



A.P. Moller– Maersk

Net zero emissions by 2050 a maritime approach to renewable energy transition

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MAERSK

A.P. Moller– Maersk at a glance

Present in
130+
Countries

Revenues¹ of
39,019
USD million

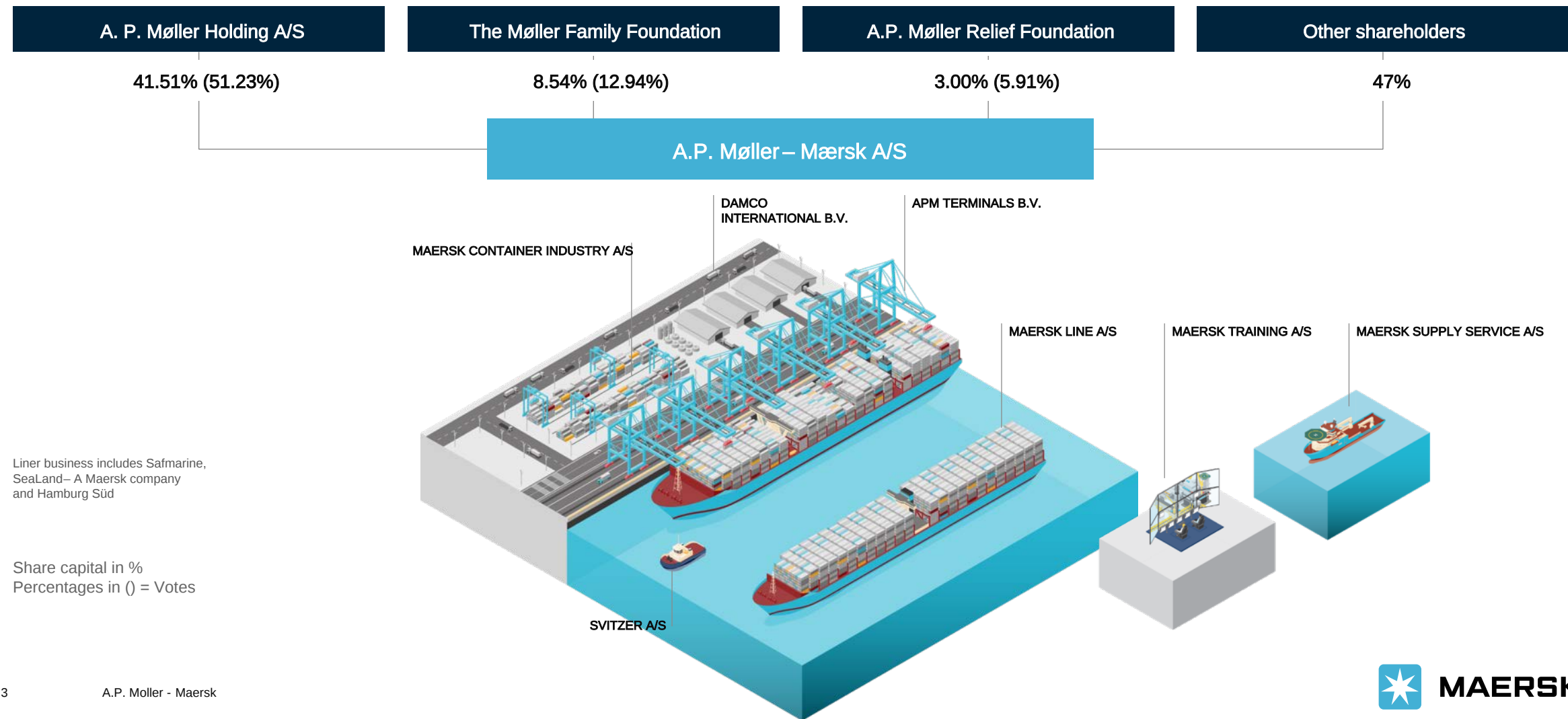
Profits¹
220
USD million

~80,000
employees

~700
vessels

~70
terminals

Company setup and ownership structure

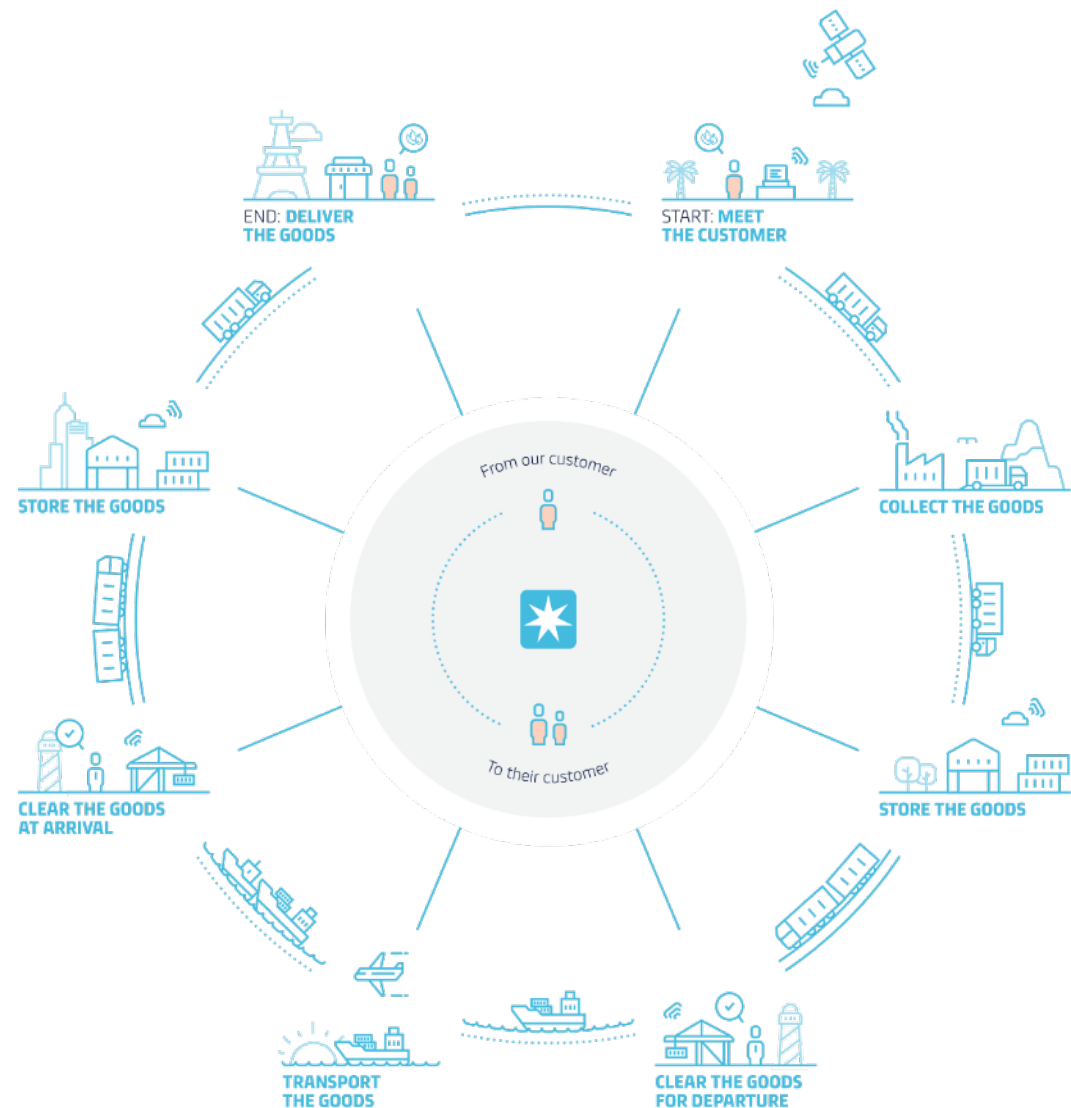


OUR BUSINESS

Connecting and simplifying global supply chains

A.P. Moller - Maersk enables its customers to trade and grow by transporting goods anywhere.

Maersk works to provide customers with a simple end-to-end offering of products and services, seamless customer engagement and a superior end-to-end delivery network, taking the complexity out of global supply chains.

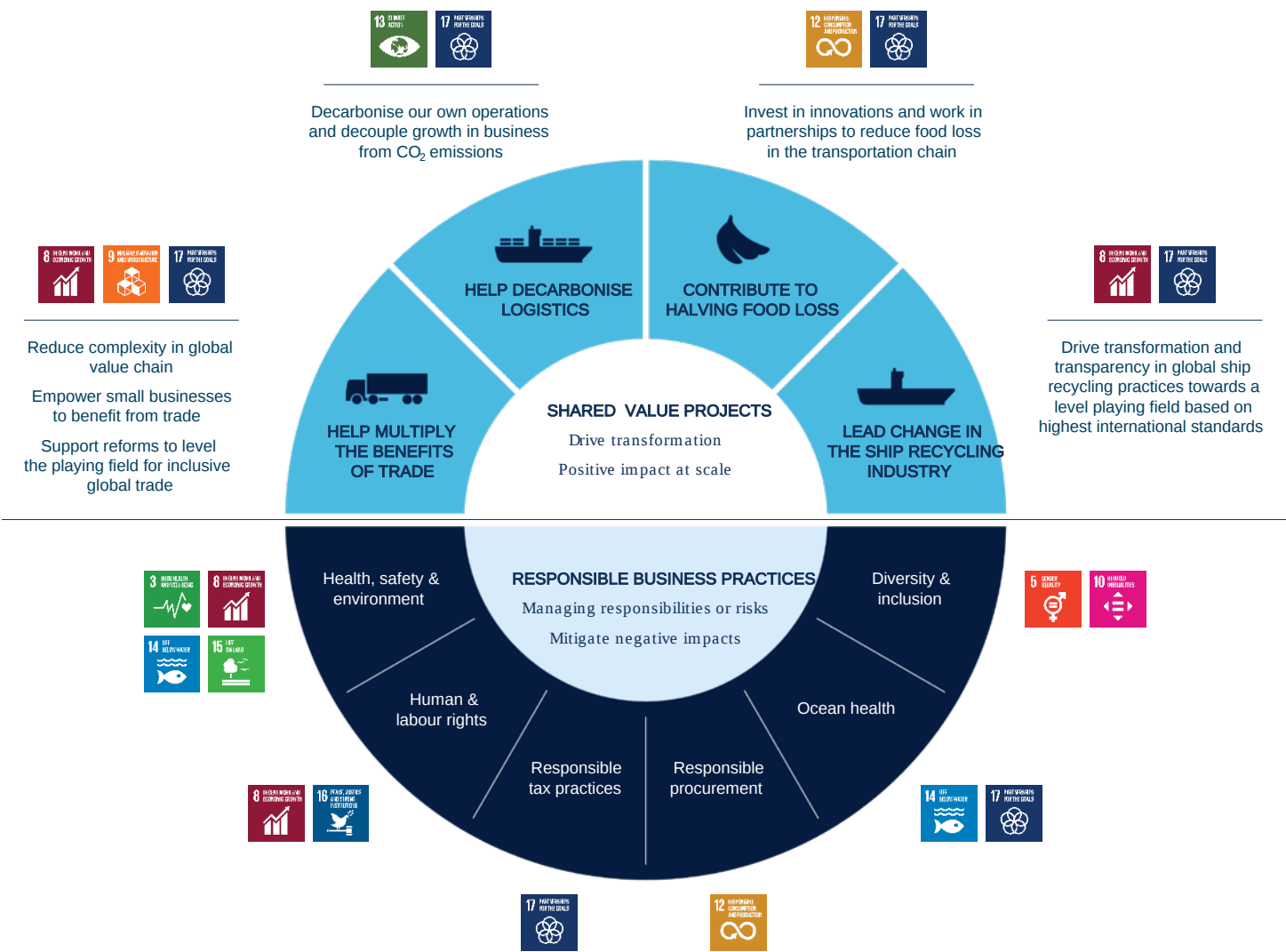


SUSTAINABILITY

How we impact the world

- Impact entails responsibility
- “Sustainability” includes:
 - Environment and climate change
 - Employee health and safety
 - Community engagement
- Based on long history and international standards
- Incorporated into our business processes

Sustainability strategy



Working toward carbon -neutral shipping - A pledge and a call to action

Shipping is
responsible for

2 – 3%

of global
emissions

“ We have begun a journey towards having net-zero CO₂ emissions from our own operations by 2050. This is an important ambition and one we can only deliver on in collaboration with many other stakeholders. ”

Søren Skou, CEO of A.P. Møller - Mærsk A/S

New targets

ZERO

Net emissions from our
own operations by
2050

60%

Relative reduction
by 2030 (compared
to 2008)

2018 performance

41%

Relative reduction YTD
(compared to 2008)

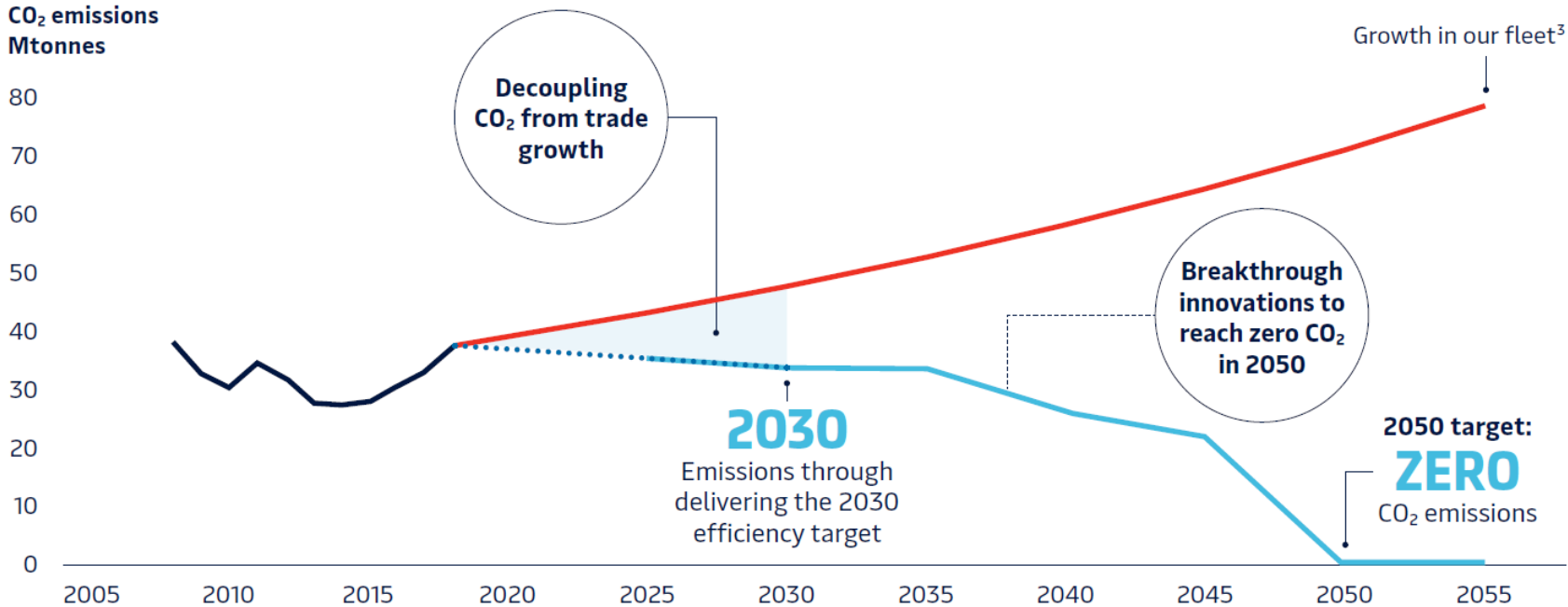
How could a Carbon Neutral 2050 Scenario be developed?

In a decade a total technology transition of the fleet commences...

2050 SCENARIO

— Historic emissions — Number of vessels — Projected emissions 2030 efficiency target — Pathway to zero CO₂

CO₂ emissions
Mtonnes



WE NEED TO START THINKING NOW!

- Vessels built after 2025 will be part of the 2050 fleet, and assumed to be prepared for later retrofit to Carbon Neutral fuels
- First dedicated Carbon Neutral vessel must be introduced by 2030 followed by a slow ramp-up allowing maturation of technology and supply chain
- From 2045 Carbon Neutral ready vessels are being retrofitted to Carbon Neutral
- From 2050 Carbon Neutral fleet

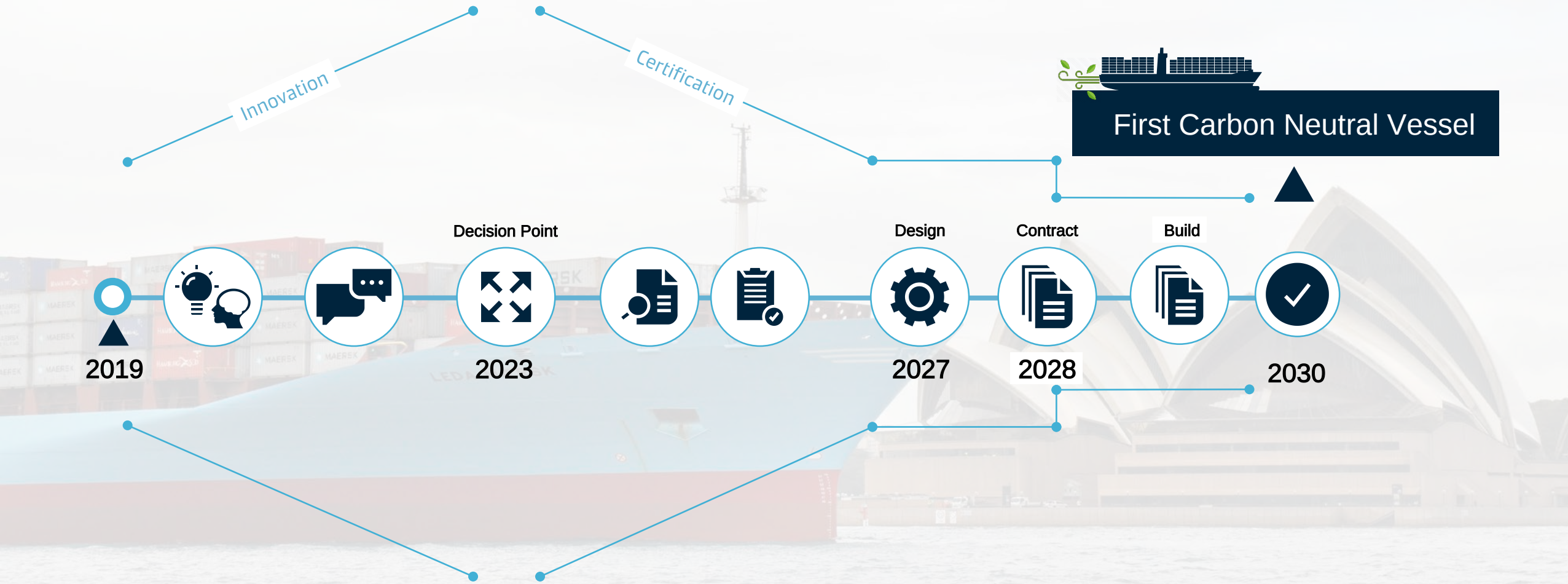
1 Global Warming of 1.5°C, Intergovernmental Panel on Climate Change, 2018.

2 Our target is net-zero CO₂ emissions, because using e.g. biofuels will emit CO₂ when burned on a vessel. However, if the feedstock used to produce the biofuel absorbs CO₂ equal to the emissions produced when burned (and the production process of the fuel is also CO₂-neutral) then specific biofuels can be CO₂ neutral.

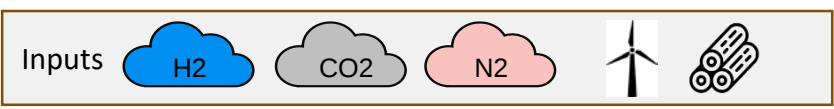
3 The 2050 scenario is based on a simulation, which builds on our expectations for the development of our business activities until 2050 and the reductions coming from exchanging old vessels with zero carbon vessels. It does not however, include post 2030 reductions coming from further reductions on the remaining part of the old fleet.

Our approach to low carbon innovation

Designing our first carbon neutral container vessel



DECARBONIZED MARITIME TRANSPORT: EXAMPLES OF FUEL PATHWAYS

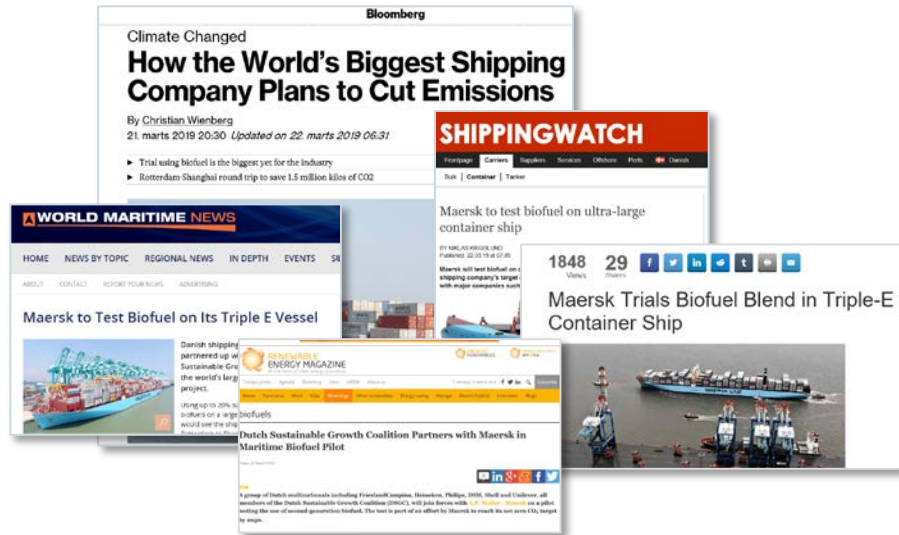


Energy Carrier Characteristics	Energy Carriers			Vessel Characteristics	Vessel Costs
Bio + E-fuel (Drop-In/Blend-in)					
Low flash point fuels					
Non-cryogenic gas					
Cryogenic gas					
Battery / Hybrid Propulsion					
Nuclear & Unknown					
Fuel Cell					

Moon Shots for stand-alone deep sea transport

Live innovation project: World's largest biofuel pilot

11



- ✓ Maersk collaborates with the DSGC:



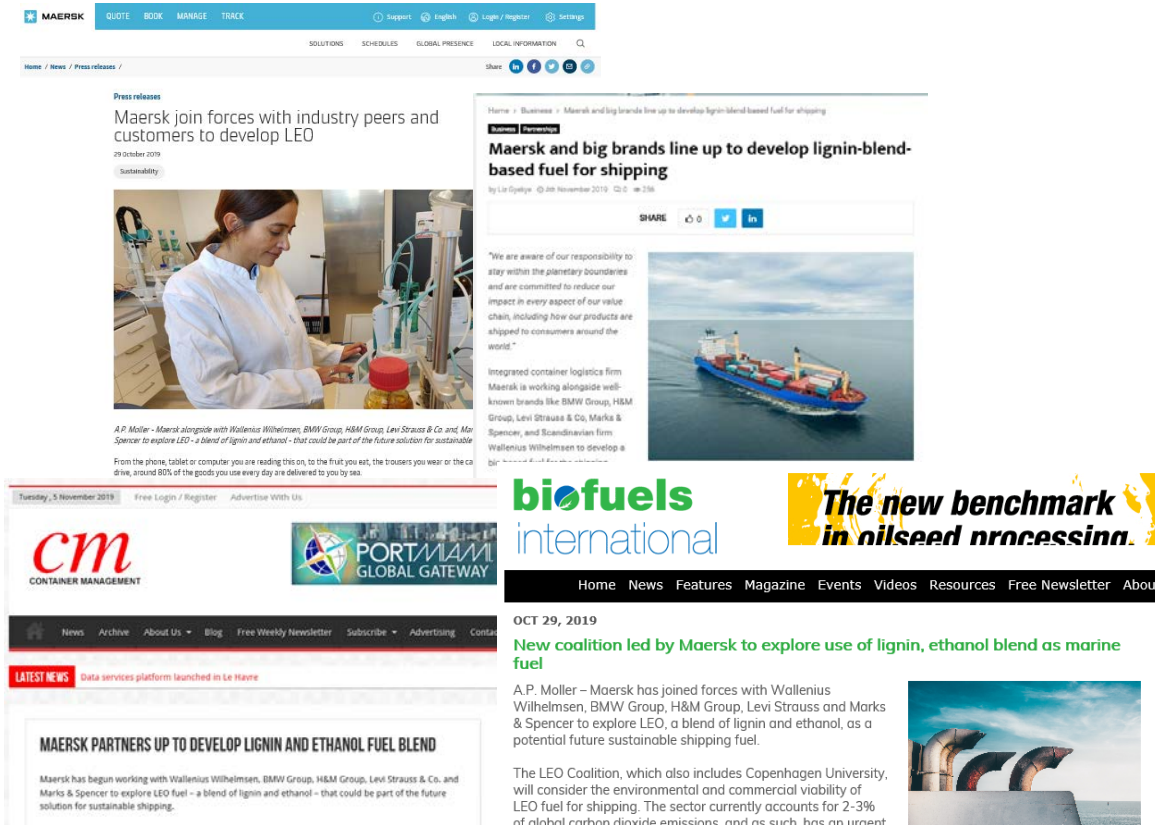
- ✓ Key statistics:

- ✓ 1.5M kg of CO2 saved on the journey
- ✓ Up to 20% bio-blends tested
- ✓ Full roundtrip on biofuel blends alone (25.000 nautical miles)

- ✓ Test the technical, sustainable and commercial viability of using readily available biofuels in global shipping
- ✓ Now commercial offering for select customers (2019)



New Initiative: Lignin/ Ethanol Blend



- R&D industry project
- Collaboration between Maersk, Wallenius Wilhelmsen, BMW Group, H&M Group, Levi Strauss & Co. and, Marks & Spencer:



- To test the technical, sustainable and commercial viability of using lignin -infused ethanol biofuels in global shipping

Future Fuels: Joint Study with Lloyd's Register



Press releases
Alcohol, Biomethane and Ammonia are the best-positioned fuels to reach zero net emissions
14 October 2019
Sustainability



Maersk Promotes Alcohol, Biomethane and Ammonia as Fuel



Zero Net Emissions: Alcohol, Biomethane & Ammonia a Good Start



Market projections have shown that the best-positioned fuels for research and development into net-zero marine fuels are alcohol, biomethane and ammonia.

According to a new study conducted by Danish shipping major A.P. Møller - Maersk and UK's classification society Lloyd's Register, the greatest opportunities for decarbonizing shipping lie in



as for
hol, biomethane,

Alcohol, biomethane and ammonia the best options for decarbonization, study says
The best opportunities for decarbonization of shipping lie in finding new sustainable energy sources, says a new study by Danish shipping giant A.P. Møller - Maersk and Lloyd's Register which identifies alcohol, biomethane, and ammonia as the best positioned fuels for research and development into net-zero fuels.

- Working hypothesis: MeOH/ EtOH, CH₄, and NH₃ are scalable and can propel deep sea vessels
- Søren Toft, COO at A.P. MøllerMaersk:
"It is too early to rule anything out completely, but we are confident that these three are the right places to start. (...) These three fuel pathways have relatively similar cost projections but different challenges and opportunities."
- 80% of internal APMM research into long-term solutions (zero emissions) will be centered around CH₄, NH₃, and MeOH/ EtOH
- 20% of internal APMM research into long-term solutions (zero emissions) will be centered on other fuels and technologies
- Short-term solutions also need to be identified!

Call to action:

Scientists— please
get involved!



Thank you

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An aerial photograph of a Maersk train crossing a bridge over a river in a valley. The train consists of a red locomotive and several blue Maersk containers. The river is muddy brown and flows through a lush green valley with autumn-colored trees. In the background, a small town is visible on a hillside, and the surrounding landscape is hilly and forested. The sky is overcast and hazy.

Questions?