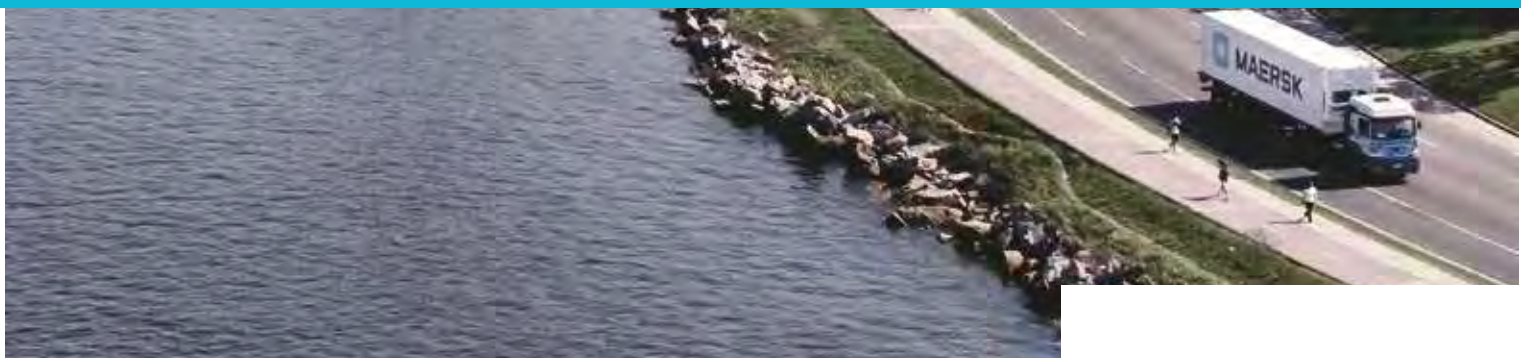




Maersk in **Brazil**



Brazil is a key growth market for Maersk. We share a common interest with Brazil in promoting economic development, national competitiveness and prosperity for Brazil's population. Since 1977 we have been building up our presence investing USD 5 billion in shipping, port operations and offshore oil activities.

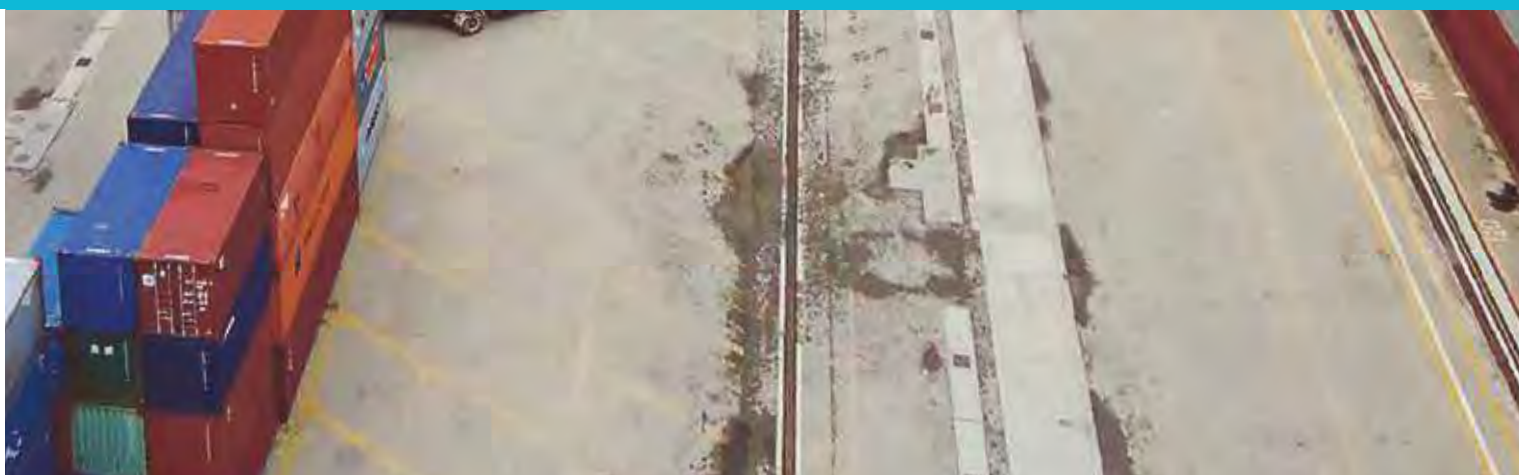


MAERSK



We are investing in Brazil: New container vessels and shipping services, ports and terminals, inland service operations and door to door logistics. We measure the value of our investments in broader terms than profit.

Unfold the story >



Why **infrastructure** is so important

Brazil recognises infrastructure development as one of the most important drivers to support economic growth and continued social progress.

In the last two decades, Brazil has made great progress in combining economic growth with significant social gains. GDP (in BRL) has more than doubled from 2000 to 2011, and in parallel, Brazil has had a sharp decline in inequality and poverty.

TRADE IS PART OF THE SUCCESS STORY

International trade has been and continues to be part of Brazil's economic success story. In 2011, exports and imports accounted for 12% and 13% of Brazil's GDP. Access to trade and the efficiency of transport are important factors for any economy and export ambition. And so it is for Brazil.

BUT SIGNIFICANT INVESTMENTS IN INFRASTRUCTURE ARE STILL NEEDED

Brazilian freight logistics costs are high – up to 18% of GDP. Transport infrastructure bottlenecks are a key part of the problem.

Today, the Brazilian government recognises infrastructure development as one of the most important drivers to support economic growth and continued social progress.

In Brazil, Maersk is investing in the construction of new container terminals, container vessels, hinterland logistics and training and education.

MEASURING SUCCESS IN BROADER TERMS

At Maersk, we aim to define the success of our investments in broader terms. Infrastructure such as ports, terminals, roads and container vessels play an important part in societies as trade enablers, catalysts for business opportunities, employers and centres of technology and know-how.

On the following pages you can learn more about the broader socioeconomic impacts and benefits of Maersk's operations in Brazil.

KEY FIGURES BRAZIL

+228%

growth in GDP from 2000 to 2011 (BRL)

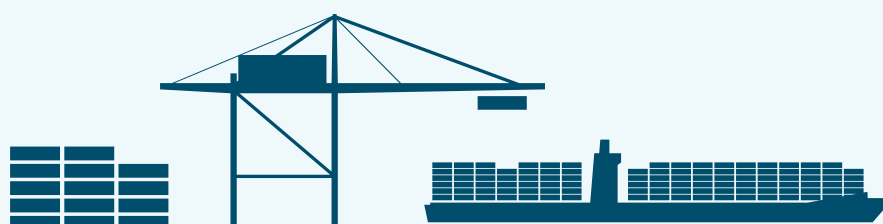
256bn

Brazilian exports in 2011 (in USD)

Freight logistics costs

15-18%

of GDP (2011)



How Maersk Line **MAX**imises trade in Brazil

In Brazil, 16 new SAMMAX vessels show how a tailor-made container vessel can help a country make the most of its trade opportunities.

In Brazil, shallow water ports and lack of sufficient container terminals have been preventing large container ships from calling the ports. Instead, ports were clogged with smaller vessels spending too much time getting in and out and carrying too little cargo.

Inefficiencies like that have knock-on effects: the longer a vessel spends in port, the greater the transport costs and the higher the CO₂ emissions. This has a detrimental impact on trade in the region, affecting the ability of local businesses and their dependants to prosper and grow.

WHY SHIP SIZE MATTERS FOR BRAZIL AND THE BOTTOM-LINE

Maersk Line's new 8,600 TEU vessels – the SAMMAX (South America Max) – carry more than twice as much cargo as the previous Maersk ships deployed on the route between South America and Europe. What makes the SAMMAX ship different is not just its size. It's the fact that it has been designed to overcome the limitations of shallow water ports and constrained port capacity in Brazil.

This means that every time a SAMMAX vessel calls a Brazilian port, it delivers more containers, and it delivers them faster. This helps speed up the port productivity. And in the port of Santos alone, the new ship design makes SAMMAX vessels able to offer the community an increased trade potential worth up to USD 1.4 billion every year.

SAMMAX IN NUMBERS

+72%

containers per vessel call – 8,600 containers (TEU) in total.*

10%

higher fuel efficiency compared to other new vessels of the same size and vintage.

The increased trade potential is worth up to

USD 1.4bn



* Compared to the previous 3,200 TEU Maersk vessels deployed on the same trade lane.

Building **tomorrow's** **terminal** today

APM Terminals is investing in better ports and inland transport infrastructure in Brazil. The impacts are multiple. Better ports and inland transport infrastructure will unlock new opportunities for business in Brazil.

With container port traffic more than tripling during the last decade, Brazilian container terminals are under pressure. In the Port of Santos, for example, the waiting time for container vessels has steadily been increasing. During the first half of 2012, ships have had to wait about 16 hours on average before berthing. The World Bank estimates that extra charges for delayed cargo constitute around USD 700 million per year in Santos.

USD 15.3 BILLION TRADE POTENTIAL

In 2013, the new container terminal, Brasil Terminal Portuario (BTP), is opening up for business in Santos. The terminal is a USD 1 billion investment made by APM Terminals and Terminal Investment Limited.

The terminal will increase container capacity in the Port of Santos by up to 40% and its annual container throughput by up to 12%. The benefit is an increased trade potential worth up to USD 15.3 billion per year.

SHARED VALUE FOR SANTOS AND APM TERMINALS

There are ample socio-economic impacts of investing USD 1 billion in building a new container terminal. Besides unlocking new trade opportunities for the local community and business environment, a new terminal can become a significant positive influence through employment and educational opportunities, tax income, payments to local suppliers and the introduction of new technologies and health and safety standards.

Through the development of the BTP terminal, Santos will benefit annually from more than USD 100 million in tax income, 3,000 jobs during the construction phase, 1,500 jobs during the operational phase and 9,000 indirect jobs once the terminal is fully up and running.

BTP

IN NUMBERS

The new terminal creates:

1,500

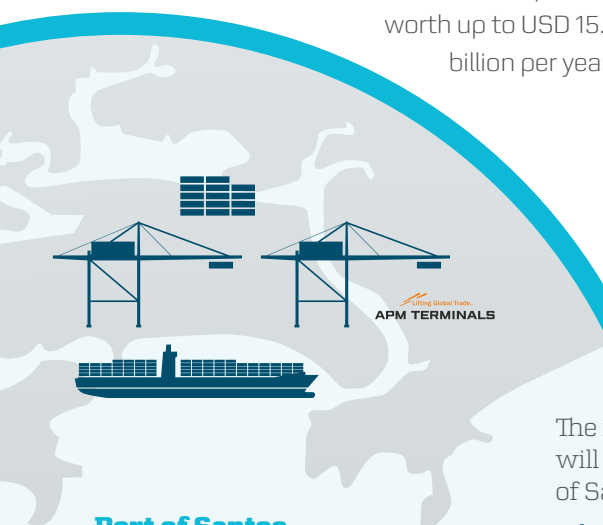
direct jobs.

9,000

indirect jobs.

**USD
100m**

annual tax income
for Santos.



**Port of Santos,
Brazil**

The new terminal, **BTP**, will improve the capacity of Santos Port by

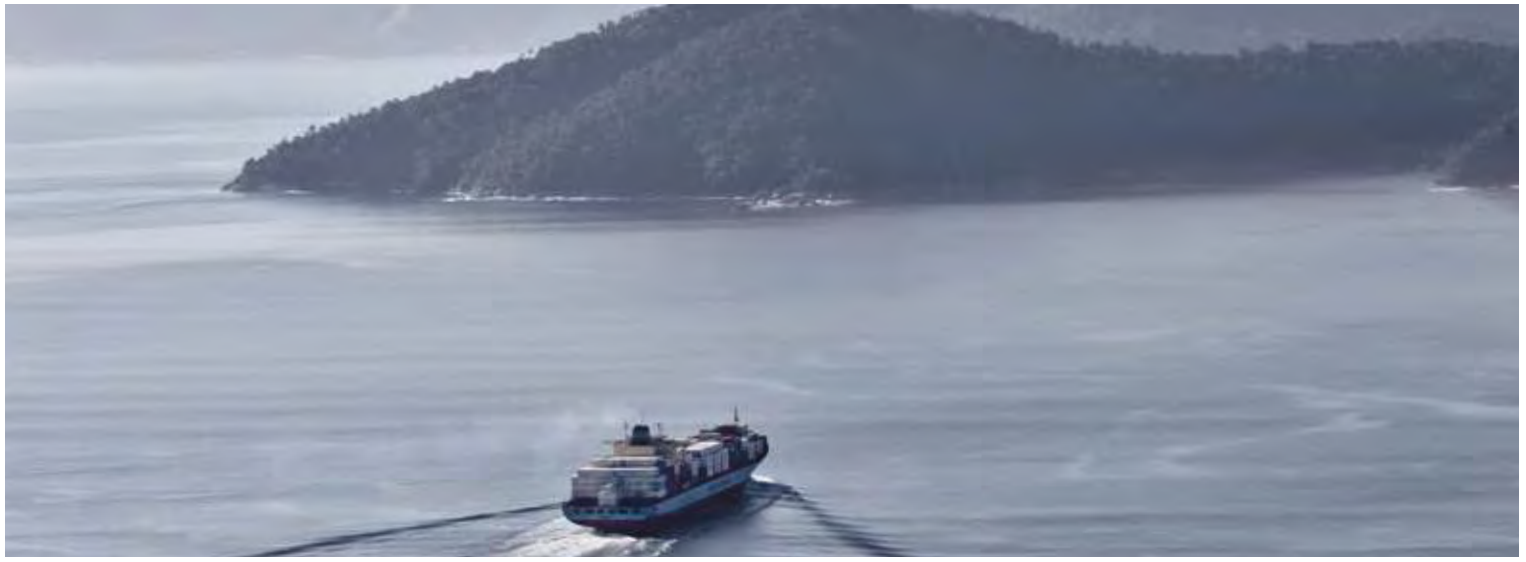
40%

The increased trade potential is worth up to

USD 15.3bn

per year





Good reasons for **going coastal**

Brazil's coastal shipping industry has an 800% growth potential. There are social, environmental and economic arguments for realising it.

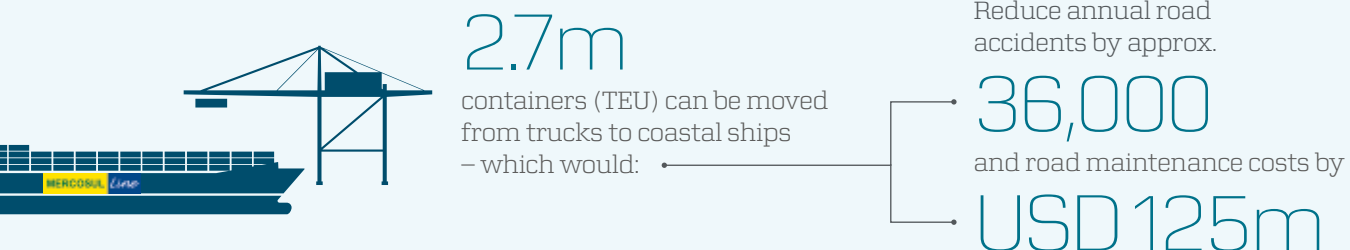
Despite a long coastline of about 7,500 km (4,650 miles) studded with major ports, the potential of coastal shipping has not yet been fully realised in Brazil.

Only a fraction of the total domestic container transport is carried out by coastal shipping. The extensive use of trucks increases transport costs through 3–4 times higher trucking rates, congestion and unreliable transport times. This in turn reduces Brazil's trade and weakens its national competitiveness. Compared to trucks, coastal shipping each year saves the Brazilian society 4,100 road accidents and up to USD 212 million in road maintenance, medical and material costs as well as 0.5 million tonnes of air emissions.

WHY BRAZIL SHOULD MAKE THE MOVE

Today, about 2.7 million containers (TEU) can be moved from trucks to coastal ships. Making the move to coastal would reduce annual road accidents by approx. 36,000; road accident costs by up to USD 1,715 million; road maintenance by USD 125 million; and emissions by 4.4 million tonnes of CO₂. That means overall lower transportation costs – socially, environmentally and economically.

We are convinced that coastal shipping could have a much more prominent role to play in supporting Brazil's ambitious export targets. It's simply much more sustainable.



Developing Brazilian professionals

From shipping to energy, Maersk's many activities offer the Brazilian population a variety of career opportunities both at sea and on shore.

In Brazil, there is a strong demand for cadets and maritime officers. To develop and attract the best people Maersk is investing in local training and education.

TRAINING CADETS

Maersk Supply Service provides marine services to the global oil and gas industry. It was the first Maersk company to enter Brazil in 1977. Today, Maersk Supply Service's cadet training programme is the second largest in the industry. To finalise their education at Navy schools, the Brazilian cadets must complete one year training at sea, and through Maersk the cadets can train both on offshore supply and container vessels. In 2012, 50 Brazilian cadets went through the programme and in total, 190 people have completed the programme. A large number of these cadets were hired as officers.

DEVELOPING SPECIALISTS FOR GROWING BUSINESSES

In 2012, Maersk Training started operating in Brazil to provide training to the maritime and oil industries. Maersk Training offers training

in safety, security, crane operations, drilling, navigation and people and language skills. The new training centre in Rio de Janeiro will house a drilling and a bridge simulator, and will be capable of providing certified well control training, accredited DP training, anchor handling, ship handling and a range of other courses. Maersk Training is also developing post-graduate programmes to allow graduate cadets to specialise and take on roles on specific vessel types, such as supply or tanker vessels.

In three years, the number of instructors at Maersk Training is set to reach 60. By 2016, the company plans to train 4,000 Brazilians annually for the maritime and offshore industries.

By 2016, Maersk Training
will be training

4,000

Brazilians every year
for the maritime and
offshore industries





Our **socio-economic impacts** in Brazil

In 2012, we set out to deepen our understanding of Maersk's impacts within trade, infrastructure and energy by focusing on one important growth market: Brazil.

Our study puts numbers on some of Maersk's key impacts in Brazil – both in social, environmental and economic terms.

Maersk in Brazil

Unlocking opportunities for shared value

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We share a common interest with Brazil in promoting economic development, national competitiveness and prosperity for Brazil's population.

Good reasons for **going coastal**

Brazil's coastal shipping industry has an 800% growth potential.

2.7m
containers (TEU)
can be moved from
trucks to coastal
ships

This would reduce
annual road
accidents by approx.

36,000

and road maintenance costs by

**USD
125m**

Maersk's activities in
Brazil create around

48,000

jobs in the
wider economy



USD 1bn brand new container terminal in Santos

APM Terminals' new joint-venture container terminal – Brasil Terminal Portuario (BTP) – in Santos, Sao Paulo will lift containerised trade in Brazil.

How Maersk Line **MAX**imises trade in Brazil

16 new SAMMAX vessels have been introduced, to accommodate the large demand for refrigerated cargo between South America and Europe. They are designed to overcome the limitations of shallow waters and low port capacity in Brazil.

40%
increased
container capacity

The increased trade
potential is worth up to

USD 15.3bn
per year

Benefits for the
Santos community

1,500
direct jobs

9,000
indirect jobs

**USD
100m**
annual tax income
for Santos



Port of Santos

SAMMAX
can carry
8,600
containers (TEU),
that means
+72%
containers per
vessel call

In Port of Santos
alone this means
an increased trade
potential of
40,000
more containers
per year

**USD
1.4bn**
increased trade
potential

