



Facilitating Global trade through efficient port operation

Trans Maritime Kuwait 29-31 January, 2019

Agenda

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Ports & Global Trade

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Supplychain and its complexities

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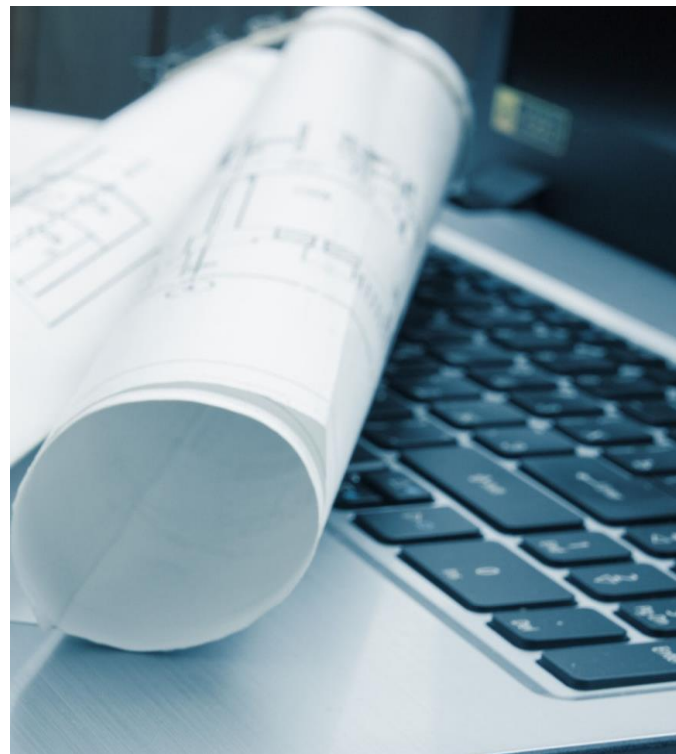
Digitization in supply chain

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Role of ports in the future of supply chain

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Introduction to APM terminals



The cost, size, and complexity of the world's trading ecosystems continue to grow



More than **\$17 trillion** in goods are shipped across international borders each year



80% of the goods consumers use daily are carried by the ocean shipping industry

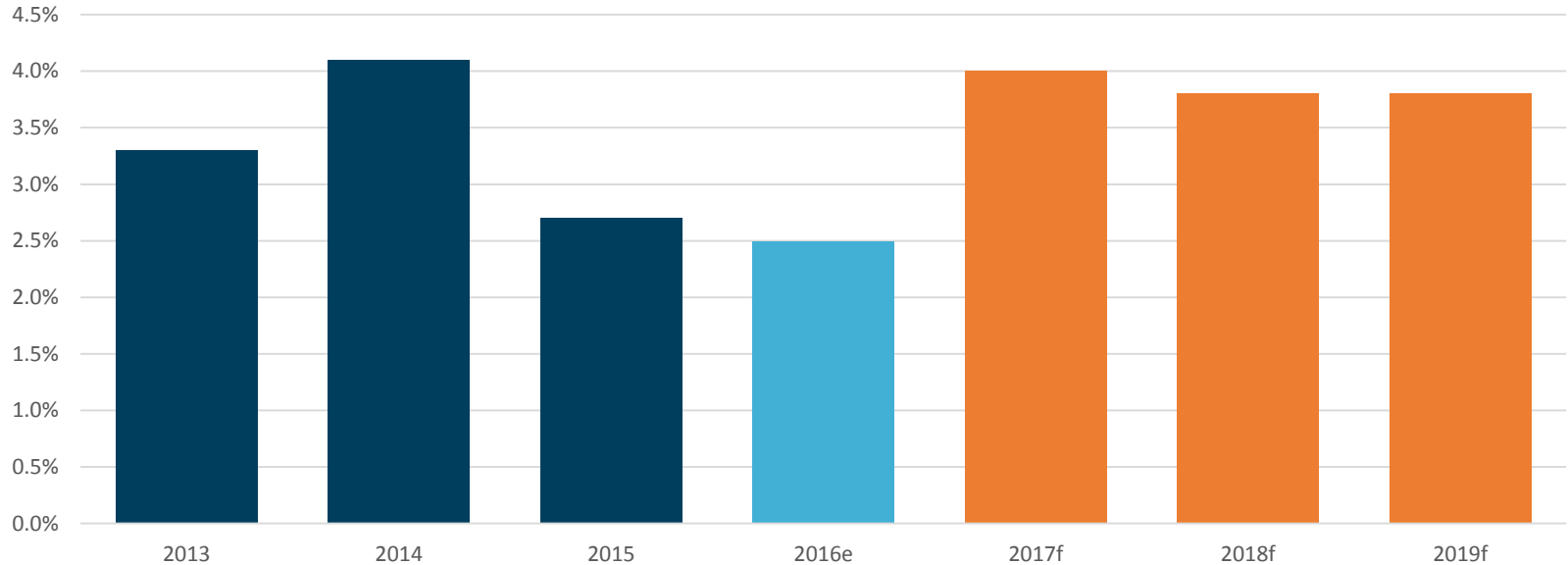


By reducing barriers within the international supply chain, global trade could increase by nearly **15%**, boosting economies and creating jobs¹

1) The World Trade Organisation: Latest Trends in World trade 2017-18 ; WEF 2013

World Trade projected growth rates 2017-2019

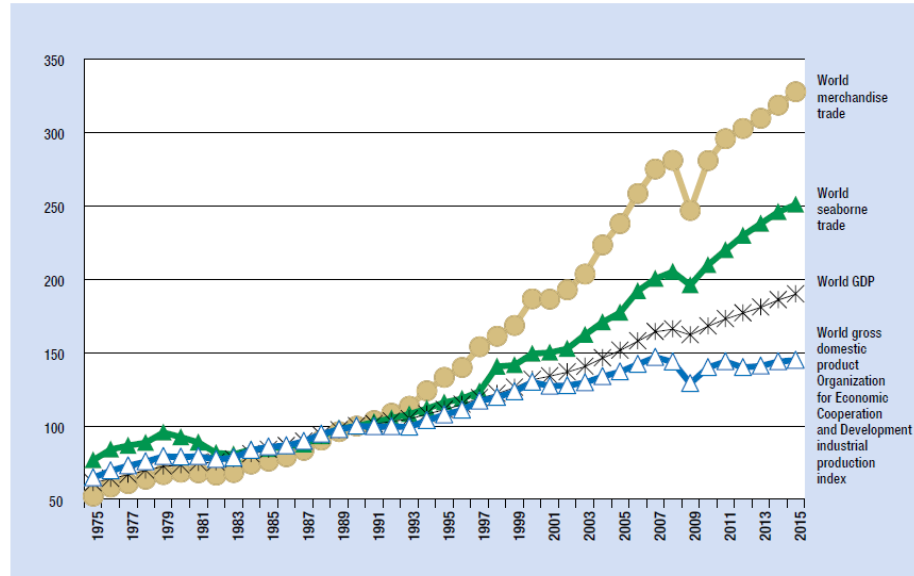
World Trade Growth Forecast (By Volume)



Source: World Bank Global Economic Prospects June 2017

Seaborne trade is growing faster than Global GDP

**Organization for Economic Cooperation and Development
industrial production index and indices for world gross domestic
product, seaborne trade and merchandise trade, 1975–2015**

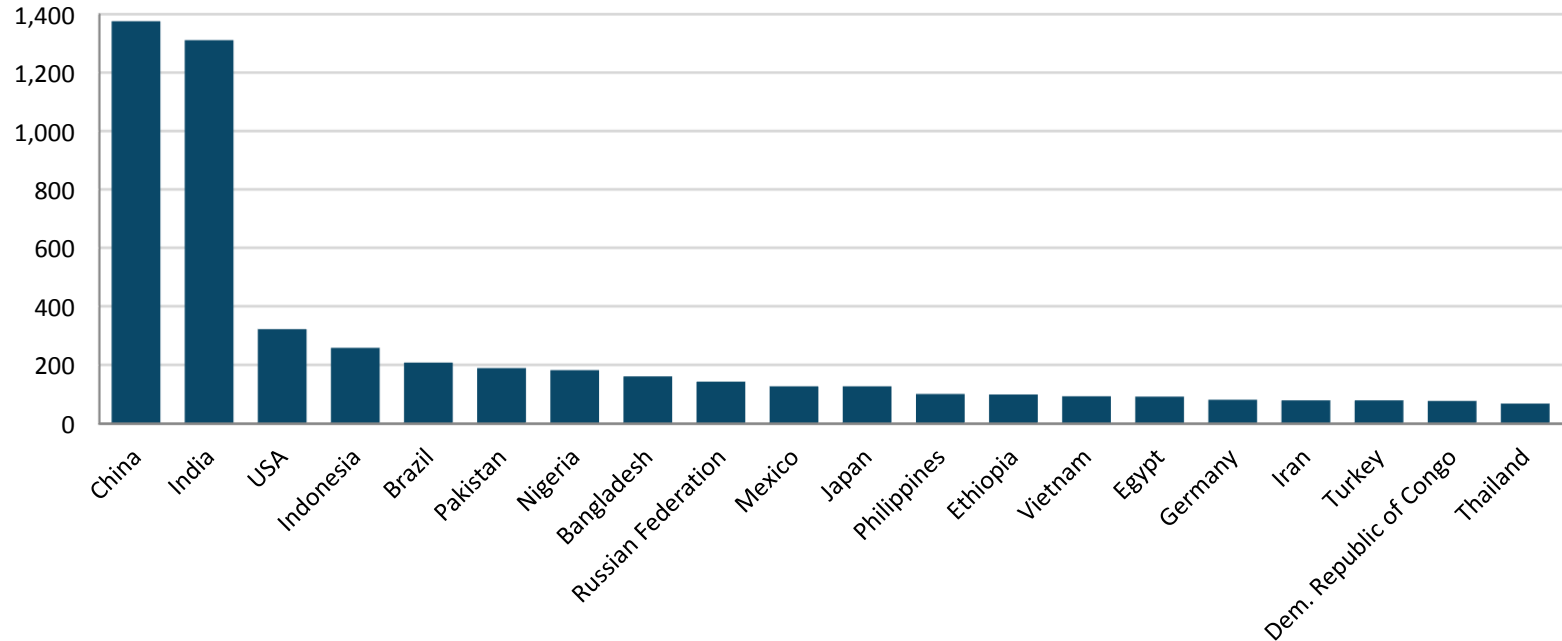


Source: UNCTAD secretariat calculations, based on Organization for Economic Cooperation and Development, 2016; UNCTAD, *Review of Maritime Transport*, various issues; UNCTAD, 2016a; World Trade Organization, 2014; and World Trade Organization, 2016.

Note: 1990=100. Indices calculated based on GDP and merchandise trade in dollars and seaborne trade in metric tons.

Current global population

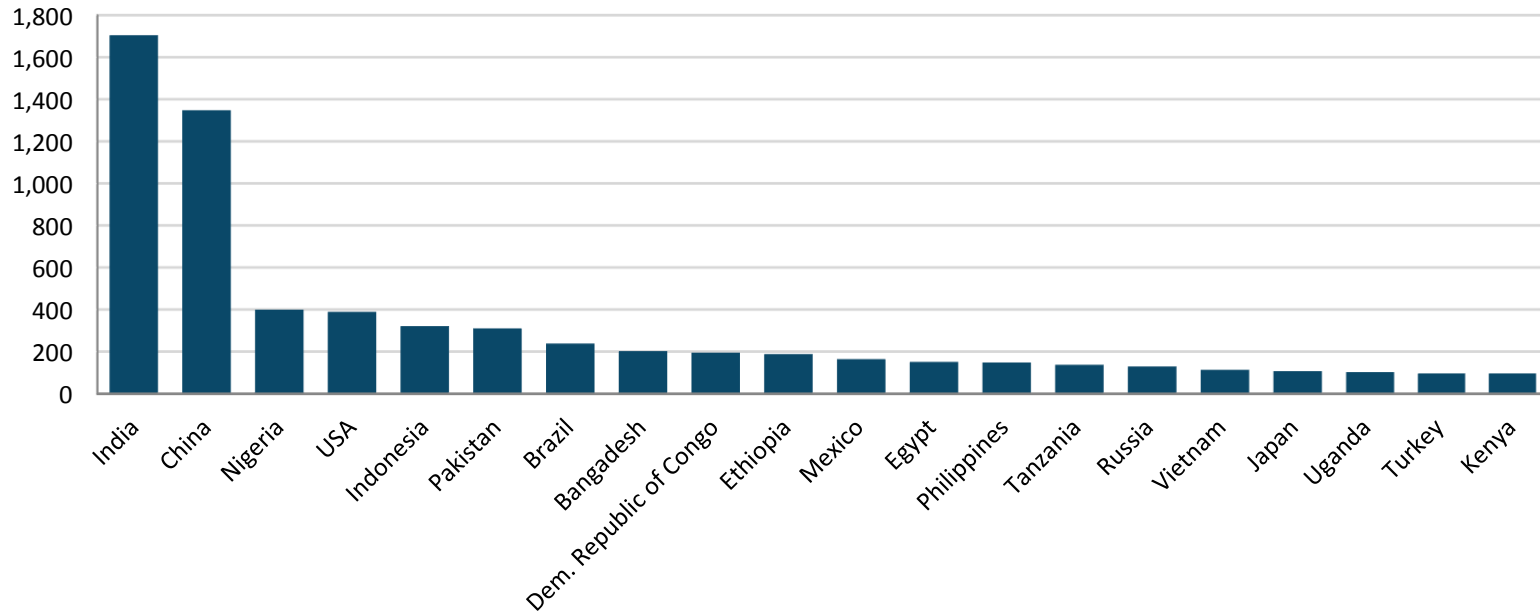
Most Populous Countries: 2015 (millions)



Source: United Nations World Population Prospects; The 2015 Revision (2015)

Future global population leaders

Most Populous Countries: 2050 (millions)



Source: United Nations World Population Prospects; The 2015 Revision (2015)

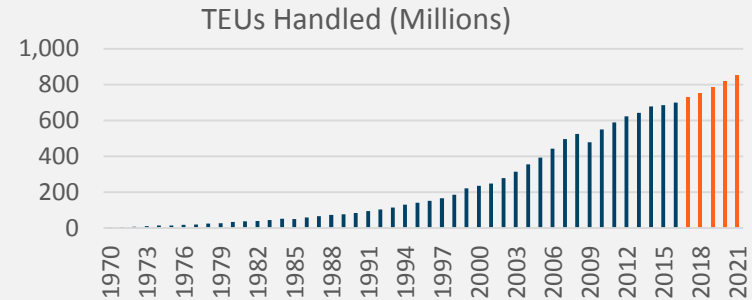
Long-term attractiveness of the port industry is driven by ongoing globalization, containerization and privatization

Fundamental drivers of port demand

- Global economic growth
- Increased regional trade (e.g. Intra-Asia)
- Increased containerization of commodities (e.g. grain, reefer)
- Necessity to upgrade existing capacity (e.g. larger vessels, deep draft and larger crane requirements)
- Privatization opportunities
- Growing consumer demand in developing countries

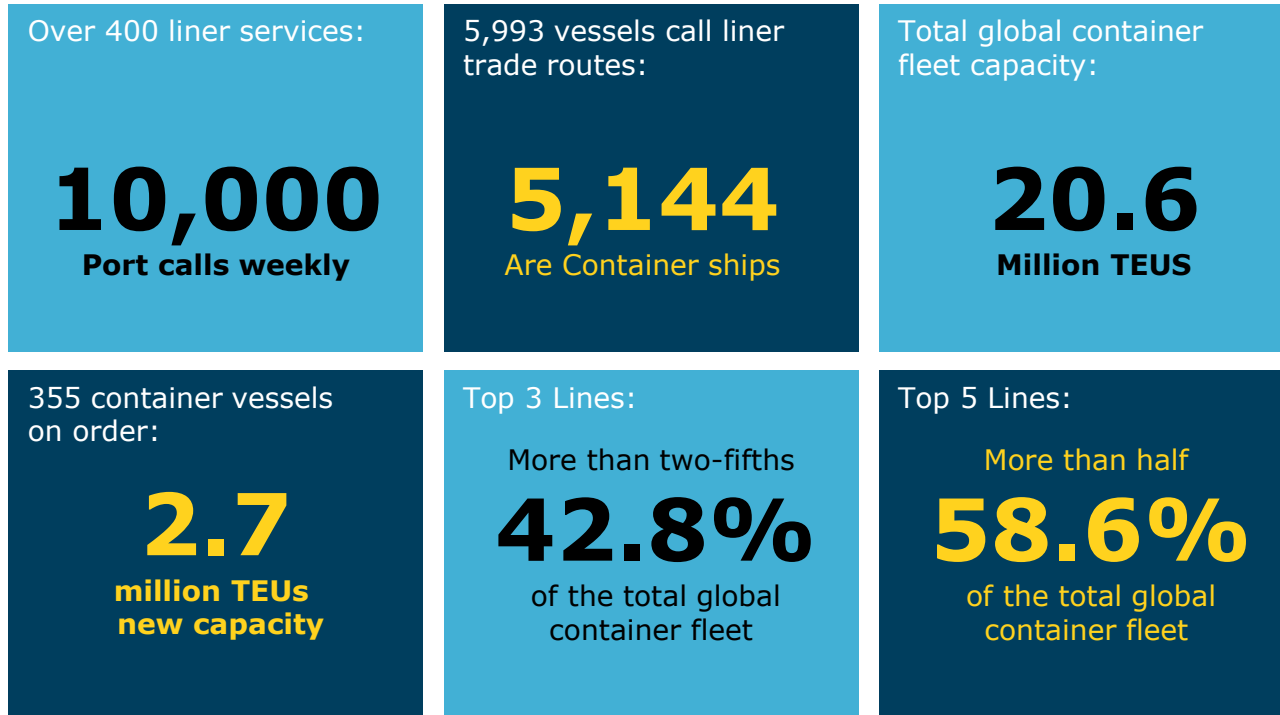
World container port handling demand (TEU million)

- 10% CAGR from 1990 - 2008
- (9.1%) global volume loss for 2009
- Recovery in 2010 with 14.8% growth
- 4% growth rates 2016-2021



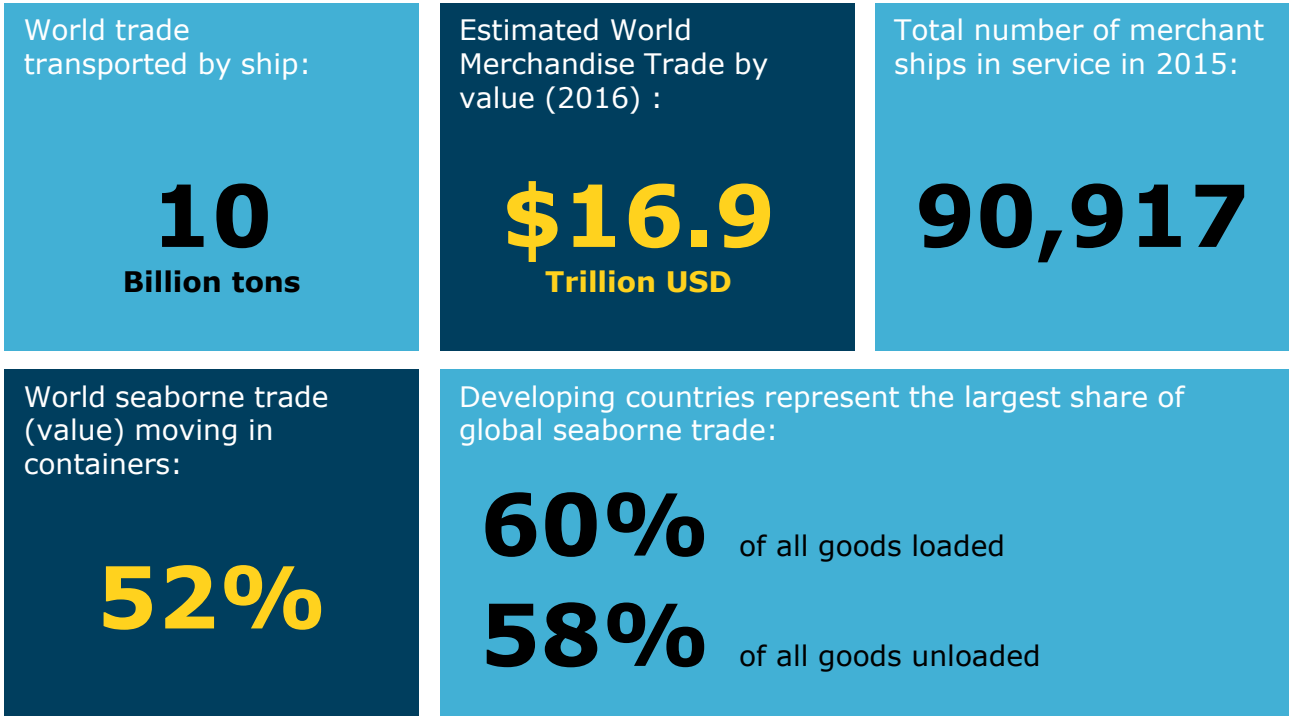
Source: Drewry Shipping Consultants, August 2017
Projected figures based upon 4% average annual growth 2016-2021 (Drewry).

Global shipping requires a global port network



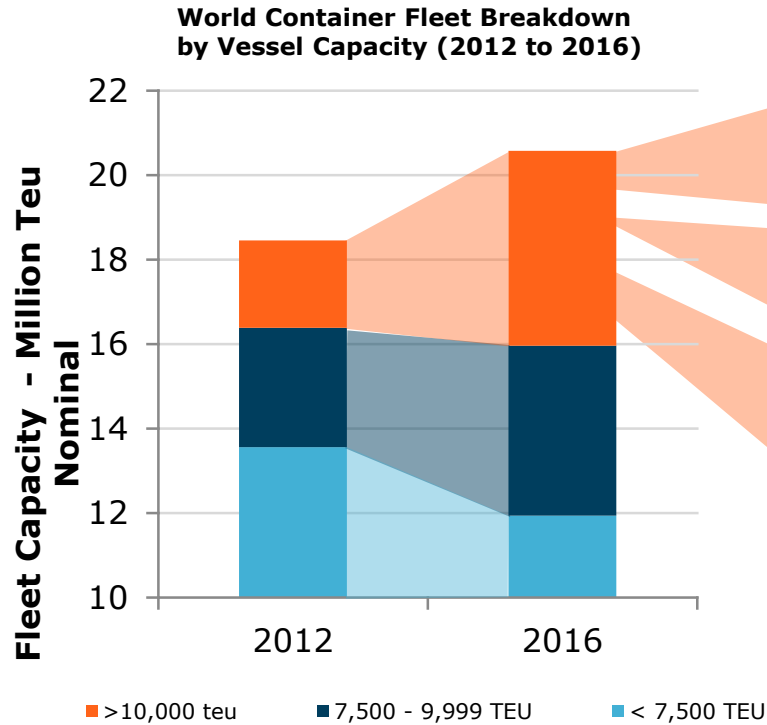
Sources: World Shipping Council 2016; Alphaliner, August 2017

The global economy relies upon the global shipping fleet for growth...



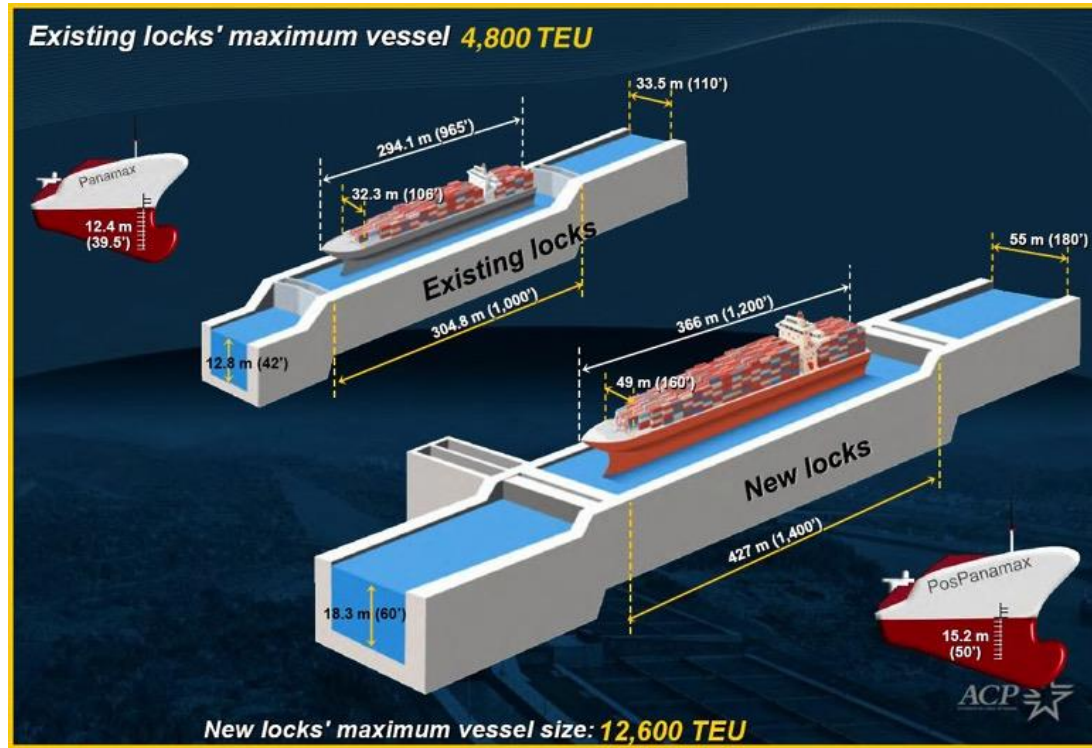
Sources: World Shipping Council 2015; UNCTAD Review of Maritime Transport 2016; World Trade Organization 2017

New larger vessels – raising bar for port operators



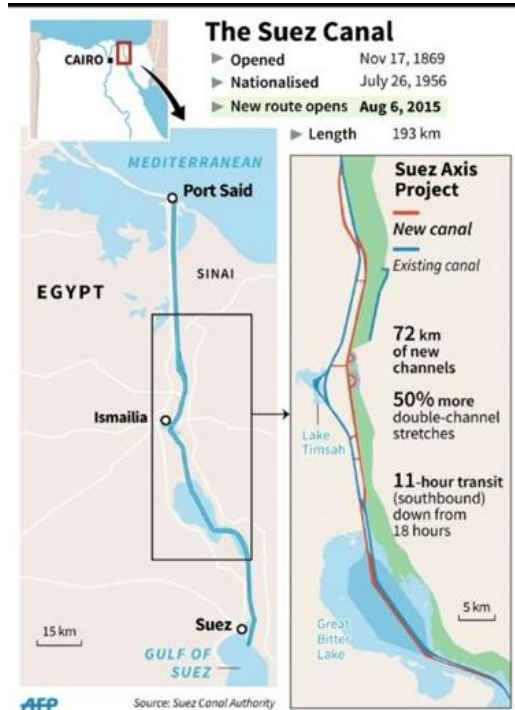
Source: Alphaliner February 2016

Panama Canal Locks Widened in 2016



Sources: Panama Canal Authority

Suez Canal Expansion Completed



A new 9.5 km side channel between the Canal and Port Said East allows 24-hour access to vessels calling the Suez Canal Container Terminal.

Sources: Suez Canal Authority

Port industry needs to respond

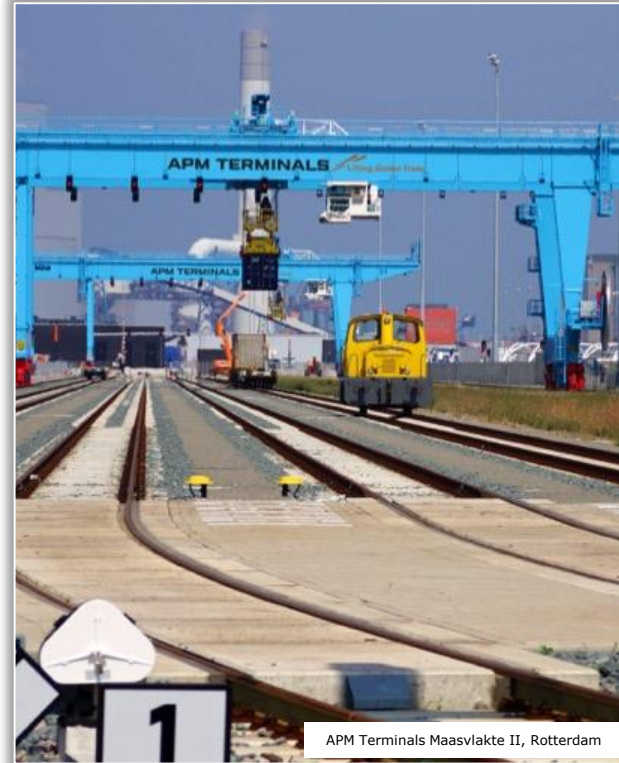
Demand on land space



Sustainability- Safety and Environment



Inland infrastructure and connectivity



Evolution of Port design (1/2)

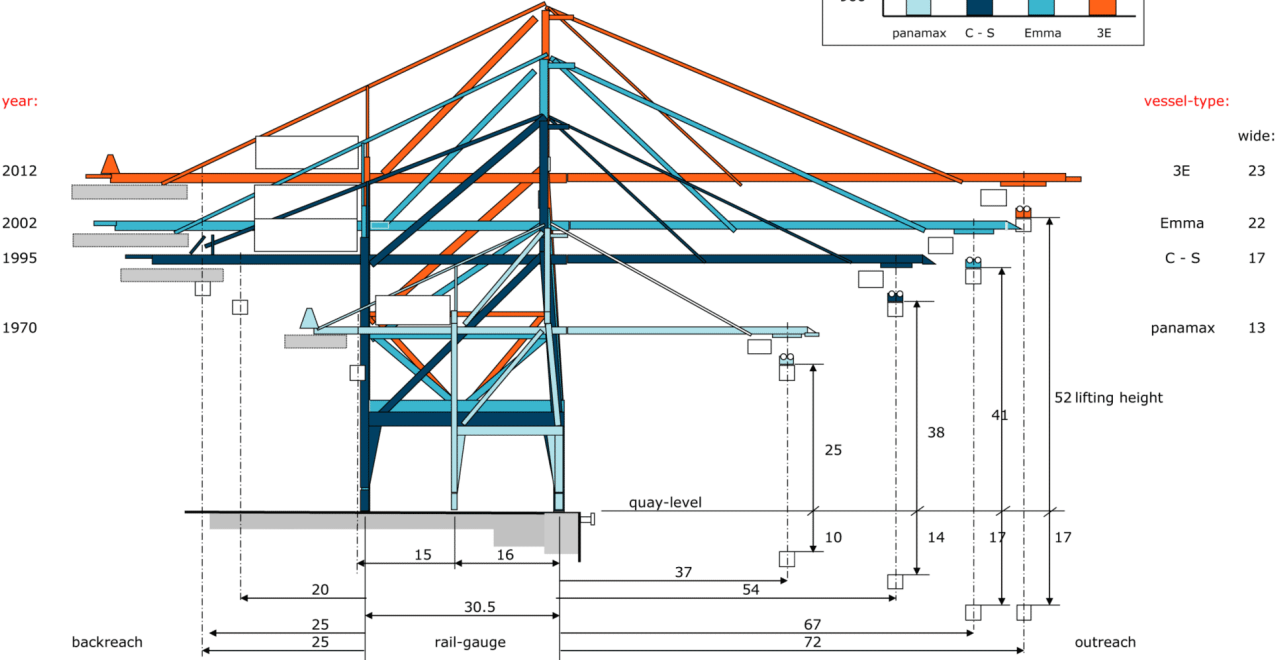
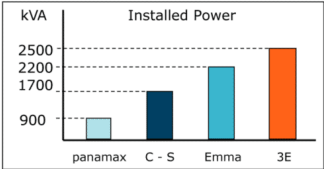
The effects of containerization on port design and operations illustrated by a comparison of port operations and activities separated by several decades.



Evolution of Port design (2/2)

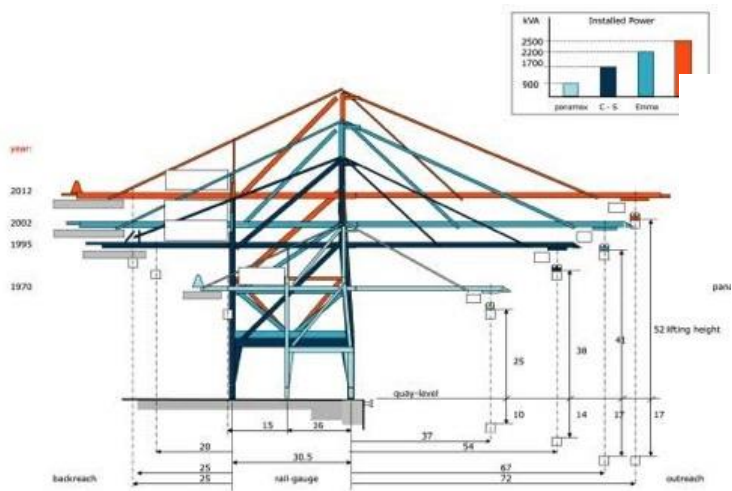


The evolution of crane sizes...



... and the evolution of crane concepts

From bigger cranes ...



... to smarter cranes



Innovation: A Path to Improved Productivity

For the first phase of the Maasvlakte II terminal, the current fleet consists of 37 battery-powered Lift-AGVs in combination with 128 storage racks.

Lift Automated Guided Vehicles at the new Maasvlakte II terminal in Rotterdam are projected to increase productivity by an estimated 25% to 50% over conventional terminal design.

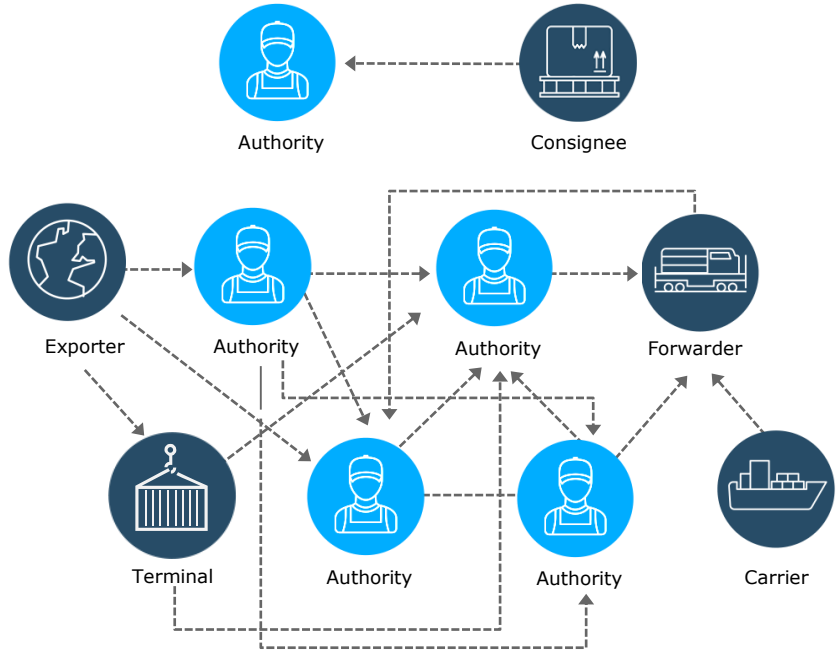


Today: Global trade is hugely inefficient and burdened by paper-based processes

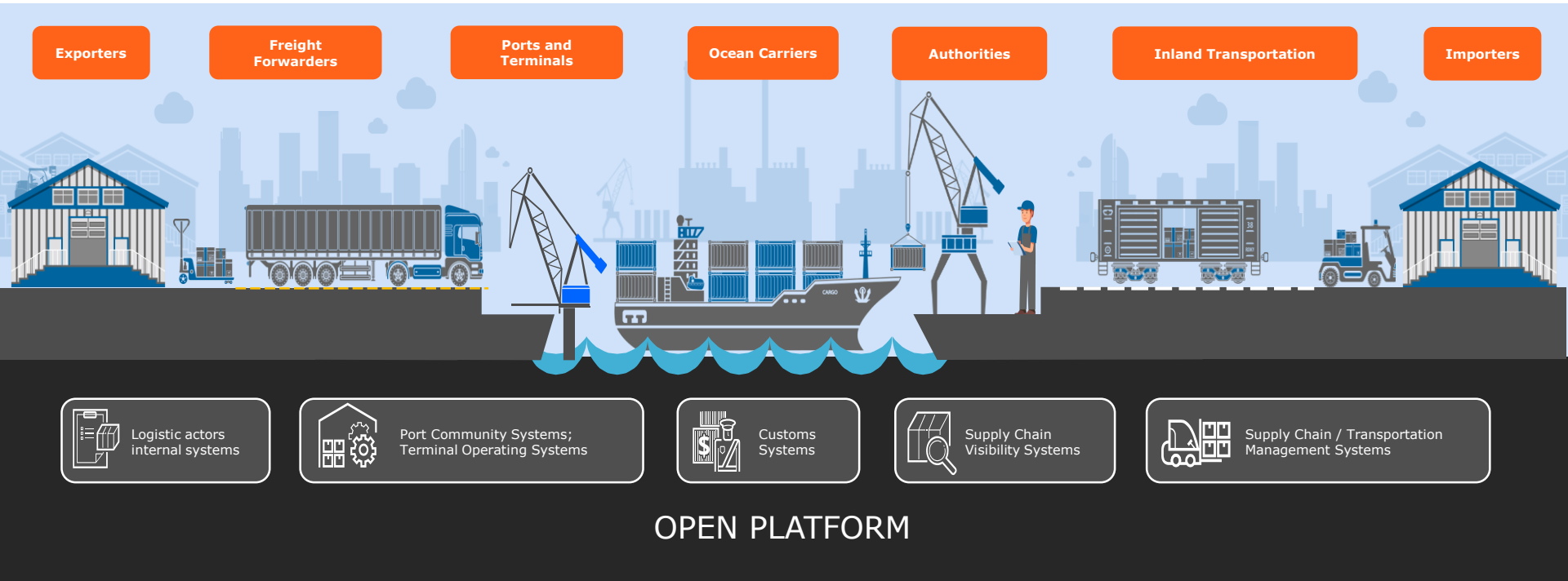
- Inconsistent information across organizational boundaries and “blind spots” throughout the supply chain hinder the efficient flow of goods
- Complex, cumbersome, and costly peer-to-peer messaging
- Manual, time-consuming, paper-based processes
- Risk assessments often lack sufficient information; clearance processes subject to fraud



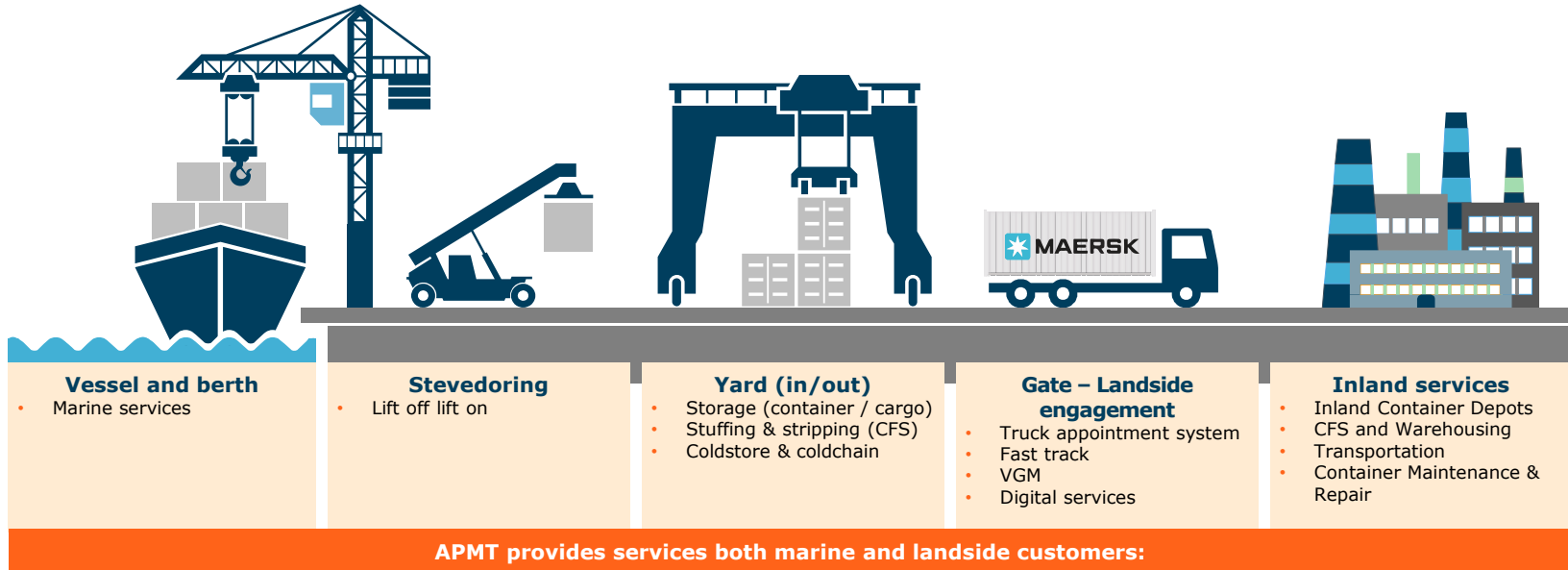
A single shipment of avocados from Mombasa to Rotterdam involves 30 actors, 100+ people, and 200 information exchanges



The entire supply chain ecosystem will share a single trusted view of shipments



Future vision : Ports serve a wide range of customers through various services across the supply chain ...



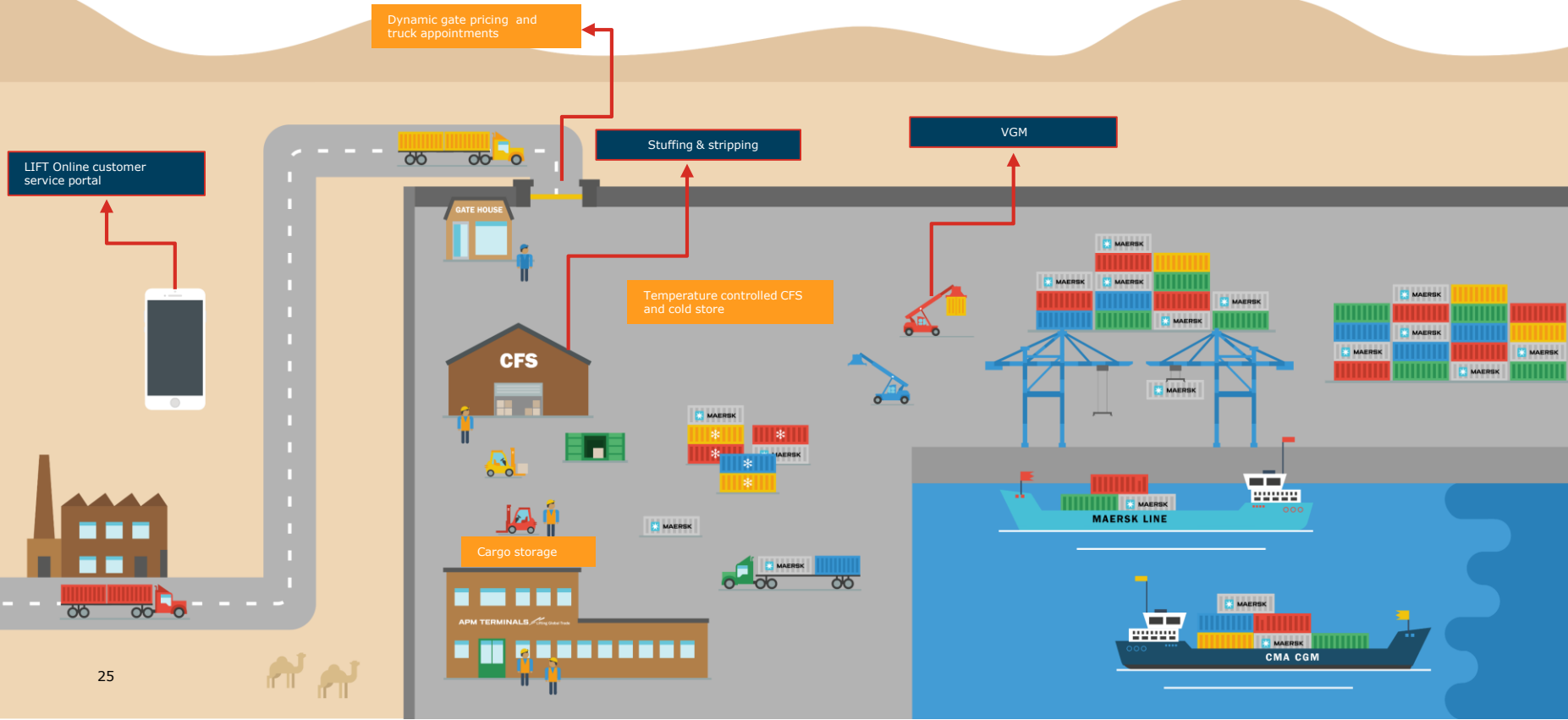
Shipping line customer

Global shipping lines	Regional shipping lines	Alliances
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Landside customer

Cargo owners (exporters/ importers)	Service providers to end users (e.g. FFW, 4TL)	Hinterland connectors (e.g. truck, rail)	Authorities
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Future vision : Ports integrating more activities of the container logistics and offer customers a one-stop-shop solutions and delivering improved customer experience..



We are part of Maersk.

Maersk aims to be the global integrator of container logistics, connecting and simplifying customers' supply chains. .



Maersk Line

Revenue
USD 29,209m

Underlying profit
USD 521m

Employees
37,900



APM Terminals

Revenue
USD 4,138m

Underlying profit
USD 414m

Employees
22,000



Svitzer

Revenue
USD 659m

Underlying profit
USD 114m

Employees
2,760



Damco

Revenue
USD 2,668m

Underlying loss
USD 36m

Employees
10,993



Maersk Container Industry

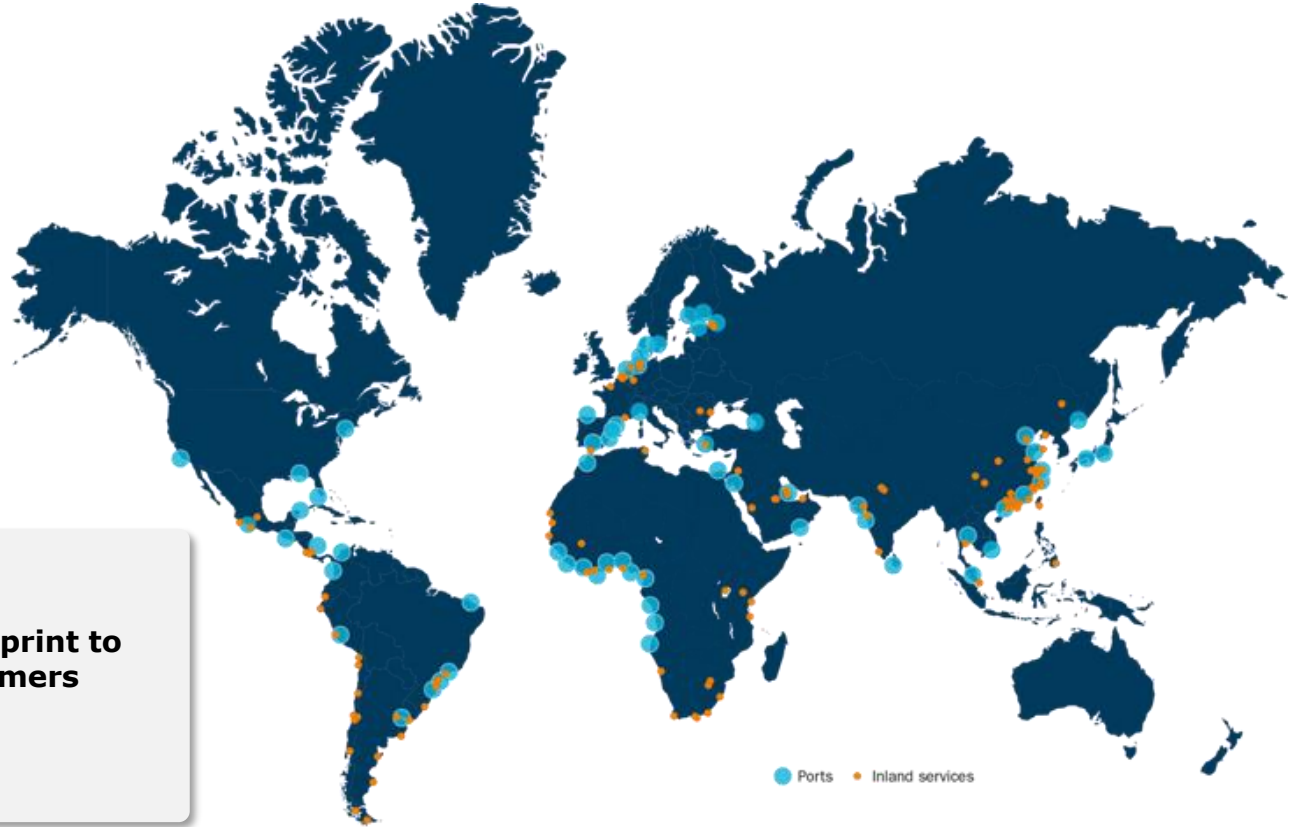
Revenue
USD 1016m

Underlying profit
USD 38m

Employees
5,393

Numbers reflect full year 2017.

Our terminals



Optimizing our footprint to be where our customers need us most.

APM Terminals by the numbers

1000s of customers served

5.4% global market share of container throughput in 2017

58 countries

74 operating port facilities

39.7 mn containers handled in 2017*

5 new facilities in development

22,000 employees

100+ Inland Services Operations

*weighted by equity share in 2017

APM Terminals operates 100+ inland terminals in 37 countries offering end-to-end logistics solutions





APM TERMINALS