, risk management tools and will set up a best-in-class compliance program to promote sustainable trade by 2025[23].
- **Sustainable procurement**: Maersk integrates sustainability in its global supply chains by systematizing adherence the Company's Suppliers Code of Conduct, generalizing ESG assessments for its strategic suppliers (>85% for 2024) and by engaging with its high-risk suppliers to set up improvement plans (>80% for 2024)[24].
- **Citizenship**: Maersk takes active responsibility in humanitarian relief, empowering for trade, protecting the natural environment and oceans, education, safety, and health by establishing global partnerships to support societies in which the Company operates[25].

In addition, the Company demonstrates leadership in **data ethics**[26] and **tax affairs**[27].



[19] See more at: Safety and Security | Sustainability and ESG | Maersk
[20] See more at: Human Capital | Sustainability and ESG | Maersk
[21] See more at: Employee Relations & Labour Rights | Sustainability & ESG | Maersk
[22] See more at: Human Rights | Sustainability and ESG | Maersk
[23] See more at: Business Ethics | Sustainability and ESG | Maersk
[24] See more at: Sustainable Procurement | Sustainability and ESG | Maersk
[25] See more at: Corporate Citizenship | Sustainability and ESG | Maersk
[26] See more at: Data Ethics | Sustainability and ESG | Maersk
[27] See more at: Responsible Tax | Sustainability and ESG | Maersk

# 3. A.P. Moller - Maersk

## Green Financing Framework

# A.P. Moller - Maersk
## Green Financing Framework

The present Framework is designed as an umbrella Framework that will allow Maersk to issue a variety of sustainable financing instruments which may include Green Bonds (including public and private format debt), and Loans (including but not limited to Term Loans, Project Finance Loans, and Asset Finance Loans) (together referred to as "Green Financing Instruments").

Maersk believes that Green Financing Instruments are an effective tool for channelling investments to projects with a positive environmental impact and thereby contribute to the achievement of the United Nations Sustainable Development Goals (UN SDGs) and of Maersk's decarbonisation trajectory validated by the SBTi in alignment with a 1.5°C and net zero pathway.

Moreover, these instruments will contribute to further transparency and meet investors' growing interest for greener assets to better allocate their funds and measure their contribution to a more sustainable financial system.

Maersk is dedicated to continually evolving its approach to sustainability and ESG and intends to review periodically this Green Financing Framework to ensure alignment with market expectations, voluntary standards such as the Green Bond Principles and the Green Loan Principles as well as regulatory developments such as the EU Taxonomy and the EU Green Bond Standard.

By updating the present Green Financing Framework, Maersk aims to align its funding strategy with its mission, ESG strategy and objectives. Maersk commits to providing information with transparency, accuracy and integrity according to the four core components of the Green Bond Principles 2021 (GBP)[28] as administered by International Capital Market Association (ICMA), and the Green Loan Principles 2023 (GLP)[29] as administered by the Loan Market Association (LMA) and Loan Syndications and Trading Association (LSTA):

- Use of Proceeds
- Process for Project Evaluation and Selection
- Management of Proceeds
- Reporting


[28] Green Bond Principles » ICMA (icmagroup.org)

[29] Green Loan Principles - LSTA

# 3.1 Use of Proceeds

Maersk is committed to allocate an amount equal to the proceeds from the issuance of any Green Financing Instrument to finance or refinance, in whole or in part, new or existing green projects carried out by Maersk (collectively "Green Eligible Projects"). Green Eligible Projects are core to Maersk's transition plan towards decarbonisation of its operations in order to reach net zero by 2040 and will contribute to the EU Environmental Objective of Climate Change Mitigation and/or Climate Change Adaptation.

## Green Eligible Projects

**Green Eligible Projects may include the following types of Eligible Expenses:**

- Investments such as:
  - Capital expenditures; or
  - Investments for the acquisition of "Pure Player"[30] companies whose shares are either not publicly traded, or newly issued in the primary markets (via equity or convertible loans)
- Operating expenditures in the form of offtake agreements to procure Green Methanol for shipping, as Maersk views these contracts as critical to support the scale-up of Green Methanol production

**Green Eligible Projects under this Framework include three types of projects:**

1. Projects for which Maersk has identified and put in place processes necessary to ensure that the eligibility criteria are aligned with the Technical Screening Criteria ("TSC") for Substantial Contribution to Climate Change Mitigation and Climate Change Adaptation as included in the EU Taxonomy Climate Delegated Acts (Delegated Regulation (EU) 2021/2139 and Commission Delegated Regulation (EU) 2023/2485 of 27 June 2023 amending Delegated Regulation (EU) 2021/2139)[31] including Substantial Contribution Criteria ("SCC"), Do No Significant Harm ("DNSH") and Minimum Social Safeguards criteria ("MSS") as further detailed.
2. For the Procurement of Green Methanol[32] only, projects that are using the Substantial Contribution Criteria to Climate Change Mitigation as included in the EU Taxonomy Climate Delegated Acts[33] in the definition of the Eligibility Criteria.
3. For Green Buildings and electric equipment for warehouses only[34], projects will not comply with the EU Taxonomy Technical Screening Criteria, but with other green eligibility criteria aligned to market practices.

### Focus on the EU Taxonomy alignment

Since 2022, Maersk assesses the share of activities that are "taxonomy-aligned" and reports on this in its Sustainability report. The alignment of Green Eligible Projects with EU Taxonomy is determined based on relevant Substantial Contribution, DNSH and MSS criteria:

- **Alignment with Substantial Contribution Criteria** means that the projects' eligibility criteria are defined in line with the substantial contribution to the EU Environmental objectives of Climate Change Mitigation and/or Climate Change Adaptation, as included in the EU Taxonomy Climate Delegated Act[35].
- **Alignment with Do No Significant Harm** means that Maersk will assess and document compliance with the DNSH criteria for "Climate Change Mitigation", "Climate change adaptation", "Sustainable use and protection of water and marine resources", "Transition to a circular economy", "Pollution prevention and control" and "Protection and restoration of biodiversity and ecosystems", depending on applicable TSC
- **Alignment with Minimum Social Safeguards** means that Maersk's is to ensure that MSS criteria are complied with when making allocations. Maersk's compliance with the Minimum Safeguards as outlined in the EU Taxonomy regulation, has been performed at a Group level and is documented in Maersk Sustainability Report.

A full assessment of the Framework's alignment with the EU Taxonomy is included in the Second Party Opinion provided by S&P Global Ratings, and available on Maersk's website.

[30] Companies having at least 90% of revenue, or if not applicable 90% of the balance sheet, derived from activities falling in any of the below Project Categories and meeting related Eligibility Criteria

[31] Delegated Regulation (EU) 2021/2139 and Commission Delegated Regulation (EU) 2023/2485 of 27 June 2023 amending Delegated Regulation (EU) 2021/2139

[32] Maersk needs to decarbonise end-to-end and not only part of the logistics value chain which implies that some projects of its transition plan cannot be fully aligned with the EU Taxonomy criteria (for Green Methanol, as Maersk is not a producer of energy and for Green Buildings as EU Taxonomy criteria are not applicable across all geographies or not practical based on current market practices and available data)

[33] Delegated Regulation (EU) 2021/2139 and Commission Delegated Regulation (EU) 2023/2485 of 27 June 2023 amending Delegated Regulation (EU) 2021/2139

[34] See footnote 32

[35] See footnote 31

| Project Categories | Green Eligible Projects | Technical Eligibility Criteria | Contribution | EU Taxonomy* |
|---|---|---|---|---|
| **Clean Transportation** | Investments related to methanol-enabled dual-fuel container vessels[36] or dual-fuel methanol retrofits<br>  | The methanol-enabled dual-fuel container vessel has an:<br>• EEDI value 20% below IMO requirements[37] and can plug in at berth; or<br>• Energy Efficiency Existing Ship Index (EEXI) value equivalent to reducing the EEDI reference line by at least 10% below the EEXI IMO requirements[38] and a yearly average GHG intensity[39] that does not exceed EU Taxonomy limits[40] | **EU Substantial Contribution**<br>Climate Change Mitigation<br><br>**EU Taxonomy Activity**<br>6.10. Sea and coastal freight water transport, vessels for port operations and auxiliary activities<br><br>**SDG Contribution**<br>  | ✓ SCC<br>✓ DNSH<br>✓ MSS |
| | Investments related to efficiency improvement of existing container vessels as well as the installation of shore power equipment<br>  | • Reduction of fuel consumption of the vessel by min. 15 % (in grams of fuel per DWT per nautical mile)[41]; or<br>• Post retrofitting, the vessel attains an EEXI value min. 10 % below the EEXI requirements[42] and can plug-in at berth and has plug-in power technology | **EU Substantial Contribution**<br>Climate Change Mitigation<br><br>**EU Taxonomy Activity**<br>6.12. Retrofitting of sea and coastal freight and passenger water transport<br><br>**SDG Contribution**<br>  | |
| | Eligible expenditures related to the production or purchase of Green Methanol including offtake agreements with Green Methanol producers<br>  | Green Methanol procurement complies with Maersk's methanol sustainability policy (Appendix 1):<br>• Bio-methanol made from waste biomass that meet the minimum GHG reductions of 65%[43]; or<br>• E-methanol from biogenic $CO_2$ and hydrogen from electrolysis of water using renewable electricity that meet the minimum reductions of 70%[44]<br><br>Food-and feed crops are not used for the manufacture of Green Methanol. | **EU Substantial Contribution**<br>Climate Change Mitigation<br><br>**EU Taxonomy Activity**<br>3.10. Manufacture of hydrogen<br>4.13. Manufacture of biogas and biofuels for use in transport and of bioliquids<br><br>**SDG Contribution**<br>  | ✓ SCC |

*SCC: Substantial Contribution Criteria; DNSH: Do No Significant Harm; MSS: Minimum Social Safeguards

[36] Maersk aims for Green Methanol to be available in sufficient volumes for each vessel and from the start of each vessel's operations, or as soon as possible thereafter

[37] EEDI requirements defined as a percentage reduction factor, to be applied to the EEDI reference value, as agreed by the Marine Environment Protection Committee of the International Maritime Organization on its seventy-fifth session
See more here: Marine Environment Protection Committee (MEPC) 75, 16-20 November (virtual session (imo.org)

[38] EEXI requirements defined as a percentage reduction factor, to be applied to the EEDI reference value, as agreed by the Marine Environment Protection Committee of the International Maritime Organization on its seventy-sixth session
See more here: EEXI and CII - ship carbon intensity and rating system (imo.org)

[39] GHG intensity of the energy used on-board by a ship is verified by an independent third party and calculated as the amount of GHG emissions per unit of energy according to the methodology and default values specified in a Regulation of the European Parliament and of the Council on the use of renewable and low-carbon fuels in maritime transport and amending Directive 2009/16/EC

[40] EU Taxonomy limits are defined in the Substantial Contribution Criteria for Climate Change Mitigation of activity 6.10 point (f) – see link

[41] As demonstrated by computational fluid dynamics (CFD), tank tests or similar engineering calculations

[42] See footnote 38

[43] Waste biomass from forestry and agriculture. Minimum GHG reductions as per Article 29(10) of the EU Renewable Energy Directive (2018/2001)

[44] As per as per Article 25(2) of the EU Renewable Energy Directive (2018/2001)

| Project Categories | Green Eligible Projects | Technical Eligibility Criteria | Contribution | EU Taxonomy |
|---|---|---|---|---|
| **Clean Transportation** | Investments in zero emission road transportation and warehouse equipment<br>  | • Battery electric light/medium/heavy-duty trucks | **EU Substantial Contribution**<br>Climate Change Mitigation<br>**EU Taxonomy Activity**<br>6.6. Freight transport services by road<br>**SDG Contribution**<br>  | ✓ SCC<br>✓ DNSH<br>✓ MSS |
| | | • Electric material handling equipment for warehouses | **EU Substantial Contribution**<br>Climate Change Mitigation<br>**SDG Contribution**<br>  | Not aligned |
| | Investments related to the construction, modernization, operation and maintenance of terminals infrastructure and equipment<br>  | Terminals infrastructure and equipment are dedicated to the:<br>• Operation of zero direct (tailpipe) $CO_2$ emission vessels: electricity charging; or<br>• Shore power to vessels at berth; or<br>• Performance of the port's own operations with zero direct (tailpipe) $CO_2$ emissions (e.g., zero emission cranes, prime movers and port vehicles as well as dedicated infrastructure); or<br>• Transhipping freight between shipping and rail | **EU Substantial Contribution**<br>Climate Change Mitigation<br>**EU Taxonomy Activity**<br>6.16. Infrastructure enabling low carbon water transport<br>**SDG Contribution**<br>  | ✓ SCC<br>✓ DNSH<br>✓ MSS |
| **Energy Efficiency** | Investments related to the installation, maintenance and repair of energy efficiency technologies in existing logistic centres[45] and terminals<br>  | • Efficient products and appliances (LED roll-out; HVAC systems renovation and improvement); or<br>• Charging stations for electric vehicles; or<br>• Instruments and devices for monitoring the energy performance of buildings; or<br>• Renewable energy technologies on-site | **EU Substantial Contribution**<br>Climate Change Mitigation<br>**EU Taxonomy Activity**<br>7.3. Installation, maintenance and repair of energy efficiency equipment<br>7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)<br>7.5. Installation maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings<br>7.6. Installation, maintenance and repair of renewable energy technologies<br>**SDG Contribution**<br>  | ✓ SCC<br>✓ DNSH<br>✓ MSS |

[45] Logistic-centers include, but are not limited to, warehouses, depots and cold-storage facilities in locations across the globe

| Project Categories | Green Eligible Projects | Technical Eligibility Criteria | Contribution | EU Taxonomy |
|---|---|---|---|---|
| **Green Buildings** | Investment in the construction or acquisition of new logistic centres[46]<br>  | • Logistics centres that have or are expected to receive recognised green certifications:<br>○ BREEAM "Excellent" or higher;<br>○ LEED "Gold" or higher<br>• Maersk has guidelines in place to assess the life-cycle Global Warming Potential (GWP) as well as the physical climate risk and vulnerability of the building | **SDG Contribution**<br>  | Not aligned |
| | | • For Logistic centres built up to and including 31 December 2020<br>○ EPC label ≥ "A"; or<br>○ Belonging to the top 15% of the national or regional building stock based on primary energy demand (PED)<br>• For Logistic centres built after 31 December 2020<br>○ Primary Energy Demand (PED) is at least 10% lower than the threshold for Nearly Zero-Energy Building (NZEB) requirements in the national context; and<br>○ If larger than 1000 $m^2$, air tightness and thermal integrity has been tested and the life-cycle Global Warming Potential (GWP) has been calculated<br>• Maersk has guidelines in place to assess the physical climate risk and vulnerability of the building | **EU Substantial Contribution**<br>Climate Change Mitigation<br>**EU Taxonomy Activity**<br>7.1. Construction of new buildings<br>7.7. Acquisition and ownership of buildings<br>**SDG Contribution**<br>  | |
| **Climate Change Adaptation** | Investments related to the construction or modernisation of terminal infrastructure to adapt it to climate change physical risks<br>  | • Adaptations solutions[47] implemented following a robust climate risk and vulnerability assessment[48] including<br>○ Adaptation of existing quay infrastructure to rising sea levels<br>○ Drainage systems designed to minimise flooding risk<br>○ Adaptation of terminals infrastructure to typhoon intensity | **EU Substantial Contribution**<br>Climate Change Mitigation<br>**EU Taxonomy Activity**<br>6.16. Infrastructure for water transport<br>**SDG Contribution**<br>  | ✓ SCC<br>✓ DNSH<br>✓ MSS |

## Exclusions

Proceeds from Maersk Green Financing Instruments will not be used to finance:

- Assets or infrastructure dedicated to the transport or storage of fossil fuels
- Logistic-centres that are using fossil-fuel heating onsite (the whole building will be excluded)

## Future amendments of the Framework

Going forward, Maersk may extend the categories of Green Eligible Projects. Any change made will be documented in an updated Framework, which will be reviewed by a Second Party Opinion provider.

[46] Logistic-centers include, but are not limited to, warehouses, depots and cold-storage facilities in locations across the globe

[47] Physical and non-physical solutions that substantially reduce the most important physical climate risks that are material to the terminal infrastructure that meet point (4) of Substantial Contribution Criteria for Climate Change Adaptation of activity 6.16 – see here

[48] Assessment to be performed in line with points (2) and (3) of Substantial Contribution Criteria for Climate Change Adaptation of activity 6.16 – see here

# 3.2 Process for Evaluation and Selection

Project evaluation and selection is a key process in ensuring that the Green Eligible Projects financed by the Green Financing Instruments meet the Eligibility Criteria.

Maersk has established a dedicated internal Green Finance Committee ("GFC") to identify and select the Green Eligible Projects.

The GFC is formed of representatives from the following departments: Treasury & Risk, Finance, Energy Transition and Corporate Sustainability. It is chaired by the Head of Treasury & Risk.

The committee is responsible for:

- Reviewing, selecting and validating the Green Eligible Projects
- Monitoring the Green Eligible Projects portfolio during the life of the Green Financing Instruments
- Verifying and providing annual reporting on allocation and impact of the net proceeds raised through the Green Financing Instruments
- Monitoring the on-going evolution of the Green Bond Principles, particularly in relation to disclosure and reporting, to ensure Maersk is in-line with best market practices

The committee will meet on a semi-annual basis, or more frequently as required, to review proposed allocations and ensure that these are in alignment with the Framework.

The process for the evaluation and selection of Green Eligible Projects will be as follows:

- A list of potential Green Eligible Projects is identified by the relevant business functions and the Energy Transition team, based on internal expertise
- The list of potential Green Eligible Projects is then submitted to the GFC for validation with the Eligibility Criteria and selection
- Once a Green Eligible Project is selected by the GFC, Treasury will monitor and follow up on each Green Eligible Project and will maintain a register (the "Green Finance Register") to keep track of the Green Eligible Projects
- Semi-annually, the GFC will review the register of Green Eligible Projects and determine if the projects still align with the Eligibility Criteria or if any reallocation of proceeds is necessary

## Prevention and Management of environmental and social risks

Project evaluation and selection comply with Maersk's corporate governance and internal standards as well as with all applicable international and national laws, rules and regulations (see Appendix 3 for the detail of Maersk's specific standards that ensure a thorough management of potential environmental and social risks).

**Internal standards – Maersk policies and standards**

Maersk has established a robust selection and evaluation process, corporate sustainability and risk management policies to mitigate potential environmental and social risks related with the Green Eligible Projects.

All the Green Eligible Projects are to comply with Maersk's internal governance[49]. The Group makes sure that each material ESG aspect is integrated into operational decision making with explicit responsibility for oversight from senior management. The Board of Directors is kept informed of the main developments relating to health, safety and environment (HSE), and ensures that the management system for HSE operates smoothly and that the rules are being complied with. The Board is also responsible for ensuring that resources are being deployed in such a way that these agreements can be met. ESG risks are therefore included in Maersk's overall risk management framework, which relies on a number of tools to identify the various risks and categories of risks.


[49] See the overview of Maersk's governance structure in its 2023 Annual Report here

## 3.3 Management of Proceeds

Maersk Treasury department will manage the proceeds from the Green Financing Instruments on a portfolio basis. Maersk has established a Green Finance Register as an internal tracking system and has designated the GFC to monitor and account for the proceeds of any Green Financing Instrument.

Treasury will ensure, that the portfolio of Green Eligible Projects exceeds, or is at least equal to, the amount of Green Financing Instrument proceeds raised under this Framework.

The proceeds of Green Financing Instruments will be used to refinance disbursements in Green Eligible Projects occurring pre-issuance of Green Financing Instruments with a lookback period of up to 36 months and/or to finance Green Eligible Projects occurring post-issuance.

Maersk aims to allocate the proceeds of Green Financing Instruments to Green Eligible Projects within a reasonable timeframe after the issuance. Pending full allocation of proceeds to Green Eligible Projects, proceeds will be invested on a temporary basis, in accordance with relevant internal cash management policies, in cash and/ or cash equivalents and/or other liquid marketable instruments.

In case of divestments or if a Green Eligible Project no longer meets the Eligibility Criteria or is subject to a material ESG controversy, the proceeds will be reallocated to other Green Eligible Projects. Maersk will use its best efforts to substitute any projects that the GFC deems to no longer meet the Eligibility Criteria, as soon as practically possible once an appropriate substitution option has been identified.


## 3.4 Reporting

Until the maturity of the Green Financing Instruments, and in case of any material change, Maersk will publish annually (i) an Allocation Report and (ii) an Impact Report, the latter subject to the availability of suitable information, data and permitted disclosure in accordance with relevant confidentiality agreements and competition laws. For the latter reason, reporting could be done at an aggregate level for certain KPIs.

The reports will be publicly available on Maersk's website (www.maersk.com) and will appear as a standalone document published on the investor relations website (https://investor.maersk.com), or as part of Maersk's Sustainability or Annual Report.

### Allocation reporting

With the aim of providing disclosure on the allocation of net proceeds, the Allocation Report will include:

- The list of outstanding Green Financing Instruments and their total amount outstanding (in USD);
- The list of Green Eligible Projects (re)financed;
- Total amount of proceeds allocated to Green Eligible Projects, per category;
- A description of allocated Green Eligible Projects;
- An indication of the proportion financed by the Green Financing Instrument in case of co-financing, subject to confidentiality considerations;
- A breakdown of the Green Eligible Projects by location
- The proportion of the proceeds allocated to financing vs. refinancing
- The balance of unallocated proceeds invested in cash and/or cash equivalents

### Impact reporting

The Impact Report will provide information on the associated environmental impact metrics and outcomes of the Green Financing Instruments, subject to the availability of suitable information and data. Below are examples of impact indicators that may be reported.

Where relevant, Maersk commits to provide a methodological note to increase transparency on the underlying calculation assumptions of the key impact indicators.

| Category | Sub-category | Possible indicators |
|---|---|---|
| **Clean Transportation (maritime)** | Methanol-enabled duel-fuel container vessels | • EEDI of Methanol Container Vessels financed<br>• GHG emissions avoided due to use of Methanol Container Vessels given in $tCO_2e$, given for Well-to-Wake (WTW)[50] |
| | Procurement of Green Methanol | • Number of tons of Green Methanol (bio-methanol & e-methanol) purchased |
| **Clean Transportation (land)** | Zero emission road transportation and warehouse equipment | • Number of trucks and warehouse handling equipment financed<br>• GHG emissions avoided (transparency on conversion factor fossil fuel /GHG) given in $tCO_2e$ on a 100-year GWP basis |
| | Terminals infrastructure and equipment | • Annual GHG emissions reduced/avoided in $tCO_2e$<br>• Number of zero emission equipment deployed, number of shore power connections deployed, and/or installed capacity (in MWh) |
| **Energy Efficiency** | Optimisation in logistic centres and terminals | • Annual energy savings in MWh<br>• Number of EV charging points across vehicles types<br>• Renewable energy generated and/or installed capacity in MWh |
| **Green buildings** | Acquisition of new logistic centres | • Number / Certification Level of logistic centres<br>• Embodied energy (and carbon) over life-cycle ("cradle to grave"), in $tCO_2e$ |
| **Climate Adaptation** | Adaptation of terminal infrastructure to physical risks | • Reduction of asset Value-at-Risk (USDm) |

# 3.5 External Review

## Pre-Issuance – Second Party Opinion

Maersk has commissioned S&P Global Ratings to conduct a Second-Party Opinion on the Framework, to assess its alignment to the Green Bond Principles, as edited in June 2021 by the ICMA, to the Green Loan Principles, as edited in February 2023 by the LMA, LSTA, and APLMA, and to the EU Taxonomy Climate Delegated Acts[51]. The Second Party Opinion document will be made available on Maersk's website (www.maersk.com) or on the investor relations website (https://investor.maersk.com).

## Post-Issuance – External verification by an independent verifier

An external verification on the Allocation Report will be provided by an independent external verifier by way of a limited assurance, on an annual basis and until the complete allocation of proceeds, and thereafter in case of material changes to the allocation.

The external verifier will verify the internal tracking and allocation of proceeds of any Green Financing Instrument to Green Eligible Projects. The external verification may also cover the Impact Report to verify compliance with the methodology for calculating impact and output metrics on a best-effort basis.

This post-issuance external verification will be published on Maersk's website.

[50] "Well-to-wake" refers to the entire process of fuel production, delivery and use onboard ships, and all emissions produced therein

[51] Delegated Regulation (EU) 2021/2139 and Commission Delegated Regulation (EU) 2023/2485 of 27 June 2023 amending Delegated Regulation (EU) 2021/2139


# 4. Appendix

# Appendix 1 – Maersk's methanol sustainability policy

Maersk's methanol sustainability policy is subject to continuous review and changes.

| | Requirement |
|---|---|
| **Certification, documentation, and proof of sustainability** | • The end-product must be certified by a 3rd party certification to ensure its sustainability<br>• Maersk accepts RSB EU and ISCC EU certification schemes<br>• The end-product must have a proof of sustainability (POS) under a RSB or ISCC to support any emission saving claims |
| **Accepted feedstock** | • Maersk only accepts wastes, residues and by-products as feedstock including captured $CO_2$ of biogenic origin and direct air capture. Forestry waste and residues must originate from FSC certified forest or equivalent<br>• Hydrogen must be produced from electrolysis of water. For e-methanol additional renewable electricity must be supplied in accordance with REDII and III including Delegated Act Article 27(3) for RFNBOS and amendments |
| **Not accepted feedstock** | • Any first-generation crops<br>• Any first-generation woody biomass<br>• Any feedstock related to the palm oil industry<br>• Feedstock of fossil origin<br>• Hydrogen produced from natural gas with and without carbon capture |
| **Evaluation criteria** | • Projects are evaluated based on the ISO 14040-series standard for lifecycle assessments with a consequential approach<br>• Bio-methanol must meet the minimum GHG reductions in Article 29(10) of the EU Renewable Energy Directive (2018/2001) of 65%<br>• E-methanol and RFNBOs must meet the minimum reductions in Article 25(2) of the EU Renewable Energy Directive (2018/2001) of 70% |

# Appendix 2 – Detail of Technical Screening Criteria

| Activity | | Links |
|---|---|---|
| **Activity 3.10** | *("Manufacture of hydrogen")* for Climate Change Mitigation | See here |
| **Activity 4.13.** | *("Manufacture of biogas and biofuels for use in transport and of bioliquids")* for Climate Change Mitigation | See here |
| **Activity 6.6.** | *("Freight transport services by road")* for Climate Change Mitigation | See here |
| **Activity 6.10.** | *("Sea and coastal freight water transport, vessels for port operations and auxiliary activities")* for Climate Change Mitigation | See here |
| **Activity 6.12.** | *("Retrofitting of sea and coastal freight and passenger water transport")* for Climate Change Mitigation | See here |
| **Activity 6.16.** | *("Infrastructure enabling low carbon water transport")* for Climate Change Mitigation | See here |
| **Activity 7.1.** | (*"Construction of new buildings")* for Climate Change Mitigation | See here |
| **Activity 7.3.** | *("Installation, maintenance and repair of energy efficiency equipment")* for Climate Change Mitigation | See here |
| **Activity 7.4.** | *("Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)")* for Climate Change Mitigation | See here |
| **Activity 7.5.** | *("Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings")* for Climate Change Mitigation | See here |
| **Activity 7.6.** | *("Installation, maintenance and repair of renewable energy technologies")* for Climate Change Mitigation | See here |
| **Activity 7.7.** | *("Acquisition and ownership of buildings")* for Climate Change Mitigation | See here |
| **Activity 6.16.** | *("Infrastructure for water transport")* for Climate Change Adaptation | See here |

# Appendix 3 – Maersk internal policies and standards that ensure robust management of environmental and social risks

| | |
|---|---|
| **Environmental Management System** | Maersk has a robust Environmental Management System, structured and certificated in accordance with ISO 14001 norms for ocean-based activities since a decade that complies with relevant statutory requirements[52]. The Group performs risk analyses, conducts regular audits and keeps records of environmental irregularities in order to learn from them and, where possible, take effective action to limit environmental damage in the future. The number of environmental incidents is therefore closely monitored and is transparently communicated in the Annual Report[53]. |
| **Health and Safety Policy** | Maersk gives the highest priority to Health and Safety. Therefore, recognising, minimising and managing such risks is an essential part of all the activities of the Group. Maersk's policy aims to apply the strictest standards to ensure that operations are safe and efficient, doing its utmost to prevent unsafe situations that could endanger fellow human beings, employees, contractors or the local community[54]. |
| **Maersk Code of Conduct** | The Group has formalised guidelines through a written agreement communicated to all its employees and contractors to create a safe and upstanding working environment[55]. |
| **Supplier Code of Conduct** | The Group applies the same level of requirements to ensure that Maersk's services are delivered with integrity in a value chain compliant with international standards its Supplier Code of Conduct[56]. |
| **Whistleblowing Policy** | The Group has transparently established programmes to ensure the confidentiality, anonymity and protection of employee whistle-blowers. The Maersk's Whistle-blower system enables its employees to confidentially report any potential unpleasant situation or inappropriate behaviour to individuals within Maersk's Compliance Programme Operations Department and/or Group Internal Audit, which will help to find a suitable solution[57]. |
| **Human rights policy** | Maersk's Human Rights Policy Statement outlines its commitment to respect human rights based on international standards including the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises[58]. |

[52] See more information here: Ecosystems and Environment | Sustainability and ESG | Maersk

[53] See here: Annual Report 2022 | A.P. Møller - Mærsk A/S (maersk.com)

[54] See Maersk's HSSE Policy Statement here, the detail of the Company certificates and Safety performance here and find more information on Maersk's initiatives at Safety and Security | Sustainability and ESG | Maersk

[55] See the 2023 Employee Code of Conduct at Code of Conduct | Maersk and more at the Business Ethics page Business Ethics | Sustainability and ESG | Maersk

[56] See the Supplier Code of Conduct at Supplier Code of Conduct | Sustainability | Maersk and Supplier requirements | Supplier contracts | Maersk

[57] See more at EthicsPoint – Maersk

[58] See more information here: Human Rights | Sustainability and ESG | Maersk

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