



The  Factor  
*On its way ...*



ESG Report 2021





The  Factor  
*On its way ...*

**ZIM'S ESG REPORT DEMONSTRATES THE CENTRALITY OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE ISSUES AND CONCERNS FOR OUR ORGANIZATION.**

**IN ZIM WE STRIVE FOR EXCELLENCE IN EVERYTHING WE DO AND ADVANCING ESG TARGETS IS A CENTRAL PILLAR OF OUR STRATEGY.**

**OUR UNIQUE SPIRIT, SYMBOLIZED BY THE Z-FACTOR, IS ENERGIZING OUR EFFORTS TO BE AN INDUSTRY LEADER IN IMPLEMENTING POLICIES AND INITIATIVES THAT HELP MITIGATE THE IMPACT OF OUR OPERATIONS ON THE PLANET.**



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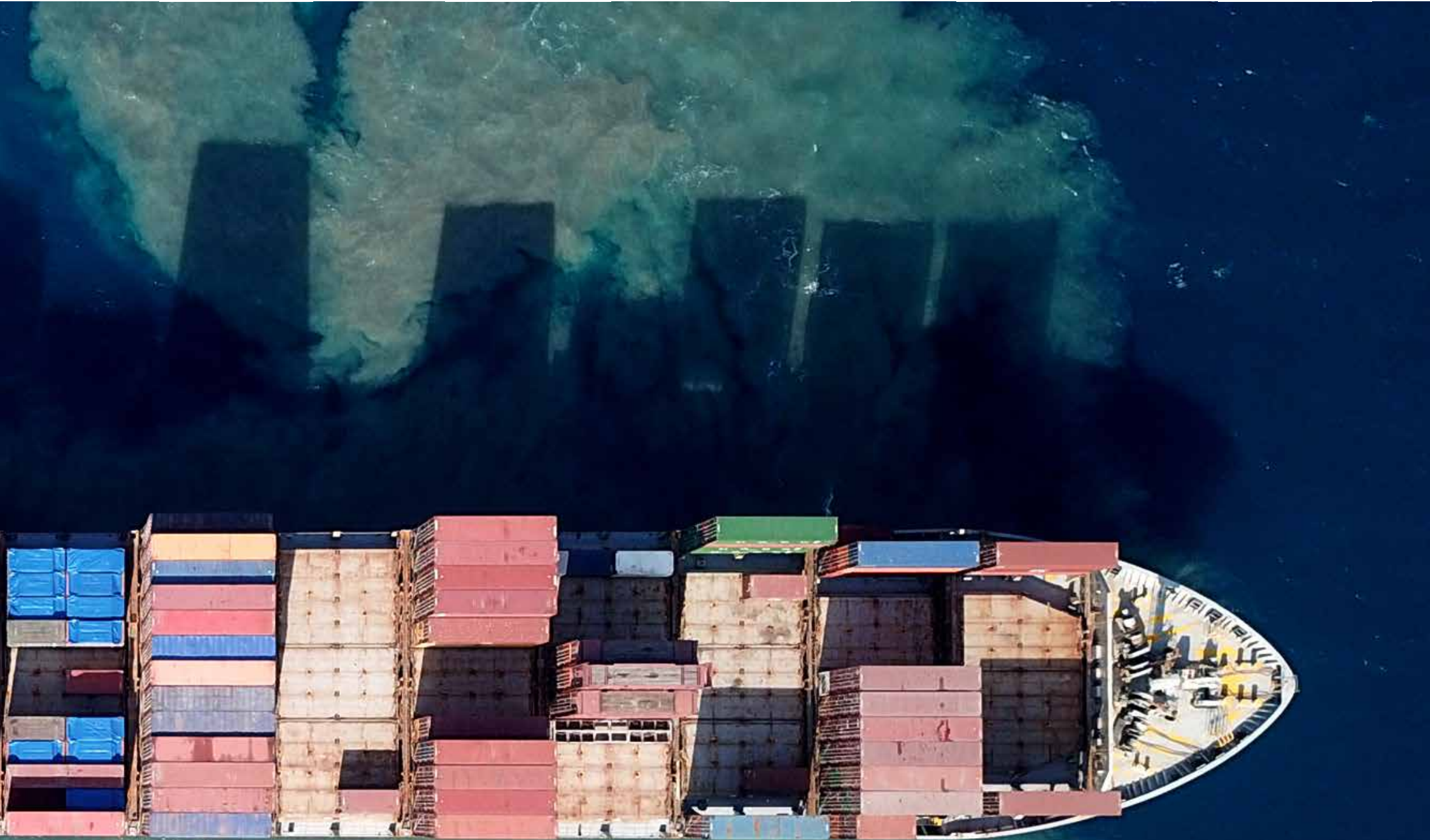
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# LETTER FROM OUR CEO

102-14

2021 has been a seminal year for ZIM. In our first year as a public company listed on the New York Stock Exchange, we achieved unparalleled results while meeting significant challenges, such as those caused by the COVID-19 pandemic and supply chain disruptions in the US.

ZIM's 2021 ESG report – reflecting the scope of our policies and commitments – is a testimony to the centrality of environmental, social and governance issues and concerns for our organization, alongside our ongoing commercial and operational activities.



The recent 2022 Intergovernmental Panel on Climate Change has brought to light the urgent need for action and collaboration by all actors, in our industry and beyond. At ZIM, we continue to intensify our efforts across the organization, as evident in this report, as we strive to be an industry leader and to make a significant contribution to this vital cause.

We are leaders in the introduction of digital technologies in shipping, resulting in a more sustainable way of conducting business. We also take part in industry-wide initiatives and invest in research and implementation of important environmental projects.

As a global shipping company, however, our most significant environmental impact is derived from our operating fleet. We have a two-pronged strategic approach to this issue: first, we continue to secure modern efficient vessels, many of which fueled by LNG – a transitional fuel which is currently the only scalable alternative to reduce emissions in the market. When we take delivery of the LNG vessels, approximately 1/3 of our capacity will be LNG-fueled, which we expect will be a key differentiator for ZIM. Our LNG fleet will position us among the lowest carbon intensity operators and will enable us to support our customers in their carbon footprint reduction targets. Moreover, our long-term strategy of chartering-in most of our fleet gives us the flexibility to smoothly transition to new propulsion technologies, keeping us at the forefront of carbon emission reduction among global liners.

Second, to complement our fleet strategy, we engage in a wide array of projects and initiatives, conferences, working

*We are leaders in the introduction of digital technologies in shipping, resulting in a more sustainable way of conducting business. We also take part in industry-wide initiatives and invest in research and implementation of important environmental projects.*

**Eli Glickman**  
President & Chief Executive Officer

groups and other frameworks, utilizing our influence and expertise to promote and make an impact in each area of our core activities, as well as the communities in which we operate. We also strive to educate and enrich our employees' knowledge and encourage their engagement through training on all aspects of ESG.

These endeavors and more comprise ZIM's efforts to manage ESG challenges, from the employee level to an all-encompassing organizational level, and we will continue to learn and improve going forward.

**Eli Glickman**, President & Chief Executive Officer





# LETTER FROM OUR COO

102-14

**ESG is one of ZIM's core values. In 2021, as the scope of our operations expanded, our focus on ESG issues also increased.**

Decarbonization is a major industry concern, and in recent years our professional teams have been part of this effort, participating in cross-industry initiatives in order to take an active role in finding future fuels. As zero-emission fuels will not be widely available in the near future, we have decided to embrace LNG as a transitional fuel for our fleet. We have chartered 28 new vessels allowing us to immediately reduce emissions by up to 25 percent per LNG vessel sailing. Some



of our vessels are also ammonia-ready, an innovative feature which can significantly decrease the transition to next-level fuel when it becomes available. Importantly, our flexible chartering strategy will enable us to transform swiftly to cleaner fuels as they emerge.

In line with our vision – Innovative Shipping Dedicated to You – we have switched to smarter, more efficient systems to control our voyages in the most cost-effective, environmentally friendly way.

In 2021 we invested in rejuvenating our reefer containers fleet, introducing state-of-the-art, greener reefer containers. We now deploy the youngest container fleet in the industry, with meaningful environmental advantages.

Another important aspect of our ESG efforts has been the cooperation with scientific and academic organizations, mainly focused on protecting the marine environment and biodiversity, and finding new decarbonization opportunities as well.

Many other ESG elements are covered in this report, among them the tightening monitoring of our suppliers regarding ESG, enhancing data security, introducing more sustainable procurement, providing our customers with a reliable and ethical supply chain. This year's report also includes GRI and SASB reports – ahead of regulatory requirements.

It is worth noting that the change in the title of this annual report, from Sustainability to ESG, means that as an industry leader, we must adhere to the Environmental, Social, and

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*As an industry leader, we must adhere to the E, the S and the G as a whole, keeping ESG principles on our mind at all times and in everything we do.*

**David Arbel**  
EVP Chief Operations Officer

”

Governance principles as a whole, keeping them uppermost in our mind at all times and in everything we do. ESG is the beacon guiding us toward better, greener shipping. Our goal is to make ZIM a leader in this area as well.

**David Arbel**  
EVP Chief Operations Officer

# LETTER FROM OUR HEAD OF ESG

102-14

## I am very proud to share with you ZIM's 2021 ESG Report – and what a year it was!

We began to emerge from the Covid pandemic with all the disruption it visited on the shipping industry, including port congestion, and longer waiting times that adversely impacted the industry's decarbonization efforts.

Our major lesson from this year is that our current actions are very important, but true environmental change will only come from researching and discovering new, efficient, clean fuel sources.



Recognizing this, ZIM called upon its agility and innovative resources, and quickly made the decision to invest, in the short term, in LNG – Liquefied Natural Gas – as a transitional fuel source. We believe this change will have a substantial effect on the environment and bring about a significant decrease in our emissions results. Looking ahead, we have even ordered 5 ammonia-ready vessels to expedite the transition to ammonia-powered vessels, if and when needed, and we hope to start blending BIO-LNG into our routes.

Apart from many operational efforts in decarbonization, we have started to invest in ocean rejuvenation with a strong belief that cleaning and repopulating ocean biodiversity, along with the utilization of green innovation, will bring about a change which, when implemented on a global scale, will help to reduce the earth's temperature. This year we have also conducted a climate risk analysis in order to understand the changes and challenges ahead of us.

Understanding that the best way to increase our ESG achievements is through education, this year we started providing enrichment programs for our ZIMmers alongside our existing mandatory ESG training, teaching in a fun, productive way about the environment, the oceans, diversity, accepting the other and how even one single person can make a difference. Our educational efforts have reached beyond the bounds of our company: we have participated and actively acted in round tables, projects, conventions, and organizations in order to educate other companies and people on correct ESG behaviour and ESG conduct.

This year we launched the ZIM Supplier Code of Conduct and started distributing it among our service providers. This action demonstrates ZIM's ongoing dedication to our customers, investors and all our stakeholders in our commitment to a responsible, secure mode of doing business, which will ensure a responsible, healthier, and stronger supply chain.

This year we established the ZIMPact board, which has acted as a vehicle of substantial positive change for the environment and the community worldwide.

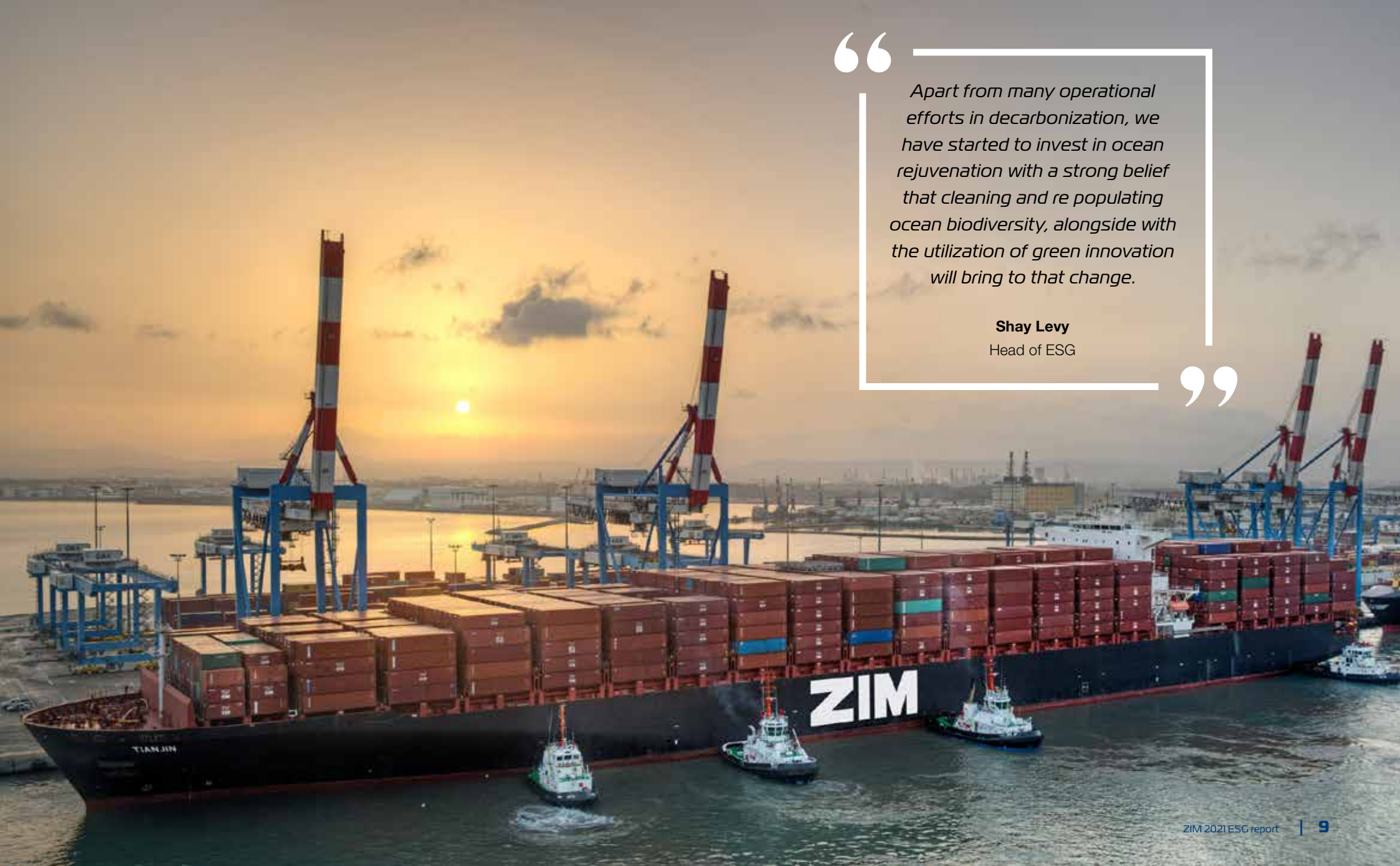
With each passing year, the realization grows that we need to act now, and ESG is becoming more and more an integral part of corporate behaviour. This connection between the corporate world and ESG is the growth engine our planet needs. Corporate power will bring more resources to the NGOs and will help regulators make harder decisions for the good of humankind.

We at ZIM vow to keep up and expand our hard work and involvement, and never relent in our efforts to secure a sustainable future for our children and for our beloved planet.



**Shay Levy, Head of ESG**





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*Apart from many operational efforts in decarbonization, we have started to invest in ocean rejuvenation with a strong belief that cleaning and re populating ocean biodiversity, alongside with the utilization of green innovation will bring to that change.*

**Shay Levy**  
Head of ESG

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# THE ZIM STORY

ZIM is *On its way*

to meet the demand of the world's  
growing population empowered by the



Factor









# ABOUT THIS REPORT

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



This is the fourth annual ESG 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 2021, and provide information regarding all entities included in the company’s financial statements, unless otherwise indicated.

The 2021 ESG 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, and, for the first time, the Sustainable Accounting Standards Board (SASB): Marine Transportation Industry metrics.

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. The material analysis 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, regulators and business partners, as well as many others.

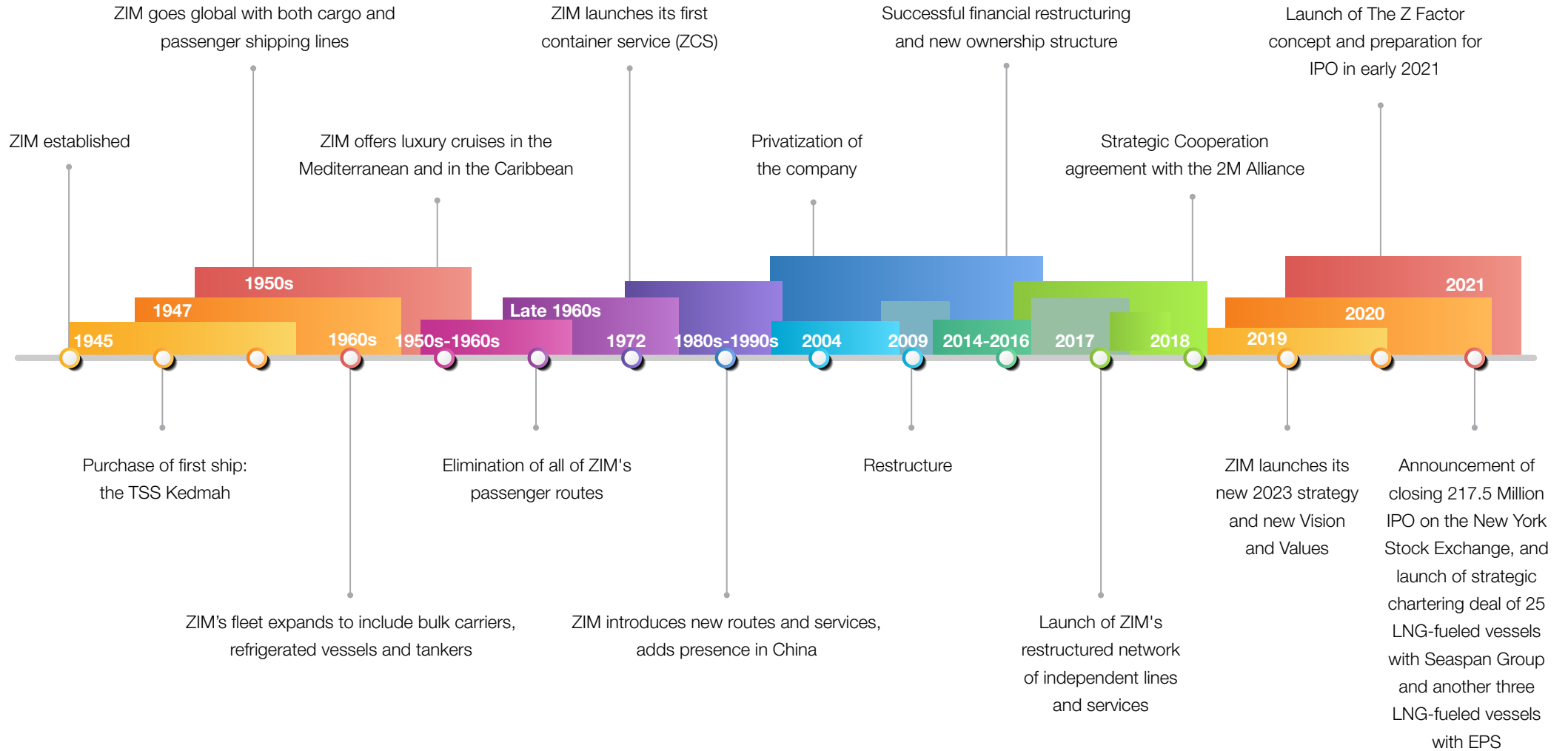
This report has not been externally assured. The company’s internal quality assurance, controls and processes assisted us in ensuring the reliability and accuracy of the data and information provided. The financial data and information presented in the report is in accordance with the company’s 2021 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](http://www.zim.com).

Throughout the 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 ESG specialists at [ESG@zim.com](mailto:ESG@zim.com).

# HISTORY OF ZIM



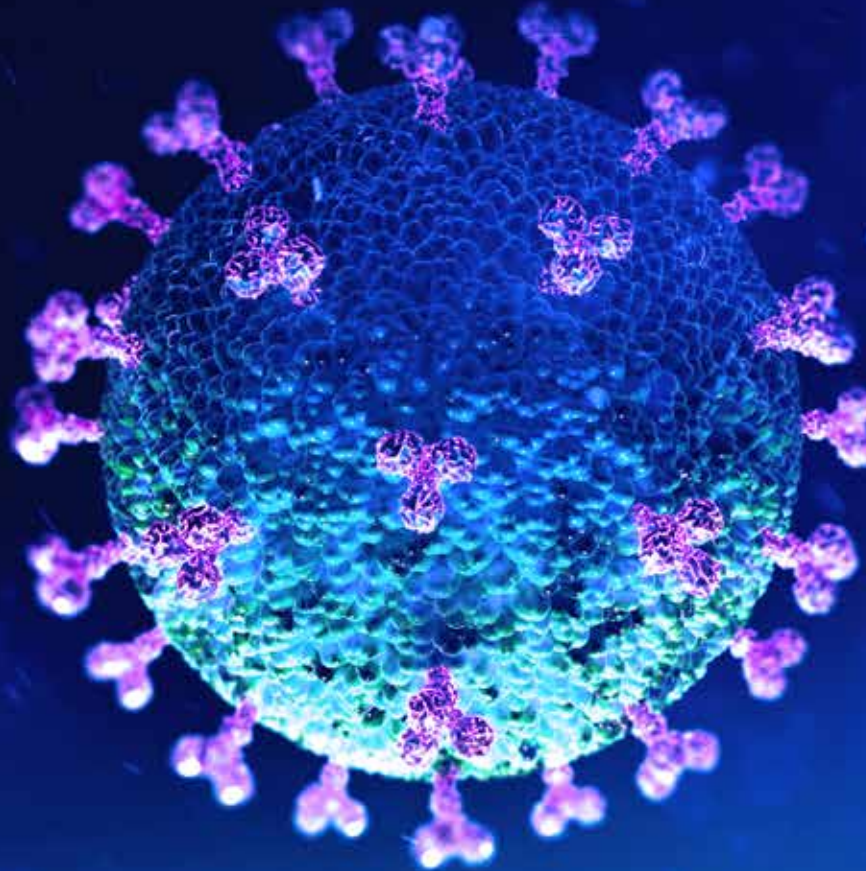
Today, ZIM is a digital shipping company, leading the sector in technological applications development. ZIM ships to every corner of the world and its containers are a familiar sight in hundreds of ports.



## ZIM'S RESPONSE TO THE COVID-19 CRISIS

Throughout the year we continued to feel the effects of the Coronavirus (COVID-19) pandemic on day-to-day activities. Accordingly, we continued all the actions taken in 2020 to deal with the then-new situation. These actions had already proved effective and had enabled ZIM business continuity. Where going back to the "normal" routine was possible, we did so, and where it was still not possible, we made the necessary adjustments.

*For detailed information about our specific activities and adjustments during COVID-19, please see ZIM's 2020 Sustainability Report.*











# 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:

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



During 2021, ZIM held two ESG conference days for employees: International Tolerance Day and International Earth Day. During these two events, management presented ZIM's current efforts and accomplishments related to these important topics. The conferences discussed the importance of ESG, how ZIM continues to promote and integrate ESG topics across the spectrum of its activities, in line with the

company's vision, standards and strategy, how ESG is managed, and employee training in ESG topics, including the goals set by the company. In addition, the conferences included a guest lecture on the various subjects discussed. 1,500 employees across the globe attended the International Tolerance Day Conference, which was broadcast in three different time zones. The goal of this conference was to

raise our awareness of tolerance, diversity and inclusion, and to expose employees to ZIM's activities that promote these important values. Approximately 50% of the Head Office employees participated in the International Earth Day conference. We aim to maintain this tradition and mark these special days together with our employees in the coming years.

# THE Z FACTOR

Since its inception in 2020, the Z Factor has become a global symbol for the company's employees, uniting the various departments across the company. On the one hand, it is used internally by our teams and employees, and on the other, it is used externally in our communications with customers and suppliers, connecting together all of ZIM's value chain.



## 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.



For detailed information about the Z-Factor initiative, please see ZIM's 2020 Sustainability Report.







# THE UNITED NATIONS SUSTAINABILITY DEVELOPMENT GOALS (SDG's)



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.



**DIRECT POTENTIAL IMPACT:**

SDGs: 4, 5, 8, 9, 10, 12, 13, 14, 16, 17





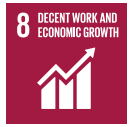
Of the ones we selected as having **direct potential impact**, we identified the specific targets where we can have the maximum constructive influence.

SDG	TARGETS	EXAMPLES OF ACTIONS TAKEN
	<p><b>4.B</b> By 2020, substantially expand globally the number of scholarships available to developing countries, in particular least developed countries, small island developing States and African countries, for enrolment in higher education, including vocational training and information and communications technology, technical, engineering and scientific programmes, in developed countries and other developing countries.</p>	<ul style="list-style-type: none"> <li>Actively involved in promoting vocational and technical training for young people from underprivileged backgrounds</li> <li>Investing in the construction and repairing of educational institutions</li> <li>Subsidizing academic and pre-academic studies for employees and family members</li> <li>Granting scholarships for technical, vocational and professional academic studies throughout its communities</li> <li>ZIM personnel assist and lecture young people regarding the environment, ocean preservation and global warming</li> <li>Training buyers on sustainable procurement</li> </ul>
	<p><b>5.1</b> End all forms of discrimination against all women and girls everywhere</p> <p><b>5.2</b> Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation</p> <p><b>5.5</b> Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life</p> <p><b>5.C</b> Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels</p>	<ul style="list-style-type: none"> <li>In 2021 about 56% of our employees and about 39% of our managers are women</li> <li>Respect and protect our employees’ fundamental rights and freedoms in line with our Code of Ethics and human rights</li> <li>Committed to preventing all forms of discrimination throughout our organization</li> <li>Donations to organizations that promote gender equality and a program that supports mothers to integrate and advance in the world of work</li> <li>Running mandatory tutorials for sexual harassment prevention and a respectful work environment, as well as the appointment of a company sexual harassment commissioner</li> </ul>





SDG	TARGETS	EXAMPLES OF ACTIONS TAKEN
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**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

**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

**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

- 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



**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

**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

- 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
- Improving service offerings, for example by setting up green value-added services (VAS) such as railway preference, transition from air to sea freight
- Adopting alternative fuels to reduce emissions and negative effects on the environment, as in the chartering



**10.2** By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

**10.3** Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard

**10.4** Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality

- Promoting employment equality, diversity and inclusion by employing diverse populations and adopting KPIs for diversity and inclusion
- Cooperating with social NGOs to reduce gaps and promote equal opportunities for diverse populations



SDG TARGETS EXAMPLES OF ACTIONS TAKEN



12.1 Implement the 10-year framework of programmes on sustainable consumption and production, all countries taking action, with developed countries taking the lead, taking into account the development and capabilities of developing countries

12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment

12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle

- Measuring scope 2 emissions in all owned offices in favor of improving and setting targets for better use of energy
- Reducing paper consumption - digital invoices project, WAVE platform for reducing paper waste and promoting paperless operations
- Waste on board vessels is separated into types, such as plastics, paper and food waste to allow proper treatment of each.



13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

13.2 Integrate climate change measures into national policies, strategies and planning

13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning

- Strict compliance with the global 0.5% sulfur 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
- Conducting a Climate Change Gap Analysis Assessment to identify risks and opportunities in the field



**SDG TARGETS EXAMPLES OF ACTIONS TAKEN**



**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

**14.3** Minimize and address the impacts of ocean acidification, including through enhanced scientific cooperation at all levels

- 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



**16.3** Promote the rule of law at the national and international levels and ensure equal access to justice for all

**16.5** Substantially reduce corruption and bribery in all their forms

**16.6** Develop effective, accountable and transparent institutions at all levels

**16.7** Ensure responsive, inclusive, participatory and representative decision-making at all levels

**16.A** Strengthen relevant national institutions, including through international cooperation, for building capacity at all levels, in particular in developing countries, to prevent violence and combat terrorism and crime

**16.B** Promote and enforce non-discriminatory laws and policies for sustainable development

- 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 Maritime Anti-Corruption Network (MACN)
- Conducting antitrust, anti-bribery and corruption tutorials for employees on a regular basis
- Operating in accordance with the Company Antitrust Compliance Plan and Policy
- Communication with suppliers on ethics topics, as well as launching a Supplier Code of Conduct
- Customs-Trade Partnership Against Terrorism (C-TPAT)-certified by the US Customs and Border Protection (CBP) department



**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

- 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
- Cooperation with organizations and NGOs for protecting the biodiversity and rejuvenation

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:



## 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

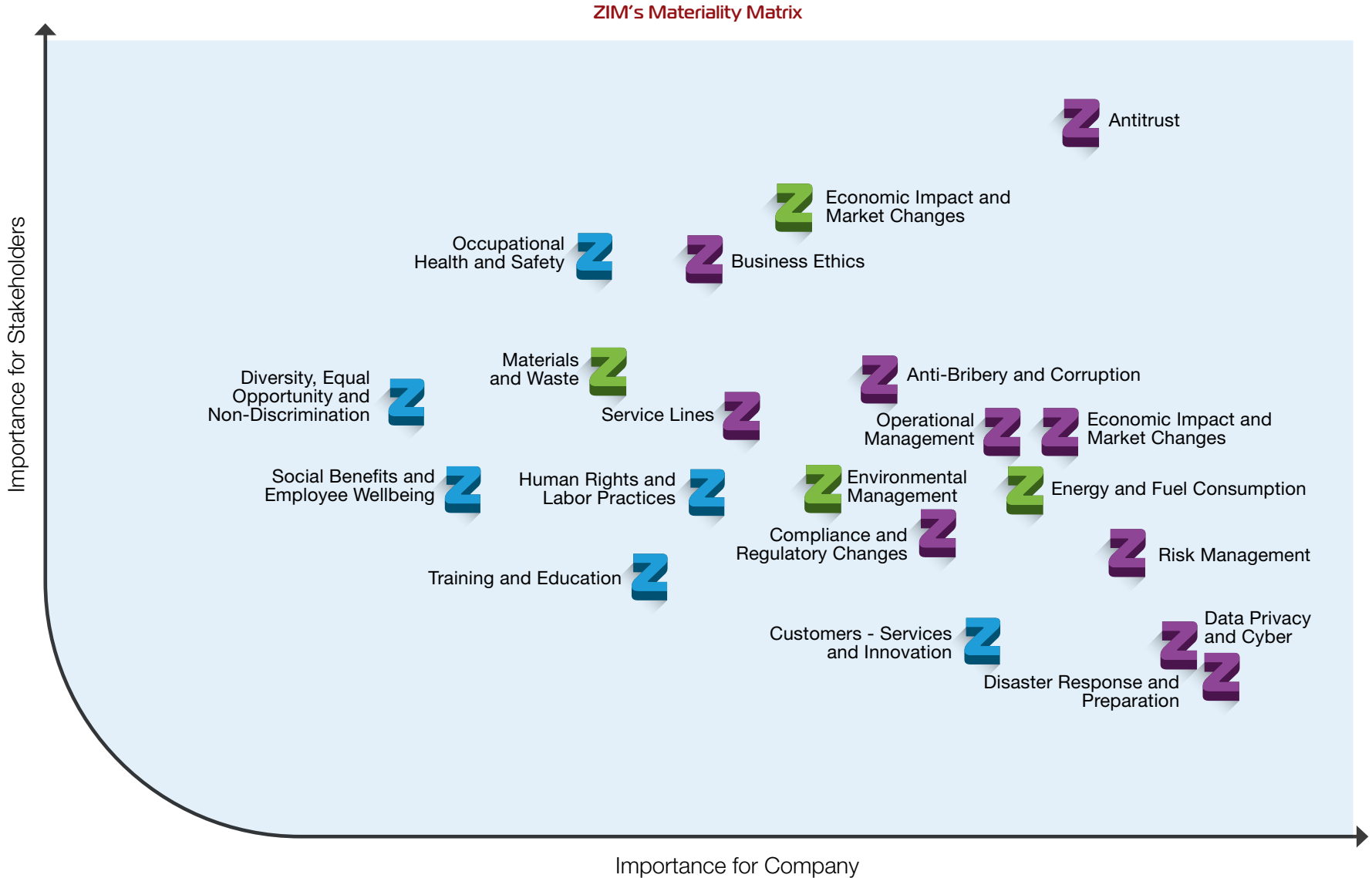
Environment



Social



Governance



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, as detailed in ZIM's 2020 Sustainability Report. We found these still relevant in 2021. We plan to prepare a full update of the materiality analysis process during year 2022, whose results will be presented in our next ESG 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 more stakeholder groups in the process. We see great importance in addressing the issues which most interest and concern our stakeholders.

In 2021 we continued our activities within the regular ongoing channels, such as:

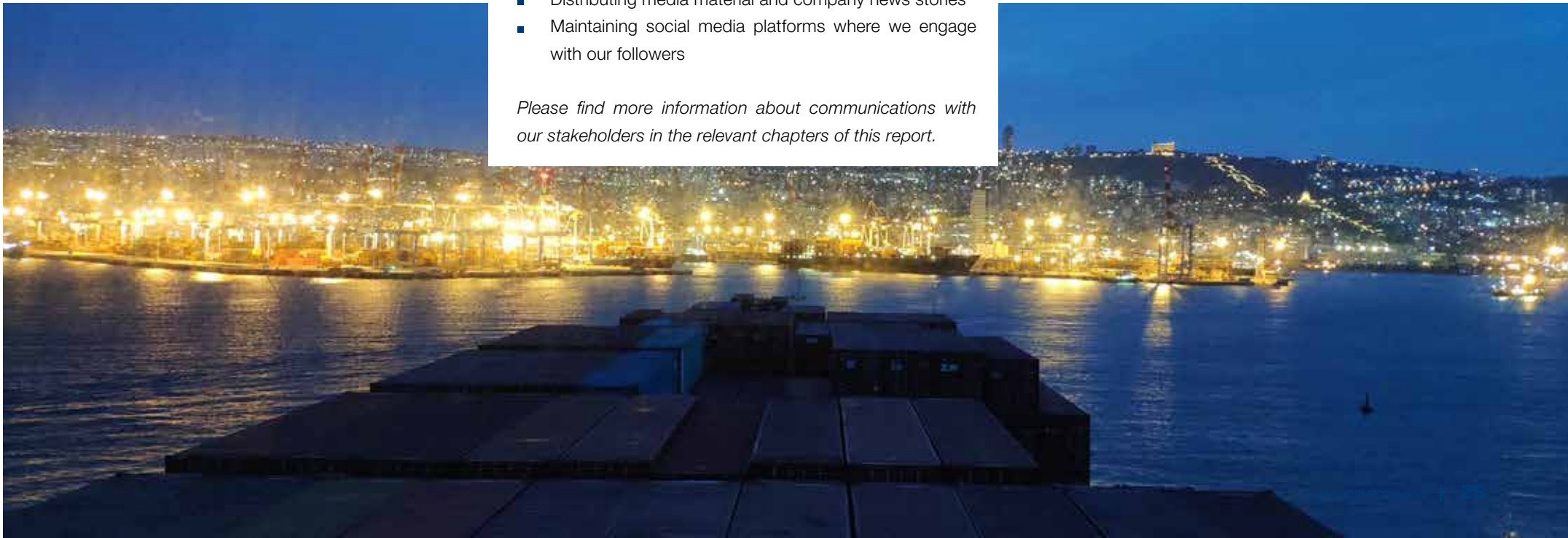
- Conducting several engagement and evaluation processes with our employees
- Conducting various activities in communities worldwide in which we operate
- Distributing media material and company news stories
- Maintaining social media platforms where we engage with our followers

*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. The purpose of this group was to meet 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.

During the past year, we re-examined the efficiency of the Group's activities and decided to change its form and structure. Our Sustainability Working Group will start acting under its new format during 2022.





# ZIM AT A GLANCE

102-7

**3,841K TEUs**

Total TEUs in 2021

**\$10.72B**

Annual turnover in 2021

**4,515**

Total no. of employees

**119 vessels**

Total no. of directly operated vessels\*

\* (as of 31.12.2021)





**36,219**  
Total no. of customers

**~987K TEUs**  
of various types Containers

Operation in:  
**180** global locations

**350** ports

**506** terminals

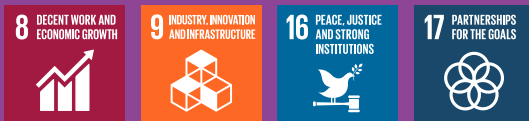
# GOVERNANCE

ZIM is *On its way*

to invest great effort in integrating our values in our business activities empowered by the



Factor



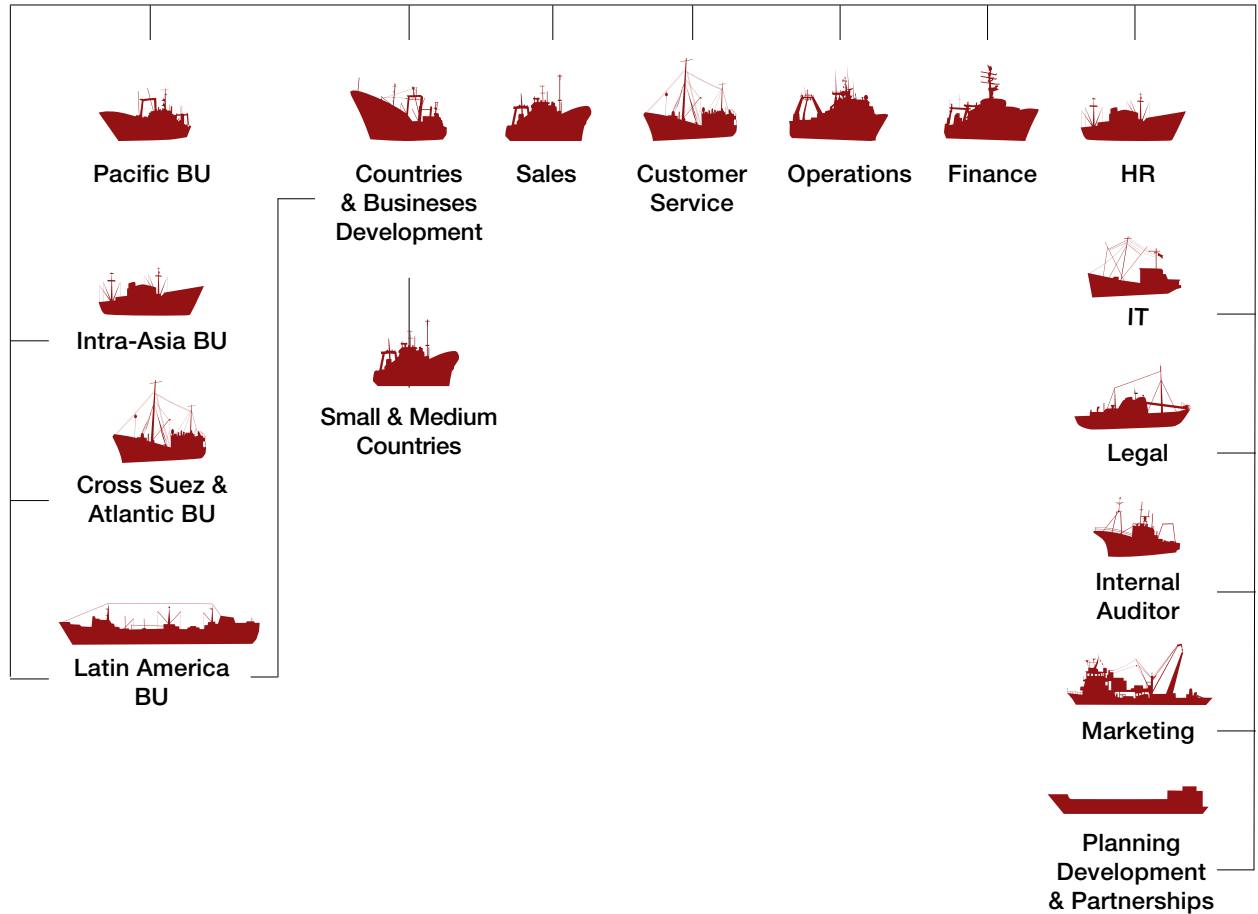




# COMPANY PROFILE

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 31<sup>st</sup> 2021.



**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



## ZIM's Board of Directors

At the end of 2021, 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 extensive 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 2021 Annual Report.*

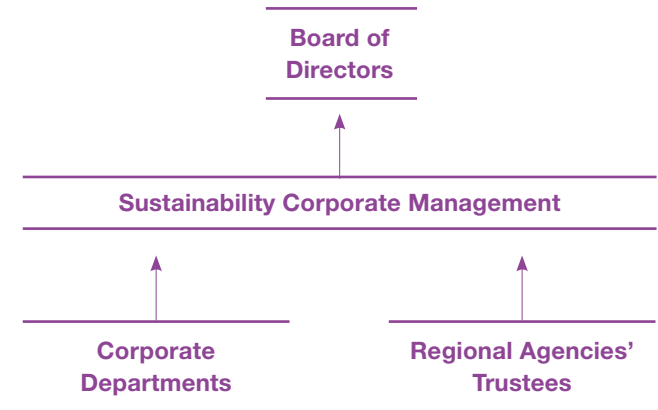
## Sustainability Management

102-18, 102-33

ZIM's Sustainability Corporate Management is responsible for preparing the company's annual ESG 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.



# 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.



As published in March 2022 in Marine Money Journal International, this was 2021's Deal-of-the-Year IPO, with \$218 million initial public offering and secondary offering.



Becoming a public company requires a significant shift in focus for the Finance function. Consequently, following the IPO, the Investor Relations Unit (IRU) was established to manage ongoing communication between the company and the financial community and financial media. The unit helps the investment community gain a full appreciation of the corporation's business activities, strategies and prospects,

which ultimately contributes to the company's securities achieving fair valuation.

In addition, we expanded corporate governance, mainly the SOX sphere, by training all relevant employees and managers in the company in accordance with the scope of the process, with the assistance of external consultants.



# MEMBERSHIPS IN ASSOCIATIONS AND INITIATIVES

102-12, 102-13



## Clean Cargo Working Group

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



## World Shipping Council

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



## Sea Cargo Charter

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



## Cargo Incident Notification System

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



## 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.

## SEA-LNG Sea-LNG

a multi-sector industry coalition established to demonstrate LNG's benefits as a viable marine fuel. Facilitating a global LNG marine fuel value chain that enables the transition to sustainable shipping with lower emissions.



## Maritime Anti-Corruption 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.



## 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.



## Ma'ala

a non-profit corporate membership organization promoting corporate social responsibility (CSR) in Israel. Since 2021, ZIM has been a member of the senior leadership forum of the organization.



# BUSINESS ETHICS

102-16, 102-17

Operating in an ethical and honest manner is and has been the basis of our business conduct 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 vision **"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 Code of Ethics, we communicate to our employees how to work in ways that are aligned with our values, mission, and goals. In 2021 the Code was updated with some minor changes. Furthermore, ZIM has a Code of Ethics tutorial that explains the Code and reinforces its observance. The Code is reviewed annually by our employees. In 2021, 83%\* of our employees and managers worldwide completed the updated Code of Ethics tutorial.

For further information regarding our Code of Ethics, please see the [full version](#) on our website.



\* As of March, 2022

## 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 2021, as a direct outcome of our cross-company efforts, 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.



# SUSTAINABLE PROCUREMENT AT ZIM

As a company that is committed to conducting business in an honest, ethical and professional manner, we must ensure that our suppliers and business associates comply with the same principles of ethical, social and environmental responsibility.

In 2021 we published our Supplier Code of Conduct, with the purpose to communicate the requirements that are expected from our business partners during and after their engagement with us.

We expect and encourage our suppliers to adopt and implement similar policies, compliance plans and work procedures to ensure adherence to principles and ethical standards set in our Code.

ZIM may measure suppliers' compliance with its Code through audits, self-assessments, and document reviews. Furthermore, ZIM requests all suppliers to certify their compliance in accordance with the principles detailed in the Code.

Further measures to ensure a responsible supply chain include requesting our medium and large vendors to fill out a ZIM Sustainability Self-Assessment Form and ZIM Sustainability Questionnaire.

To learn more about our Supplier Code of Conduct visit:  
[ZIM's Supplier Code of Conduct](#)





# 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.**

- **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.
- **CYBER:** focused on increasing the awareness of cyber risks, since the global supply chain is increasingly accessible and interconnected digitally, by implementing cyber-readiness in offices, performing drills and practicing alternative solutions in cyber mode.

Despite the difficulties and ever-changing restrictions on ZIM's operations since the global pandemic started, we are proud of the fact that, as one of the actors in the global supply chain, our services continued to be 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. In addition, almost from the outset, we managed to swiftly seize the

opportunity in the growing e-commerce market as a result of the pandemic, and quickly launched new dedicated services that contributed significantly to our annual results. This trend, which was initially observed in 2020, continued into 2021, accompanied by increasing infrastructure bottlenecks, requiring us to constantly find solutions to improve and overcome delays.

**The table below presents our 2021 financial performance (figures are in US'\$000):**

	2021	2020	2019
<b>Economic Value Produced</b>			
Income from voyages and related services	10,728,698	3,991,696	3,299,761
Other operating income	14,532	12,621	38,099
Share of profits of associates	3,955	3,341	4,725
<b>Total Economic Value Produced</b>	<b>10,747,185</b>	<b>4,007,658</b>	<b>3,342,585</b>
<b>Economic Value Distributed</b>			
Cost of operating activities (including salaries and benefits)	(4,930,884)	(3,285,609)	(3,189,563)
Finance expenses, net	(156,809)	(181,260)	(154,300)
Income taxes	(1,010,347)	(16,599)	(11,766)
Dividend to Owners and Non-controlling interest*	(541,090)	(3,344)	(5,298)
<b>Total Economic Value Distributed</b>	<b>(6,639,130)</b>	<b>(3,486,812)</b>	<b>(3,360,927)</b>

\* In 2021, in addition to dividends paid to non-controlling interest in subsidiaries, ZIM paid dividends to its shareholders. Detailed information about our yearly financial performance is presented in our 2021 Annual Report.

### 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. We have continued since then 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.

In 2021 we focused on expanding our current coverage and scope: expansion of the ASIA-USEC network with a sixth ASIA-USEC service, ZSE, jointly with 2M, and Car Carrier business grew from one to eight vessels. We launched and strengthened our position as an independent and global niche carrier in China-East Africa with a new cooperative arrangement with Hapag Lloyd and ONE. We launched, independently, the ZMI service connecting the Indian subcontinent with the East Mediterranean and launched the China-East Russia trade; We expanded our services in Oceania with new lines to Australia and New Zealand.

### 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 fair 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 2021, ZIM's income taxes amounted to about US\$ 1,010 million.



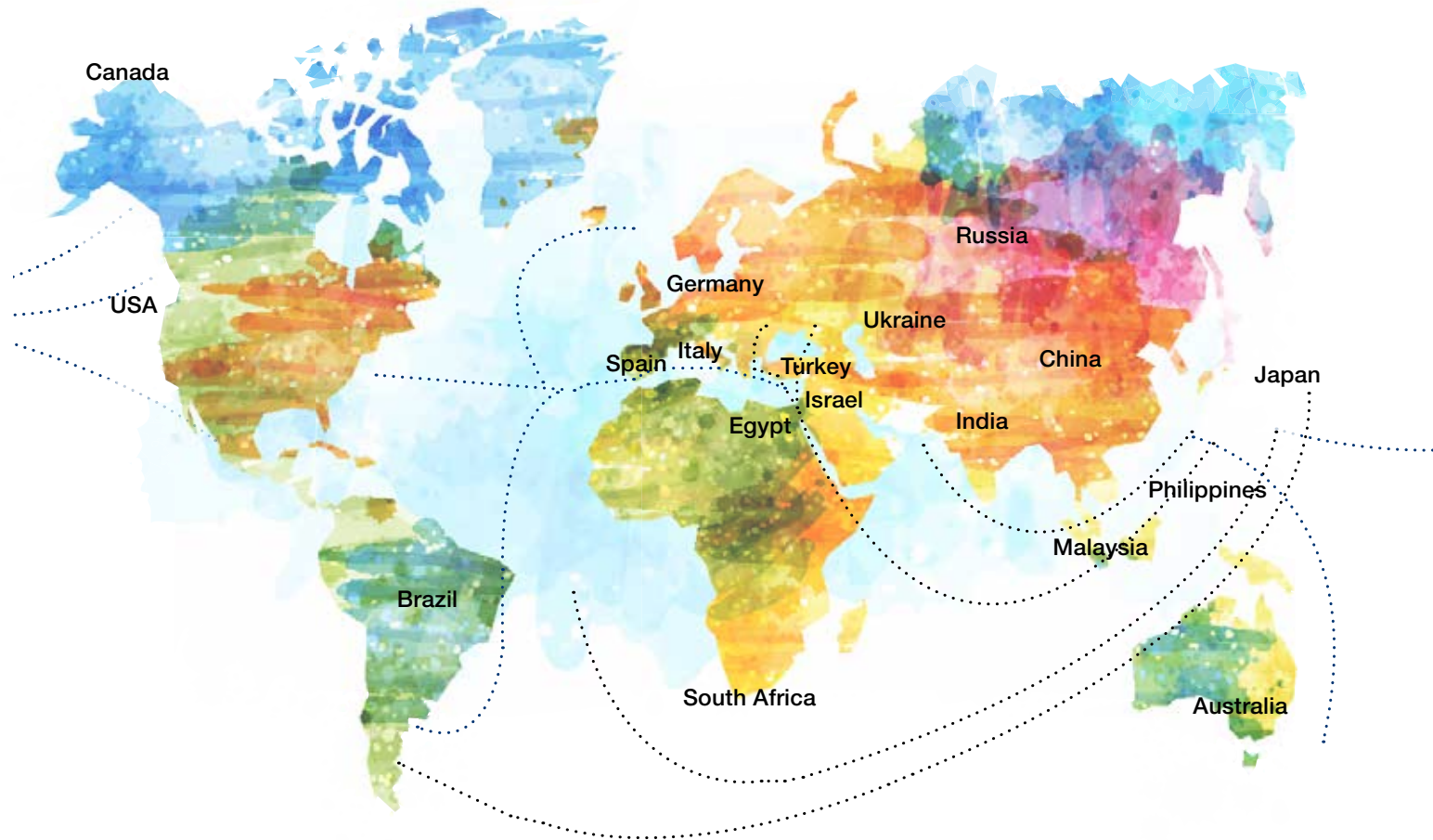
# SERVICE LINES

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 115 lines and services, which include 12 trades connecting approximately 350 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.

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).

Our collaboration with the 2M Alliance was launched in September 2018 and since then it has been providing faster, more extensive and more efficient service in four trade lanes comprising 12 services. In 2021, as part of expanding our joint coverage and strengthening our network, we further upsized our Asia-US Gulf Coast joint service, ZGX, and launched a new joint service line connecting Yantian and Vietnam to US South Atlantic ports via the Panama Canal (ZSE).

During 2021, our network was significantly enhanced by cooperation agreements with other leading container liner companies and alliances, allowing us to maintain a high degree of agility while optimizing fleet utilization by sharing capacity, expanding our service offering and benefiting from cost savings.

Our Asia-east Africa new service, operated by Gold Star Line (GSL), was launched together with Hapag Lloyd and ONE, expanding ZIM's network to Africa. This cooperation is expected to be further developed in 2022 with the addition of PIL and a second service on trade.

In addition, our ongoing cooperation with Maersk Line on the Asia-ECSA trade was further augmented when we began deploying two vessels on ASE service in November.

In 2021, we successfully developed and opened another new expedite services to Los Angeles in addition to ZEX, the speedy ZIM e-commerce Xpress, ZX2 (Thai/VN/South China), the ZX3 connecting Shanghai and Taiwan to LA. By the end of 2021, we reduced our activity on the Los Angeles services due to congestion at terminals and ports, and currently we have one weekly call in Los Angeles.

During 2021, due to high demand, new expedited lines to Australia C2A - New Zealand N2A & N3A were introduced

which offer 16-day transit time from Australia to New Zealand – one of the fastest times in the market. ZIM sees great opportunity in expanding services in the Australia and New Zealand trade and is confident that its unique Z Factor and innovative yet personal approach will be appreciated and valued by customers in this market.

*For more about our Australia & New Zealand trade, click or scan the QR code:*



# 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.

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 2021, we conducted four successful 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

205-1

**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.**

ZIM has in place an Antitrust Compliance Plan, as set by the Board of Directors. The Plan includes the approval of an Antitrust Policy tailored to ZIM's specific needs, which is publicly available on ZIM's website. In addition, the Plan mandates periodic risk assessments, training and reporting to ZIM's management, legal counsel and Board of Directors.

ZIM fosters antitrust awareness in all employees by means of two tutorials which address 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. 82% of our employees successfully completed these tutorials in 2021.

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.

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. 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.

ZIM’s Board of Directors adopted an updated Anti-Bribery and Anti-Corruption Plan in 2020. The Plan includes a dedicated Policy publicly available on ZIM’s website. The Policy underlines ZIM’s commitment to comply with all relevant anti-bribery and corruption laws, both local and international. ZIM recognizes the great importance of vigilance in combating this criminal behaviour, and is committed to

working for prevention, educating and raising awareness among employees and stakeholders. ZIM recognizes as well the need for monitoring and control as part of the effort to eradicate this phenomenon. The Plan includes mandatory periodic training and risk assessments. During 2021, 76% of ZIM’s employees and managers reviewed the company’s subject-related tutorial. In addition, in 2021, an ABC risk survey was held in five ZIM agencies around the world.

Employees are strongly encouraged 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-attack. 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's preparations for recovery from cyber-attacks of increasing complexity have undergone significant improvement, having benefited from a consistently upward-trending 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 cybersecurity 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.

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

During 2021, we focused on cyber-readiness in our agencies, specifically in the Far East and in Israel, where in past years we performed the drill at HO level. Our main targets this year were:

- To create cyber awareness in countries.
- To ensure business continuity in cyber mode by identifying the most critical processes and practicing implementing their alternative solutions in cyber mode.
- To practice information flow top-down (HO to countries) and bottom-up to create one situational assessment.
- To make sure all HO functions have valid cyber procedures and are trained in carrying them out.
- To conduct an annual drill for COURT and BERT (cyber crisis management teams).

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:

## 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. The company's policy in this regard is publicly available on ZIM's website. With data breaches ranking at the top of the list of types of cyber-attacks<sup>1</sup>, 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 semi-annual internal audits and ZIM's Data Protection Officer (DPO).

As part of our ongoing information security efforts, during 2021, ZIM earned both ISO 27001 and ISO 27701 certifications (information security and data privacy standards certifications).

We are dedicated to our customers' valuable physical and informational properties, and our new certifications assure our customers that their information is protected and secured throughout the supply chain.

<sup>1</sup> 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.

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, in which we will update our risk assessment process. 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.

During 2021, as part of ZIM's IPO, we updated the company's top risks: risks related to liquidity were removed and new risks related to regulatory requirements were added.



# 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. Those actions are 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.**

During 2021, ZIM developed a Business Continuity Plan to ensure that all ZIM’s crucial processes, carried out centrally in ZIM’s Head Office in Israel, are capable of being backed up by remote operations either from alternative locations in the country or from all our regional locations around the world. This will ensure that ZIM’s global operations continue uninterrupted in the event of a security risk in Israel. As part of this Business Continuity Plan, working processes of all directorates in ZIM were mapped to ensure that they can all be backed up in the event the Head Office in Israel is unable to continue operating.





# OPERATIONAL MANAGEMENT

103-1, 103-2, 103-3

**ZIM is a unique asset-light company in the shipping sector worldwide– with the ownership of four ships only. Our innovative business concept allows us to vary, adjust the size of the fleet we operate number of ships we operate throughout the year according to demands.**

During 2021, ZIM directly operated approximately 140 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 506 terminals and nearly 350 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.

As part of the Center’s ongoing work, we are constantly looking for ways to streamline and improve work by technological means, striving for continuous efficiency in fleet management.

*For detailed information about the Global Operation Center and its functions, please see ZIM’s 2020 Sustainability Report.*



## 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 that enables ongoing, precise and visual management and operations performance metrics.

In 2021, we focused on creating a measurement tool for ZIM logistics including air activity and supporting the company’s strategic decisions. In addition, we developed measurements for new digital platforms, such as eZQuote, dynamic pricing and Alibaba.



# SOCIAL

ZIM is *On its way*

to connect all our employees globally in a variety of functions and business units empowered by the



Factor







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 to maintaining a safe workplace environment for all our employees globally.**



# EMPLOYEES

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

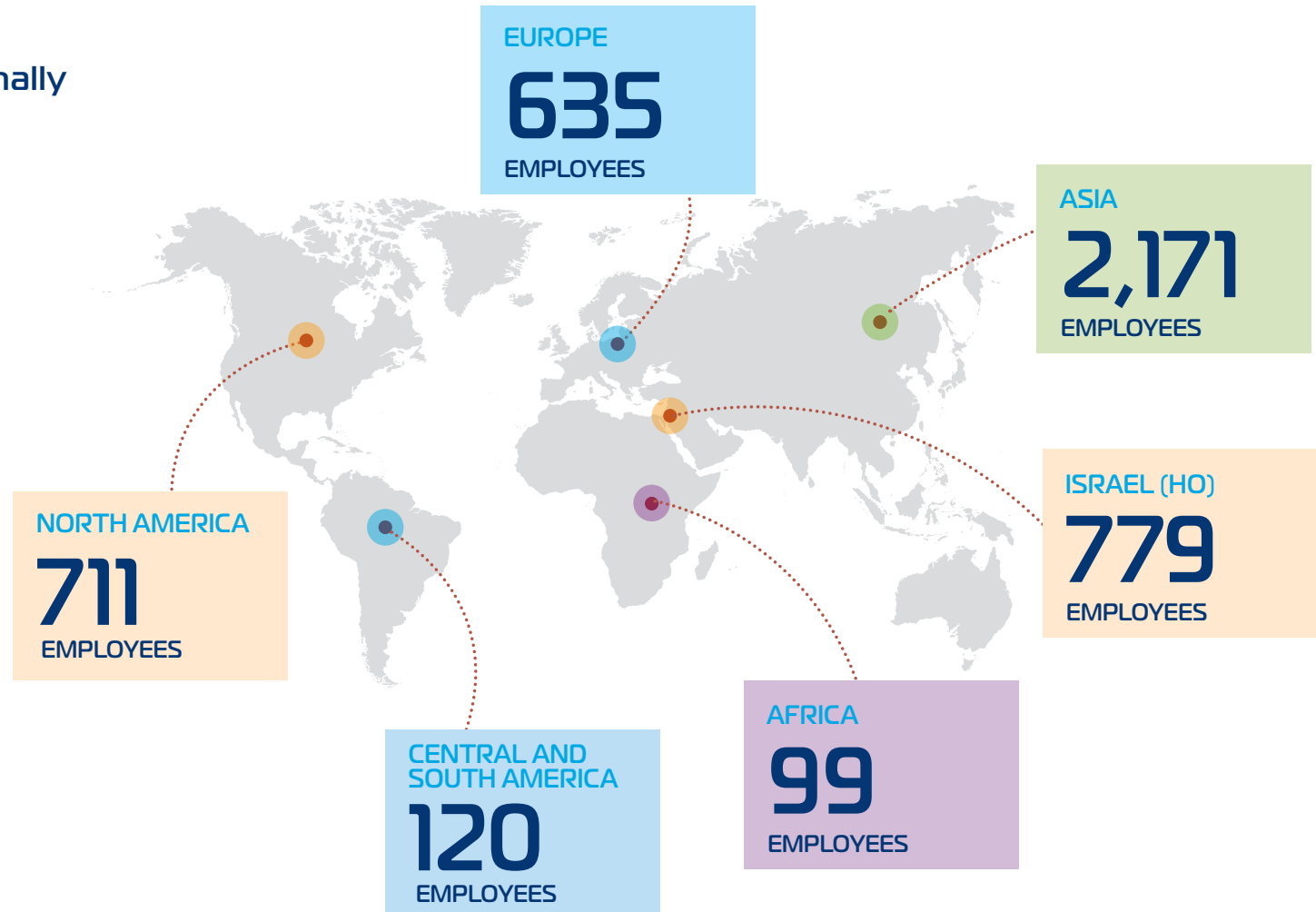
We believe that our human capital is what drives us forward and positions ZIM as one of the world’s leading shipping companies. We aspire to develop our employees professionally as well as personally, and do so through our training programs and employee benefits. We consider it important to offer our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

As of December 31st, 2021, ZIM employed 4,515 employees and operates in 93 country locations worldwide (38 owned).

4,515   
EMPLOYEES

---

93   
COUNTRY  
LOCATIONS



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	2019				2020				2021			
	Manager	Employee	Manager	Employee	Manager	Employee	Manager	Employee	Manager	Employee	Manager	Employee
<30	6	324	6	219	9	413	8	201	10	622	3	303
30-50	176	844	252	819	202	955	299	912	228	1103	278	969
>50	83	296	173	309	73	294	170	281	87	348	224	340
<b>TOTAL</b>	<b>3,507</b>				<b>3,817</b>				<b>4,515*</b>			

\* Employment data includes company trainees. Since 2020, data includes employees from our new logistics companies in China, Brazil, Vietnam, Canada, Hong Kong and Singapore.

New employee hires during 2021 totalled 1233, while 573 employees left the company during the same year.

In 2021, 86% of employees in the Head Office and 20% 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 to allow comparison and focus on the selected areas. We intend to adopt and monitor additional HR indicators in the coming years.

**ZIM’s HR KPIs:**

KPI	2019 performance	2020 performance	2021 performance
<b>Average investment in training per employee</b> (Average annual investment per employee)	\$166	\$360	\$375
<b>Gender pay gap</b> (Women’s average salary as percentage of men’s average salary within same employee level)	94%	90%	Employees 93%; managers 89%*
<b>Percentage of women in senior management</b> (Percentage of women in managerial positions in Company levels 2-3-4)	31%	36%	36%

\* Including employees in Europe, Africa, the US and South America.

\* In 2021, we improved our data collection process, and starting this year, the gender pay gap KPI includes segmentation according to employee rank.



In 2021, we continued our adaptation to the “new normal” of working under the COVID-19 restrictions. As part of this accommodation, we offered our employees a hybrid mode of work, working both from home and from the office, in regions where possible.

In Israel, 95% of employees shifted to a full hybrid work model: working twice a week at home and three times in the office. Employees were awarded the amount of NIS 4,000 for the purpose of equipping a suitable home office, which could be used, for example, for the purchase of a desk, chair, etc. In addition, we equipped employees with screens, computers, headphones, and any other gear they needed to be able to work from home conveniently.

*For detailed information about our specific activities and adjustments during COVID-19, please see ZIM's 2020 Sustainability Report.*



# 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 years of age 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.

### Parental leave

401-3

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 2021, a total of 70 employees took parental leave, of whom 26 returned to work during 2021.

### 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.

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.

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

## 106 employees

Cross-functional mobility to help broaden their skill sets

## 287 employees

Vertical mobility, which enables them to take on new roles and responsibilities

## 10 employees

Relocation options abroad according to the Company's personnel requirements



# TRAINING AND EDUCATION

404-2

**We aim to improve 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.**

## ZIM Excellence Academy

The ZIM Excellence Academy is ZIM's Learning Management System (LMS). The system provides ZIM with a unified online learning process for all our sites around the globe. The Excellence Academy maintains a high standard of user experience and improves our employees' professional skills. It includes various learning methods, such as e-learning tutorials, video clips, presentations, training materials, and surveys. The system includes a dedicated onboarding process where new employees learn about the shipping industry and about ZIM – the company's history, structure,

vision, and values. The onboarding process also ensures that the managers of new employees and relevant HR personnel are involved and support the new employees during their first few weeks at ZIM. This process reflects our belief that a pleasant and efficient onboarding process is crucial to the employee's work experience.

The system allows for the monitoring of employees' learning and ensures they are provided with the learning developments they need to excel at their work.

The ZIM Excellence Academy contains a Knowledge Center that offers learning materials in various topics. The Knowledge Center is connected to the company's employee portal and allows for easy access to all learning materials at any time.



In 2020, as part of the adaptation of work processes to remote working, we moved all training online. Online training continued in 2021 during which 90% of our employee training was conducted remotely.

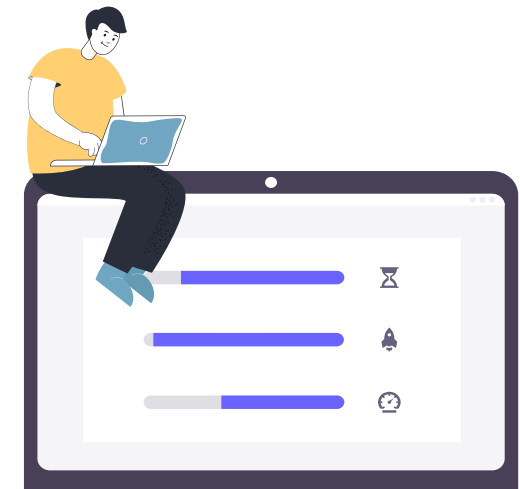
**Our ongoing training includes:**

- **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, missions, and goals. In 2021, 83\*% 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 in Israel. The employee participation rate for this tutorial in 2021 was 77%.
- **Respectful work environment:** a global tutorial with an 84% completion rate in 2021. In addition, we nominate a representative from each country to promote this important issue and be the focal point in the event of any complaint and inquiry.
- **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 2021, 51 employees from Head Office participated in this course.

- **Customer service workshop:** provides tools and tips to Customer Service (CS) managers and employees in their respective countries to enhance skills and abilities. In addition, we provided training to our Sales force managers and employees in eight different agencies, based on our Z-Force Acceleration program. The purpose of this program is to enhance skills and strengthen the relationship with the customer, work in an optimal manner and seamlessly with different interfaces in the organization, as well as develop more agile and collaborative skills to deal with the changing reality.
- **Managerial training:** 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 Blanchard, 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. In 2021 more than 60% of our managers across the globe participated in this training. In addition, we conducted a basic managerial program for first-line managers, with the aim of providing basic skills and tools to improve dialogue with their employees and enhance performance. Continuing with the training introduced in 2020 regarding COVID-19, managers received training

in 2021 on leading virtually in the “new normal” of the global pandemic. 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 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.



\* As of March, 2022

### 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.

We 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. We understand that the onboarding process is important for the employee life cycle at ZIM, therefore we monitor employees’ progress throughout the process, as well as the managers and HR activities.

In 2020 we moved our LMS system with all the learning modules for new employees to the cloud in order to enable learning from any place and at any time. To this end, in 2021 we launched our “Onboarding Stage 2”, which provides additional content that new hires need to know after their first two months at ZIM. In addition, we created an e-learning game, “The Amazing Race”, which helps employees get to know the organization better in a fun and innovative way.



*For more about working at ZIM click or scan the QR code:*

### 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 is 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 that examines seven dimensions of an employee’s experience:





The last survey was conducted during Q4 of 2021, with 81% of managers and employees participating. According to the results, 70% of our employees reported being highly motivated and engaged with the company, an increase of 10% compared to the previous survey. The survey provides us with the opportunity to learn more about our organization's strengths as well as areas for improvement and development.

The survey results were communicated to all units, and since outcomes vary by location, each manager was responsible for reviewing the results and developing an improvement plan with action items to be implemented in the coming year. These improvement plans were identified in dialogue with managers and employees.

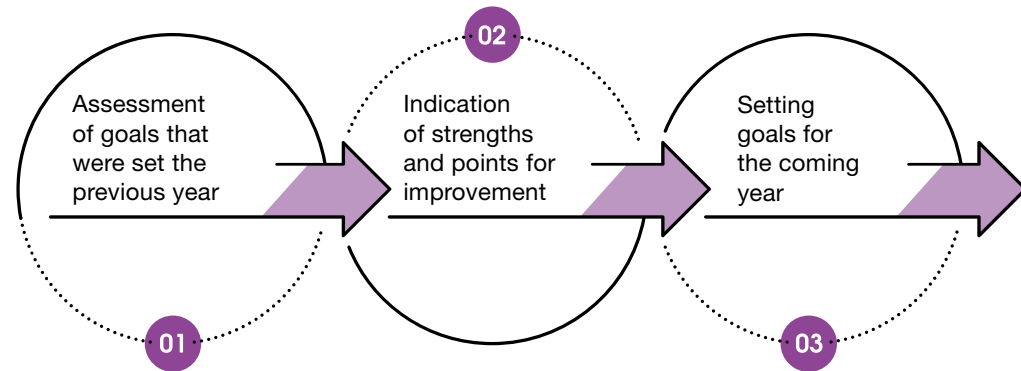


### Evaluation process

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 that promotes excellence and a high standard of performance.

The process has three main features:



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 2021 we reviewed and updated the evaluation form and retained the self-evaluation section where employees can take a proactive part in the process by evaluating their performance over the past year and mark their strengths and key areas for improvement. In 2021, 98% 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 2021, around 56% of our employees and about 39% of our managers were women. We are determined to provide equal development opportunities for all employees and are committed to a balanced workforce where 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".

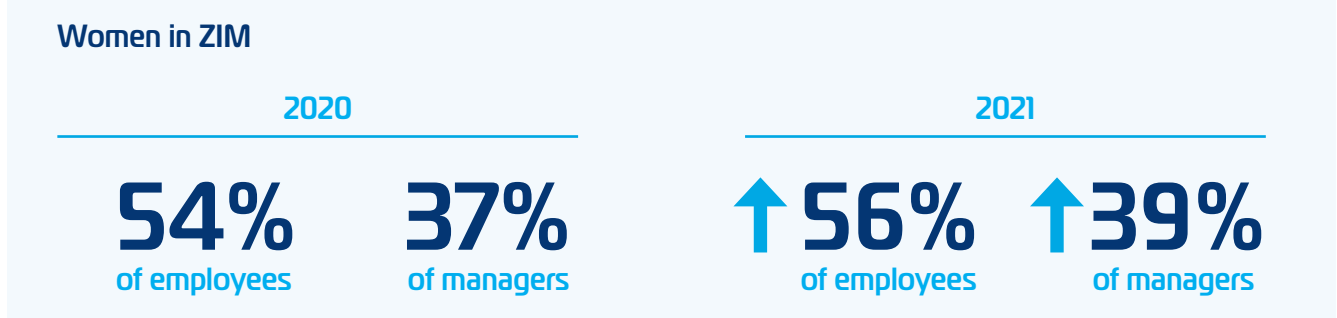
We are working with various non-profit social welfare organizations which assist groups from different backgrounds to integrate into the workforce. For example, we are working with organizations that assist people with disabilities and accompany them in the job search process, considering their special needs and the adjustments that will be needed from the employer's side. Furthermore, we are working with

organizations that support elderly candidates – a skilled and experienced group of people who often find themselves outside the labor market. Another example is organizations that assist new immigrants to find jobs that fit their skills and experience while taking into account their language and cultural challenges.

In the coming year, we plan to expand our collaboration with additional organizations assisting different groups.

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

*For detailed information about our cooperation with Matrix please see ZIM's 2020 Sustainability Report.*



# 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.**

We act in line with safe work practices throughout all our ship and office operations, and all working conditions are in full compliance with local and international laws and regulations. Health and safety risk assessments are conducted on a regular basis, and employees receive frequent updates about any incidents as they occur.

We rigorously monitor compliance levels and accident frequency rates to ensure the safety of our employees' work environment. There were no fatalities as a result of work-related injuries in 2021. There were 19 work-related injuries in 2021 - 13 of the accidents occurred on land and six at sea.

## 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 2021 we initiated the ISO 45001 certification process, a standard for occupational health and safety management systems. This is expected to be completed for Head Office by the end of 2022 and planned for further implementation at our agencies around the world in the coming years.

Additionally, in 2021, we maintained our ongoing annual activities - we conducted annual internal audits on board 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.



## 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 line initiative designed to increase supply-chain safety, reduce the number of cargo incidents on board 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 that lead to injury or loss of life, serious damage or loss of assets and adverse environmental consequences. Data relating to any cargo incident on board a ship is uploaded to the CINS database, where it can then be accessed and used to prevent future incidents. In 2021, three incidents were reported to CINS, all were fire-related incidents.

In 2020 we formed a dedicated Special Cargo Team. The role of this team is to increase the safety of our supply chain by monitoring the handling of special cargo and improve service for external and internal customers. The team mainly focuses on the transportation of special cargo.

Furthermore, on the subject of safety, in 2021 we improved our ZIMGuard screening technology and enhanced its computability with the ZIM main booking system. All special cargo booking activities are now handled and monitored via the main operation module in AgenTeam. In addition, we implemented new safety measures for electric car batteries and for waste management to limit undeclared cargo moving with ZIM and improve supervision and regulatory control of such hazardous commodities.

On October 22, 2021, the M/V ZIM KINGSTON, chartered by ZIM, was en route to Vancouver when it encountered difficult weather conditions. The vessel reported that containers had fallen overboard (109). The Canadian Coast Guard and other local authorities were notified.

Following the damage on board, a few containers caught fire.

Once the situation permitted, the vessel was docked in a nearby harbor to unload the remaining cargo.

As the charterer of the vessel, ZIM's role was limited compared to the vessel's owners, who were the responsible parties leading the incident response.

All the response efforts were done promptly and with full transparency. Although the incident raised concerns, the vessel owners mitigated most of the potential environmental impact.



# 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.**

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.



In 2021 we established ZIMark, a technology-based company formed in collaboration with the Israeli startup Sodyo Ltd., to provide next generation scanning solutions for the logistics and supply chain sectors. The new company's scanning technology is based on colorful markers, image recognition and advanced algorithms, and is the most advanced in the market. It enables accurate scans from any distance and allows scans of multiple markers simultaneously, along with a set of additional features. ZIMark will enable companies in the supply chain industry to lower costs, increase efficiency and improve customer service.



In 2021 we announced the creation of a new subsidiary, Ship4wd, a digital freight forwarding platform offering an online, simple and reliable self-service end-to-end shipping solution.

Based on ZIM's vast experience and in-depth knowledge of the shipping industry, along with our proven track record in digital shipping, the new digital freight forwarding company is providing a simple and direct solution for shipping cargo - through an advanced "one-stop-shop" digital platform. Covering all aspects of the complex international shipping process, Ship4wd enables customers without previous experience in cross-border shipping to manage their import and export business simply and efficiently, with 24/7 expert support throughout the process.







Say hello to business-friendly logistics.



The internal eZPortal was launched in early 2021 with the purpose of serving as a gateway to the daily routine of employees at ZIM. It provides a digital space where employees can get ongoing updates through a unified prism about the company.

Updated daily, the portal publishes news about the maritime industry, office-life stories, and personal submissions. It currently has dynamic-personalized features such as a list of pending learning assignments, the ability to open and monitor help-desk tickets, and a user's recent documents list.

Going forward, more personalized features are in development, such as "My Links" where a user can create a personalized list of links and a "Togetherness" feature where employees will be able to share short submissions to the "Social Gate" section.

The eZPortal encourages employees to be more engaged by commenting and liking content. Moreover, employees are welcome to contribute and participate in the content writing on behalf of their unit. In addition, the portal's FAQ feature enables all employees to ask a question anonymously and get the answer sent directly to their mailbox. The feature also checks whether the employee agrees to have their question published.



# eZQuote

Launched in 2020, eZQuote is a digital service that enables new and existing customers to receive online spot quotes as well book their shipment with guaranteed space on board the designated vessel. This makes quoting and booking friction-free, quicker, available 24/7 and easier for all customers.

Currently, eZQuote is available from/to selected ports in China, India, Korea, USA, Thailand, Vietnam, Taiwan, New Zealand, Australia, Japan, Philippines, Singapore, Italy. It will gradually be made available to additional countries in the coming years.

In 2022 we will launch a full Digital Invoice solution for customers. This new digital service will be launched in Israel in July 2022 and later rolled out to additional countries. The aim is to easily facilitate ongoing processes and daily businesses as well as reduce paper waste and promote paperless operations.

To learn more about our digital services visit [ZIM's digital services website](#)

All the above-mentioned digital services showcase ZIM's "Powered by Our Customers" approach, which emphasizes one of our main points of differentiation in the sector. This is a prime example of our unique customer-centric approach where we use digitization as an enabler to make it easier for our customers to do business with us. **At ZIM, we see Transformation as our Goal, while Digital is our Tool.**



**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.

# SOCIAL MEDIA ACTIVITY

In 2021 ZIM continued to expand its activity on major social media platforms, including LinkedIn, Facebook, Instagram, Twitter and WeChat.

**We strive to maintain a balanced content mix that corresponds to our diverse audiences.**

Furthermore, we've increased our engagement with our followers even more this year, while monitoring their responses and adapting our content to what appears to interest them. This requires continuous agile and dynamic responsiveness to our audiences, and their active involvement is undeniably reflected across ZIM's social media platforms.

We continue to expand and finetune our social media presence and engage with our audience, aiming to further promote accessibility and transparency for our followers, for the communities in which we operate and for the general public.



Metric	2020	2021 target	2021 actual results	Difference
Followers	76,585	90,000	106,219	+38.7%
Impressions	3,019,092	9,000,000	11,935,219	+295%
Engagement	219,950	810,000	1,086,574	+394%



# GIVING BACK TO THE COMMUNITY

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

In 2021 we established the ZIMPACT donations' committee, which aims to increase ZIM's community and social responsibility. Chaired by our VP HR, the Committee is attended by central and relevant functions and managers of ZIM, meeting once a quarter to discuss requests for donations submitted by different associations. The Committee defined several criteria for donation:

- Associations and social organizations involved in the field of community or maritime sports
- Organizations promoting gender equality
- Organizations supporting the care of children and youth at risk and with special needs

Approximately 20% of our employees volunteer on a regular or one-time basis, which amounts to about US\$ 1.9M in donations in different areas, including activities to assist and support youth at risk, protect the environment, promote healthy lifestyles, and more.

In **Greece**, our employees participated in an "International Maritime Union" initiative to collect basic goods for communities affected by forest fires that caused widespread devastation in August 2021.

In **China** we signed a donation agreement with the Shanghai Maritime University and our employees volunteered to clean up waste around the Qinhuai River.

In **Ukraine** our employees participated in a Charity Marathon and gathered 8,500 USD for the children's ward repairment in a hospital. Also in Ukraine, ZIM employees teach English to children in need after their working hours.

As part of ZIM's Corporate Social Responsibility program in **India**, we support the Mission Green Mumbai tree conservation initiative by planting trees and investing in rainwater-harvesting systems. In addition, ZIM India supports the Tata Memorial Centre, a specialist cancer treatment and research center, particularly the center's cancer awareness and screening for young people in the rural areas. ZIM also supports the Ernest Borges Memorial Home and Rehabilitation Research Centre, and affiliate of the Tata Memorial Centre, which provides accommodation and financial assistance to cancer patients.



In 2020 and 2021 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. In **Germany**, our dedicated ZIM employees assist every year in tending the Sternenbrücke Children's Hospice cemetery garden.

Since 2002 **Israel's** employees are participating at the "Moadoniot" adoption program", an after-school 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. Since then, 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.

Within our social responsibility strategy, it is important to us to deepen our community connections further and develop additional collaborations with social organizations.











# ENVIRONMENT

ZIM is *On its way*

to reduce carbon emissions  
across the global economy empowered by the



Factor









## 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 antipollution standards.**

We invest great effort 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. Furthermore, during 2021 we conducted a climate risk gap analysis assessment to provide insights into our positioning in terms of our climate ambition, and to identify the potential risks climate change will pose to our activities and operations.



# 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 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

Over the past few years ZIM has been in the process of replacing the company car fleet globally with hybrid or electric vehicles. In 2021, we experienced a slowdown in the replacement rate due to COVID-19, which affected the supply of cars. In addition, we experienced slower demand among employees who worked more from home. Nevertheless in 2021 we recorded an increase of 12% compared to the previous year, with hybrid cars measuring 67% of our total car fleet. We aim to increase the number of hybrid cars in 2022 and encourage our employees and managers to choose ecofriendly models.

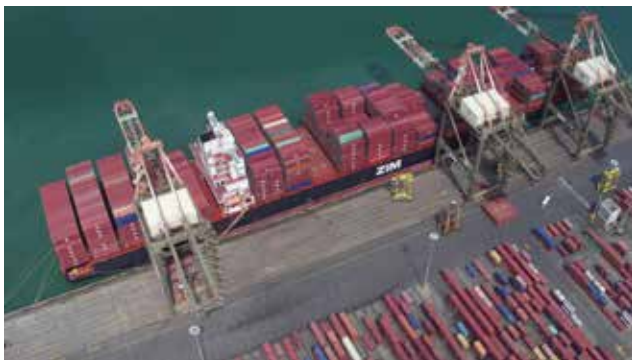
In addition to the in-house activities of the company, we connect to those of our business partners such as the Haifa Bayport Terminal. The terminal uses innovative technologies designed to reduce its environmental carbon footprint such as the use of automation processes to streamline the logistical movement of containers, the use of electric cranes to unload containers and the use of electric vehicles to transport containers at the terminal for loading onto trucks. By shifting ZIM's activity to Haifa Bayport we expect to support further reduction of carbon footprint.

### Digital Container Shipping Association member

ZIM, together with several of the largest container shipping companies in the world, joined the Digital Container Shipping Association (DCSA) in 2019. It is a nonprofit, independent organization whose mission is to be the de facto standards body for the industry, setting the technological foundation for sector-shared IT solutions. By working towards the common adoption of these standards, DCSA's objective is to move the industry forward in terms of customer experience, efficiency, collaboration, innovation and respect for the environment.

One of the programs the DCSA is working on is developing a standardized Just in Time (JIT) port call process via digital information sharing. This will allow vessels to optimize their sailing speed and arrive at the port when there is an available berth. This initiative will potentially have a positive effect on the environment in terms of reducing fuel consumption and thus reducing emissions.

ZIM is collaborating with DCSA in order to reduce emissions by streamlining the process of registration in ships in ports.



### Reducing environmental impact

As part of managing our environmental impact, we make a concerted effort to reduce energy, water, chemical and fuel consumption on board all vessels, as well as in our offices worldwide. Measures taken to prevent pollution and a 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) on board 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% sulfur cap for ship fuels and the regulatory limits for NOx emissions.
- Regular monitoring of exhaust fumes to avoid discharging black smoke from ship funnels.
- Maintenance of books on board in which records of ozone-depleting substances are kept.



### The future of vessel fuels

Transporting goods by sea contributes about 2.7% to global carbon emissions. The need to switch from traditional petroleum-based marine fuels to low-carbon alternatives could reduce the impact on the climate and lower emissions. ZIM strives to cut greenhouse-gas emissions to net-zero by 2050 with transition to alternative fuels, aligning with the international efforts to fight climate change.

The industry agreed that the most promising path to reduce emissions is to move away entirely from traditional Heavy Fuel Oil (HFO) conventional fossil-based fuels toward alternatives fuels. The alternative fuels considered by the industry can be divided into three main categories: Low-carbon fuels (e.g., LNG, LPG, methanol), carbon neutral fuels (e.g. biofuels, synthetic hydrocarbons methane), and zero carbon fuels (e.g. hydrogen and ammonia).



+/-	Ammonia	LNG	Hydrogen	Methanol
	<p>Ammonia is a compound consisting of nitrogen and hydrogen. It emits no GHG when combusted and as such offers great potential for a true zero-emission fuel.</p>	<p>Liquefied natural gas (LNG) is natural gas that has been cooled to a liquid state. Use of LNG in the shipping industry has increased in recent years due to its lower carbon content, negligible sulphur, and particulate matter (PM) levels than those of conventional marine fuels.</p>	<p>Hydrogen is typically found naturally as a compound of either water or methane. It is characterized by having the highest energy content per mass of all chemical fuels, compared to other marine fuels.</p>	<p>Methanol is a non-drinking type of alcohol, which is mostly used to create fuel, solvents and antifreeze. Depending on the source of production, using methanol offers a reduction of NOx and SOx emissions.</p>
+	<ul style="list-style-type: none"> <li>Can be combusted in an internal combustion engine.</li> <li>Combustion of ammonia doesn't emit any SO<sub>2</sub>, carbon oxides, particulate matter or UHCs.</li> <li>Ammonia can be easily stored in liquid form.</li> <li>Infrastructure for storage and distribution of ammonia already exists and can be adapted for larger-scale bunkering on the short-term</li> </ul>	<ul style="list-style-type: none"> <li>Rapidly developing infrastructure.</li> <li>Safe to handle.</li> <li>Global fuel availability.</li> </ul>	<ul style="list-style-type: none"> <li>Long-term solution.</li> <li>Low energy density per volume and favorable specific density by mass</li> </ul>	<ul style="list-style-type: none"> <li>Easy to handle.</li> <li>Well-developed terminal network.</li> </ul>
-	<ul style="list-style-type: none"> <li>Limited bunkering.</li> <li>Toxic effects on human health.</li> <li>Lack of proper scaling of production.</li> <li>Competition with other industries on availability.</li> </ul>	<ul style="list-style-type: none"> <li>A transitional fuel - therefore, it is not an end-state fuel.</li> </ul>	<ul style="list-style-type: none"> <li>High fuel cost.</li> <li>Availability challenges.</li> <li>Storage requirements a challenge.</li> <li>Flammable.</li> </ul>	<ul style="list-style-type: none"> <li>High fuel cost.</li> <li>Refueling challenges.</li> <li>Flammable.</li> <li>Poisonous for human consumption.</li> </ul>

Today, LNG is still the readiest and most proven for-use alternative, backed by high investment in infrastructure and operational vessels. There is growing interest worldwide in the potential of LNG as a fuel for commercial shipping. It is more cost-effective and can help operators meet targets for reduced emissions: CO2 emissions can be reduced by up to 25% when compared with oil-based fuels. Other fuel alternatives require more time to be ready for large-scale implementation in the industry. The use of LNG is a clear improvement over HFO. This will result in a significant reduction of CO2, SOx and NOx emissions.

ZIM constantly works towards adopting alternatives to reduce its emissions and negative environmental impact. The company strongly believes in the LNG alternative and decided to deploy LNG as a transitional green fuel solution.

In early 2021 we concluded a strategic agreement with Seaspan Corporation, a leading independent owner and operator of container ships. This long-term chartering agreement, first planned for ten container ships and later during the year expanded to 25 dual-fuel LNG vessels, includes the construction of new vessels that will be powered by LNG, thus significantly reducing the company's emissions. Another three LNG-dual fuelled vessels will be chartered from EPS. The new vessels' operation is scheduled to enter service in the first half of 2023. ZIM is committed to being the company with the highest percentage of LNG-fuelled ships in its fleet within its industry.

In addition, ZIM is among the first shipping carriers to have ammonia-ready vessels, an innovative feature that can significantly ease the transition to next-level fuels when they become available.

This 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 (GHG), 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 CO<sub>2</sub>, NO<sub>x</sub> and SO<sub>x</sub> 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 2021 and we passed the yearly assessment with no unusual findings.

In 2021 ZIM became a member of the Smart Freight Centre, an international non-profit organization focused on reducing greenhouse gas emissions from freight transportation, with the goal of reaching zero emissions by 2050 or earlier. The

initiative collaborates with global partners to quantify impacts, identify solutions, and advocate logistics decarbonization strategies.

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.

We actively promote 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.

## ZIM's Emissions\*:

	2018	2019	2020	2021
CO <sub>2</sub> Emissions (TON)	4,159,084	3,047,696	2,931,720	4,509,751
SO <sub>x</sub> Emissions (TON)	27,101	17,262	4,506	13,337
NO <sub>x</sub> Emissions (TON)	98,484	71,019	68,136	112,255

\* 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; includes fleet emissions only.



This year, ZIM's operational capacity has increased significantly due to launching of new lines and expanding vastly the scope of operations, both in the number of operated vessels as well as sailing distance. Due to this, ZIM's total emissions increased significantly compared to the previous year. Many of the new lines opened are operated with smaller, less efficient vessels, resulting in a further increase in fuel consumption and GHG emissions. ZIM also suffered from supply-chain disruptions and congestion causing delays - challenges experienced by the entire shipping industry. This required increased sailing speed in order to recover shipment schedules. Despite these operational challenges ZIM remains committed to its long-term obligation of reducing emissions.

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 that will be included in upcoming reports.



**ZIM's Climate Change Gap Analysis Assessment**

As part of our process of developing a sustainable business strategy, we conducted a Climate Change Gap Analysis Assessment in 2021, supported by an external sustainability consulting firm.

This process included interviews with key upstream and downstream stakeholders, market and technological analysis, assessment of climate risks and opportunities, and finding potential actions to mitigate the risks.

This process provided us with an overview of the actions needed to be taken in developing our climate strategy. The strategy framework is based on three pillars - governance, innovation and legitimization - with a range of internal and external associated activities.

**New IMO regulation**

In June 2021, the International Maritime Organization (IMO) introduced a set of measures to achieve a 40% reduction in the carbon intensity of international shipping by 2030. The measures consist of the following two elements:

**The Energy Efficiency Existing ship Index (EEXI)** aims to reduce the greenhouse gas emissions of vessels. The EEXI is a carbon design/technical efficiency indicator that is applicable to most in-service vessels over 400 gross tons that operate internationally. The EEXI is a measure related to the technical design of a ship. Vessels must obtain EEXI approval once in a lifetime, by the first periodical survey in 2023 at the latest.

**The Carbon Intensity Indicator (CII)** is an in-service/operational efficiency indicator that measures a vessel's carbon intensity over time. It measures how efficiently a ship transports goods or passengers. It is an annual indicator of the ship's transport efficiency rated from A (best performance) to E (worst performance) and expressed in grams of CO<sub>2</sub> emitted per transport capacity and distance. Vessels that do not reach the level of acceptance defined by the IMO, that is a single E rating or a three-year consecutive D rating, must develop a plan of corrective actions.

ZIM recognizes that EEXI and CII are important steps towards achieving the goal of reducing emissions and is taking the necessary actions to comply with these new measures.

**ZIM'S TARGETS FOR REDUCING EMISSIONS:**

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

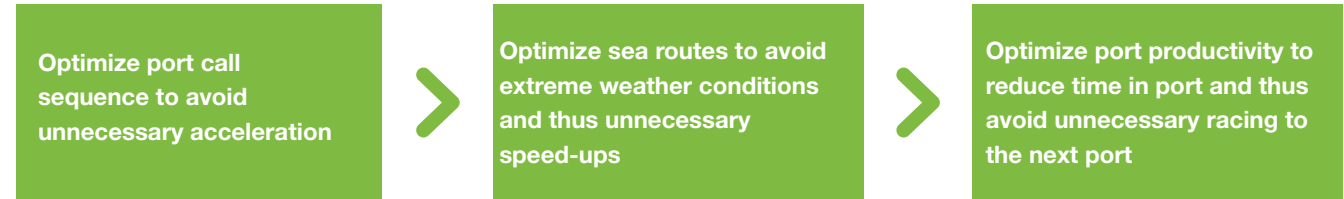
# ENERGY AND FUEL CONSUMPTION

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 basis.



In order to reduce our overall fuel consumption, we:



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 analyses weather forecasts and recommends routes with favourable 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 on board is 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:**

	2019	2020	2021	
Total fuel oil (TON)	898,323	869,528	1,331,634	↑
Total gas oil (TON)	78,078	69,872	115,251	↑

**ZIM’s fuel efficiency\*:**

	2019	2020	2021	
Fuel efficiency (kg/TON*1000Nm)	34.5	34.8	40.3	↑

\* 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.

In 2021 we recorded a significant increase in fuel consumption and accordingly in our fuel efficiency. This is due to the massive rise in the volume of ZIM’s operational activities in 2021 compared to the previous years. Further reasons for the increase were the industry delays due to the Covid-19 pandemic and as a result operating in increased speed to recover delays in schedule.

We are diligent in our efforts to reduce ZIM’s energy consumption on land as well. We have upgraded our office lighting system with LED lighting, and keep optimal temperature control in offices with centralized air-conditioning systems.

**ZIM’s electricity consumption in KWh:**

	2019	2020	2021	
Total owned agencies	4,834,356	3,702,125	11,216,527	↑
Total big regional agencies** (from total)	4,442,561	3,346,327	4,749,400	↑

\* In 2021 we conducted a broad improvement process in our data collection process. Carried out together with an external advisor, we defined a methodological process for data collection. The data of 2021 includes all ZIM agencies worldwide, while earlier data was partial and included large agencies only. Hence 2021 figures are not comparable to previous years.

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

Our total Scope 2 emissions in 2021 was 5,509 tCO<sub>2</sub>e (including emissions of electricity, heating and cooling consumption).

In March 2022 the Securities and Exchange Commission (SEC) launched a proposal for rule changes that will require registrants to include certain climate-related disclosures in their registration statements and periodic reports. These new disclosures will include information about climate-related risks with a material impact on the company’s business, results of operations, and certain climate-related financial statement metrics in a note to its audited financial statements. The required information about climate-related risks will also include disclosure of a registrant’s greenhouse gas emissions: first, Scopes 1 and 2 and secondly Scope 3.

ZIM is preparing to integrate the new reporting meanings that will apply to it and has begun to examine the actions it must take towards it. The company also began examining its Scope 3 sources to be better prepared for coming measurement requirements



# MATERIALS AND WASTE MANAGEMENT

306-2, 306-3

**ZIM sees great importance in proper waste and material management, including meeting various requirements regarding the treatment of sewage, waste and residuals.**



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 on board 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 on shore.
- **Waste** on board is separated into types, such as plastics, paper and food waste to allow for the proper treatment of each material.

Over the past few years we embarked on the process of expanding and improving data collected for reporting on waste and vessel reports were updated with new fields for waste data.

## ZIM's 2021 waste data:

At sea	
Sewage treated (m <sup>3</sup> )	13,440.72
Garbage disposal (m <sup>3</sup> )	294.65
Garbage incinerated (m <sup>3</sup> )	879.03
In port	
Garbage (inc. ashes) (m <sup>3</sup> )	3,381.80
Sludge and oily water (m <sup>3</sup> )	30,433.87

We invest great effort in reducing waste and the resources used 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 minimized printing by switching to electronic documentation and billing and apply a default setting of double-sided printing. We recycle printing paper, separate waste by type, such as plastic, paper and glass, and collect used batteries.

### Ship scrapping and recycling

ZIM is fully compliant with the EU Ship Recycling Regulation (EU SRR) for the safe and environmentally sound recycling of ships. To this end, ZIM's vessels operating in European waters are routinely surveyed by external hazardous materials experts.

Furthermore, all shipyards and facilities we use for ship scrapping and recycling purposes are verified as meeting applicable international environmental convention standards, including the IMO Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships (2009). No ships were sent for scrapping in 2021.

### Lost overboard containers

Container losses represent a tremendous waste of resources, not only of material and content, but also of manufacturing effort, energy and money spent. The environmental impact is even bigger, as contents may take an extremely long time to degrade having a negative effect on the marine environment and species that live in the sea.

Starting in 2021, we disclose the number of lost containers overboard as part of our ESG report.

In 2021, ZIM lost 187 containers at sea, mainly due to adverse weather conditions. We are committed to preventing the loss of containers and aim to collect washed overboard containers, all in accordance with the local authorities' requirements and instructions.

### 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.

In 2021 a total of 6,450 new, energy-efficient units were phased in, while 950 older units were phased out.

By the end of 2021, we achieved an average age of 4.1 years for the entire reefer fleet, thus having the youngest reefer fleet compared to other carriers. We will continue our renovation plan during 2022, further reducing energy consumption and costly maintenance and repairs.

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.



*For more about our reefer fleet, click or scan the QR code:*

By the end of 2021, we exceeded the planned target for that year. Namely that 70% of our reefer fleet would consist of ZIMonitor-equipped units. We in fact achieved a figure of 72%. We aim to increase this to 81% by the end of 2022.



# BIODIVERSITY CONSERVATION

303-1

## Cooperation with EcoOcean

EcoOcean is an Israeli nonprofit organization that promotes the preservation of the local marine and coastal environment through research, education and civic engagement.

In 2021, EcoOcean and ZIM cooperated in the field of ship research and use of equipment, studies relating to carbon offset, marine nature reserve and deep-sea monitoring. ZIM employees volunteer to support several projects including the Adopt a Beach program, where they participate in waste monitoring, coastal and marine environment monitoring, and more.

In addition, as part of the cooperation, actions are taken to preserve and restore the marine ecosystem, conduct marine research, provide financial contribution to diver crews, and more.

This partnership aims to connect ZIM employees to the marine and coastal environments in order facilitate a perceptual change and greater awareness in the community towards marine environmental protection and the environment in general.

*For detailed information about our ongoing measures for biodiversity protection please see ZIM's 2020 Sustainability Report.*





# INDEXES

ZIM is *On its way*

empowered by the



Factor



# GRI CONTENT INDEX

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GRI 102: General Disclosures 2016			
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102-6	Markets served	40	
102-7	Scale of the organization	26-27	
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102-9	Supply chain	40	
102-10	Significant changes to the organization and its supply chain		There have been no significant changes in the boundaries of the company since the 2020 report, beyond regular operations.
102-11	Precautionary Principle or approach	45	
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102-49	Changes in reporting	None	
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# SASB - MARINE TRANSPORTATION INDUSTRY

Sustainability Disclosure Topics & Accounting Metrics

Topic	Accounting metric	2021 data
<b>GHG Emissions</b>	Gross global Scope 1 emissions	4,509,751 ton
	Long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	50% by 2050
	(1) Total energy consumed, (2) percentage heavy fuel oil, (3) percentage renewable	(1) 1,429,593.00 (2) 3% (3) 0%
	Average Energy Efficiency Design Index (EEDI) for new ships	No new vessels owned
<b>Air Quality</b>	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, and (3) particulate matter (PM10)	(1) 112,255 tons (2) 13,337.12 tons
<b>Ecological Impacts</b>	Shipping duration in marine protected areas or areas of protected conservation status	Information not yet collected – will be incorporated in future reports
	Percentage of fleet implementing ballast water (1) exchange and (2) treatment	50% Ballast exchange 50% BWST (100%)
	(1) Number and (2) aggregate volume of spills and releases to the environment	(3) N/A
<b>Employee Health &amp; Safety</b>	Lost time incident rate (LTIR)	3.98*
<b>Business Ethics</b>	Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	4
	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	No pending ethics breach since 2011
<b>Accident &amp; Safety Management</b>	Number of marine casualties, percentage classified as very serious	0 %
	Number of Conditions of Class or Recommendations	See on the next page
	Number of port state control (1) deficiencies and (2) detentions	(1) 10 (2) 0

\* Israel employees only

## CONDITIONS OF CLASSES OR RECOMMENDATIONS

Vessel	CoC	Recommendation
Zim Qingdao	1	None
Zim Yokohama	None	None
Zim Shekou	None	None
Zim Vancouver	1	None
Zim Virginia	5 for next dry dock	None
GSL Africa	None	None

## ACTIVITY METRICS

Accounting metric	2021 data
Number of shipboard employees	173 – onboard owned vessels
Total distance traveled by vessels	15,411,232
Operating days	37,483
Deadweight tonnage	6,300,762
Number of vessels in total shipping fleet	119 (as of 31.12.2021)
Number of vessel port calls	350
Twenty-foot equivalent unit (TEU) capacity	533,836

Special thanks to the **photographers** who gave their permission to use the images included in this report: Ariel Warhaftig, Capt. Akiva Offman, Capt. Avi Lugasi Gal, Capt. Meir Cohen, Eldad Rafaeli, Lior Patel, local photographers/companies for ZIM, Warhaftig Venezian/ courtesy of the Port of Haifa; for some of the images in this report, non-commercial use is made in accordance with section 27A. To the Copyright Law, 5768-2007. Insofar as any creator or any of his heirs contact us during the term of the copyright, we will lawfully regulate the use with him.

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