



2020 Sustainability Report

The Z Factor





THE Z FACTOR IS THAT **SPECIAL INGREDIENT**
FOUND INSIDE ALL **ZIMMERS**, NO MATTER THEIR ROLE OR
TITLE. IT'S WHAT GIVES OUR ASSETS EXTRA PIZZAZZ AND MAKES
OUR CUSTOMERS **CHOOSE US AGAIN AND AGAIN.**
IT CAN'T ALWAYS BE DESCRIBED IN WORDS - BUT YOU CAN FEEL
IT'S THERE, ALWAYS AT YOUR SERVICE. GET READY TO EXPERIENCE
THE Z FACTOR FOR YOURSELF.



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LETTER FROM OUR CEO

102-14

“ We continue to cooperate and support international initiatives, such as the “Getting to Zero Coalition” and the “Climate Neutral Now Initiative”, as part of our effort to positively influence and improve the environmental performance of marine container transport. ”

Eli Glickman

President & Chief Executive Officer



ZIM's 2020 Annual Sustainability Report summarizes the most turbulent year in living memory for the world economy, and in fact for humanity at large. The unprecedented challenges of the COVID-19 pandemic forced all of us to cope with new, often unexpected, situations, and face many unknowns. However, the fundamental reasoning underlying our sustainability efforts remains unchanged even during times of crisis, when urgent problems compel us to focus on finding immediate solutions.

During the difficult months of the pandemic, we made a special effort to assist our teams around the world by providing them with protective equipment and additional support, as detailed in this report. We dedicated a great deal of intensive effort to ensuring the safety and welfare of our seafarers. Even in this time of crisis and global emergency, ZIM continued to preserve and stay connected to its high-quality human capital, as demonstrated by the fact that ZIM did not discharge employees or place them on unpaid leave despite the harsh economic realities brought on by the pandemic.

In response to the new reality imposed by the pandemic, but also in line with our existing strategy, we intensified our digitization efforts across the board to facilitate remote business activity, conducted in safety, and to increase efficiency. Our offices switched to remote work mode and

we canceled most flights and in-person workshops and meetings. Our fast response and the agility of our managers and employees in swiftly adapting to the new situation taught us a great deal about our ability to function when faced with sudden adverse changes and extreme conditions. The pandemic will most probably have long-term implications, and we will consider maintaining some of these changes going forward.

In terms of our lines and services, we actively managed capacity to maintain supply and demand balance. We focused on demand recovery and the growth in e-commerce and consumer goods by introducing new fast services, with all their concomitant sustainability advantages, as alternatives to airfreight.

At the beginning of 2021: the company launched a successful IPO and is now a publicly-traded company on the New York Stock Exchange

During pandemic period no employees dismissed or placed on unpaid leave

At the same time, we continued to make great strides towards achieving our sustainability goals during 2020. We gained recognition from external parties such as the Ma'ala social responsibility organization for our commitment to the community, as well as from industry analysts who ranked us at the very top of the industry in schedule reliability, a critical factor in minimizing our carbon footprint. We also continued our support and work towards the achievement of the UN Sustainable Development Goals (SDGs) in all our activities. We continue to cooperate and support international initiatives, such as the "Getting to Zero Coalition" and the "Climate Neutral Now Initiative", as part of our effort to positively influence and improve the environmental performance of marine container transport.

For ZIM, another momentous change occurred at the beginning of 2021: the company launched a successful IPO

and is now a publicly-traded company on the New York Stock Exchange. As a public company, we consider it our obligation to our shareholders to double down on our commitment to all aspects of sustainability under the broad definitions of this report. Sustainability continues to be a top priority and a core value, even during these times of unprecedented challenges.

Lastly, in February 2021, we announced a strategic chartering deal with Seaspan Group for ten advanced vessels, to be delivered starting 2023. These LNG dual-fueled modern ships represent the latest in marine technology and are engineered to reduce each vessel's carbon footprint. The deal demonstrates our continued commitment and leadership in addressing environmental issues.

As we look forward to an end to the pandemic, we continue our long-term pledge to sustainability and corporate responsibility.

Best Regards,

Eli Glickman, President & Chief Executive Officer



LETTER FROM OUR COO

102-14

“As part of our ongoing sustainability efforts, we strive to reduce our carbon footprint by employing advanced monitoring and managing tools for our fleet operation.”

David Arbel

EVP Chief Operations Officer (COO)



The data for ZIM's 2020 Sustainability Report was collected during a very challenging year, dominated by the impact of the COVID-19 pandemic. Notwithstanding, ZIM maintained its efforts to meet sustainability goals and improve all our measurable KPIs throughout the year without significant interruption.

Our first priority as the crisis began was the safety of our employees, onshore and onboard ship. As our seafarers faced severe restrictions due to the pandemic, we redoubled our efforts to support them and to enable them to return home on special flights after extended periods at sea. Our staff ashore was assisted in switching to remote work mode. All in all, we were able to ensure business continuity throughout the year in spite of the many challenges.

As part of our ongoing sustainability efforts, we strive to reduce our carbon footprint by employing advanced monitoring and managing tools for our fleet operation. We successfully executed our plan to comply with the new IMO2020 regulations. Our decision to achieve compliance without the use of scrubbers onboard vessels proved to be correct, and was implemented very successfully. Our positive emissions results make this clear: as calculated by the cross-industry Clean Cargo Working Group (CCWG), our fleet's carbon emissions decreased by 11% and sulphur emissions by 76% compared to the previous year, and the

We signed a milestone agreement for the long-term chartering of ten 15,000-TEU LNG-fueled vessels, with planned delivery starting early 2023

ZIM fleet's average emissions improved compared to both the previous year and the industry benchmark on the main trade lanes. Similarly, as measured by the sustainability rating firm Ecovadis, ZIM showed a 10% year-on-year improvement and scored 20% above the industry average!

Our vessel operations efforts are also reflected in our excellent schedule integrity, which is a leading indicator of fuel consumption efficiency, compared to the market average.

It is also important to note that in February 2021, we signed a milestone agreement for the long-term chartering of ten 15,000-TEU LNG-fueled vessels, with planned delivery starting early 2023. The advanced design of these vessels

enables up to 33% reduction in emissions, and their delivery will herald a new era for our fleet and for the realization of our environmental goals.

On other fronts, we introduced more sustainable procurement through mapping ZIM’s supply chain vendors, disseminating a sustainability questionnaire and inserting a sustainability clause in vendor contracts. We set new Key Performance Indicators related to sustainability for diverse disciplines within the company including Operations, Human Resources and Administration. In addition, we published our Corporate Social Responsibility Policy, approved by the Board of Directors.

As we look forward and hope for a swift end to the COVID-19 crisis, we remain determined to continue and intensify our sustainability efforts in accordance with our core values.

Best Regards,



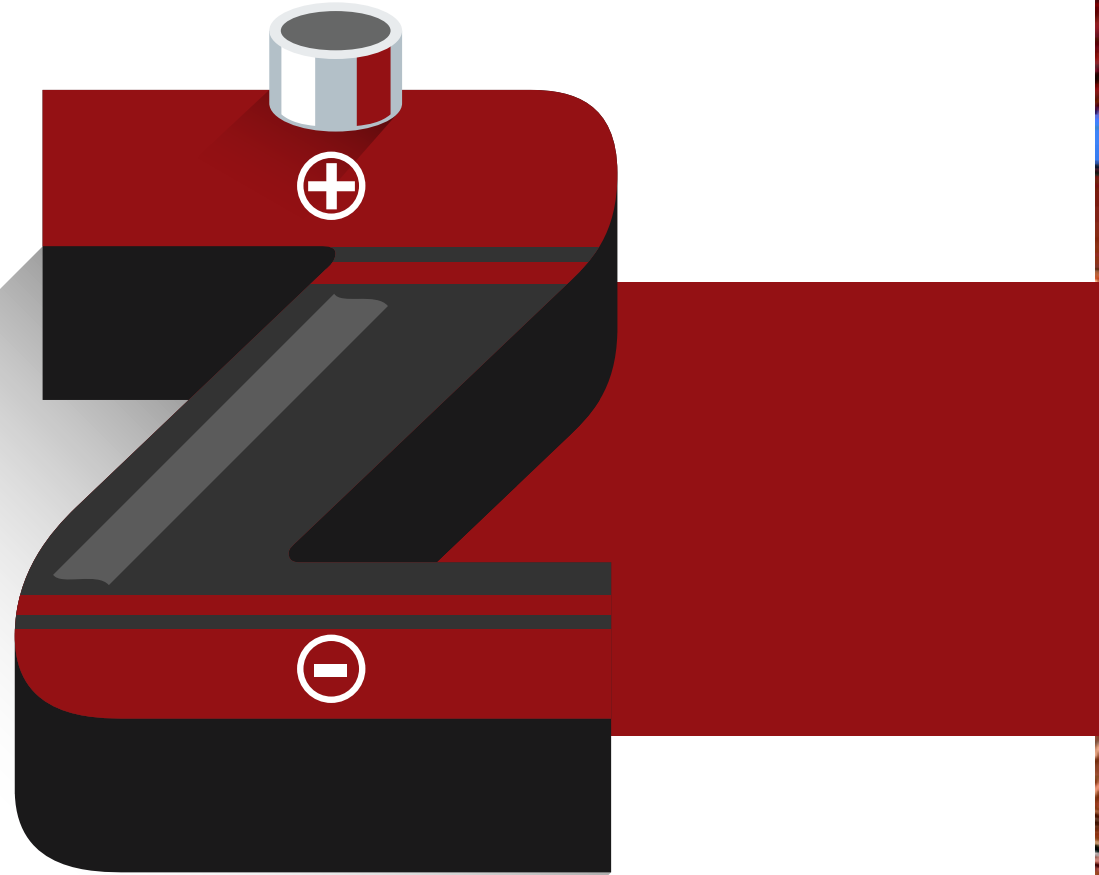
David Arbel
EVP Chief Operations Officer (COO)



We are a company that

EnergiZes

everyone.



THE ZIM STORY





ABOUT THIS REPORT

102-1, 102-45, 102-50, 102-51, 102-52, 102-53, 102-54

This is the third annual Sustainability Report of ZIM Integrated Shipping Services Ltd. (“ZIM” or “the Company”). The information and data disclosed in this report address ZIM’s activities and performance for the period from 1 January to 31 December 2020, and provide information regarding all entities included in the Company’s financial statements, unless otherwise indicated.

The 2020 Sustainability Report is not part of ZIM’s financial statements. In case of any discrepancy between this report and ZIM’s financial statements, the financial statements shall govern.

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option, which is the most common reporting standard worldwide. ZIM sees great importance in reporting according to this globally recognized standard and consequently will comply with it in this report.



The issues discussed in this report were selected in a comprehensive material analysis process carried out by Company management in cooperation with various Company unit representatives led by the Company’s COO, who has overall responsibility for the Company’s sustainability management. This process was undertaken in 2018 and remains relevant today, following internal validation. The extent to which each material issue is considered in the report is determined by its significance to the Company and its various stakeholders, internal and external, including our employees, customers, investors, suppliers and business partners, as well as many others.

In 2020 we found a few material issues receiving added emphasis in consequence of the COVID-19 crisis. Additional information regarding the process carried out by the Company is detailed in the Materiality Analysis section of this report.

This report has not been externally assured. The Company’s internal quality assurance, controls and processes assisted us in ensuring the reliability and accuracy of the data and information provided. The financial data and information

presented in the report is in accordance with the Company’s audited Financial Report and the externally-assured carbon emissions data as required by and reported to the CCWG.

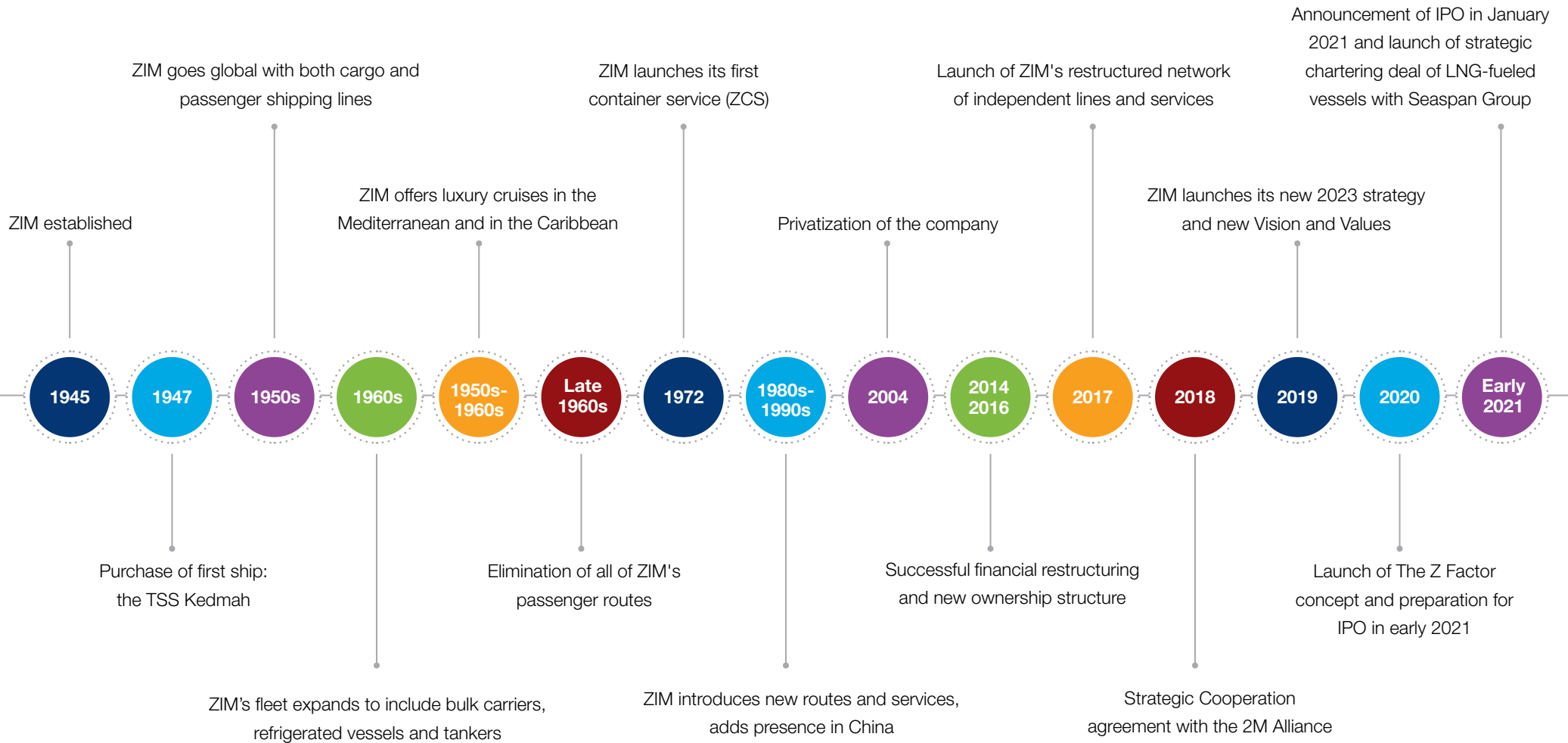
Additional information about ZIM and its history can be found throughout this report and on our website: www.zim.com.

In this years’ report we have integrated videos which are available by either scanning a QR code or by clicking on the link (if reading online). Please download a free QR code reader in order to scan the QR codes appearing throughout this report.



We welcome all feedback to help us improve our sustainability practices. For questions and comments regarding this report, please contact our Global Special Cargos Manager, **Mr. Zaddock Radecker**, at radecker.zaddock@il.zim.com.

HISTORY OF ZIM



Today, ZIM is a digital shipping company, leading the sector in technological applications development. ZIM ships to every corner of the world and its containers are a familiar sight in hundreds of ports.



ZIM'S RESPONSE TO THE COVID-19 CRISIS



The spread of the new disease created major challenges for world trade and for the shipping sector in particular.

First identified in December 2019, the Coronavirus (COVID-19) outbreak was declared by the World Health Organization to be a Public Health Emergency of International Concern in January 2020, and a pandemic in March 2020. Since then, the disease has continued to spread across the globe at varying rates, with some countries experiencing more than one wave of the pandemic.

Governments around the world reacted differently to the crisis and imposed a variety of emergency measures to try to bring down the globally increasing infection rate, including mandating lockdowns and other stringent mitigation controls. All through 2020, COVID-19 introduced significant business and economic uncertainty and instability to global markets.

The spread of the new disease created major challenges for world trade and for the shipping sector in particular. From the early stages of the outbreak, we acted quickly and decisively to maintain business continuity and resilience. We took precautionary measures already in the middle of January 2020, much earlier than the global average. Operating in a rapidly changing environment due to the new global situation, we worked tirelessly to keep our commitments to all stakeholders and minimize the disruption to our operations. We focused our actions on keeping our employees and business safe and protected.



AMONG THE IMMEDIATE STEPS TAKEN:

Employees

- No employees dismissed or placed on unpaid leave
- Proper access to company systems provided to employees working from home
- Providing offices worldwide with hygienic products, such as masks, gloves and hand sanitizers
- Maintaining a safe and hygienic work environment, sharing health information and guidelines throughout our global workforce
- Maintaining continuous communications with employees via both ongoing processes and newly-introduced digital tools
- Travel restrictions put in place, all flights were cancelled

Customers & Suppliers

- Maintaining continuous communications on available digital platforms
- Launching new digital tools to keep our service offerings and delivery as available and as intact as possible
- Allocation of services and lines where and when needed, according to the spread of the pandemic in different areas of the world at different times
- Understanding and sensitivity in working with suppliers; any special need that arose was examined and in most cases accepted

Governance

- Monitoring international guidance and local authorities' instructions regularly to inform our people and keep our activities in compliance
- Holding weekly and even daily situation assessments by the Company management and presenting status reports to the Board of Directors

Business Strategy

- Revision of both our short-medium term activities and our long-term strategy and business targets
- Adapting aspects of our strategy and planned activities to amend our immediate response to the changing business environment

Our response in adapting to the new business environment due to COVID-19 has benefited from a combination of our pre-existing plans, such as the DRP, cyber management and the ongoing digital transformation of the Company over the past several years, and our flexibility and quick reactivity to this unforeseen situation.











ZIM'S CORPORATE SOCIAL RESPONSIBILITY POLICY



Our Corporate Social Responsibility Policy is based on our core principles, which are promoted and emphasized in our business operations and day-to-day activities.

These principles are:

	Ethics and Compliance	ZIM works resolutely to eliminate corruption risks in its operations and activities.
	Safety	ZIM acts to reduce and, to the extent possible, eliminate accidents and security risks, and improve work environment quality.
	Data Security	ZIM guarantees the protection of the personal data of our employees, customers, suppliers and other business partners.
	Social	ZIM promotes diversity among our teams, develops high-quality learning materials and training courses for all our employees, and supports local communities in which we operate.
	Environment	ZIM aims to continuously reduce the negative environmental impact of its operations and activities, both at sea and onshore.
	Valuable Logistic Chain	ZIM promotes quality throughout the service chain by working with selected and qualified partners.

In August 2020 the Global Operations Directorate conducted a virtual Sustainability Conference called “From Vision to Execution”, in which senior management presented ZIM’s current sustainability efforts and accomplishments, as detailed throughout this report. The Conference discussed how ZIM continues to promote and integrate sustainability across the spectrum of its activities, in line with the Company’s vision, standards and strategy. These all reflect the commitment to create value for stakeholders (investors, employees, suppliers etc.) by addressing and ameliorating a variety of financial, social and environmental concerns.

Another subject discussed was Sustainable Development. For ZIM, this means making business decisions based on balancing three interconnected pillars: social responsibility, environmental protection and economic growth. Along with maintaining business excellence, we have the right as well as the duty to create added value for the Company, community and environment in which we operate.

Facing forward, the Company’s “green future” was shared, which encompasses our intention to keep leading sustainable shipping efforts.



THE Z FACTOR

Once we laid the groundwork by implementing our Vision and Values, which were updated in 2019, we moved on to the next level in 2020 by launching The Z Factor: the concept packing together ZIM's unique traits into one tagline.



With this concept, we aim to build awareness and create and expand the emotional bond with our customers by focusing on our unique advantages, thus differentiating ourselves in the shipping sector and emphasizing the attributes in which we stand out. ZIM is traditionally well-known for its personal touch. But in recent years, as the Company has evolved and transformed, new areas of distinction have become apparent. For example, we have become a leader in promoting advanced technologies in shipping, excelling in introducing new digital tools for customers and responding with unparalleled agility to market changes.

During 2020 we celebrated the launch of our Z Factor concept in fun events around the world, and soon a new campaign emphasizing the Z Factor in the global media, mainly in social media, will start to share this new ZIM spirit with the world.

Check out the Z Factor here:



The Z Factor concept focuses on six specializations of ZIM:



As part of ZIM's digital transformation, we now offer a wide range of digital services, saving not only paper, water and energy, but also significant time and effort.



ZIM's worldwide team works as one to offer our customers the best and most well-matched services with our Global Network of Trades and Lines.



ZIMonitor intelligent refrigerated containers ensure that both fresh and frozen cargos arrive at destination at exactly the right temperature.



Optimizing is key to sustainability. We are always looking for ways to do things better using fewer resources, such as reducing our fuel consumption and expanding our use of digital tools.



We make sure each stakeholder, internal or external, always gets the ZIM Personal Touch in every office of our global network.



ZIM's increased presence on social media allows for sharing of information and staying in touch.



THE UNITED NATIONS SUSTAINABILITY DEVELOPMENT GOALS (SDGs)



The United Nations Sustainable Development Goals (SDGs) are 17 global goals regarding sustainability-related issues. They express the most important global challenges that the global community has identified as future priorities, and encourage governments, corporations and non-profit organizations to collaborate on finding solutions for them. The goals were adopted by world leaders in September 2015 with the aim of ending poverty, protecting the earth and ensuring prosperity for all by 2030.

ZIM is a longstanding supporter of the SDGs. As such, and to better understand where we, through our operations and activities, can make the greatest positive contribution, we mapped and evaluated the goals most relevant to ZIM's business.

The results of this process are as follows:

DIRECT POTENTIAL IMPACT:

SDGs: 8,9,13,14,16, 17



INDIRECT POTENTIAL IMPACT:

SDGs: 4,5,7,10,12









Of the ones we selected as having **direct potential impact**, we identified the specific targets where we can have the maximum constructive influence.

SDG	TARGETS	EXAMPLES OF ACTIONS TAKEN
	<p>8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors</p> <p>8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services</p> <p>8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment</p>	<ul style="list-style-type: none"> • Implementing prevention procedures to improve safety performance • Promoting the Company's approach to work-life balance • Employee benefits worldwide • Employee training and education with ongoing programs, annual tutorials, professional training and enrichment courses • Continuing to conduct engagement survey evaluation processes for employees and managers • Expansion of services, lines and trades network and global reach • Implementing innovative technological solutions and tools in operations, customer service and business conduct • Internal HR audit procedures in place to regularly check recruitment processes and employment procedures
	<p>9.2 Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries</p> <p>9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities</p>	<ul style="list-style-type: none"> • Facilitating business with simplified processes and innovative digital solutions • Cooperation with customers and providing greater transparency, for example by offering customers a carbon optimization service, ensuring service levels, and more • Improving service offerings, for example by setting up green value-added services (VAS) such as railway preference, transition from air to sea freight, and more



SDG	TARGETS	EXAMPLES OF ACTIONS TAKEN
	<p>13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</p> <p>13.2 Integrate climate change measures into national policies, strategies and planning</p> <p>13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning</p>	<ul style="list-style-type: none"> • Strict compliance with the global 0.5% sulphur cap for ship fuels and limits for NOx emissions • Constructing sector partnerships to improve environmental performance • Taking preventive measures to avoid pollution and negative environmental impact of vessel operation • Practicing specific measures to monitor and reduce overall fuel consumption • Membership in the Getting to Zero Coalition
	<p>14.1 By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution</p> <p>14.3 Minimize and address the impacts of ocean acidification, including through enhanced scientific cooperation at all levels</p>	<ul style="list-style-type: none"> • Taking preventive measures to avoid marine pollution and negative environmental impact of vessel operation • Supporting international and sector initiatives to minimize negative environmental impact on marine ecosystems • Using cutting-edge ballast water systems on operated vessels • Participation in the ECHO program to reduce threats to whales as a result of shipping activities
	<p>16.5 Substantially reduce corruption and bribery in all their forms</p>	<ul style="list-style-type: none"> • Conducting business in an ethical and honest manner in accordance with our Code of Ethics and our Vision and Values • Taking part in collective action to eliminate all forms of maritime corruption as an active member of the MACN • Conducting antitrust, anti-bribery and corruption tutorials for employees on a regular basis • Communication with suppliers on ethics topics
	<p>17.16 Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries</p>	<ul style="list-style-type: none"> • Promoting local initiatives in agencies and operating sites around the world with surrounding communities and local organizations • Cooperation with stakeholders to advance sustainability-related issues • Creating partnerships and alliances with peers to support development and improvement in sectorial issues

Additional information about our activities to support the SDGs is detailed throughout the relevant chapters of this report.





MATERIALITY ANALYSIS

102-42, 102-43, 102-44, 102-46

For the purpose of identifying our sustainability material issues, we conducted an extensive materiality analysis during 2018. The material issues identified then remain relevant today and form the basis of this report. These are ZIM’s governance, economic, environmental and social issues with the greatest potential to have a significant impact on the Company, its operations and its stakeholders.

We intend to continuously review and examine the materiality analysis process in the coming years, and update the process as required by the GRI Standards and whenever significant changes occur in the Company’s operations or structure.

In accordance with the GRI Standards, the process we carried out included three steps:

IDENTIFICATION



PRIORITIZATION



VALIDATION

1. IDENTIFICATION of potential material issues

This preliminary process was carried out on the basis of the following sources: peer benchmarking, review of reporting initiatives and standards relevant to the shipping sector, interviews with relevant employees and Company management from various units, media review, review of relevant Company documents, policies and procedures, the UN Sustainable Development Goals (SDGs), stakeholders’ requirements (as communicated in various supplier and customer questionnaire responses), and more. The outcome of this process was a long list of potential issues of various kinds which were referred to the Company management for consideration and discussion.

2. PRIORITIZATION of material issues

The purpose of this step was to identify the most material issues for the Company and its stakeholders. It entailed the ranking and prioritization by the Company management of the potential material issues identified in step (1). This process was conducted based on risk management methodologies and both qualitative and quantitative criteria for ranking.

The considerations taken into account when ranking the potential material issues were financial, operational and reputational, among others. In addition, the potential influence of each issue on the Company’s stakeholders was taken into consideration

3. VALIDATION of material issues

In this step, the material issues selected in step (2) were discussed and validated by the Company’s senior management. This step included a validation test for locating exceptional issues, variation testing and approval processes and discussions with senior management.

The final outcome of this process was ZIM’s twenty material issues, as detailed in the table below and in the materiality matrix.



ZIM'S 20 MATERIAL ISSUES

102-47



	<p>Economic</p> <ul style="list-style-type: none"> Economic Impact and Market Changes Service Lines
	<p>Corporate Governance</p> <ul style="list-style-type: none"> Antitrust Business Ethics Anti-Bribery and Corruption Operational Management Risk Management Compliance and Regulatory Changes Data Privacy and Cyber Disaster Response and Preparation
	<p>Environmental</p> <ul style="list-style-type: none"> Emissions Energy and Fuel Consumption Materials and Waste Environmental Management
	<p>Social</p> <ul style="list-style-type: none"> Occupational Health and Safety Human Rights and Labor Practices Diversity, Equal Opportunity and Non-Discrimination Customers-Services and Innovation Social Benefits and Employees' Wellbeing Training and Education

In 2020 we revisited our materiality analysis in light of the spread of the coronavirus and its impact on the Company's operations and business activities. We found that the pandemic's global dislocations were causing us to increasingly prioritize certain material issues. We realized that these issues, even though addressed thoroughly in previous years, required an even more comprehensive response and vigilant management this year, and this intensification of focus was reflected in our activities. These issues were: Economic Impact and Market Changes, Cyber, Social Benefits and Employee Wellbeing, Customers – Services and Innovation, and Operational Management. How we addressed these issues and managed the new challenges is detailed throughout this report.



Stakeholder engagement

102-40, 102-42, 102-43

As we develop and improve on our sustainability journey, we intend to expand our dialogue with stakeholders and include an increased number of stakeholder groups in the process. We see great importance in addressing the issues which most interest and concern our stakeholders.

In 2020 we continued our activities within the regular ongoing channels, such as conducting several engagement and evaluation processes with our employees, conducting various activities in communities worldwide in which we operate, distributing media material and company news stories, and maintaining social media platforms where we engage with our followers.

Please find more information about communications with our stakeholders in the relevant chapters of this report.

ZIM's sustainability working group

As part of our cross-organizational effort to promote sustainability, in 2019 we appointed local Sustainability Trustees to serve on our Sustainability Working Group. This Group meets several times a year to share knowledge from what has been done in various sites around the world and discuss what further actions should be taken.

In 2020 the Sustainability Working Group held quarterly meetings in which they discussed two main issues: deepening and extending awareness of sustainability topics among employees, and initiating and planning projects

related to sustainability, such as volunteering programs in the community, the executive sustainability conference and environmental projects.

The Group has a work plan for years 2021-2022, including human resource subjects (expansion of community volunteering, diversity and inclusion within the Company, cooperation with social organizations), responsible procurement (training and auditing suppliers), and environmental issues (joining sector initiatives for emissions reduction, employee activities to raise awareness of the subject).



ZIM AT A GLANCE

102-7

~\$4.0 Billion annual turnover

2,841K total TEUs carried

~200 offices

~741K TEUs of various types of Containers

310 ports of call

~27,000

3,794 total number of employees

70 total Number of operated vessels

* TEU = Twenty-foot Equivalent Unit

We as a Results-Driven company

Zoom in

on what is important. We deliver great process and will be measured by the bottom line.





ECONOMIC

ZIM'S 2023 BUSINESS STRATEGY

Last year was undoubtedly a challenging year for world trade in all industries and sectors. Throughout 2020 we saw major fluctuations in trade activities. It was a turbulent year for all, largely due to the effects of the global pandemic.

As a leading carrier and shipping company with worldwide reach, ZIM has varying degrees of influence on the activities of various sectors and economies around the world. We connect imported and exported goods to markets around the world, and serve both private individuals and commercial customers worldwide with an ongoing and expanding service offering.

Premium Service with a Personal Touch

Our 2023 business strategy, formulated in 2019, promotes ZIM as an international carrier with global expertise and a customer-centric focus incorporating our Company Vision and Values. In 2020 we continued to pursue our strategy in all our activities and operations around the globe, concentrating our efforts on innovative solutions and digitization of services while at the same time maintaining a personal relationship with customers, employees and business partners.

During 2020 we focused on strengthening our position as an independent and global niche carrier, maintaining our leadership in the US trades while increasing our Intra-Asia business, improving our digital tools and capabilities and enhancing our organizational culture and the positive work experience of our employees.

ZIM's IPO in January 2021

In early 2021, ZIM recorded a breakthrough in another field – we completed our IPO on the New York Stock Exchange (NYSE). This is the first IPO of a global shipping company since 2015, and we are the first global container liner to be listed in the US. We began the preparation process in mid-2020, in the middle of the COVID-19 crisis. The capstone of our efforts was the accomplishment of this strategic objective in January 2021.

We reached the IPO after engineering material corporate improvements in recent years. The Company underwent a major digital transformation that resulted in a significant improvement in shipping results. ZIM today is not a traditional shipping company but a digital shipping powerhouse leading the industry in technological development applications. Our digital developments introduced over the last three years use big data, artificial intelligence, and business intelligence.

We are today a global, asset-light container shipping liner with leadership positions in the international markets in which we operate. One of the oldest shipping liners in the world, we provide our customers with innovative seaborne transportation and logistics services.



For highlights from our IPO scan or click the QR code:



ECONOMIC IMPACT AND MARKET CHANGES

103-1, 103-2, 103-3, 201-1

As an international company operating in the global arena, we are influenced by market fluctuations, changes in the sector and wider global trends. These bring us opportunities for growth and improvement, as well as risks and challenges we need to address.

The main trends and challenges in the global maritime shipping sector in recent years include:

- **COOPERATIONS AND PARTNERSIPS:** alliance restructuring among large players in the sector, joint operation of lines and trades.
- **ENVIRONMENTAL PERFORMANCE:** efforts to reduce our carbon footprint, measures to minimize our impact on marine ecosystems and improve the overall environmental performance of international shipping.
- **TECHNOLOGY AND INNOVATION:** increased adoption of digital tools for tracking shipments, managing inventory and improving efficiency of operations, as well as implementation of innovative technological tools for customers' use.

In 2020 the shipping sector confronted a significant new challenge: the COVID-19 pandemic. The economic fallout from the world health crisis included lower global trade, supply chain uncertainty, increased ship waiting times, changes in port calls and port connectivity, port closures, countrywide lockdowns, lack of access to ports and various coastal and inland regions.

Despite the difficulties and ever-changing restrictions on ZIM's operations, we observed that, as one of the actors in the global supply chain, our services were in great demand

during this period in maintaining the timely delivery of food, medicines and other essential goods, which was critical in managing the crisis and mitigating its effects.

Our ability to be extremely agile, identify opportunities in the changing market and adapt ourselves to fluctuating market conditions allowed us to early see and quickly seize the opportunity in the growing e-commerce market as a result of the pandemic, and quickly launch new dedicated services that contributed significantly to our annual results.

The table below presents our 2020 financial performance (figures are in US'\$000):

	2020	2019	2018
EV Produced			
Income from voyages and related services	3,991,696	3,299,761	3,247,864
Other operating income	12,621	38,099	5,317
Share of profits of associates	3,341	4,725	5,359
Total EV Produced	4,007,658	3,342,585	3,258,540
EV Distributed			
Cost of operating activities	(3,285,609)	(3,189,563)	(3,281,756)
Finance expenses, net	(181,260)	(154,300)	(82,505)
Income taxes	(16,599)	(11,766)	(14,132)
Dividend to NCI	(3,344)	(5,298)	(5,148)
Total EV Distributed	(3,486,812)	(3,360,927)	(3,383,541)

Detailed information about our yearly financial performance is presented in our 2020 Annual Report.

Responsible tax

207-1

ZIM is aware of its responsibility to ensure remittance of fair and transparent corporate taxes wherever the Company operates, as we believe in giving back our share to society. Our approach to taxation follows clear principles: maintaining ongoing transparent dialogue with the relevant

tax authorities, upholding strict compliance with all legal requirements regarding the relevant country-specific tax regulations, implementation of Company processes for monitoring compliance with legal tax requirements, and punctual and correct payment of all corporate taxes.

In 2020, ZIM's income taxes amounted to about US\$ 16.6 million. ZIM also pays freight tax in various countries of operation, which in 2020 amounted to 26% of the total tax paid by the Company.



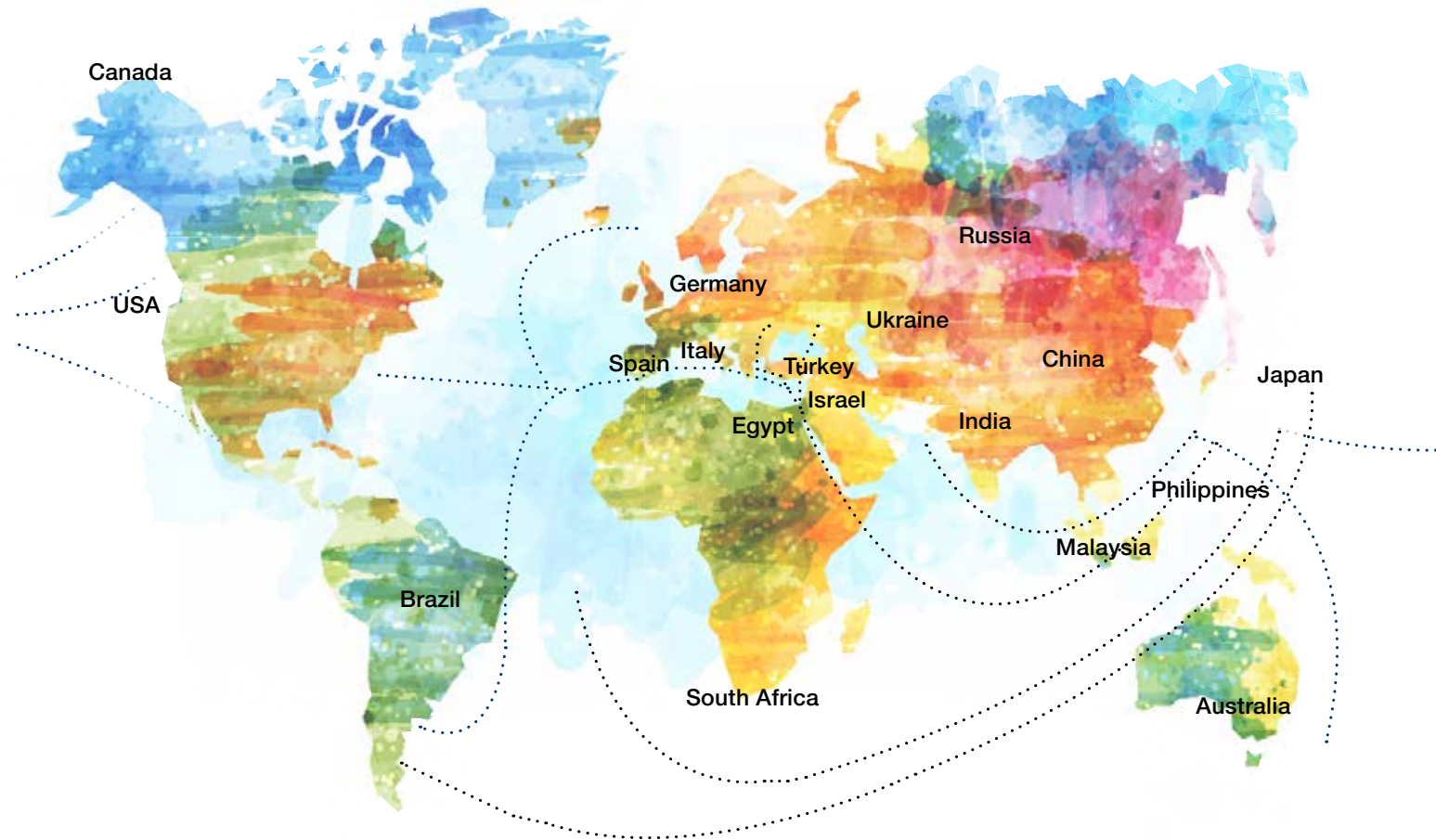
SERVICE LINES

102-2, 102-4, 102-6, 102-9

We are constantly looking for new business opportunities to expand our network of cooperation, business partnerships and services offered to our customers. Our global reach extends to over 100 countries, with a network of global and regional shipping services that connects the four corners of the earth. This wide span of services allows our customers' business to reach strategic ports around the world. With various complementary services offered by our subsidiaries and affiliates at every stage of the supply chain, we are proud to provide our customers with the full ZIM service experience.

ZIM has around 130 lines and services which include 11 trades connecting approximately 310 ports around the world. These trades include: Asia–Africa, Asia–America, Asia–Mediterranean, Asia–South America East Coast, Intra-America Caribbean, Intra-Asia, Intra-Mediterranean and Black Sea, Mediterranean–North America, Mediterranean–North Europe, Mediterranean–South America East Coast, and Asia–Australia, which is ZIM's newest trade, launched in 2020.

ZIM World Trade Lines



Being a global niche carrier, we offer distinctive advantages to customers worldwide. We focus on operating in selected trades where we have a competitive advantage and where we can provide superior solutions for our customers. We maintain a flexible partnership approach with other major carriers, such as our strategic cooperation agreement with members of the 2M Alliance: Maersk Line and Mediterranean Shipping Company (MSC).

In 2020 we continued expanding our cooperation with the 2M Alliance to additional trades, mainly Asia–USEC and Asia–Mediterranean. We regard the 2M strategic partnership as a game changer, providing significant cost synergies and future growth opportunities. The partnership allows us to offer our customers a better product, with wider geographic coverage, broader port reach and increased efficiency. It has also improved our ability to react to market conditions, as we realized in 2020 when we jointly adapted to the changing reality caused by the COVID-19 outbreak.

In 2020 we also launched a new, speedy, dedicated service from South China to Los Angeles – the speedy ZIM e-commerce Xpress (ZEX). The new service is custom-made for time-sensitive cargo and designed to cater to the increasing needs of e-commerce customers. These needs were given special emphasis in response to the growing e-commerce demand precipitated by the COVID-19 crisis. In particular, the severe limitations on air freight service imposed by the pandemic meant that the demand for this service went largely unmet. The new ZEX service was expressly designed to fill this need. It is currently the fastest on the market, with a transit time of 12 days, and also provides quick rail connections to additional destinations in

the US. Since then, we launched a second speedy line for e-commerce cargo, connecting Vietnam and Los Angeles – the ZX2.

During 2020 we entered the Australian market with a fast service connecting China with major ports in Australia. The new service, named China Australia Express (CAX), offers 11-day transit time from South China to Sydney, which is one of the fastest in the market. The service deploys a fleet of new, advanced reefer units fitted with the ZIMonitor system for constant monitoring and damage prevention. Due to the high demand, we later on managed to extend the Australia service with a second line.

Another network which we significantly upgraded this year is the East Mediterranean and Black Sea Network, where we introduced the Levant–Black Sea Express (LBX). LBX, solely operated by ZIM, is designed to enhance and extend the scope of ZIM’s services in the region through wider port coverage and precise synchronization with ZIM’s mainliners connecting to Asia and America. This new line was planned to cater to the specific needs of customers in the region, such as additional capacity and seasonal agricultural cargo.





We are a Can-Do approach

organi**Z**ation

We always have the will and will always find the way to be excellent in what we do.



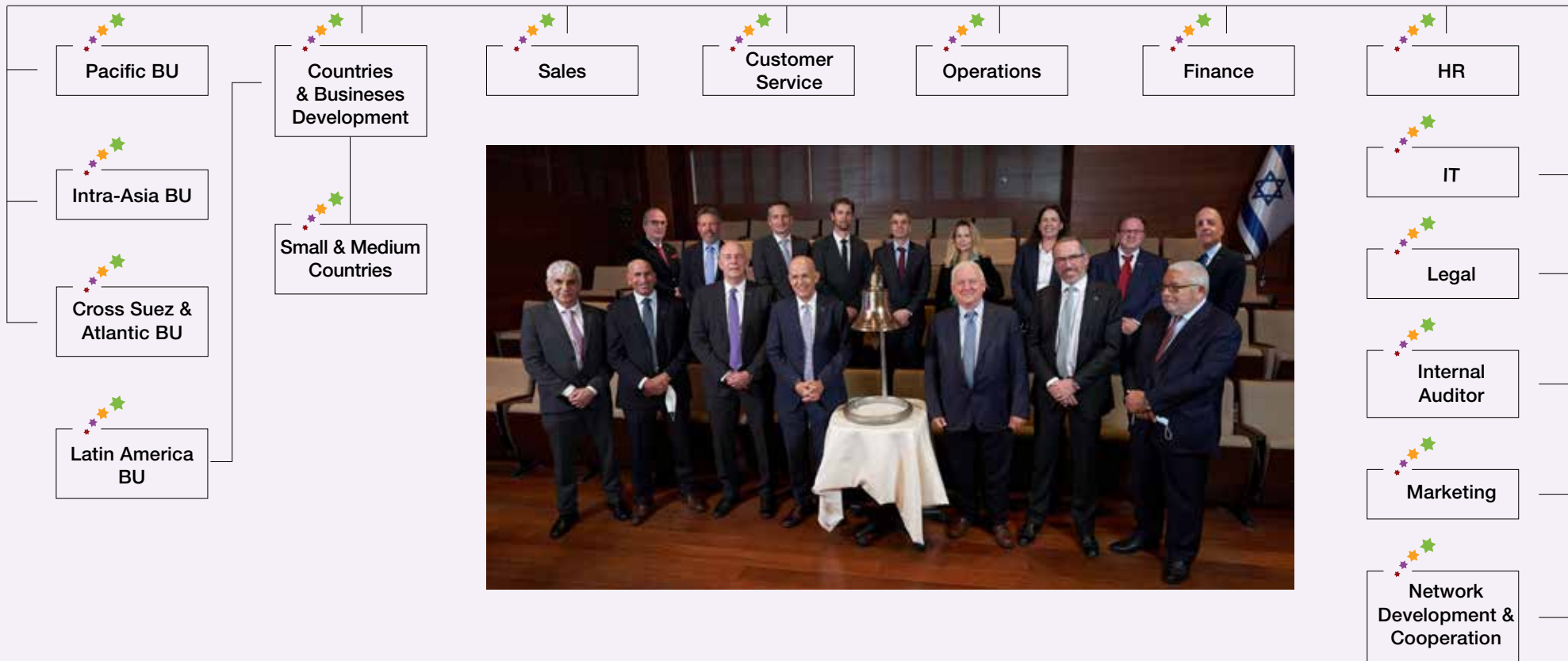
CORPORATE GOVERNANCE



COMPANY PROFILE

102-5

Established in 1945, ZIM has developed into one of the leading carriers in the global container shipping industry, with operations in over 180 locations worldwide.



KEY MANAGEMENT

102-18

The chart below presents the key management of ZIM Integrated Shipping Ltd. as of December 31st 2020.



Yair Seroussi
Chairman of the Board



Eli Glickman
President & Chief Executive Officer



David Arbel
EVP Chief Operations Officer (COO)



Yakov Baruch
EVP Human Resources



Eyal Ben-Amram
EVP Chief Information Officer



Rani Ben-Yehuda
EVP Cross Suez & Atlantic Trades



Xavier Destriau
EVP Chief Finance Officer



Saar Dotan
EVP Countries & Business Development



Danny Hoffmann
EVP Intra Asia Trade



Hani Kalinski
VP Medium & Small Countries



Yael Livnat
Global VP Network Development & Cooperation



Noam Nativ
General Counsel & Company Secretary



Yair Teitelbaum
VP Global Sales



Assaf Tiran
VP Global Customer Service



Nissim Yochai
EVP Trans Pacific Trade

Further information regarding ZIM's key management and remuneration process can be found in the 2020 Annual Report.

ZIM's Board of Directors

At the end of 2020, ZIM's Board of Directors had nine members, consisting of eight men and one woman. Our Board includes members with a variety of specializations and professions, having diverse capabilities and skills needed to effectively address ZIM's operational and strategic challenges and opportunities. Together, their great expertise, knowledge and talents combine to propel the Company forward. Their fields of expertise include economics, accounting, industrial engineering, law and political science, as well as industrial sectors such as hi-tech, energy, banking, shipping and transportation.

Further information regarding ZIM's key management, Board of Directors and remuneration process can be found in the 2020 Annual Report.

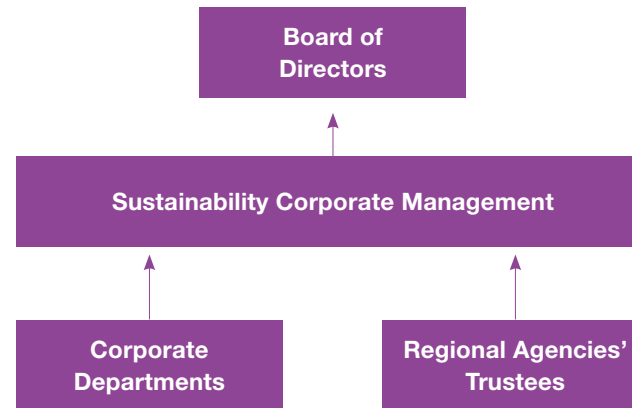
Sustainability Management

102-18, 102-33

ZIM's Sustainability Corporate Management is responsible for preparing the Company's Annual Sustainability Report, addressing inquiries the Company receives on sustainability-related topics, answering sustainability questions from stakeholders, and coordinating the Company's sustainability working groups.

The unit is under the responsibility of the Operations Department led by the Company's COO, who is in charge of the Company's overall Sustainability Management.

ZIM's Sustainability Management structure is presented in the chart below:



The unit manages all relevant procedures and processes within ZIM's sustainability agenda: gaining insights, revising the material issues on a regular basis, reviewing and recording the progress of the Company KPIs, reporting on progress internally and externally, creating sustainability-related collaborations and engaging with stakeholders. It is in charge of informing other units and departments about our company-wide sustainability efforts and ongoing activities, and assists Company management in identifying sustainability risks and opportunities.



MEMBERSHIPS IN ASSOCIATIONS AND INITIATIVES

102-12, 102-13

World Ports Climate Initiative



seeks to implement the principle of sustainability in supply chains, taking into account local settings and varying port management structures.

Clean Cargo Working Group



a group of peers dedicated to accelerating progress toward sustainability and reducing environmental impacts in the container shipping industry.

Cargo Incident Notification System



a shipping line initiative designed to increase safety in the supply chain, reduce the number of cargo incidents onboard ships and highlight the risks caused by certain cargos and/or packing failures.

Maritime Anticorruption Network



a global business network working to realize the concept of a maritime industry free of corruption that enables fair trade for the benefit of society at large.

World Shipping Council



the peak industry trade group representing the international liner shipping industry, which offers regularly-scheduled service on fixed schedules.

Digital Container Shipping Association (DCSA)



creates new digital standards in the maritime shipping industry to enable global collaboration, make shipping services easy to use, flexible, efficient, reliable and environmentally friendly.

Global Maritime Forum



an international NGO dedicated to promoting the potential of the global maritime industry by shaping the future of global seaborne trade to increase sustainable long-term economic development and human wellbeing.

Sea Cargo Charter



provides a global framework for aligning chartering activities with responsible environmental behavior to promote international shipping's decarbonization.

BUSINESS ETHICS

102-16, 102-17



Operating in an ethical and honest manner is the basis of our business conduct and has been ever since ZIM was established. We stand by our values every day, and strive to implement them in our daily business activities as well as in our relationships with all our stakeholders.

ZIM's Vision and Values

Our Vision and Values are presented in the Company's Code of Ethics and express our commitment to act fairly, taking into account the society and environment in which we operate, and to strive for excellence in all our activities. Our Vision and Values were updated in an extensive process undertaken in 2019, which concluded with the definition of our five corporate values under the ZIM approach **"Innovative Shipping Dedicated to you"**:



Can Do Approach

We always have the will and will always find the way

Results-Driven

We deliver great process and will be measured by the bottom line.

Agile

We adapt quickly to market currents, changes, trends and needs.

Sustainability

We treat our oceans and our communities with care and responsibility.

Togetherness

We are many and diverse, yet we act as one ZIM team.

These five values guide our operations and day-to-day business conduct, and we invest great effort in integrating them in our business activities and implementing them in our relationships with our stakeholders.

Code of Ethics

102-16

Our Code of Ethics is a general guide which specifies the rules of business conduct to which ZIM has committed itself. It is an extension of our Vision and Values, with the purpose of guiding our employees and managers in making business decisions, ensuring ethical management of business activities, and complying with the requirements of the law. It defines what we consider most important in every contact we have with our employees, customers and suppliers.

As part of the ongoing implementation of ZIM's updated Code of Ethics, we communicate to our employees how to work in ways that are aligned with our values, mission and goals. Furthermore, ZIM has a Code of Ethics tutorial which explains the Code and reinforces its observance, and which is reviewed annually by our employees. In 2020, 92% of our employees and managers worldwide completed the tutorial of the updated Code of Ethics.

For further information regarding our Code of Ethics, please see the full version on our website.

Whistleblower and internal complaints

102-17

ZIM employees are encouraged to report any act of corruption, suspicion of bribery or any concern regarding violation of law, regulation, procedure or any of the provisions of the Code of Ethics. They can do so through any of several available channels, such as raising their concerns with their manager or the Legal Unit, or making an anonymous complaint via the Company's whistleblower reporting system. Concerns raised are forwarded to the Company's Internal Auditor for further inquiry according to the Whistleblower and Internal Complaints Procedure. All ZIM employees receive whistleblower reminders throughout the year, and the ZIM whistleblower tool is available and easily accessible to all ZIM employees and external parties, including vendors and customers.



ZIM is committed to ensuring that no employee shall suffer any detrimental treatment as a result of reporting in good faith any suspicion that an actual, or potential, offense has taken place or may take place in the future.

In 2020 we received very few cases related to failure to comply with ZIM's Code of Ethics. These were thoroughly handled in accordance with ZIM's Procedure, and corrective measures were taken where needed.





SPOTLIGHT: Ma'ala Index

We are pleased to support Ma'ala, an Israeli association that promotes corporate responsibility on the part of the country's business community. Ma'ala focuses on the largest local businesses in order to support and encourage the practice of sustainability in the Israeli economy. In 2020, ZIM was ranked for the first time by the "Ma'ala Ranking", which grades the members of the organization in terms of social, environmental and corporate responsibility standards in Israel. The ranking is designed to assess member companies' degree of commitment and socio-environmental impact, and allows them to measure their annual performance, identify areas in which they are lagging and set goals for improvement relative to local norms and standards. The ranking is based on a comprehensive questionnaire dealing with employment, business ethics, the supply chain, environmental performance, corporate governance and related topics.

In its first year as a ranked company, ZIM achieved Platinum status in the 2020 "Ma'ala Ranking".

COMPLIANCE AND REGULATORY CHANGES

103-1, 103-2, 103-3, 419-1

We strictly abide by all applicable laws, including all local regulations in each geographical location in which we operate. This applies to all functions and business units of the Company. Thus, our operations and business conduct are in strict accord with the local and international regulatory environment and setting.

ZIM ensures compliance in all its offices by performing ongoing reviews and audits. This is done internally by carrying out HR audits and process controls, and by conducting ZIM Internal Auditor reviews and frequent audits in the various countries. ZIM also engages with external auditors and survey companies that carry out assessments and reviews of a wide range of corporate governance functions, such as salary and benefits compliance issues.

We are also Customs-Trade Partnership Against Terrorism (C-TPAT)-certified by the US Customs and Border Protection (CBP) department, testifying to our effective procedures designed to determine and mitigate risk throughout the shipping process. To this end, in 2020 several security procedures were refreshed and ZIM's new C-TPAT security profile was reviewed and approved by the US CBP team.

ZIM's security profile includes internal security procedures on vessels, in offices and logistic areas, and external security measures taken with business partners such as vendors and customers.

Furthermore, during 2020 we conducted C-TPAT onsite audits in our main terminals, and C-TPAT questionnaires were filled out by our main vendors: terminals, land transportation providers, feeders, and others. ZIM's suppliers and third-party providers are committed to complying with C-TPAT requirements as part of our contracts and agreements.

ANTITRUST

206-1

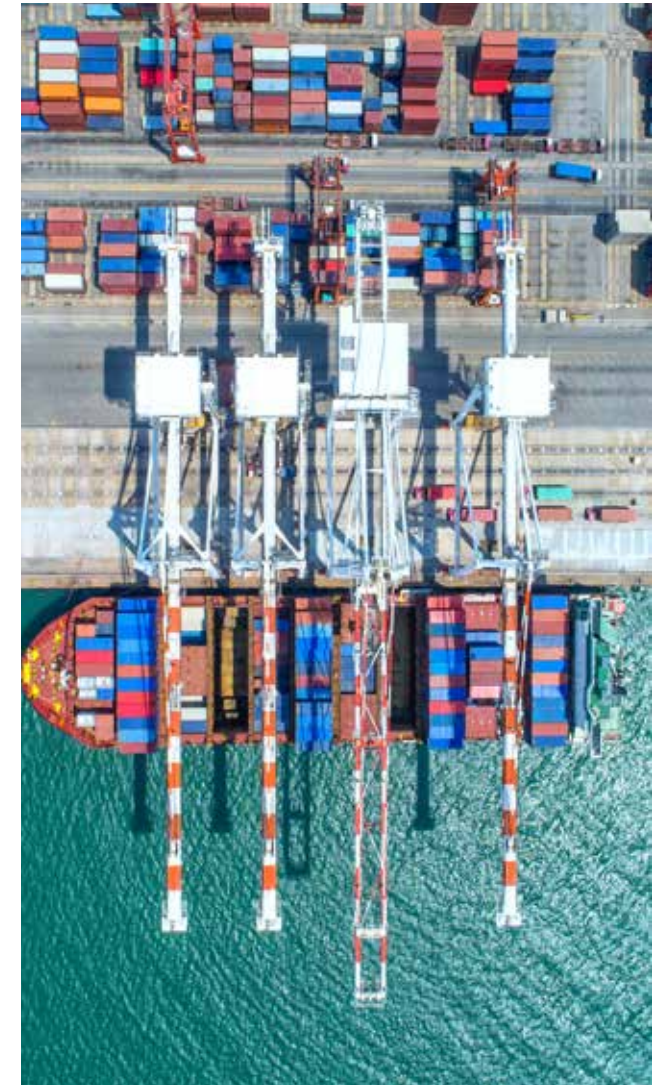
ZIM is committed to promoting free and honest competition wherever the Company operates, and regards fair competition as a key principle which must be complied with. We respect and recognize the importance of the antitrust laws in benefiting not only ZIM, but the shipping sector as a whole.

Based on the findings of the prior year's antitrust risk survey, during 2020 ZIM's Board of Directors adopted a new comprehensive Antitrust Compliance Plan. The Plan includes the approval of an Antitrust Policy tailored to ZIM's specific needs, publicly available on ZIM's [website](#). In addition, the Plan mandates periodic risk assessment, training and reporting to ZIM's management, legal counsel and Board of Directors.

During 2020, ZIM also issued two new antitrust tutorials to all employees addressing key antitrust topics relating to ZIM's business activities in the maritime shipping industry. These include, among other topics, handling and maintaining sensitive commercial information, operational agreements with competitors, properly participating in trade associations, price announcements, and more. Over 90% of our employees successfully completed these tutorials.

As part of ZIM's zero-tolerance approach to violations of antitrust laws, ZIM takes ongoing actions to identify and minimize any antitrust risks and increase employee awareness and knowledge of antitrust laws. Our planned 2021 work program is expected to include oral training sessions for various departments in the Company (in addition to the semiannual tutorials), as well as advances in our risk assessment process relating to antitrust issues.

ZIM's internal legal unit is constantly monitoring the Company's compliance with antitrust laws as they relate to our competitors and customers. Employees are encouraged to promptly report to the Legal Unit any suspected violation of the Antitrust Policy or any antitrust law.



ANTI-BRIBERY AND CORRUPTION

205-2, 205-3

ZIM is committed to conducting business in a transparent, ethical and professional manner wherever we operate around the world. We strictly adhere to these values as well as to our Code of Ethics, and see great importance in acting according to these principles.

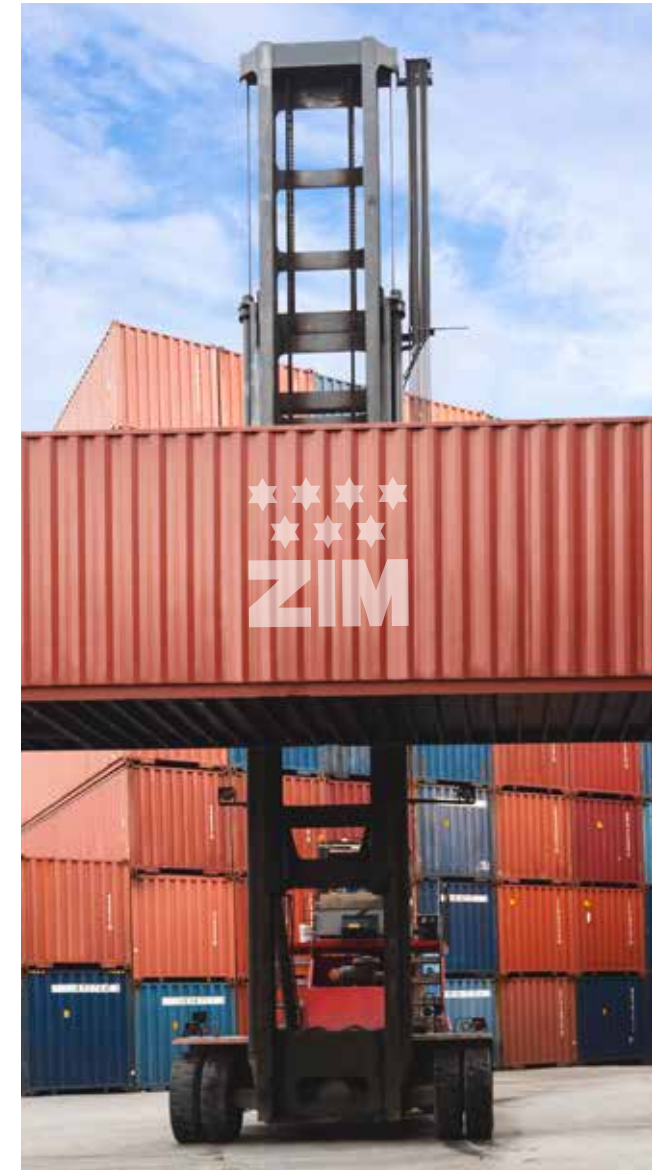
Due to the nature of its business, ZIM faces a variety of potential anti-bribery and corruption risks. These include: (i) operation in high-risk jurisdictions; (ii) shipping's historical reputation as a relatively high-risk business sector; and (iii) demands by government, port officials or others for small payments to perform their duties.

ZIM aims to take collective action to eliminate all forms of maritime corruption. Hence, since 2018 ZIM has been an active member of the Maritime Anti-Corruption Network (MACN), a global network working towards realizing the vision of a maritime industry free of bribery and corruption.

In 2020 our Board of Directors adopted our updated Anti-Bribery and Anti-Corruption Plan. The Plan includes a dedicated Policy publicly available on ZIM's [website](#). The Policy underlines ZIM's commitment to compliance with all relevant anti-bribery and corruption laws, both local and international. ZIM realizes the great importance of the subject

and is committed to working for prevention, educating and raising awareness among employees and stakeholders, monitoring and control vis-à-vis this issue. The renewed Plan includes mandatory periodic training and risk assessment. During 2020, a tutorial was prepared and reviewed by 100% of ZIM's employees and managers.

Employees are strongly invited to raise any concerns regarding potential violations of ZIM's anti-bribery and corruption policy or any other issue related to this topic with their managers or the Legal Unit, or via ZIM's Whistleblower system.



DATA PRIVACY AND CYBER

103-1, 103-2, 103-3, 418-1

Cyber

The ever-growing threat of cyber-attack on the maritime industry has only been magnified by the COVID-19 pandemic. At the same time, the industry's ongoing digitization of its business processes, while indispensable in modernizing, streamlining and enhancing the efficiency of these processes, has increased their exposure to cyber-attacks. Multiple recent cyber-attacks on the maritime industry have caused significant disruptions at great cost, raising awareness and highlighting the crucial importance of cybersecurity.

Over the past several years, ZIM has made significant improvements in its preparations for recovery from cyber-attacks of increasing complexity, with an ongoing positive learning curve. We have invested much effort and resources in keeping current with the constant changes and developments in the digital world which expose us to new risks that must be addressed.

Our Information Security unit uses cutting-edge technological solutions to provide end-to-end information and cybersecurity coverage for ZIM's computing and network infrastructure. Cyber activities include setting up an advanced cyber Security Operation Center which monitors, reacts to and investigates cyber threats. As part of our continuous work to increase cybersecurity protection, we conduct annual cyber penetration tests with the participation of the relevant operating personnel in each function, and all ZIM employees undergo training in cybersecurity awareness.

In February 2020, ZIM conducted its annual cyber drill with the main goal of raising ZIM's readiness to respond to a cyber event with global impact. Among the secondary goals of this specific drill were:

- Examining **alternative operations** of critical business processes.
- Improving the COURT (Company Operational Unified Response Team) mechanism with full daily agenda and **interoperability of situation rooms** in a scenario with global impact.
- Addressing **operational and regulatory elements** including customs and port operations.
- **Including agencies in the response** – central ZIM country agencies participated actively in the drill.

The main lesson of the 2020 cyber drill was the realization that more country agencies must be involved in future drills – limiting participation to HO and a few central agencies is inadequate to achieving the objective of company-wide cybersecurity.

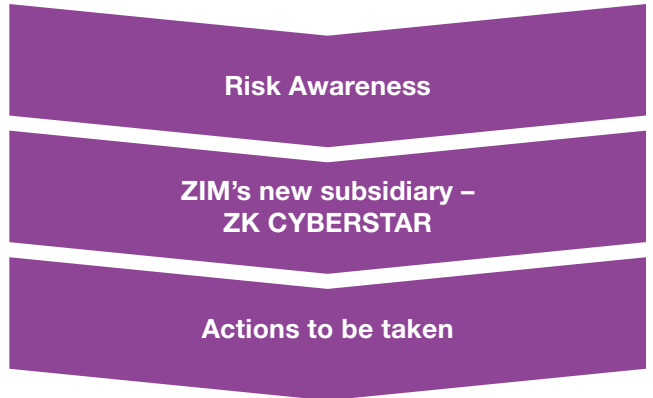
Further to the subject of cyber, from 2021 ZIM will have to comply with the IMO Resolution MSC.428(98) regarding Maritime Cyber Risk Management in Safety Management Systems, with the overall goal of supporting safe and secure shipping and operations of vessels at sea and onshore, with operations resilient to cyber risks. The resolution encourages

organizations to ensure that cyber risks are appropriately addressed in their existing safety management systems. During 2020, ZIM began its preparations for compliance by laying the groundwork for a new policy and necessary procedures, including a dedicated chapter in the Company's Safety Management System.





In 2020 ZIM held a country managers cyber seminar with the participation of cyber trustees from 38 agencies around the world. The seminar presented a global overview of cyber-attacks together with particular focus on the shipping industry, and discussed in depth the following three topics:



The goal of ZIM's cyber readiness program for 2021 is to improve company-wide readiness for a cyber crisis and the Company's ability to maintain business continuity in the event of a cyber-attack.



ZKCYBERSTAR

We acknowledge that the maritime and logistics sector is undergoing a connectivity revolution, and that digitization and automation bring with them new opportunities and efficiencies, but also carry a price tag of increased cyber threats.

The tightening regulations around cybersecurity and the ever-growing interest and requirements of many stakeholders regarding cyber led us in 2020, in cooperation with 'Konfidas' cybersecurity experts, to establish our subsidiary company ZKCyberStar. The company was founded with the objective of improving cybersecurity in the maritime industry. It offers tailor-made solutions for the industry with the goal of increasing cyber readiness and ensuring business continuity in the event of a cyber-attack.

ZKCyberStar will provide a suite of services to support operational cybersecurity readiness, including cyber and regulatory postures, strategy and planning, cyber awareness and executive training, incident response capabilities, supply chain risk management, ongoing threat intelligence, regulatory alerts and briefs, and more.

Data privacy and information protection

ZIM applies a strict data protection policy with respect to personal data that ZIM collects, processes and stores in the course of its business activities, which is publicly available on ZIM's [website](#). With data breaches ranking at the top of the list of types of cyber-attacks¹, ZIM is committed to ensuring that personal data and data privacy are protected in accordance with the best practices available, as well as according to ZIM's relevant legal obligations. ZIM is also compliant with the EU's General Data Protection Regulation (GDPR).

Compliance by ZIM with data privacy and information protection requirements is monitored on a regular basis by ZIM's semiannual internal audits and ZIM's Data Protection Officer (DPO).

¹ According to Konfidas Analysis regarding cyber-attacks in the maritime industry.

RISK MANAGEMENT

102-11, 102-30

Risks are an integral part of ZIM’s business environment, work and management processes. For this purpose, ZIM’s management maintains an organized process for risk management and control mechanisms, all under the supervision of the Company’s Board of Directors.

The topic of Business Continuity received emphasis from the management point of view this year. In 2021 measurement indices for this issue will be added to the risk management process. Further KRIs to be implemented next year have to do with our updated Anti-Bribery and Anti-Corruption Plan.

The cyber issue also gained momentum this year as exposure to cyber-related risks increased globally. In ZIM, cyber has been one of the top key risks for years; nevertheless, we placed even greater emphasis on the subject this year in light of the current developments and worldwide situation.

As part of the risk management process, we conduct an Enterprise Risk Management (ERM) survey every three to four years, most recently in 2018, with the next survey planned for 2022. Between surveys we measure and monitor the level of exposure to each risk using specified Key Risk Indicators (KRIs), and once a year risk cards are updated by each risk owner. Updates of the level of exposure of each key risk’s status according to the KRIs are presented to management on a quarterly basis.

In 2020 we continued to focus on the top risks identified in the last survey, including financial risks, risks related to corporate governance, and risks of environmental and social effect. In addition, during 2020, with the involvement of Company management members and with regard to a COVID-19 focus, an examination was made as to whether there were additional risks or a need to update the existing risk map.



DISASTER RESPONSE AND PREPARATION

103-1, 103-2, 103-3

ZIM has a Disaster Recovery Plan (DRP) which stipulates actions to be carried out before, during and after the occurrence of a disaster. It specifies actions to be taken with the purpose of recovering, ensuring business continuity and protecting the Company's IT infrastructure in the event of a disaster. The DRP is managed and sponsored by ZIM's Executive Management and the procedures are tested annually by all infrastructure members and main systems owners.

In 2020, with the outbreak of the COVID-19 pandemic, it became necessary to effect major changes within our operations and day-to-day activities. In response to the global crisis, we actively managed capacity to maintain a reasonable supply-demand balance. We focused on demand recovery by exploring further growth potential and attracting increased e-commerce and consumer goods spending, and promoted substitute cargo carrying by sea and air.

Following the results of the previous test in 2019, a separate test of the Treasury division will be performed in early 2021. The test will include the Treasury team and IT Communication Manager.



OPERATIONAL MANAGEMENT

103-1, 103-2, 103-3

ZIM is the only company in the shipping sector worldwide without ship ownership – we own one ship only. Our innovative business concept allows us to be the most flexible company in the world. For example, with regard to 2020 and the COVID-19 crisis, in the beginning of the year we had 70 ships; then, as we saw that there was a decrease in supply, we went down to around 50 ships. Today, with demand peaking, we are operating more than 80 ships.

During 2020 ZIM directly operated approximately 70 ships on a variety of global lines. The ships could be found operating at sea or in the ports and terminals that serve ZIM’s fleet. ZIM’s fleet called at over 500 terminals and nearly 400 ports around the world.

We operate with the owners of the chartered ships through contracts which are regularly updated and contain all the regulations ZIM is obligated to comply with, and with respect to which we require ship owner compliance as well. In addition, we perform a background check on each ship owner before signing a contract to make sure we conduct business only with top-tier ship owners.

Global Operation Center

To ensure efficient control and monitoring of our operations, we have set up an innovative Global Operations Center (GOC). The GOC receives complete real-time data relevant to operating ships at sea and in port, such as: cruising speed, fuel consumption, wave height, cargo operation in port, and many other operational analytics that help optimize ship operations. Enabling receipt of a full update on a ship’s status at any given time, which in turn enables a quick and precise response, makes the GOC the heart of ZIM’s operations and a great contributor to the improvement of the Company’s results.

The GOC brings together all the activities of ships at sea and in port and serves as a key tool in support of management

decision-making backed up by real-time data and information. Its main functions are:

- Providing a global picture of the entire fleet operated by ZIM and its partners
- Enabling operational control of ZIM-operated vessels
- Analyzing terminal operations
- Monitoring and improving predefined KPIs
- Managing the Company’s preparedness for routine and emergency situations

In addition to managing ZIM’s daily operations, the GOC also serves as the Company’s “emergency room”, where emergency preparedness is managed. In 2020, ZIM’s management approved the need for a dedicated emergency room for cyber-attacks as part of the GOC. This emergency room will be staffed on a 24/7 basis, and will be responsible for monitoring, supervising and exposing any potential cyber risk. This will be established in the coming year.

To take a 360° tour on a container vessel scan or click the QR code:



GOING DIGITAL



ZIM Pulse

ZIMPulse

ZIMPulse is our top governance tool, providing ZIM's management with invaluable real-time data and alerts enabling meaningful savings and efficiencies. It is an innovative internal KPI management system which enables ongoing, precise, visual, clear and accessible management and comparison of operations performance metrics. ZIMPulse is an exceptional control and monitoring tool, with an emphasis on technological innovation and the ability to detect in real time deviations from expected values and goals set in all areas: operational, financial, commercial, and others. It also allows making the necessary adjustments in a short time, thus improving efficiency and maximizing cost savings and productivity.

Since its launch in 2019, the tool has been constantly evolving and developing. It is under ongoing improvement in reporting our countries' and BUs' existing, already-managed KPIs, providing management with an extensive global monitor and control tool.

In 2020, we enhanced our Strategic Account (SA) performance visibility by creating a dedicated SA dashboard. This includes both performance and customer-service KPIs to ensure that the best service is provided to our VIP customers. With its visibility and monitoring components, ZIMPulse also supported the management of strategic projects in 2020, such as the cooperation with Wave and with Alibaba.

THE HIVE

The Hive: Allocation Management System

In 2020, the development of the Company's new digital tool – The Hive – was completed and the tool came into use. The Hive is an innovative internal allocation management system which enables instant cargo selection while streamlining and automating cargo management processes which were previously done manually. The system was developed in-house and is now managed by a team of personnel from both IT and Business Units, working in collaboration for efficient cargo selection and distribution.

For ZIM, The Hive helps to bring the ship to its optimal condition – in terms of weight, containers, product mix. It provides an interactive internal dashboard for viewing forecasts, bookings and equipment release, and supports the prioritization of product quantities variety onboard.

For ZIM's customers, The Hive means ensuring contractual space is reserved and a quick and definitive response is given to booking requests. Overall uncertainty is reduced, speeding up the booking process and increasing reliability.

We have identified three main goals, supporting both customers and ZIM, which spurred the development of the tool:

- Optimize cargo selection in real time
- Improve customer experience by reducing booking confirmation time, as a first step to instant booking confirmation
- Transform the way we develop software to better align with business needs



Lets make some

buZZZ

together. We are many and diverse,
yet we act as one ZIM team.





SOCIAL



103-1, 103-2, 103-3

As a company whose operations span the globe, we are proud to be a diverse and dynamic workplace for our employees worldwide. We employ thousands of people in a variety of functions and business units. We are committed to providing a beneficial and supportive employee experience and maintaining a safe workplace environment for all our employees globally.



EMPLOYEES

102-3, 102-4, 102-8, 102-41, 401-1, 405-1

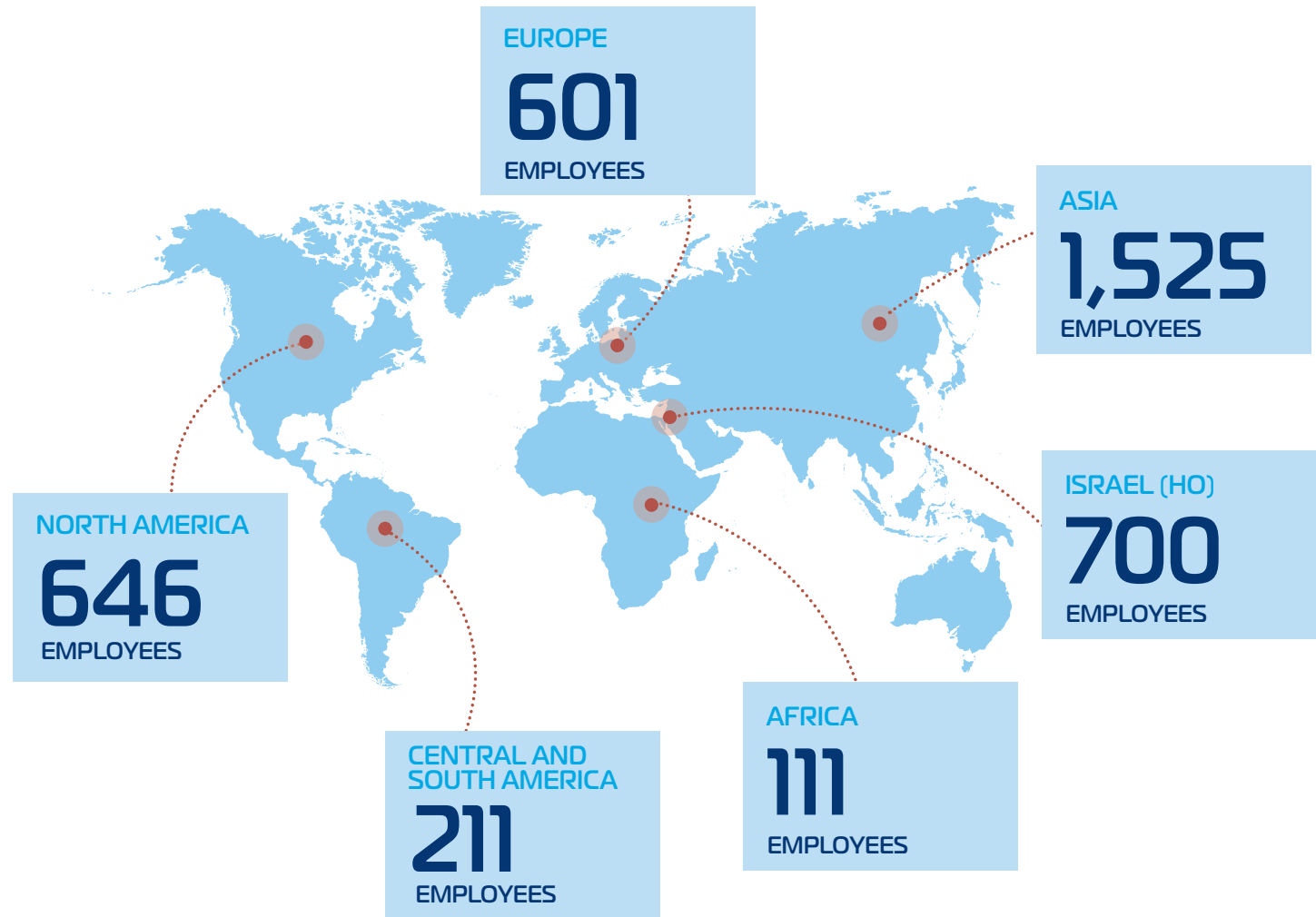
We believe that our human capital is what drives us forward and positions ZIM as one of the world's leading shipping companies. We aspire to develop our employees professionally as well as personally, and do so through our training programs and employee benefits. We consider it important to offer our employees attractive working conditions and prospects for development.

3,794  
EMPLOYEES

~200
OFFICES



As of December 31st 2020, ZIM employed 3,794 employees throughout its 92 locations worldwide.



We are proud of our record as an equal-opportunity employer. The table below presents ZIM's employment history in this regard over the past three years:

Age	2018		2019		2019		2019		2020		2020	
	Manager	Employee	Manager	Employee	Manager	Employee	Manager	Employee	Manager	Employee	Manager	Employee
<30	3	347	7	237	6	324	6	219	9	413	8	201
30-50	177	936	260	858	176	844	252	819	202	955	299	912
>50	73	291	176	308	83	296	173	309	73	294	170	281
TOTAL	3,673		3,507		3,507		3,507		3,817*		3,817*	

*Employment data include Company trainees. 2020 data include employees from our new logistic companies in China, Brazil, Vietnam, Canada, Hong Kong and Singapore.

New employee hires during 2020 totalled 556, while 411 employees left the Company during the same year. In 2020, 86% of employees in the Head Office and 40% of employees worldwide** were under collective agreements.

We continue to monitor and track the progress of our HR performance with several predefined KPIs. These are monitored on a regular basis in order to allow comparison and focus on the selected areas. We intend to adopt and monitor additional HR indicators in the coming years.

**Including employees in Europe, Africa, The US and South America

ZIM's HR KPIs:

KPI	2018 performance	2019 performance	2020 performance
Average investment in training per employee (Average annual investment per employee)	\$57	\$166	\$360
Gender pay gap (Women's average salary as percentage of men's average salary within same employee level)	95%	94%	90%
Percentage of women in senior management (Percentage of women in managerial positions in Company levels 2-3-4)	31%	31%	36%

This year's pandemic brought a global crisis to our doors. Decades of experience and expertise have gained the Company much resilience and incredible human capital, which are the engine behind ZIM's sustained profitability and growth. Watch how ZIM professional and executives managed to weather the 2020 storm.

Scan or click the QR code:



As with many other aspects of our activity this year, the outbreak of COVID-19 challenged us in terms of human resources management. Some planned activities had to be postponed, while others had to be adjusted to a new, straitened reality.

Most offices immediately changed over to remote work mode and face-to-face meetings were replaced by various online platforms. We equipped employees with computers, screens, headphones, cameras and any other gear needed for them to be able to work from home conveniently, and IT support was made available to employees working remotely.

We adapted the internal organizational communication methods to the current situation. Meetings and daily communications between employees and managers were also shifted to digital platforms. In addition to ongoing weekly status calls and work updates, we maintained close contact with our employees working from home. We communicated with employees regarding the changing local guidelines regarding COVID-19 throughout the year, and checked regularly on the health and safety of our employees and their families.

Permission to work in the office was restricted to a limited number of employees, as prescribed by the authorities in each ZIM location around the globe. We mandated stringent sanitary standards in the cleaning of our offices, installed glass protectors between desks, supplied employees with masks and sanitizers and kept offices ventilated.

One of the major challenges of the pandemic was getting our seafarers home safely and quickly at a time when flights were scarce and traveling was limited. Our dedicated Marine HR team managed to coordinate travel arrangements even in the most difficult situations, and helped our seafarers reach home.

Customer service and sales adjustments were also made in light of COVID-19 restrictions. Meetings with clients moved mainly to virtual venues via digital platforms such as Microsoft Teams and Zoom. A "follow me" service to personal mobiles was implemented to enable communicating smoothly with customers. With the aid of these tools, we managed to minimize the effect on our customers – business continuity was saved by the business contingency of working from home.

We quickly adapted to the "new normal" of 2020: we trained our managers for remote management, kept up our resilience and organizational spirit over a broad array of communication channels, overcame all challenges and maintained our management routines despite them.

In 2020 we were ranked number 1 in Glassdoor's Employee Satisfaction Survey, demonstrating our strong commitment to our employees.



SPOTLIGHT: Vaccines Support

One of our contributions to the national effort of combating the COVID-19 pandemic in 2020 was the shipment of supporting materials for the vaccines. The shipment of ordinary-looking containers, which were in fact special storage freezers, received special expedited treatment from our Operation and Customer Service teams upon arrival. This shipment was an essential part of the long-awaited vaccination operation in Israel, and we were grateful to be part of it.



HUMAN RIGHTS AND LABOR PRACTICES

408-1

We strictly safeguard the worker rights and human rights of all our employees, employees in the supply chain and employees of our business partners. Therefore, we refrain from contracting with potential suppliers and business associates who do not comply with the same high standards of ethical conduct.

ZIM's Human Resources are managed in accordance with local labor laws and regulations in our locations of operation. Furthermore, our entire workforce is employed based on International Labor Organization (ILO) conventions and national laws.

There is no child labor in any of ZIM's locations globally and we do not employ people under 18 in any of our agencies. Our recruitment units regularly check recruitment processes and we have internal audit procedures to ensure that this policy is strictly complied with.

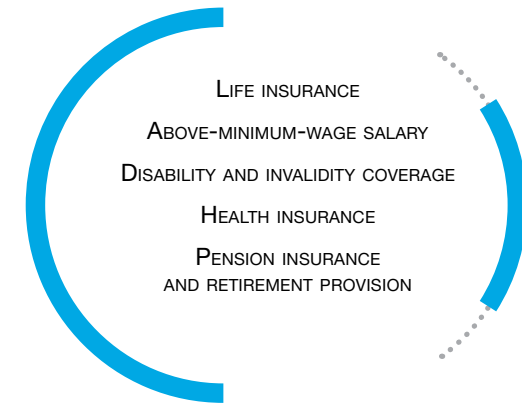
Social benefits and employee wellbeing

401-2

We see great importance in giving our employees a complete ZIM experience, reflected in the work environment in the Company. We believe this starts with having a strong connection to the Company Vision and Values, maintaining an open and continuous relationship with management, providing career development opportunities and feedback on a regular basis.

We provide our employees with competitive salaries and all employment benefits specified by law in all locations of operation. We also conduct a yearly salary increase process that takes into account inflation, promotions, annual evaluations etc. We allow flexible working hours to enable our employees to maintain a sustainable, affirmative life-work balance, which we regard as highly important.

The following is a partial list of ZIM's fixed social benefits and wellbeing packages provided to employees in global locations:



Our seafarers are under different laws and provisions. Notwithstanding, we find it equally important to offer them attractive working conditions and prospects for development relevant to their occupations. Issues such as fair terms of employment, safe and secure workplace, access to medical care and decent working conditions are all included in the Maritime Labor Convention 2006 (MLC), which all vessels under our operation are committed to.

In addition, ZIM has demonstrated its commitment to giving seafarers a fair wage by signing a collective bargaining agreement with the International Transport Workers' Federation (ITF) for its Flag State vessels and Flag of Convenience vessels. This means we pay seafarers' wages as per the ITF accepted standard.



GOING DIGITAL



GOING DIGITAL- eZPortal

Though launched in early 2021, the preparation and development of our innovative digital eZPortal took place during 2020. This new internal portal serves as a gateway to the daily routine of employees at ZIM, with professional and other useful information, links to internal websites, and articles and announcements about various organizational processes. The eZPortal improves the convenience of daily work by enabling ZIM employees to easily access all the necessary information in one place rather than having to go through different systems and websites as before.

The new portal is designed to achieve three main goals:



We will gradually expand the portal over the coming year by adding useful new features and functions.

Parental leave

40I-3

We see great importance in helping our employees achieve optimal work-life balance, which in the long run is beneficial both to the employee and to ZIM. We support our employees as they expand their families, and in line with our policy of promoting gender equality, we always encourage both men and women to go on parental leave.

During 2020, a total of 25 employees took parental leave, all of whom are currently still ZIM employees. All of these employees returned to work during 2020. In 2019, 71 employees took parental leave, of whom 21 returned to work during 2019 and 14 during 2020.

Mobility

We aim at offering our employees jobs, roles, and projects which allow them to utilize their strengths and promote their development. Most of our recruitment is directed first internally, promoting employees up the ladder and providing them the possibility to experiment with new fields of interest, and only then externally.

For mobility success stories, click or scan the QR code:



We provide our employees and managers a variety of career development opportunities. Employees can be promoted or assigned to different positions, which are regularly posted internally. Additionally, we have a yearly process for global internal moves between countries and between senior positions, with around 30 positions globally dedicated to these kinds of internal appointments. In 2020 there was a slowdown in internal mobility, and at the beginning of the year, when COVID-19 broke out, we even stopped recruitment for a period of time. But later in the year, as we saw that we were able not only to “steady the ship” but to pursue opportunities to increase our business activity, we returned to our regular recruiting processes and routines.

There are three options for mobility within the Company that are open to all our employees:

- Cross-functional mobility to help broaden their skill sets: **174 employees**
- Vertical mobility, which enables them to take on new roles and responsibilities: **37 employees**
- Relocation options abroad according to the Company's personnel requirements: **9 employees**

TRAINING AND EDUCATION

404-2

We aim at continuously improving the personal and professional skills of all employees. We use multiple learning solutions including online learning tutorials, face-to-face courses, a mix of training materials, and more. We encourage learning by incident investigation as well as peer learning.

In 2020, as part of the adaptation of work processes to remote working, we moved all training online. To facilitate this shift, we prepared an online tutorial on how to use the Microsoft Teams platform, which was employed extensively this year throughout the Company. The tutorial enabled employees to become more proficient in Teams, thus easing their transition to the new work mode and enhancing the efficiency and convenience of their remote working procedures going forward.

Our ongoing trainings include:

- **Safety training:** a mandatory e-learning tutorial about topics such as safety in the workplace, electricity safety, behavior in the event of an earthquake or fire, and more. The employee participation rate for this tutorial in 2020 was 86%.
- **Code of Ethics tutorial:** an e-learning tutorial in which our employees are taught how to work in ways that are aligned with our values, mission and goals. In 2020, 92% of employees completed this tutorial. (For further information regarding our Code of Ethics, see the chapter on Corporate Governance.)

- **Prevention of sexual harassment:** a mandatory e-learning tutorial. The employee participation rate for this tutorial in 2020 was 90%.
- **Hazardous materials:** a professional course provided to employees in specific functions, which includes information regarding the transportation of hazardous materials and the treatment of hazardous materials at work. In 2020, 20 employees from the Head Office participated in this course.
- **Customer Service workshop,** which provides tools and tips to Customer Service (CS) managers and employees in their respective countries to enhance skills and abilities. In 2020 we held a webinar for all CS employees on the topic of engaging co-participants online and holding virtual meetings with customers in an effective and optimal manner.
- **Managerial training:** started in 2019, our Executive Training Program was developed with the aim of equipping our department officers with relevant tools and enriching their professional knowledge. The training is based on The Situational Leadership® II model of Blanchard², which teaches leaders to diagnose the needs of an individual or a team in order to use the appropriate leadership style to respond to that individual/team. The 2020 training included the participation of three groups of managers from Israel, Europe and the Middle East, Canada, the US and Brazil.

This year, managers also received training in leading virtually in the “new normal” of the global pandemic, and ongoing assistance and tips were shared during the year to support our managers in dealing with the implications of COVID-19 for their work and management routines.

In addition to the ongoing training listed above, we invest great effort and resources in developing additional capabilities and skills in our employees, from which they benefit during their work at ZIM and which they take with them wherever their career path leads. To this end, we offer our employees and managers enrichment courses such as Excel training, Office training and English lessons.



² The Ken Blanchard Companies is a world-renown training and management skills organization.

Onboarding process

We consider it highly important to support and accompany our employees from their first steps at ZIM. We invest major efforts in making new employees feel right at home in the ZIM spirit of togetherness, and motivate them to connect with our values and operating practices.

In 2020 we continued to closely support newly-hired employees globally with our digital onboarding process, launched in 2019. The process is monitored on a quarterly basis by our HR department. Combined with regular roundtables of new employees with EVP HR and direct managers and a focused development plan, the onboarding process provides the new hires with the attention they need to flourish at ZIM, thus reducing attrition. In countries where we have massive recruitment during a short period of time, we conduct a designated three-week “bootcamp” to create team bonding, increase motivation, and ensure quality learning with specifically designed agendas along with an infusion of the ZIM spirit and organizational culture.

This year we also moved our LMS system, with all learning modules for new employees, to the cloud in order to enable learning from every place and at any time. This was very helpful for employees dealing with the online onboarding process.

Engagement survey

We believe that each employee has an important contribution to make to our daily operations and efforts for success, and this contribution grows with the employee’s engagement and commitment. We believe it essential that employees have a strong sense of belonging, as reflected in the “One ZIM” concept which finds expression in our Vision and Values. We conduct an annual engagement survey which examines seven dimensions of the employee experience:

The last survey was conducted during Q1 of 2020, with 83% of managers and employees participating, and reflected engagement levels in 2019. According to the results, 60% of our employees reported being highly motivated and engaged with the Company, an increase compared to the previous survey. The managerial dimension also achieved high marks. As outcomes vary by location, each manager was responsible for reviewing the results and developing an improvement plan with activities to be implemented in the coming year. These plans were supported by Company management and put into practice by the direct manager of each location and/or relevant function.



Evaluation process

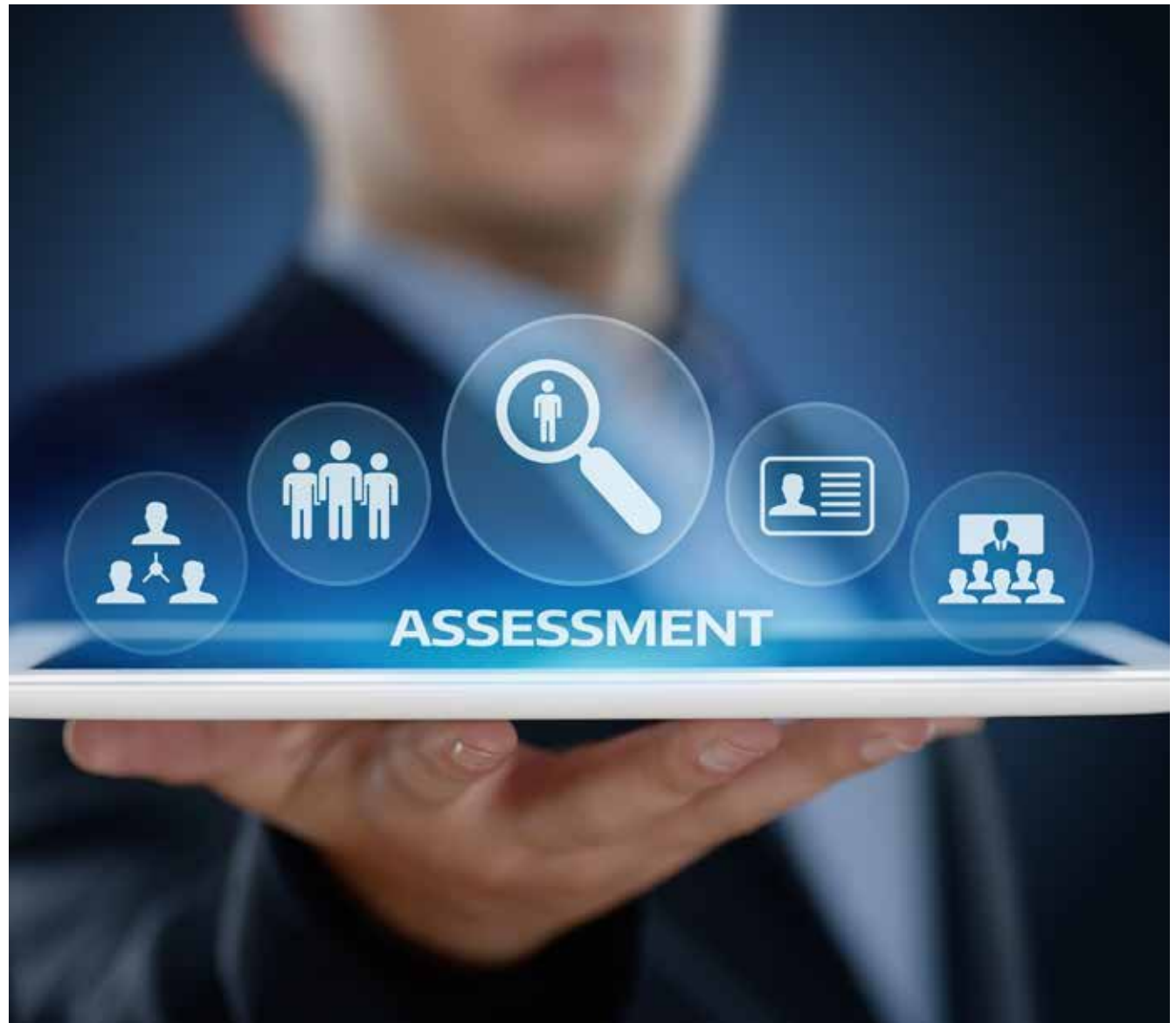
404-3

We conduct an Annual Appraisal process which allows us to set uniform business requirements for our employees and managers. This is a comprehensive global process that includes all our business units, departments and functions. Our annual process is structured to create a multidimensional discourse involving all levels of the Company and develop a corporate culture which promotes excellence and high standards of performance.

The process has three main features: an assessment of goals that were set the previous year, an indication of strengths and points for improvement, and setting goals for the coming year. To further strengthen the dialogue between employees and managers, the process includes a self-evaluation by the employee, which enables a more constructive and in-depth dialogue between manager and employee centering on the employee's performance. Every year we adjust and improve the process's implementation with regard to the year's main targets and the message we want to convey and focus on in the coming year. In 2020 the form was changed to emphasize aspects of personal and professional development in the feedback meeting.

97%

In 2020, 97% of all employees and managers took part in the annual evaluation process.



DIVERSITY, EQUAL OPPORTUNITY AND NON-DISCRIMINATION

405-1

We always strive to promote gender equality in all our operations and business units. In 2020, around 54% of our employees and about 37% of our managers were women. We are determined to provide equal development opportunities for all employees and are committed to a balanced workforce in which gender equality is honored and upheld as a core principle.

We respect and protect our employees' fundamental rights and freedoms in line with our Code of Ethics and human rights. We are committed to preventing all forms of discrimination throughout our organization, including discrimination on the basis of nationality, race, disability, gender, age, religion and political views.

We take care to maintain an accessible workplace for our employees and work to make the Company's facilities and offices accessible in accordance with the relevant legislation. We have an appointed accessibility coordinator who was trained for this position. Our service centers are made accessible and our CS employees are trained for "accessible service".

In 2016 we initiated and established a cooperation arrangement with Matrix, an Israeli IT company, with the purpose of empowering ultra-Orthodox women. The program enables the women's integration into software development positions in the Israeli labor market.

Matrix located women graduates of technological training in

the field of software engineering, all residents of communities in the vicinity of the Head Office. The women passed a screening process that included tests and interviews, and at the end they began their training in relevant technology professions entailing programming in SAP ABAP, SQL, Power Builder etc.

The trainees underwent initial training to become acquainted with the world of shipping, work practices in the field of information systems at ZIM, and work in a global organization that also includes aspects of organizational culture and instruction in technical English.

We took several measures to adapt the workspace in the Head Office to the ultra-Orthodox community's needs: adjustment of working hours, changing work routines to meet religious requirements, training ZIM employees to be aware of specific needs of the new workers.

Today, five years after the inception of the program, 40% of the trainees are successfully integrated as programmers in our development department.

Women in ZIM

2019

49%
of employees

38%
of managers



2020

↑ 54%
of employees

↓ 37%
of managers

OCCUPATIONAL HEALTH AND SAFETY

403-3, 403-5, 403-9

The safety and health of our employees and safety in all our operations are top priorities. We make every effort to minimize safety incidents through training, raising awareness and providing special dedicated equipment where needed. We are committed to maintaining the highest standards of health, safety and quality on behalf of our stakeholders and for the benefit of the community as a whole.

Safety of employees at sea

We acknowledge that work at sea and in ports entails unique risks. Our employees are highly trained to work safely in these environments, and their skills are continuously refreshed and updated through regular briefings and training sessions prior to and after international journeys. All our operational activities adhere to the highest standards of maritime safety, and all our vessels comply with the International Safety Management (ISM) code.

In 2020 we maintained our ongoing annual activities: we conducted annual internal audits onboard our vessels, an annual ISM review, and an external ISM audit conducted by a surveyor from the Nippon Kaiji Kyokai ship classification society (ClassNK). No instances of non-compliance were found during the yearly internal and external audits.

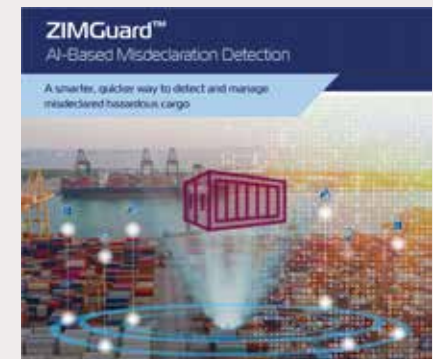


SPOTLIGHT: ZIMGuard

As a global shipper, ZIM checks hundreds of thousands of Bills of Lading every year. Catching misdeclarations before loading a vessel is of paramount importance. At ZIM safety always comes first, and since the available technology solutions were slow, inaccurate and cumbersome, we created our own. Combining state-of-the-art data science with ZIM's real-world operational expertise, we developed **ZIMGuard**, an AI-based system harnessing Natural Language Processing capabilities, Machine Learning and a dynamically updated database, to make contextual inferences and detect blind-spots. The system has an accuracy rate of over 94%, with many fewer false alerts and more positive detections than diagnosed by the previously-available technology.

The new system enables us to detect, examine and clarify any potentially problematic issue prior to loading, thus ensuring the safety of crew and ship, and the supply chain in general.

Currently, ZIMGuard is deployed in major ports in China, the US and Israel, and in a growing number of ZIM lines.





Safety within the workplace

403-6

Every worker at ZIM participates in safety trainings conducted by the company or by the Israeli Institute for Occupational Safety and Hygiene. Additionally, all employees undergo an annual mandatory computerized training, in which passing a test is required for completion.

We have a dedicated safety committee which includes four members: two from ZIM management and two from the workforce. The committee members meet on a regular basis throughout the year, and are responsible for investigating on-the-job accidents and recommending how they can be prevented, monitoring safety and hygiene conditions in the Company, and proposing specific improvements the Company should make with respect to workplace safety.

Furthermore, ZIM has appointed five safety trustees who complete relevant training courses on an annual basis, and a dedicated certified Global Safety Officer who coordinates and documents all reports of injuries from all ZIM entities around the globe.

Safety of cargo and supply chain

As part of our strong, longstanding commitment to safety in all our operations and activities, ZIM has been a member of the Cargo Incident Notification System (CINS) since 2012. CINS is a shipping lines initiative designed to increase supply-chain safety, reduce the number of cargo incidents onboard ships, and highlight the risks caused by certain cargos and/or packing failures.

CINS permits analysis of operational information related to all cargo and container incidents which lead to injury or loss of life, serious damage or loss of assets, or adverse environmental consequences. Data relating to any cargo incident onboard a ship is uploaded to the CINS database, where it can then be accessed and used to prevent future incidents. In 2020, five incidents were reported to the CINS, including misdeclarations of cargo containing dangerous goods and containers that were not properly blocked.

In 2020 we formed our new dedicated Special Cargo Team. The role of the new team is to increase the safety of our supply chain by monitoring the handling of special cargos, as well as improving service for external and internal customers. The main activity focused on by the new team is the transportation of special cargo.

CUSTOMERS-SERVICES AND INNOVATION

103-1, 103-2, 103-3

Different cargos naturally have different needs, while every customer requires the same accessible, knowledgeable support. By building ongoing relationships over more than seven decades, we have learned the ins and outs of our customers' businesses, enabling us to provide the most suitable service for each of their individual needs.

Without a doubt, 2020 was an extremely challenging year due to the ramifications of the COVID-19 pandemic. Notwithstanding the many challenges, we gave added impetus to improving customers' experience by making it easier for them to do business with us.

As many of our customers moved to remote work mode, we invested significant efforts in enhancing our digital offerings by promoting our existing digital tools and adding new ones.



myZIM unites under one digital platform all the customer's shipments, including relevant documents, invoices and more. The platform uses technology to simplify complex shipping logistics processes that occur on an ongoing basis. During 2020 we developed additional features such as:

- **Draft B/L on myZIM** – digitizing the traditional manual process by providing a convenient way to view, approve or edit the Draft Bill of Lading online. This service enables customers to submit changes or updates, without having to contact the service center; it reduces errors, simplifies and speeds up the process.



- **VGM Submission on myZIM** – enables customers to submit their Verified Gross Mass more quickly by auto filling the form with details copied from the B/L.
- Alongside the newly-developed services, we conducted a worldwide campaign to raise customer awareness of our **Print B/L Service on myZIM**. As our customers (as well as our local agencies) were forced to work from home most of the year and were therefore unable to collect their original Bs/L, we wanted to encourage them to adopt the option to print their Bs/L on their own premises.

On top of our Print B/L service, we have strongly promoted the **use of Blockchain technology** for Bs/L. ZIM, partnering with Wave Ltd. since 2019, continues to lead the industry in paperless trade by replacing the traditional paper B/L with a secure platform for transporting cargo via electronic B/L. Customers who have used our new blockchain technology report a high level of satisfaction, which has led them to migrate all their Bs/L, including Seaway Bills.



In early 2020 we introduced **ZIMapp**, our new ZIM mobile application, a complementary digital gateway to all ZIM digital platforms, providing our customers an additional means of easy access to a wide range of cargo shipping services, as well as a great deal of useful information.



During the COVID-19 pandemic, our customers let us know they needed a proactive immediate notification channel. We reacted quickly by adding a push notification system on ZIMapp, enabling customers to receive real-time mobile notifications anytime an emergency necessitated sudden changes to the company's operations.

To make ZIM's **website** with its useful content more accessible to users, we added more languages: Hebrew, Korean, Chinese-Mandarin, Chinese-Cantonese, Spanish, Portuguese, Turkish, Russian and Italian. Another new website feature recently introduced is the Demurrage calculator, allowing customers to automatically calculate their demurrage costs.



Click or scan the QR code to find out more about our digital services:





eZIM eZQuote

Following the successful global launch in 2019 of **eZIM**, which enables customers to directly submit their e-Bookings and e-Shipping Instructions, in 2020 we launched a complementary platform, **eZQuote**. This adds instant Spot Quotes, which makes Quoting and Booking friction-free, quicker and easier for all customers. Booking on the new platform provides customers with guaranteed space and equipment. The platform provides customers the option to book at any day and time without having to contact the agency separately. The above-mentioned platforms enabled us to further increase our e-commerce ration, reaching 87% globally.

To overcome the COVID-19 working-from-home challenges we faced in 2020, we quickly implemented the required technical solutions, which enabled our representatives worldwide to be fully connected to all relevant supporting platforms, as well managing our contact center virtually and successfully maintain our best-in-class service level: answering 85% of calls within 30 seconds.

To learn more about eZQuote click or scan the following QR code:



³ By IPSOS, a global market research and consulting firm

Despite the challenges, we did not neglect our focus on upscaling our internal processes and skills. We have continued our Soft Skills workshops which are directly in-line with our recently launched **Z Factor** concept. These workshops aim to provide our representatives relevant tools to ensure that in every interaction, they leave our unique Z Factor mark.

During 2020, we were ranked³, for the second year in a row, as the most customer-centric carrier among the top 12, which is one of ZIM's main strengths, along with customers' perception of 'on-time delivery'.



The Z Factor

New from ZIM

eZQuote

For existing and new customers

Book your shipment, as easily as you book a flight!

Welcome to **eZQuote**, the great new service from ZIM that makes booking your cargo shipments easy, reliable and hassle-free. Go online, get a quote, and make a booking **it's that eZ...**



Quote to booking in just a few clicks!

Get a price quote instantly no calls needed.

Get a fast-track confirmation within 30 mins.

Price Guaranteed

The price quoted is the price you'll pay - guaranteed.



Guaranteed space on board

Once you commit, so do we.

eZQuote priority booking guarantees your space, container and price.

eZQuote Features You'll Love:

- eClick booking: From quote to booking in a few clicks!
- Instant price quotes.
- Fast-track booking confirmation.
- Secured space & container.
- Price guaranteed.
- Quick start: Pick up where you left off.
- Anytime 24/7 availability.
- Guaranteed loading.

We're all in are you?



Please note:

- * Price & Space will be guaranteed only after the booking confirmation.
- * Only standard container types available.

Following the successful implementation of our unique **Smart Customer Service (SmartCS) program**, we continued monitoring and measuring our agencies to ensure that they are working according to predefined Service Level Agreements (SLAs) which include indicators aimed at providing our customers with the quickest, most efficient and accurate response. Due to the pandemic, the program's implementation process at our sites was delayed as it requires traveling and physical stays at agencies. By year-end 2020, we remained at 70% coverage of business volume, as we had the previous year.

All the above-mentioned digital services showcase our **'Powered by Our Customers'** approach, which was launched in 2019, and which emphasizes one of our main points of differentiation within the sector. At ZIM, we see Transformation as our Goal, while Digital is our Tool. 'Powered by Our Customers' is a prime example of our unique customer-centric approach, in which we are using digitization as an enabler towards making it easier for our customers to do business with us.

To learn more on our approach – click or scan the following QR code:





SPOTLIGHT: E-commerce Trend

This past year, ZIM focused intensively on the growing e-commerce trend, as attested by the addition of our e-commerce dedicated new lines, ZIM e-commerce Xpress (ZEX) and China Australia Express (CAX). As part of this development, we entered into a broad strategic cooperation agreement with Alibaba.com for the direct purchase of sea freight, improving logistic services to Alibaba.com sellers and buyers. Under the agreement, we provide sea freight and services through a direct interface with Alibaba.com's logistics platform.

This cooperation has effectively improved the visualization process of Alibaba.com's logistics platform and has proven beneficial for Alibaba.com stakeholders. ZIM's extensive network of lines provides stable, high-efficiency and visible global logistics delivery services for Alibaba.com sellers and buyers, along with high-level customer service, product support and system optimization.

Further to the above, we have expanded our cooperation with Alibaba.com by introducing Ladingo, an Israeli logistics start-up, to improve Alibaba's Less than Container Load (LCL) services to both sellers and buyers on their B2B e-commerce platform, via ZIM Logistics China service. Ladingo has a groundbreaking technology that combines optimization of cargo and routes while automating tax handling as well as end-to-end shipment management. As part of the collaboration between Alibaba.com and ZIM, Ladingo's innovative logistics technology simplifies the LCL shipping process while powering ZIM's full LCL and door-to-door services through cloud software.

SOCIAL MEDIA ACTIVITY

ZIM initiated a strategy of coordinated and planned activity on social media platforms in 2017 and since then has gradually developed the ZIM brand presence on social media platforms. The main objectives of our social media activity remain unchanged: increasing transparency, cultivating a dialogue with diverse audiences and providing additional channels of communication with our stakeholders. These goals have become ever more pressing during the COVID-19 pandemic as a result of its impact on communities, partners, vendors, stakeholders and employees worldwide.

In 2020, in line with our work plan, we intensified our presence and activities on LinkedIn, Facebook, Twitter, Instagram and Glassdoor. Throughout the year, we published a monthly average of 20 posts in the various platforms. In addition, we developed our presence on the main Chinese Social Media platform, WeChat, as well as other local platforms in Vietnam, Thailand and Korea.



WeChat



Weibo



Kakao

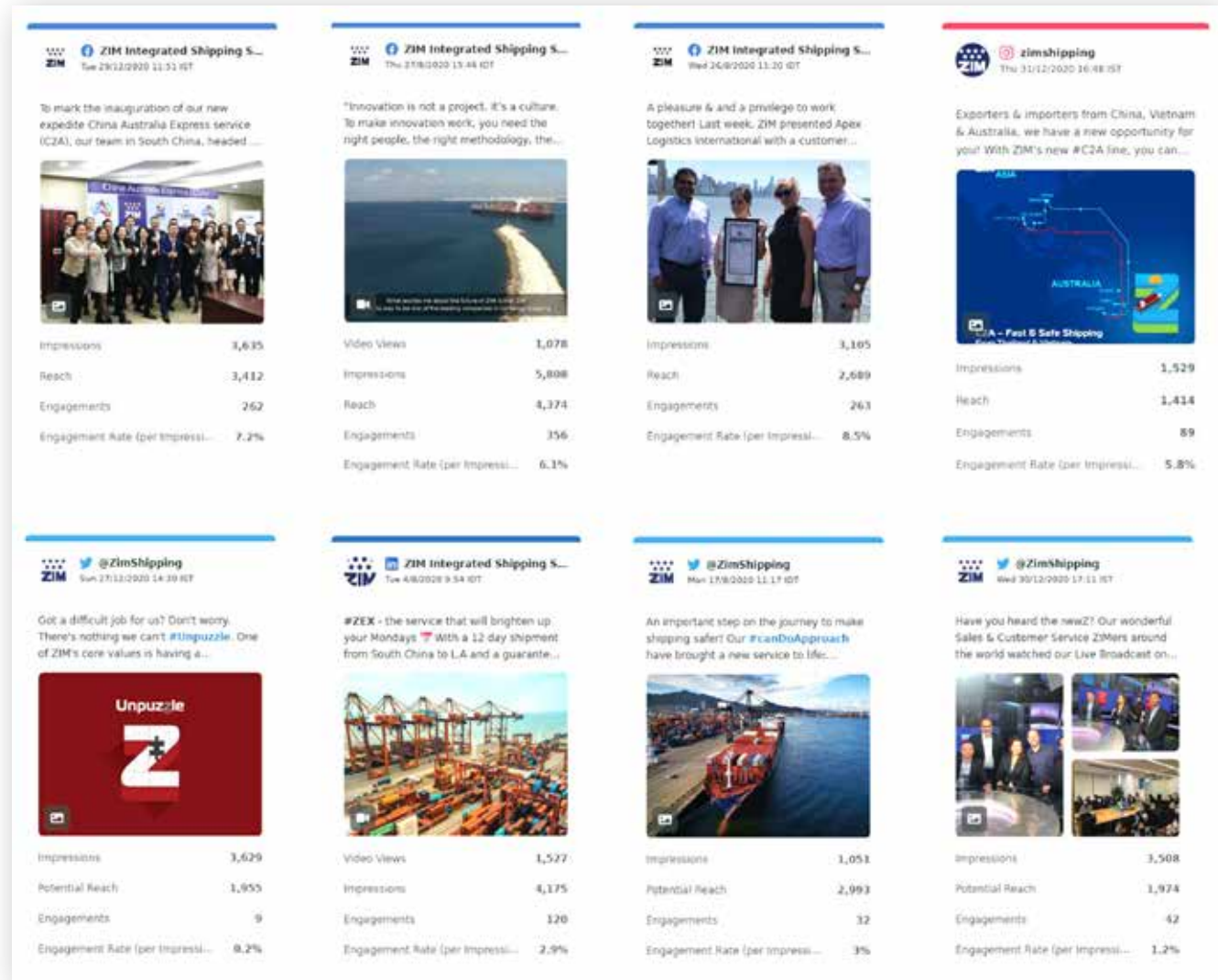
One of the goals of setting up our social networks, as mentioned, is to create another and informal channel of communication with our stakeholders. In this way, any account holder on a social media platform can contact us in one of two ways: a comment to a post published by ZIM or a private message through the platform. All comments are visible to all users – we observe and respond, with inquiries on specific topics directed to the attention of the relevant body in ZIM.

We strive to maintain a balanced and diverse content mix which addresses the interests of our various stakeholders. Topics include services and lines, sustainability, professional events, employees, holidays and international days, digital solutions and innovation, and many more. We saw a significant increase in our social media activity in 2020 vis-à-vis 2019, as measured by several criteria:

42% More published unique posts

88% More impressions

34% More produced engagements



GIVING BACK TO THE COMMUNITY

As an organization, we constantly ask ourselves how we can give back to the community. We aim to do so wherever we operate and everywhere our employees are located. We encourage our agencies around the world to contribute to their localities and develop enduring fruitful relationships with their communities.



Approximately 20% of our employees volunteer on a regular or one-time basis, which amounts to around US\$ 200,000 in donations, and about 2,000 hours of annual volunteering in different areas, including activities to assist and support youth at risk, protect the environment, promote healthy lifestyles, and more. We are currently working on the development and definition of ZIM's social activity strategy, to be implemented in our agencies around the world when completed.

In Thailand, during 2020 our employees donated books, stationery and sports equipment to the local school and volunteered in joint activities with the school kids, such as cleaning the local beaches.

In 2020, our USA agency employees collected donations during Christmas for families in need, and raised money, awareness and support for the fight against breast cancer. In Ukraine, we cooperate with a local charity organization in activities centered around the Christmas season – every year our employees organize charity boxes containing food and clothing, and participate in charity dinners.

In Russia our agency actively cooperates with the State Maritime University. We support their students with internships, sharing our experience with these future specialists, and participate in the examination board as experts from the shipping industry. Furthermore, in 2020 ZIM Russia participated in a project, with the local state school, of waste paper utilization. The money received for collecting more than one ton of paper and cartons was donated to an animal shelter and used for purchasing plants for the school garden, with the purpose of motivating the school children to promote nature conservation.

We donated money towards the elimination of child malnutrition in Argentina as part of the CONIN Foundation, an NGO dedicated to the prevention of child malnutrition. And in Germany, our dedicated ZIM employees assist every year in tending the Sternenbrücke Children's Hospice cemetery garden.

In 2002 ZIM Israel established the "Moadoniyot" adoption program", adopting over 20 children-at-risk-clubs in communities surrounding the Head Office. The 'Moadoniyot' are complementary daily settings in the community which operate in the afternoon. They are intended for children at risk, ages 3-9, from distressed families. Today, over 300 kids receive the love and support given by our Head Office employees. As part of this program, our employees support the children with school equipment and clothing, celebrate birthdays and holidays together, and the children participate as "Guests of Honor" in Company events.



Our aim is

Zero carbon

We treat our oceans and our communities with care and responsibility.





ENVIRONMENT



ENVIRONMENT

The shipping sector faces many environmental challenges specific to the nature of its activities, such as reducing vessel fuel consumption and emissions, and minimizing its negative impact on the maritime ecosystem. We guide and educate our teams worldwide to take actions that prevent environmental pollution and work to meet stringent anti-pollution standards.

We invest great efforts to protect the environment and minimize our negative environmental impact in all our business operations. We comply with all sector-relevant environmental laws and regulations, and require that our suppliers and business partners do the same. The senior manager responsible for our environmental management is the Company's COO, who receives regular reports on performance in day-to-day operations. Environmental performance is also on the agenda of the Board of Directors,

who receive quarterly reports on issues and developments in the field, and are updated via ad hoc reports and meetings when necessary.

We weigh the effects of climate change as part of the decision-making process in our long-term planning for new trades, lines and shipment schedules. We take into account the seasonality of typhoons and extreme weather events and their effects on our activities in impacted climatic zones.



ENVIRONMENTAL MANAGEMENT

103-1, 103-2, 103-3, 102-12, 102-13

We instruct our teams to implement actions that prevent pollution and to take measures to meet and exceed the stringent mandatory and advisory environmental standards relevant to our operations worldwide. For example, we participate in the voluntary Vessel Speed Reduction (VSR) zones program in several ports, with the goal of reducing environmental pollution around these ports.



ZIM is also a member of the Clean Vessel Incentive (CVI) Program. The CVI provides financial incentives to encourage operators of ocean-going vessels to make voluntary engine, fuel, and technology enhancements to reduce their operation emissions beyond the regulatory environmental standards set by the International Maritime Organization (IMO).

Our environmental management policy includes compliance with all international environmental standards relevant to our operations. We see sectoral partnerships and international standards as crucial to the management of the environmental challenges posed by our industry's operations.

ZIM was one of the world's first shipping companies to obtain the ISO 14001:2004 Standard certification for its company-owned fleet, which specifies the requirements for an Environmental Management System (EMS). Our certificate of EMS Registration is regularly assessed, certified and issued by an independent third party (ClassNK). Today, ZIM is certified for ISO 14001:2015 of the Ship Management Directorate (SMD).

Our fleet complies with all mandatory standards and abides by all relevant treaties for the prevention of marine pollution, including:

- IMO resolutions
- the International Convention for the Prevention of Pollution from Ships (MARPOL)
- the International Convention for the Safety of Life at Sea (SOLAS)

- flag administration
- the Shipboard Oil Pollution Emergency Plan (SOPEP) regarding oil spills
- the International Maritime Dangerous Goods (IMDG) code
- other standards regarding sewage, garbage and air pollution
- all national, regional and local regulations

For the past two years we have been gradually replacing our global company car fleet with hybrid or electric vehicles. In 2020 we continued to encourage our employees and managers to choose ecofriendly models by providing reliable and attractive vehicle options. Today, about 55% of company cars are hybrid.

In 2020, we experienced a slowdown in the rate of replacement of company cars due to COVID-19. The pandemic triggered a wave of country closures around the world, including port closures which resulted in delays affecting the supply of imported cars. We aim to continue to increase the share of hybrid cars in 2021 and to reach 70% by the end of the year.

Reduction of environmental effect

As part of managing our environmental impact, we make a concerted effort to reduce energy, water, chemical and fuel consumption onboard all vessels, as well as in our offices worldwide. Measures taken for preventing pollution and negative environmental impact from vessel operations include:

- Practices to control and manage vessels' biofouling by hull cleaning, to minimize the transfer of non-indigenous aquatic species
- Strict avoidance of oil and toxic chemical discharges into the sea
- Implementation of a Shipboard Oil Pollution Emergency Plan (SOPEP) onboard vessels
- Strict ballast water management
- Replacing mineral oil lubricants with Environmentally Acceptable Lubricants (EAL) for wire ropes and deck equipment, as well as for the stern tube and bow thrusters
- Sewage treatment and garbage collection and disposal
- Strict compliance with the global 0.5% sulphur cap for ship fuels and the regulatory limits for NOx emissions
- Constant monitoring of exhaust fumes to avoid discharging black smoke from ship funnels
- Maintenance of books onboard in which records of ozone-depleting substances are kept

Flexitank policy

A flexitank is a liquid bulk package suitable for storage and transportation of non-hazardous liquid products. Recognizing the inherent environmental hazard and risk of leakage, we established procedures for incident prevention and introduced a very strict policy on the issue. As a matter of policy, we do not accept fuel oil or any related substances such as lubricating oil, biodiesel, process oil and engine oil in flexitanks, in order to safeguard both the Company interest and the marine environment.



SPOTLIGHT: New LNG Vessels

In early 2021 we concluded a strategic agreement with Seaspan Corporation, a leading independent owner and operator of containerships. Under this long-term chartering agreement for the construction of ten new containerships powered by Liquefied Natural Gas (LNG), these ultra-modern vessels are expected to enter service in the first half of 2023.

This milestone agreement allows us to achieve two core strategic objectives: (1) meet growing market demand and provide reliable, top-level service to our customers, and (2) advance our sustainability position by operating in accordance with our ongoing commitment to address environmental issues related to the shipping industry, meet customer demand to reduce CO₂ emissions, help preserve clean air and reduce our carbon footprint.

EMISSIONS

305-1, 305-4, 305-7

International shipping is a large and growing source of greenhouse gas emissions, emitting 2-3% of global GHG emissions. To curb shipping-caused emissions, the IMO has agreed on an ambitious goal of reducing GHG emissions from shipping by at least 50% by 2050. To support this effort, a powerful alliance was formed consisting of over 140 companies within the maritime, energy and infrastructure sectors – the Getting to Zero Coalition. ZIM joined this initiative promoted by the UN, and is committed to achieving this formidable objective.

Since 2013, ZIM has been a member of the Clean Cargo Working Group (CCWG), a global shipping industry initiative dedicated to improving the environmental performance of marine container transport through ongoing measurement, evaluation, and reporting.

Every ZIM vessel's CO₂, NO_x and SO_x emissions, oil and fuel usage and sewage treatment facilities are constantly checked, and the findings reported to the CCWG. All reported data is verified by a third party, the Standards Institute of Israel. There were no irregularities or violations in 2020 and we passed the yearly assessment with no unusual findings.

We strive to reduce fuel consumption and emissions due to inland cargo transportation by selecting rail transportation whenever available. To this end, we entered the Steelwheel agreement for inland rail transportation in the US. This agreement establishes a direct connection between two railroad companies, allowing the detaching and reconnecting of container-bearing flatbed rail cars in order to avoid having to transport containers individually via truck between the two companies' rail facilities. This direct connection obviated 1,800 truck journeys in 2020, saving time and reducing fuel consumption and air emissions.

ZIM's emissions*:

	2017	2018	2019	2020
CO ₂ Emissions (TON)	3,763,831	4,159,084	3,047,696	2,931,720 ↓
SO _x Emissions (TON)	26,989	27,101	17,262	4,506 ↓
NO _x Emissions (TON)	89,433	98,484	71,019	68,136 ↓
CO ₂ Emissions - Dry (g/TEU-km)	**	**	74.83	66.32 ↓
CO ₂ Emissions - Reefer (g/TEU-km)	**	**	140.27	129.29 ↓
Sulphur Emissions (g/TEU-km)	**	**	0.85	0.2 ↓

* Includes fleet emissions only.

** ZIM's emissions as calculated according to the CCWG updated methodology: starting 2019, CCWG transitioned from tank-to-wheel to well-to-wheel emission factors.

ZIM'S TARGETS FOR REDUCTION OF EMISSIONS:

- To improve the fleet's average environmental CO₂ emissions per TEU (gCO₂/TEU-km) every year by 2%.
- To achieve a 50% reduction in our Fleet's Average CO₂ emissions by 2050 compared to 2008, as set by the Getting to Zero Coalition.

The (fleet) average CO₂ emission factor (gCO₂/TEU-km) and average sulphur emission factor (gSOx/TEU-km) for 2020 improved by 11% and 76% respectively compared with the same averages for 2019. The great improvement in the (fleet) average sulphur emission factor was achieved mainly due to full compliance with the new IMO 2020 fuel regulation.

To allow for expanded reporting and transparency, we have initiated a process of mapping and examining our activities resulting in scope 3 emissions. Once the scope is defined, we will begin collecting data which will be included in upcoming reports.

The new IMO 2020 fuel regulation

On January 1st 2020, the new fuel regulation, the IMO 2020 Sulphur Cap, came into force. The new regulation reduces the shipping industry's emissions by requiring all marine carriers to use low-sulphur fuel, limited to less than 0.5% sulphur content.

In the middle of 2019, ZIM began implementing a detailed and complex program to prepare our fleet to achieve compliance with the new regulation. This involved cleaning vessel tanks, locating and securing compliant fuels under terms of contract, and supplying vessels as per trade schedule.

ZIM's general policy is to use compliant fuel. We prefer to meet the 2020 global sulphur limits by using primarily compliant low-sulphur fuels, rather than by using heavy fuel oils in combination with a scrubber. All ships in our fleet use low-sulphur fuels to reduce the environmental impact of their main engines when in operation. On certain routes and services, such as our Pacific trade, we practice Super-Slow Steaming to enable substantial fuel savings resulting in significantly reduced CO₂ emissions.

Container Interchange Initiatives

ZIM actively promotes container-sharing initiatives with third-party suppliers such as partner shipping companies, container leasing companies and container traders. This practice is significantly reducing ZIM's carbon footprint. By sharing the use of container space, we avoid shipping less-than-full containers, thus utilizing their full capacity and reducing the total quantity of containers shipped.

In 2020 we used these sustainable methods to export approximately 40,000 TEUs, saving an estimated 240,000 kg of CO₂ emissions on port moves alone.

Domestic Repositioning is another container-sharing program we participated in during 2020. Instead of returning empty containers to the port after transporting the cargo to its destination, we let the railway company or the barge use it to transport local cargo back to the port. This way, the container does not return empty to the port, saving energy. During 2020 we made 12,596 Domestic Repositioning moves, mainly in the US, Canada, China and India.

2020 vs 2019 emission factors reduction



The (fleet) average CO₂ emission factor (g/TEU-km)



The average sulphur emission factor (g/TEU-km)

ENERGY AND FUEL CONSUMPTION

302-1, 302-3, 302-4

We assiduously monitor and track fuel consumption on all operated vessels, both owned and chartered. Our main organizational fuel efficiency KPI is “Fuel Consumption per 1,000 miles per TEU”. This indicator enables us to measure our fuel consumption efficiency on an ongoing, constant basis.



In order to reduce our overall fuel consumption, we:

- Optimize port call sequence to avoid unnecessary acceleration
- Optimize sea routes to avoid extreme weather conditions and thus unnecessary speed-ups
- Optimize port productivity to reduce time in port and thus avoid unnecessary racing to the next port

We also practice the following specific measures for monitoring and influencing our ships’ total performance:

- **Weather Routing System:** Vessel routes are planned in accordance with the Weather Routing System, which analyzes weather forecasts and recommends routes with favorable weather conditions in order to achieve ideal performance in speed and fuel consumption.
- **Crew Familiarization and Onboard Training:** Each crew is familiar with measures they are expected to take to improve vessel and voyage energy efficiency.
- **Power Energy Management:** Generation and consumption of electrical power onboard are regularly checked, and crews are encouraged to reduce consumption. Daily energy reports are provided by each vessel in our fleet.

- **Optimum Ballast, Draft and Trim:** Ballast adjustments are made to take into account the requirement to meet optimum ship trim and steering conditions. We achieve this primarily through good cargo planning and with the help of onboard technological and computational tools to properly manage the vessel at optimum trim.
- **Boiler Performance Management:** Onboard steam management is monitored and each vessel’s optimal heat balance is maintained to improve overall efficiency and reduce energy use and air emissions. We emphasize the importance of minimizing non-essential steam consumption, such as reducing the heating of machinery and tanks while vessels are in port.
- **Maintenance of Vessels:** Regular propeller and hull cleaning and dry docks collectively reduce ship resistance and improve overall vessel efficiency.

We are also able to monitor our entire fleet in real time from the Global Operation Center (GOC) located in the Head Office. The GOC monitors the status and position of all active ships, relevant weather conditions and currents, and effectivity of port operation, among other data. Based on the information gathered, the GOC assists with decisions concerning operations in real time and detects deviations in vessel performance which may lead to inefficiencies.

ZIM's fuel consumption:

	2017	2018	2019	2020
Total fuel oil (TON)	1,115,937	1,261,136	898,323	869,528
Total gas oil (TON)	90,082	72,335	78,078	69,872

ZIM's fuel efficiency*:

	2017	2018	2019	2020
Fuel efficiency (kg/TON*1000Nm)	37.8	36.7	34.5	34.8

* Method of fuel efficiency calculation was changed in 2020 to a more reliable and accurate method. The new method is based on the relative weighted contribution of each vessel. Data of previous years was corrected accordingly.



We are making diligent efforts to reduce our energy consumption on land as well. We have upgraded our office lighting system with LED lighting, and we keep optimal temperature control in offices with centralized air-conditioning systems. In 2020 we saw a large reduction in electricity consumption, water and paper use in our offices, partly due to COVID-19 and employees working remotely.

ZIM's electricity consumption in KWh:

	2018	2019	2020
Total owned agencies	4,845,378	4,834,356	3,702,125
Total big regional agencies** (from total)	4,448,973	4,442,561	3,346,327



** Big regional agencies based on total employees, includes Israel, Hong Kong, the US and Germany.

MATERIALS AND WASTE

306-2, 306-3

ZIM sees great importance in proper waste and material management, including meeting various requirements regarding the treatment of sewage, waste, residuals etc. All our vessels are in full compliance with the obligatory MARPOL and IMO regulations regarding materials and waste treatment.

- **Ballast Water** is managed according to the Ballast Water Plan, which sets ballasting and de-ballasting procedures.
- **Sewage** is treated in a special treatment system; sewage is collected onboard in specific tanks converted for use as storage capacity.
- **Bilge liquids** are collected and purified through the “Bilge Separator”.
- **Sludge** is collected in a dedicated tank on each vessel for disposal and treatment at a facility onshore.
- **Waste** onboard is separated into types, such as plastics, paper and food waste, in order to allow proper treatment of each.

In 2020, we began the process of expanding and improving data collected for reporting on waste. Vessel reports were updated with new fields for waste data. We aim to include the additional data and information collected in these new reports in our next report.

We invest great efforts in reducing waste and resource use in our offices as well. Many of our offices restrict the use of disposable dishes, and we encourage the use of biodegradable materials. We have been minimizing printing by switching to electronic documentation and billing and a default setting of double-sided printing. During 2020 we reduced our owned

agencies’ paper use by 40%, due both to reduction efforts undertaken and to the effects of working remotely. We recycle printing paper, separate waste by type, such as plastic, paper and glass, and collect used batteries.

Ship scrapping and recycling

The EU Ship Recycling Regulation (EU SRR) for the Safe and Environmentally Sound Recycling of Ships came into force on 31st December 2020. To comply with the new regulation, a thorough and accurate Inventory of Hazardous Materials (IHM) is required onboard EU-bound ships.

ZIM’s vessels operating in European waters were surveyed by external Hazardous Materials experts who issued reports based on lab results, and were certified against the EU SRR by a classification society.

The IHM is routinely updated by a collection of suppliers’ declarations, whenever any new or different piece of machinery or equipment is added to, removed from or replaced on a vessel.

Furthermore, all shipyards and facilities that we use for ship scrapping and recycling purposes are verified as meeting applicable international environmental convention standards, including the IMO Hong Kong Convention for the Safe and Environmentally Sound Recycling of Ships (2009). No ships were sent for scrapping in 2020.



Used containers for new purposes

Another way in which we try to reduce our ecological footprint and encourage recycling is to extend the lives of our containers by offering them for sale or donation at the end of use. After we retire containers from our fleet, they begin new “careers” all over the world, providing outstanding solutions for diverse storage needs. We support this through our subsidiary company Gal Marine, which builds, creates and make dreams come true from containers. The company specializes in repairing and refitting used containers of all kinds, freight dry and reefer, to best address their usage needs.

In 2020 several of our containers were donated to various associations and redesigned to serve as storage units, activity complexes, a food distribution center, and more.



Reefer containers

ZIM is at the forefront of the operation and innovation of refrigerated containers. Our reefer containers are equipped to transport refrigerated cargo of all kinds, whether fruit, meat, medical supplies or any other frozen or refrigerated cargo.

In 2019 we initiated a three-year renovation plan for our reefer fleet with the aim of reaching an average fleet age of five years. A younger reefer fleet means reduced maintenance and repairs and lower energy consumption.

The first phase was executed in 2019 and consisted of phasing in 4,000 new reefer container units and phasing out 3,000 old ones. In 2020 we advanced to the second phase of the plan, phasing in an additional 4,085 new reefer units and phasing out 2,300 more old ones, bringing the share of new ZIMonitor containers to 55% and the average fleet age to 5.5 years.



In 2020, the ZIM container fleet was equipped with an additional 1,500 units of Star Cool Integrated (SCI) reefers produced by Maersk Container Industry (MCI). The SCI reefer is differentiated from its competitors as the more sustainable choice with respect to three main criteria:

- a) **ENERGY EFFICIENCY:** use of a frequency converter to operate the refrigeration compressor, and software that matches the evaporator fan speed to cooling demand.
- b) **REFRIGERANTS:** a dual refrigerant system that enables operation with both R134a and R513a, currently the two most widely-used refrigerants, with the latter having only half the Global Warming Potential of the former. The system features the ability to switch between the two refrigerants, as the more sustainable R513a becomes increasingly readily available in the global marketplace.
- c) **INTEGRATION:** a “combined” one-piece container (instead of a box + a refrigeration unit), resulting in significantly lower air egress and more efficient maintenance of the desired temperature throughout the transport, requiring lower consumption of fuel and electricity.

All brand-new reefer containers are equipped with state-of-the-art ZIMonitor technology, which enables 24/7 remote monitoring of the refrigerator units by a dedicated service center, including real-time alerts and rapid response should any mishap occur.

By the end of 2020, we achieved the planned target for the year of 55% of our reefer fleet consisting of ZIMonitor-equipped units, with a planned increase to 70% by the end of 2021.



SPOTLIGHT: FreeZe Newsletter

In 2020 we published the first ZIM Reefer Newsletter – FreeZe. The newsletter will be published on a quarterly basis to all our reefer customers as well as to all our employees. It will include professional articles from various countries on reefer-related topics as they come in season in each country, as well as useful information and updates regarding our reefer services. The first issue included articles which discussed global reefer trends and how reefer technology supports the import and export of various highly temperature-sensitive products.

In 2020, reefers were one of ZIM's growth engines: while the industry experienced volume growth of 3.2%, we grew 13.5%. We will continue to focus on expanding reefer business in additional markets and trades during 2021, and will maintain the positive momentum we created in 2020.

BIODIVERSITY CONSERVATION

303-1

Marine transportation involves a wide range of challenges when it comes to the protection of the oceans and the conservation of their unique biodiversity. One of the main challenges is the treatment of ballast water. Ballast water is collected from waters around the globe in ballast tanks. These are receptacles filled with seawater located on either side of the ship's bottom which act as weights to ensure structural stability and reliability, correct and stabilize the trim of the ship and optimize operating efficiency in response to loading conditions.

Ballast water may contain invasive aquatic species which present a major threat to marine ecosystems where it is later discharged. To reduce the transfer of non-endemic species, all our vessels undertake ballast water exchange, replacing coastal water with ocean water at mid-voyage. This way, we exchange ballast water where most of the organisms taken in by ballast water in port regions cannot survive, or at least are far from the ecologically more sensitive coastal areas.

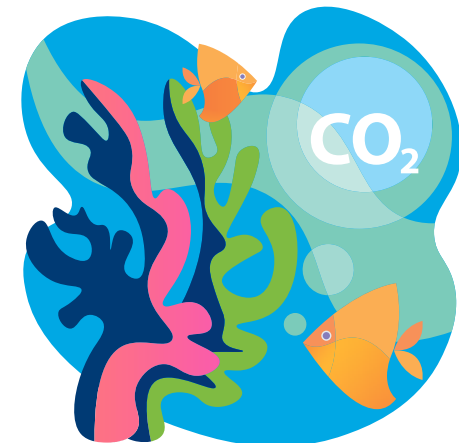
In 2020 ZIM commenced installation of an advanced, environmentally friendly ballast water management system, the Purestream™ One-Pass™ (IMO mode) by Atlantium Technologies. This is a new, innovative system based on filtration and ultraviolet (UV) technologies that provide effective ballast water treatment. The system was installed on two vessels under ZIM's technical management out of a total of six vessels on which installation of the new system is required.

The Purestream™ One-Pass™ enables a one-pass treatment during ballasting only, with no requirements for water treatment during de-ballasting. This unique feature reduces power consumption by 50%, thus reducing the fleet's overall carbon footprint.

We have adopted several measures to minimize the difficulties posed by the discharge of ballast water. All vessels are provided with an International Ballast Water Management certificate and a certified Ballast Water and Sediments Management Plan. All our operated vessels carry a ballast water record book and all ballast activities onboard are recorded.

All ZIM-operated vessels are in full compliance with the IMO-International Convention for the Control and Management of Ships' Ballast Water and Sediments. This regulates the exchange and treatment of ballast water and serves as a binding guideline for ZIM's operations.

In 2020 we participated in the Enhancing Cetacean Habitat and Observation (ECHO) Program, sponsored by the Port of Vancouver. Many of the ships calling at the Port of Vancouver transit through an endangered southern resident killer whale critical habitat, as well as areas known to be of importance to other at-risk whales. The ECHO program's long-term goal is to develop mitigation measures that will lead to a quantifiable reduction in threats to whales as a result of shipping activities. ZIM's participation in this program, and the slowing of vessels outside the port, supported the underwater noise-reduction initiatives.





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102-8	Information on employees and other workers	55	
102-9	Supply chain	31	
102-10	Significant changes to the organization and its supply chain	None	There have been no significant changes in the boundaries of the company since the 2019 Report, beyond regular operations.
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306-3	Waste generated	83	Information partially unavailable. We are initiating a data collection process to be implemented in the coming years.



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