



November 25, 2020

Søren Skou
Chief Executive Officer
A.P. Møller - Mærsk
Sent via Email

Lee Kindberg
Head of Environment and Sustainability
A.P. Møller - Mærsk
Sent via Email

RE: Invest pandemic profits in zero-emissions vessel innovation and related infrastructure

Dear Søren Skou and Lee Kindberg,

We hope this finds you safe and healthy during these challenging global times. On behalf of Pacific Environment's thousands of supporters and the millions of people we serve across the Pacific, we write to urge A.P. Møller - Mærsk to invest its unprecedented 2020 pandemic profits into zero-emissions vessel innovation and related infrastructure rather than host a \$1.6bn share buyback.

As you well know, transitioning ships off of fossil fuels is among the greatest challenge your industry has faced in a century. The shipping industry is a massive global polluter, emitting 1 billion tons of carbon and contributing to an estimated 60,000 premature deaths each year. Today, there is not a single genuine, market viable zero-carbon or zero-emissions deep sea cargo vessel that can offer clients like Walmart, Target, IKEA, and Amazon a serious climate-conscious maritime freight option. With \$1.6bn of direct investment in zero-emission vessel and fuel innovation, you could make a massive impact towards changing this course.

According to reporting by the Financial Times, A.P. Møller - Mærsk has benefitted from "a far stronger than expected rebound in freight rates" in Q3 as "companies in the US and Europe struggle to keep pace with consumer demand." Their reporting states that A.P. Møller - Mærsk expects full-year profit to be \$8bn-\$8.5bn, up from its previous forecast of \$7.5bn-\$8bn.

In the face of global climate emergency that threatens the survival of civilization as we know it, it is reckless to use these profits to voluntarily host a share buyback when you could instead make the case to your shareholders that you will use these funds to catalyze the clean energy transition in shipping and position A.P. Møller - Mærsk to lead the industry toward a zero-emissions future.

The shipping industry is a climate laggard. It is years behind the automobile and heavy duty truck industries in terms of zero-emissions innovation. Getting ships off fossil fuels is an urgent task. We hope A.P. Møller - Mærsk will stand on the right side of history and demonstrate leadership by investing your unexpected pandemic profits into scalable zero-emissions vessel innovation.

Thank you for your time and consideration.

Sincerely,

Alex Levinson
Executive Director
Pacific Environment

Madeline Rose
Climate Campaign Director
Pacific Environment