



MAKING MARINE INSURANCE STRATEGIC

From value protection to business opportunity



Protecting the balance sheet

A Asset heavy risk management

- 1000 owned vessels
- 400 chartered vessels
- 3.300.000 containers
- 70 terminals
- 150 warehouses
- Insured values of USD 30 billion
- 80.000 employees
- Active in 135 countries



Protecting the balance sheet

Large losses do occur

Gryphon A



Emma Maersk



Carla Maersk



Safmarine Meru



Searcher and Shipper



Maersk Honam



Protecting the balance sheet

Often losses occur out of the blue



Managing our cost of risk

Our risk financing strategy



- Continuously reduce the total cost of insurable risk
- Through insurance procurement, retention management, loss prevention, claims management, insurance governance and insurance advice
- Being cost effective, competent, accessible and transparent while fully leveraging the combined portfolio

Managing our cost of risk

How is the risk financing strategy executed



STRATEGIC RELATIONS

- Leverage strategic relations to brokers and insurers

BUYING POSITION

- Leverage group buying position in the market

RISK APPETITE

- Leverage company risk appetite through risk retention in MIAS

TRANSPARENCY

- Create transparency in respect of premium and claims across the group

LOSS PREVENTION

- Leverage loss prevention to improve and differentiate the risk

Managing our cost of risk

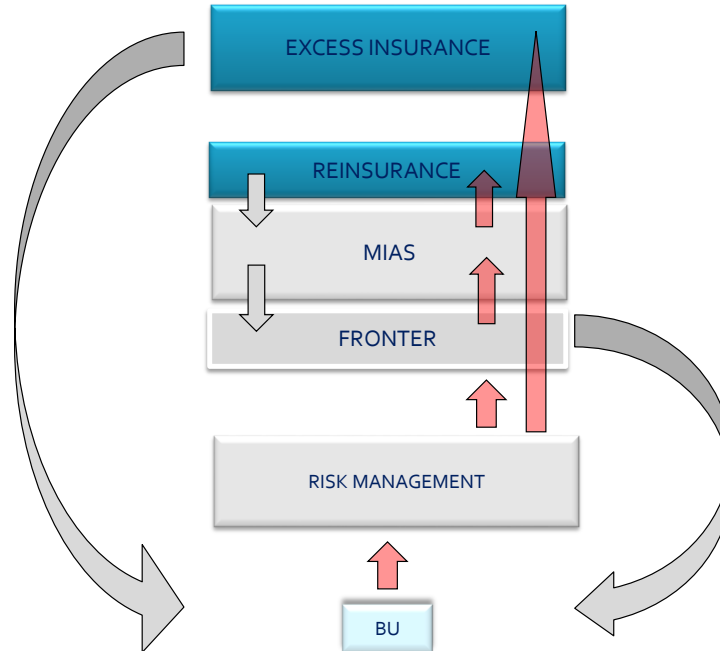
Profitable risk taking

Maersk Insurance in a nut shell

- Into operation on 1/1 2012
- Re-insurance captive domiciled in Denmark
- Equity of USD 190 million
- Marine, Energy, Property and Liability
- Annual premium of USD 50 million
- Accumulated profits of 100 million over 7 years
- Solvency II compliant and supervised by DFSA
- 3 employees



Active retention management



Managing our cost of risk

The risk financing strategy in action

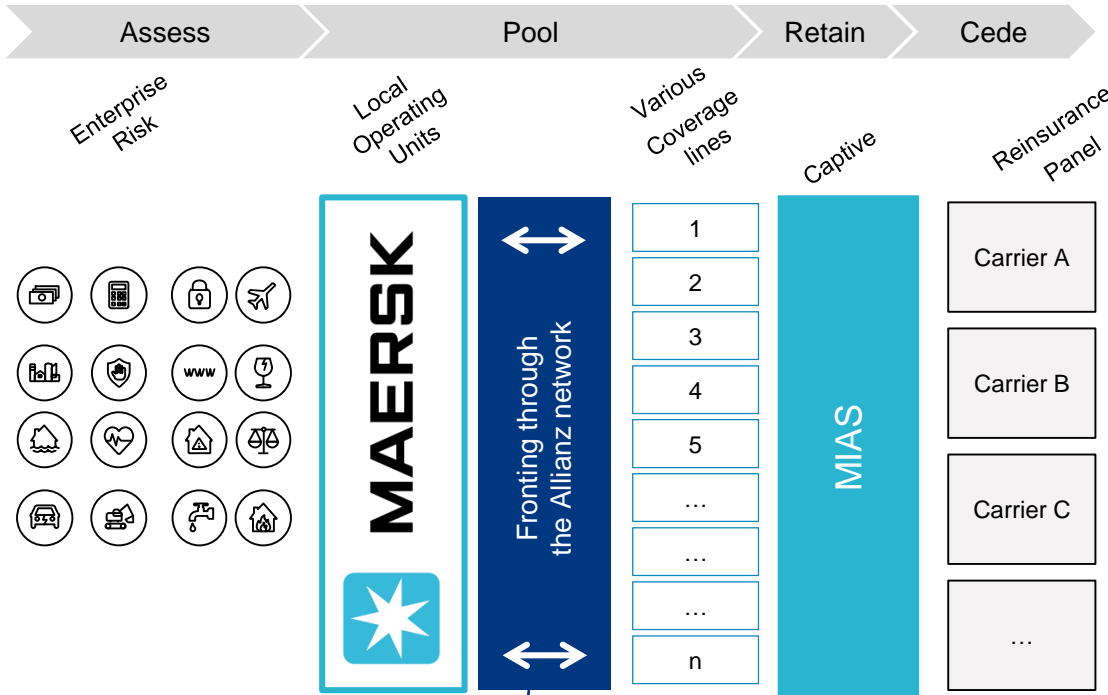
TOTAL COST OF RISK

Year/MM USD	BU retained losses	MIAS retained losses	External market premium	Cost of MIAS capital	Total
2011	154	N/A	285	N/A	439
2012	101	17	215	9	342
2013	57	45	172	9	283
2014	60	19	153	9	241
2015	62	38	131	9	240
2016	40	21	117	9	187



Supporting our business strategy

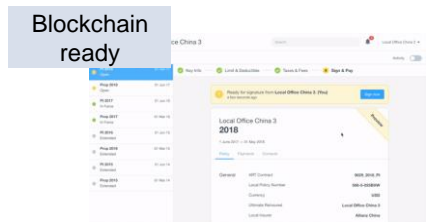
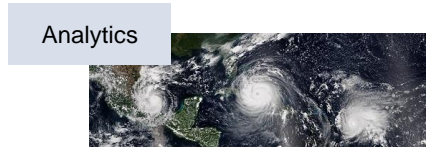
Creating the supply chain insurance policy



Consolidation of global policies into one master cover and implementation for each jurisdiction in compliance with local market

MIAS retains some or all of the risk in line with overall ERM strategy

Support



Supporting our business strategy

Creating the “one-stop-shop” for our customer

E2E Insurance

End-to-end coverage



Maersk offer commercial cargo insurance to its customers in partnership with global partner

E2E Insurance will allow us to issue certificates and cover door-to-door

Extended liability

Bill of lading coverage



*Selling **extended liability** as alternative to insurance*

Extended liability can support a reduction in commercial claims while also fill a gap in the market for low value cargo where the deductible makes traditional insurance unattractive



**Always safe.
Never sorry.**

Presenting Value Protect.

Your promise. Delivered.

 MAERSK

Supporting our business strategy

Insurance is a business enabler without which we could not trade

- We could not sail, carry cargo, call ports or employ crew without P&I insurance
- We would not be able to finance our investments and operations without H&M and P&I insurance
- We would not be able to enter into JVs for our ports without having insurance
- We could not build, vessels, ports or warehouses without construction insurance
- We could not assume liability or give indemnities to customers without liability insurance

