



ZIM

ESG REPORT 2023

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LETTER FROM THE PRESIDENT & CEO

Throughout 2023, our environmental, social, and governance (ESG) efforts continued to make significant strides, reaching important milestones.



The year presented exceptional challenges for the shipping industry, including a weakened market and dramatic geopolitical shifts; however, our long-term strategy and agility enabled us to navigate market volatility and dynamic changes while simultaneously advancing our ESG initiatives.

The regulatory environment has undergone significant evolution this year, with new regulations being introduced and preparations underway for upcoming mandatory requirements, impacting both our operations and our disclosure. We saw the developments of new solutions and innovations that allow maritime shippers to reduce their carbon footprint. We also see an increasing demand from our various stakeholders for a more proactive ESG approach, particularly on sustainability and climate related matters. We support these developments, and our commitment to ESG is growing stronger.

Sustainability remains one of our core values, and I am optimistic about our progress and confident in our position as industry leaders. We deployed our first LNG vessels in 2023, as part of our transformative fleet renewal program, which includes 46 newbuild ships, 28 of which are LNG fueled. This ambitious program tackles two critical goals: improving our cost structure to achieve long term sustainable growth through modern, energy-efficient vessels, while also achieving significant carbon emission reduction in line with our ESG roadmap. Importantly, ZIM is the first, and currently the only, carrier to call the US East Coast with two services operated with LNG fueled vessels, the ZCP line with 15,000 TEU and ZXB line to Baltimore, New York and Boston with 7,700 TEU vessels, providing ZIM with distinct commercial differentiation and enhancing our competitive position on this strategic



It's our collective values, including agility, a can-do approach, and togetherness that gives us the edge. We leverage our agility to recognize and adapt to the most up-to-date developments in ESG related issues as well.

trade. Deployment of these new vessels has already resulted in immediate GHG reductions. Once the program is complete, we expect that approximately 40% of our operated capacity will be LNG-fueled, positioning ZIM among the operators with the lowest carbon intensity. This marks a major milestone in our journey towards our net zero-emission vision.

On the social front, we've continued to invest in our workforce and make positive impacts in our communities. From a governance perspective, we've embarked on an analysis of the risks that climate change poses to our operations in the format of a TCFD report, the international best practice of addressing this issue.

ZIM sets itself apart from its peers in various aspects, including our optimized capacity management, customer-oriented approach, and strong innovation drive. However, it's our collective values, including agility, a can-do approach, and togetherness that gives us the edge. We leverage our agility

to recognize and adapt to the most up-to-date developments in ESG related issues as well. One important mission is to inform and encourage our people to be part of the cause. This year, we launched the ESG Trustees program, onboarding 38 worldwide ZIM ESG Trustees who promote ESG efforts locally, facilitate employees' engagement with ESG causes, and streamline processes globally. Promoting ESG is an ongoing effort that we implement in everything we do through training, awareness raising, and instilling values and best practices. I believe in our people and in their unique spirit, and I have no doubt ESG will become one of our strongest strategy drivers.

Eli Glickman
President & Chief Executive Officer

IN CONVERSATION WITH THE COO

David Arbel, EVP & Chief Operations Officer talks with Shelly Levi-Tsur, Global ESG Lead



David Arbel, EVP Chief Operations Officer

Q: Mr. Arbel, 2023 was a turning point in terms of our fleet renewal and as a result our dramatically improved energy efficiency and carbon footprint reduction. How do you sum up this year?

A: In 2023 we witnessed our sustainability vision come to life. We launched our first LNG ship followed by many other state-of-the-art newly built vessels. Seventeen new, efficient vessels joined our fleet in 2023, 10 of which are LNG-powered, out of a total of 46 new ships ordered, 28 out of them are LNG powered. This initial stage of our fleet renewal program significantly contributed to our ability to run a more efficient fleet this year, by helping us deal with the challenges faced by the global shipping industry and reducing our dependence on traditional fuels. This development was also very encouraging for our environmental ambitions, since this efficiency immediately affects our emissions: we saw a significant reduction that exceeded our best-case scenarios.

Q: To achieve decarbonization, operational measures are crucial, but long-lasting efficiency improvements are equally important. Can you elaborate on the measures ZIM is taking in this respect?

A: That's right, we have a wide range of initiatives in place to reduce our energy use and operate more efficiently. One is operational voyage management, including the adoption of



Our ability to anticipate challenges and risks and to leverage them as opportunities, has consistently proven itself. We encourage our people to think creatively and critically.

new technological measures to better plan and execute voyages, considering weather conditions, optimal ports of call and fuel consumption. Second, we implement technical measures to improve our vessels' efficiency, such as using low-friction, non-toxic anti-fouling paints for the underwater surfaces of ships, to prevent sea life such from attaching to the hull and reducing vessels' water resistance through optimal trim, continuous hull and propeller cleaning and many others.

Q: What do you believe is our biggest strength that can give us an edge in difficult years, towards our decarbonization targets?

A: Our human factor, our innovative and agile spirit, and can-do approach have always put us ahead. Our ability to anticipate challenges and risks and to leverage them as opportunities, has consistently proven itself. We encourage our people to think creatively and critically – and it has yielded results, both in terms of business success and now in our environmental endeavors.

Q: Last year ZIM set a net zero target by 2050. How do you see this target being reached?

A: Achieving net zero is a global endeavor, and bringing shipping to net zero emissions is an industry-wide effort. We anticipate reaching this long term goal and are currently on track to meeting our short and medium-term targets. We must remain vigilant to changes, and smart in planning and adapting to new opportunities and future potential challenges. A collaborative approach with our partners has proven successful in the past, and we continue to engage in these collaborations. Additionally, we engage with our fuel providers to explore the development and procurement of green LNG derived from zero emissions feedstock. We have also broadened our participation in industry-wide initiatives, and we continue to seek technologically innovative solutions to invest in, in order to meet our net zero targets.

ABOUT ZIM

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INNOVATIVE SHIPPING DEDICATED TO YOU

ZIM'S VALUES:



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.



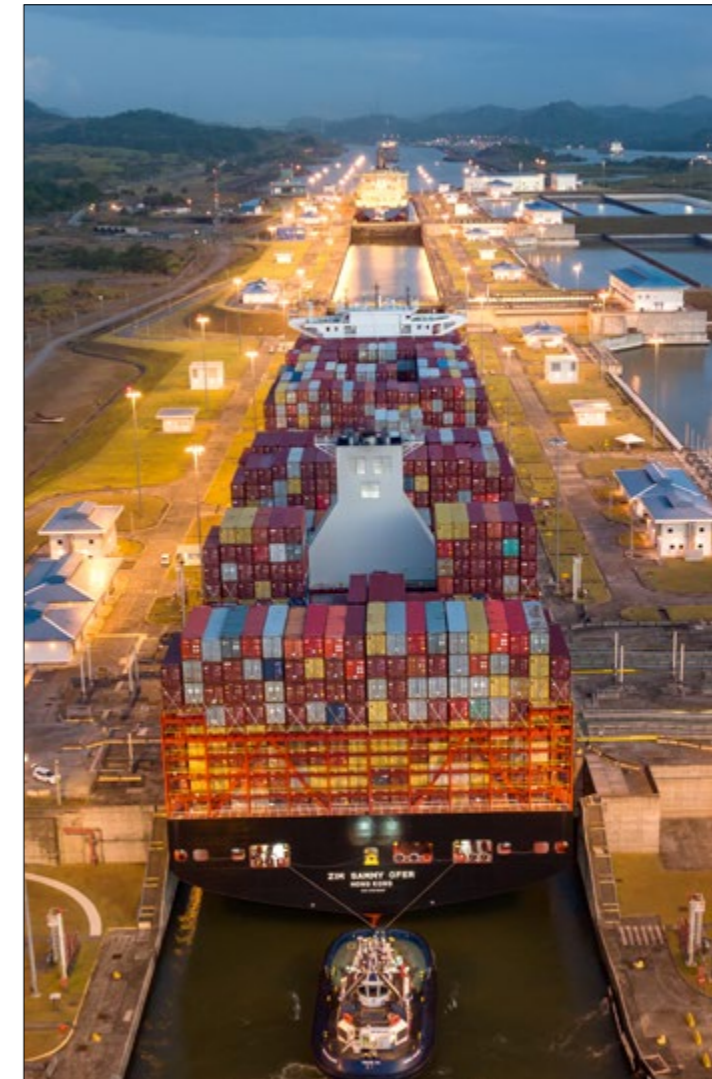
SUSTAINABILITY

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



TOGETHERNESS

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



ABOUT THIS REPORT

This is the sixth 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 2023, and provide information regarding all entities included in the company’s financial statements, unless otherwise indicated.

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option and the Sustainable Accounting Standards Board (SASB) Standards: Marine Transportation Industry metrics. The 2023 ESG Report is not part of ZIM’s financial statements.

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 2023 audited Financial Report and the externally assured carbon emissions data, as required by and reported to the CCWG.

For any comments and questions about this report or about ESG topics at ZIM please contact our global ESG Department at ESG@zim.com. Additional information about ZIM and its services can be found throughout this report and at www.ZIM.com.



ZIM Sammy Ofer- Our first LNG vessel, launching ceremony, February 2023.

New topics covered in this report include:

- Fleet renewal and new LNG ships ([p. 28](#))
- Updated ESG targets ([p.36](#))
- Climate change risks management and TCFD reporting ([p. 60](#))
- ESG trustees worldwide ([p. 38](#))
- ISO 45001 certification ([p. 77](#))

OUR HISTORY



1945
ZIM established

1947
Purchase of first ship: the TSS Kedmah

1950s
ZIM goes global with both cargo and passenger shipping lines

1950-60s
ZIM offers luxury cruises in the Mediterranean and in the Caribbean

Late 1960s
Elimination of all of ZIM's passenger routes

1972
ZIM launches its first container service (ZCS)

1980-90s
ZIM introduces new routes and services, adds presence in China

2004 Privatization of the company

2017
Launch of ZIM's restructured network of independent lines and services

2019
ZIM launches its new 2023 strategy and new Vision and Values

2021
\$217.5M IPO on the New York Stock Exchange (NYSE:ZIM), strategic chartering deal of 28 LNG-fueled vessels

2022
Fleet grows by 30%; launch of new ESG strategy; signing of long-term LNG purchase agreement with Shell

2023
ZIM launches its 1st LNG vessel: ZIM Sammy Ofer

KEY MANAGEMENT

Our management team is made of talented leaders with diverse experience in shipping, logistics, and business.

Since our previous ESG report, there have been several changes in key management: **Guillermo Codner** was appointed EVP HR & Organization; **Abdallah Metanes** was appointed VP Intra Asia BU; **Irit Samuel** was appointed Global VP Network Development & Cooperation; **Eran Epstein** was appointed VP Latin America BU; and **Sami Jubran** was appointed VP Financial Planning & Analysis. The management team is dedicated to working together efficiently and effectively to address the opportunities and challenges we face as a growing company.

All the VPs who joined our management team this year, are internal appointments who rose up in the ranks within the company before reaching their new executive position.



Eli Glickman
President & Chief Executive Officer



David Arbel
EVP Chief Operations Officer



Nir Avni
VP Medium & Small Countries



Eyal Ben-Amram
EVP Chief Information Officer



Guillermo Codner
EVP HR & Organization



Xavier Destriau
EVP Chief Finance Officer



Saar Dotan
EVP Countries & Business Development



Eran Epstein
VP Latin America BU



Sami Jubran
VP Financial Planning & Analysis



Hani Kalinski
EVP Pacific BU



Abdallah Metanes
VP Intra-Asia BU



Noam Nativ
EVP General Counsel & Company Secretary



Irit Samuel
Global VP Network Development & Cooperation



Karin Schweitzer
VP Global Customer Service



Yair Teitelbaum
EVP Global Sales



Assaf Tiran
EVP Cross Suez & Atlantic BU



Nissim Yochai
EVP ZIM USA President

* As of 31 Dec. 2023

BOARD OF DIRECTORS



Yair Seroussi
Chairman



Yoav Sebba



Birger Johannes Meyer-Gloeckner



Nir Epstein



Yair Caspi



Liat Tennenholtz



William (Bill) Shaul



Barak Cohen



Anita Odedra



ZIM AT A GLANCE*

144 ships:

128 container vessels +
16 vehicle transport vessels

3,362,619

carried volume

107

weekly lines with 8.7M yearly port
moves at 227 ports & 310 terminals

638,801

TEUs vessel capacity

~33,000

clients

4,778

full-time employees

more than **200**

offices and agencies in more than **90** countries



The Z Factor

The Z Factor is our guiding force to achieve our unique organizational culture and successful business results. The Z Factor is built on six specializations of ZIM:



Digitize: driving the digital transformation of our business and sector



Globalize: offering the best service through our global network of trades and lines



Freeze: providing smart refrigerated containers for fresh and frozen cargo



Optimize: working to utilize fewer resources as key to achieving sustainability



Personalize: ensuring all stakeholders get personalized service across the globe



Socialize: sharing information and supporting engagement through social media



OUR NETWORK

ZIM's shipping capabilities reach far beyond ocean lanes and ports

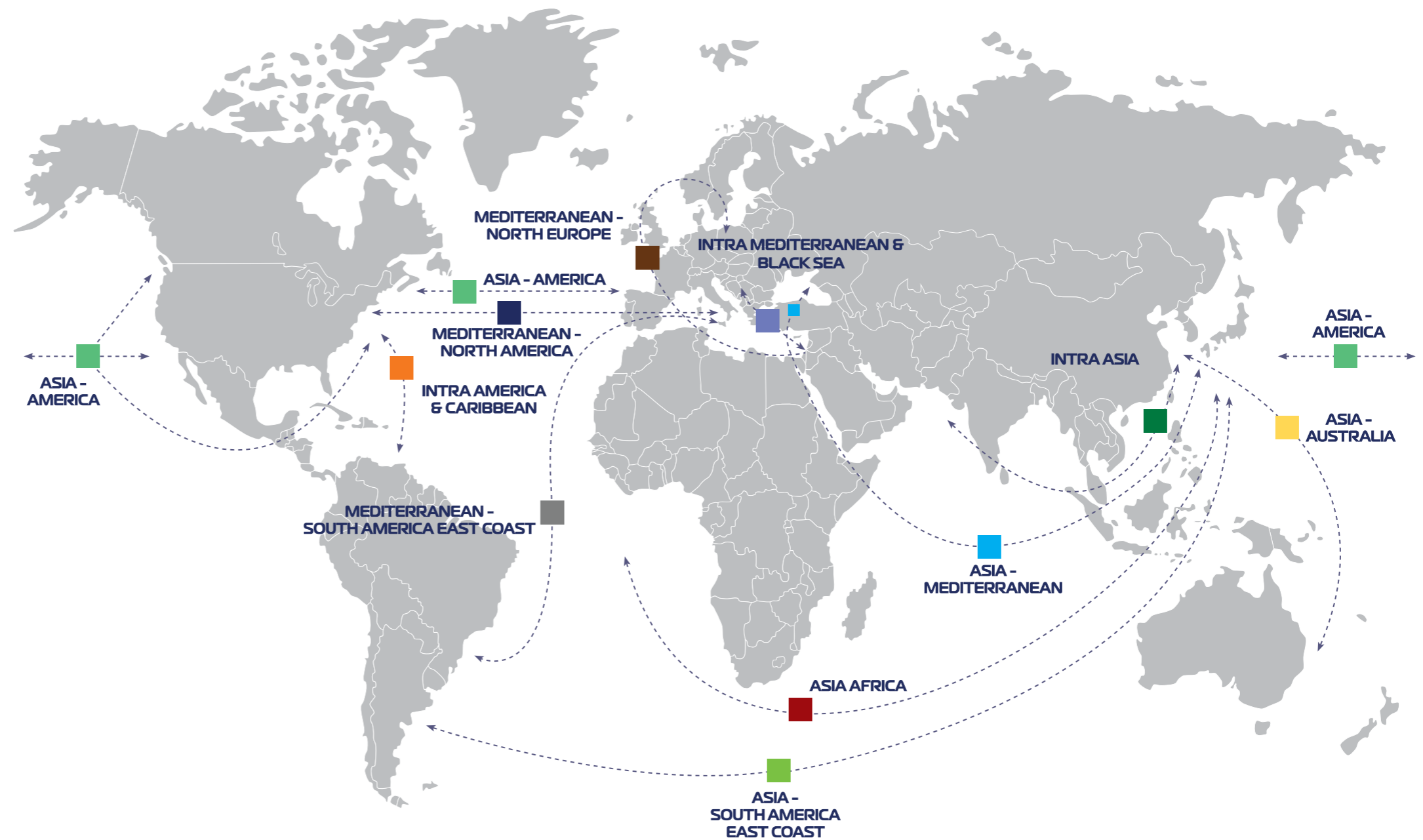
ZIM's shipping capabilities reach far beyond ocean lanes and ports. We provide comprehensive solutions by sea and land to ensure our customers' transportation needs are met – from point of origin to final destination. In addition to our ship services, ZIM's end-to-end cargo solutions include transportation by barge, rail, and road, and we continue to build partnerships to extend these offerings.

In addition to our extensive activities to reduce ZIM's environmental footprint at sea, we are developing solutions to reduce energy consumption inland, including choosing rail transportation, when possible, to reduce fuel consumption and emissions.

Where we ship

Towards the end of 2023, with the outbreak of the war between Israel and Hamas, Israel and Hezbollah, and other military conflicts in the Middle East, the shipping industry started to experience significant repercussions. With the Yemeni Houthi attacks on vessels sailing in the Red Sea severely affecting the passage of the Suez Canal, ZIM took the precaution of rerouting our vessels to keep our crew, vessels, and cargo safe. These diverted routes involve passage around the Cape of Good Hope around Africa, and will continue until passage through the Suez Canal is once again deemed safe.

With the ongoing drought limiting the capacity of the Panama Canal in 2023, a substantial bottleneck was created for shipping lines. ZIM developed a variety of solutions to address the situation, including the deployment of narrow-beam vessels that allow more passage options in the canal. As a result, the Panama Canal Authority moved ZIM up from 9th place to 6th place in their official priority list ranking of all global



shipping companies, and ZIM is ranked 4th among container lines. We continue to monitor the situation and adjust our operations as necessary, including bringing more capacity from the US East Coast to the US West Coast.

EXPANDING OUR REACH

Our growing network of shipping services spans the world to meet customers' needs, wherever they are. Highlights of 2023:

- We launched three new independent services to meet the growing needs of customers in Latin America:

ZIM Colibri Xpress (ZCX)

ZCX is a premium line from South America West Coast to US East Coast. ZCX deploys 1700 TEU's vessels on a weekly service with increased capacity for reefers. It offers connection between the ports of West Coast of South America and the US East Coast with very short transit time between major ports in the region.

ZIM Albatross (ZAT)

Connecting China and Southeast Asia to the west coast of South America. ZIM deploys 4,250 TEU vessels on this service, allowing operational flexibility.

ZAT provides premium direct connection from and to North China, Korea, Mexico, and the West Coast of South America.

ZIM Gulf Toucan (ZGT)

Connecting South America to the Gulf of Mexico. ZIM deploys 2,800 TEU vessels on this service. Connections to other ports in North America, the Caribbean, Central America and West Coast South America are made via ZIM's regional hubs.

- We relaunched the **ZIM eCommerce Xpress (ZEX)** to provide eCommerce customers with a dedicated, expedited connection from South China to the US West Coast that serves as a competitive alternative to airfreight.
- We expanded our **operational cooperation with MSC**, the world's largest ocean carrier, to provide seamless connections to existing ZIM services in Asia and the Mediterranean. This includes cooperation on services connecting the East Mediterranean with Northern Europe and East Asia with Oceania.

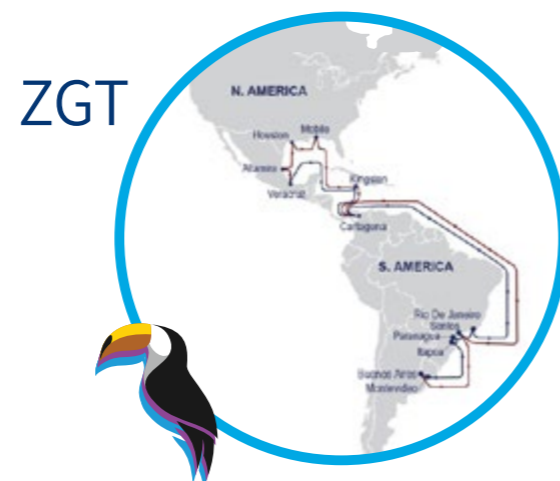
- We launched our **sea-rail service** from Nanjing to Shanghai Yangshan Port to connect various ZIM services that reach Israel, Thailand, Australia, and Turkey.
- We expanded the **ZXB** service calling from Port Kelang to Baltimore and Boston to include direct calls to Mexico and Colombia.
- We upscaled our vessels on the **ZCP** service line to 15,000 TEU LNG dual-fuel container vessels
- We launched **ZPX**, an independent service connecting Asia to the US via Vancouver.

In addition to containerized cargo, in an effort to respond to increased demand for car carrier services, and specifically to the increase in vehicle exports from China (and electric and hybrid cars in

particular), we also transport vehicles, such as cars, buses and trucks via dedicated car carrier vessels westbound from Asia, and primarily from China, Japan, South Korea and India.

Currently, we charter 16 car carrier vessels and have expanded the volume and range of our services to include additional calls to ports in Europe, the Mediterranean and South America.

In 2023, we offered customers real-time vehicle monitoring through our collaboration with Spinframe Technologies. Spinframe leverages AI to provide the automotive industry with efficient vehicle assessments across the entire value chain. Their solution for shipping and ports allows for vehicle documentation, identification, and damage detection across the entire journey.



SHIPPING SERVICES

Whether accommodating bulk goods or ensuring the safe transit of oversized cargo, we guarantee a seamless end-to-end experience to provide our customers with a solution that navigates every shipment.

Dry cargo

Dry cargo is the most common type of cargo, covering a wide range of goods that can fit into a dry-van container. We have the expertise, equipment, and experience to ensure that everything from electrical appliances to toys receives first-class treatment.



Reefer cargo

Refrigerated shipping has revolutionized the way goods are transported across the globe – it’s now possible to transport almost any fresh, frozen, or chilled products to destinations worldwide. Our advanced refrigerated containers are suited for precision temperature control, with cutting-edge cooling and dehumidification capabilities for cargo safety. In 2023, use of reefer cargo increased 30% compared to last year.



Special cargo

We handle a diverse range of non-standard shipments – from geothermal turbines to historic planes, using exclusive monitoring equipment including flats, open tops, and tankers.



Dangerous cargo

With safety as our top priority, our fleet handles the full range of dangerous materials.

Every dangerous goods shipment is given special attention throughout transport and the entire documentation process. Upholding the most stringent international regulations, our expert team handles all essential procedures, helping to navigate regulatory hurdles.

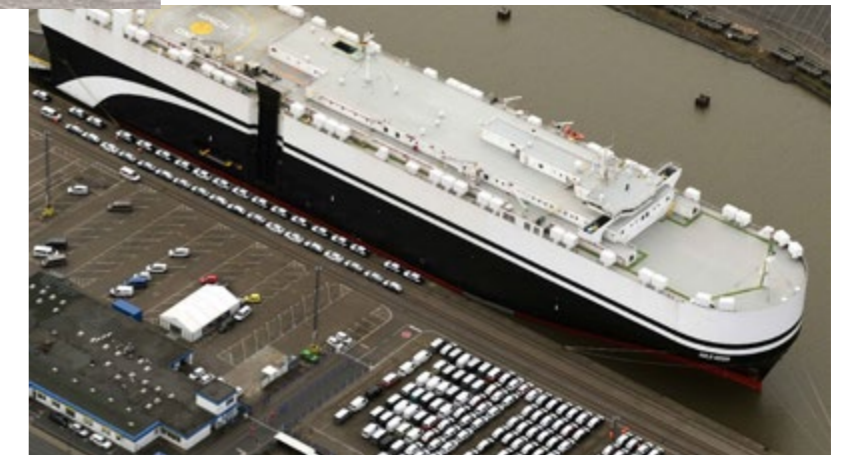


Out-of-gauge cargo

Not all large and heavy cargo fits easily in a standard container, and our expert teams find innovative solutions for out-of-gauge (OOG) cargo using flat racks and a wide variety of special equipment. Throughout every stage, we maintain the highest standards of precision and professionalism, ensuring that even the most oversized cargo is transported safely and efficiently.

Car carriers & RORO

Our car carriers and roll-on/roll-off (RORO) vessel carriers safely transport vehicles, tractors, and large wheeled machinery to destinations around the world, accompanied by expert guidance for dynamic, tailor-made solutions. We guarantee that all vehicles are kept safe and sound throughout the entire journey.

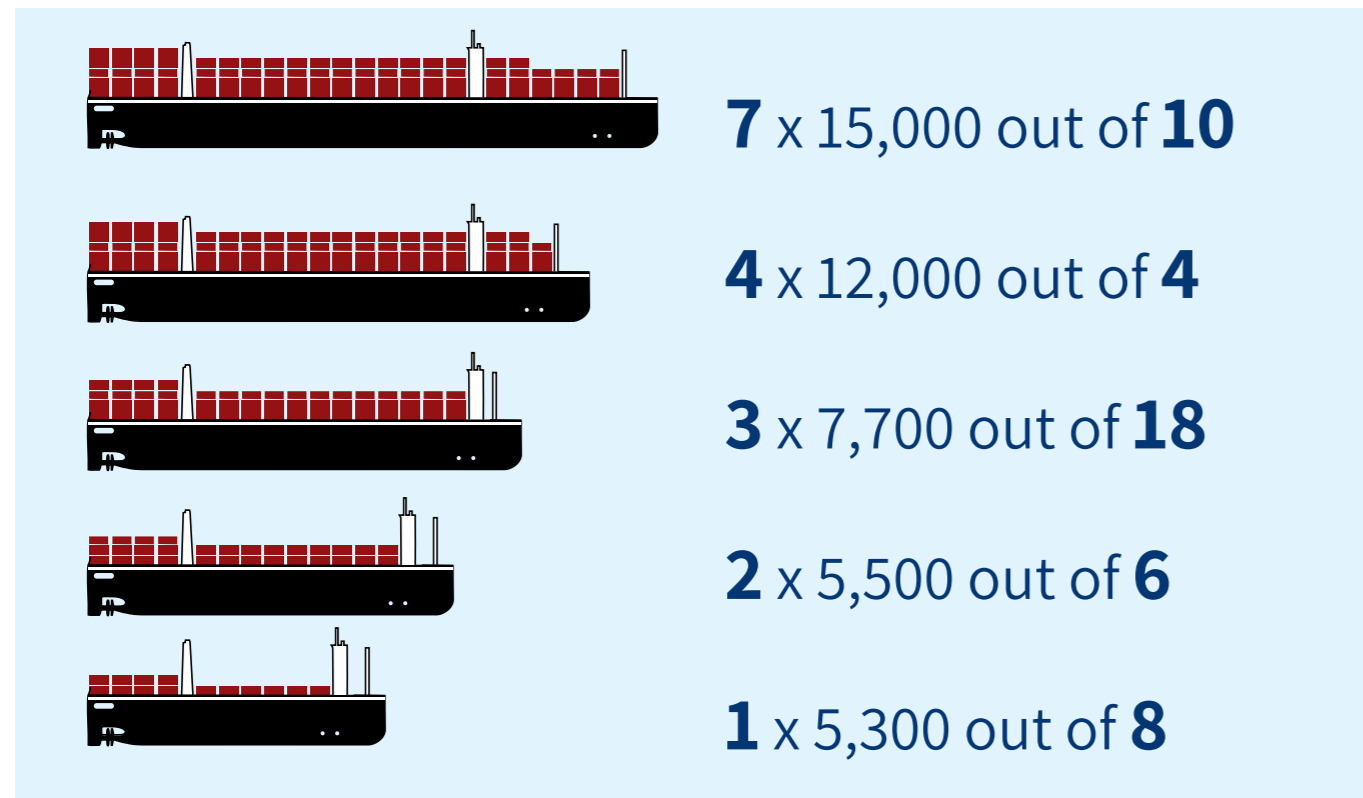


FLEET RENEWAL

We are in the process of dramatically upscaling our fleet with more advanced and efficient newbuild capacity. Throughout 2023 and 2024, we will have delivered to us 46 new containerships, of which 28 are LNG-powered. This newbuild capacity is replacing older, less efficient capacity that will be redelivered to its owners.

Once received, while we expect to operate a similar number of vessels, our core fleet will be modern, larger and better suited to the trades in which we sail and our commercial strategy, making us more competitive and thereby improving our market position. By 2025, our fleet profile is expected to be completely different.

Ships delivered by the end of 2023 and expected deliveries:



We launched this transformative fleet renewal program in 2021 to ensure that we secure an efficient and competitive fleet:

- Out of a total of **46** vessels joining our fleet, **17** ships have already been received.
- An additional **29** newly built, efficient vessels are expected in 2024.
- We redelivered **32** vessels in 2023 and expect to redeliver an additional 32 vessels in 2024 whereby older chartered vessels are exchanged for newer, more efficient vessels.

Our new LNG ships

We took the first steps to implement our target to have ~40% of ZIM's fleet capacity (TEU) powered by LNG fueled vessels:

By the end of 2023 we launched **10 new LNG vessels**:
7 new 15K TEU vessels in the **ZCP, Far East -US East Coast service**

3 new 7K TEU vessels in the **ZXB service**

With the launch of these LNG vessels, ZIM became the **first shipping company to deploy LNG vessels calling in the US East Coast ports**. We are proud to serve our US customers with two lines fully operated by LNG vessels: ZCP and ZXB.

In 2023, ZIM had the 'greenest' fleet, percentage wise, of all global shipping operators.

With the expected delivery of 18 additional LNG vessels, **we will be among the lowest carbon intensity operators in the world.**

NEW 7 x 15,000 TEU LNG
NEW 3 x 7,700 TEU LNG



OUR ESG STRATEGY

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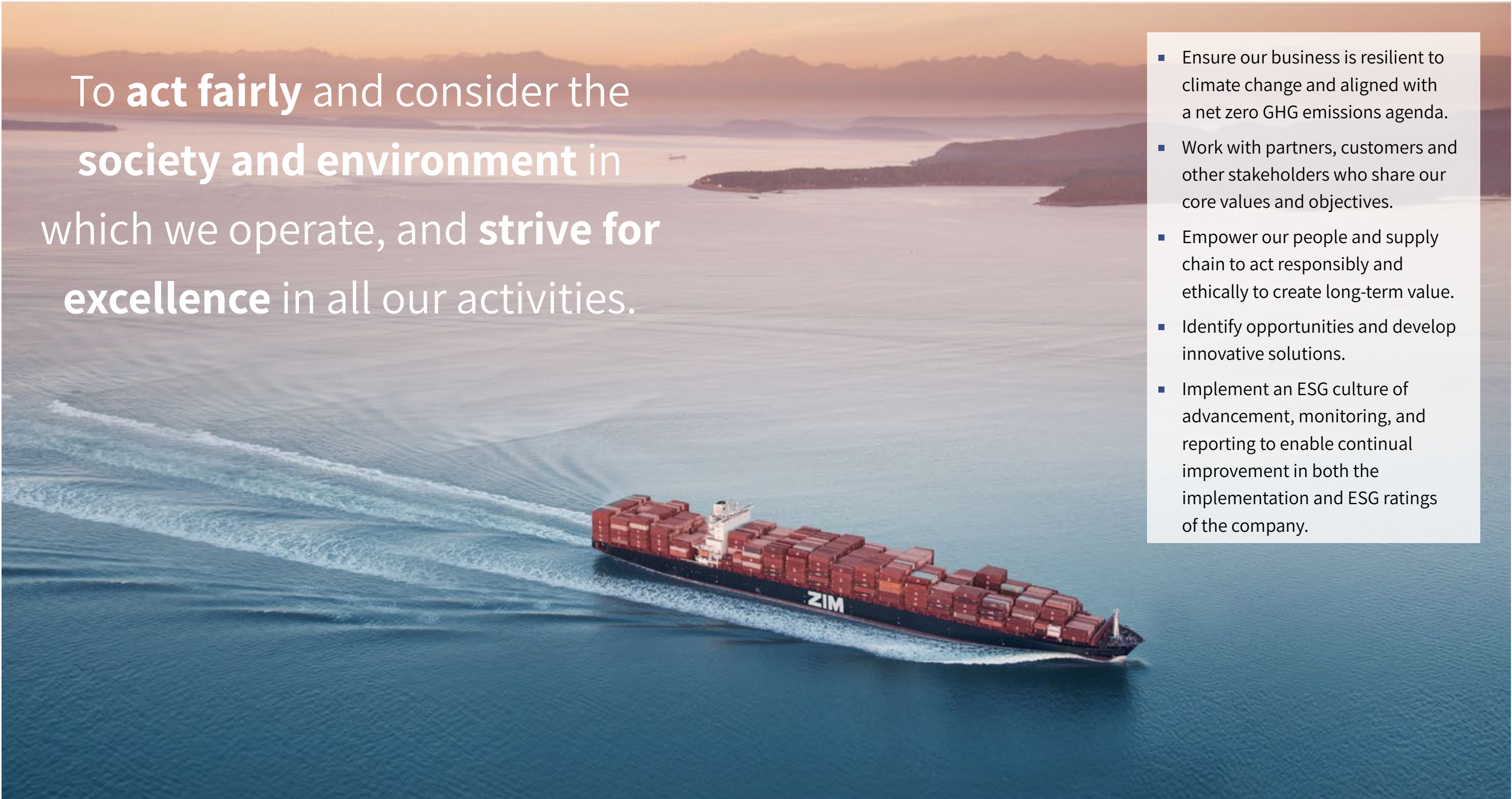
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OUR ESG VISION

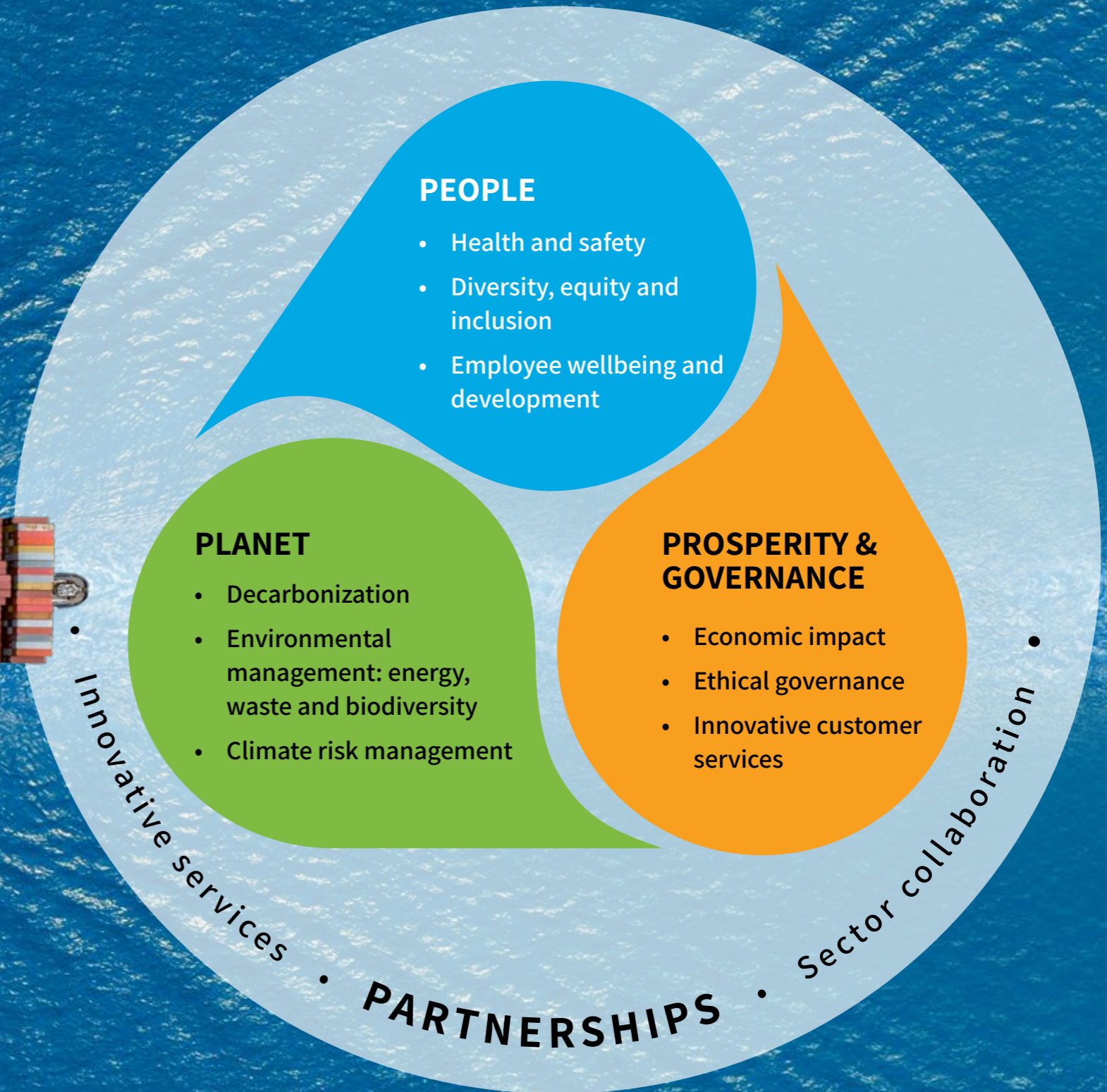
OUR ESG COMMITMENT



To **act fairly** and consider the **society and environment** in which we operate, and **strive for excellence** in all our activities.

- Ensure our business is resilient to climate change and aligned with a net zero GHG emissions agenda.
- Work with partners, customers and other stakeholders who share our core values and objectives.
- Empower our people and supply chain to act responsibly and ethically to create long-term value.
- Identify opportunities and develop innovative solutions.
- Implement an ESG culture of advancement, monitoring, and reporting to enable continual improvement in both the implementation and ESG ratings of the company.

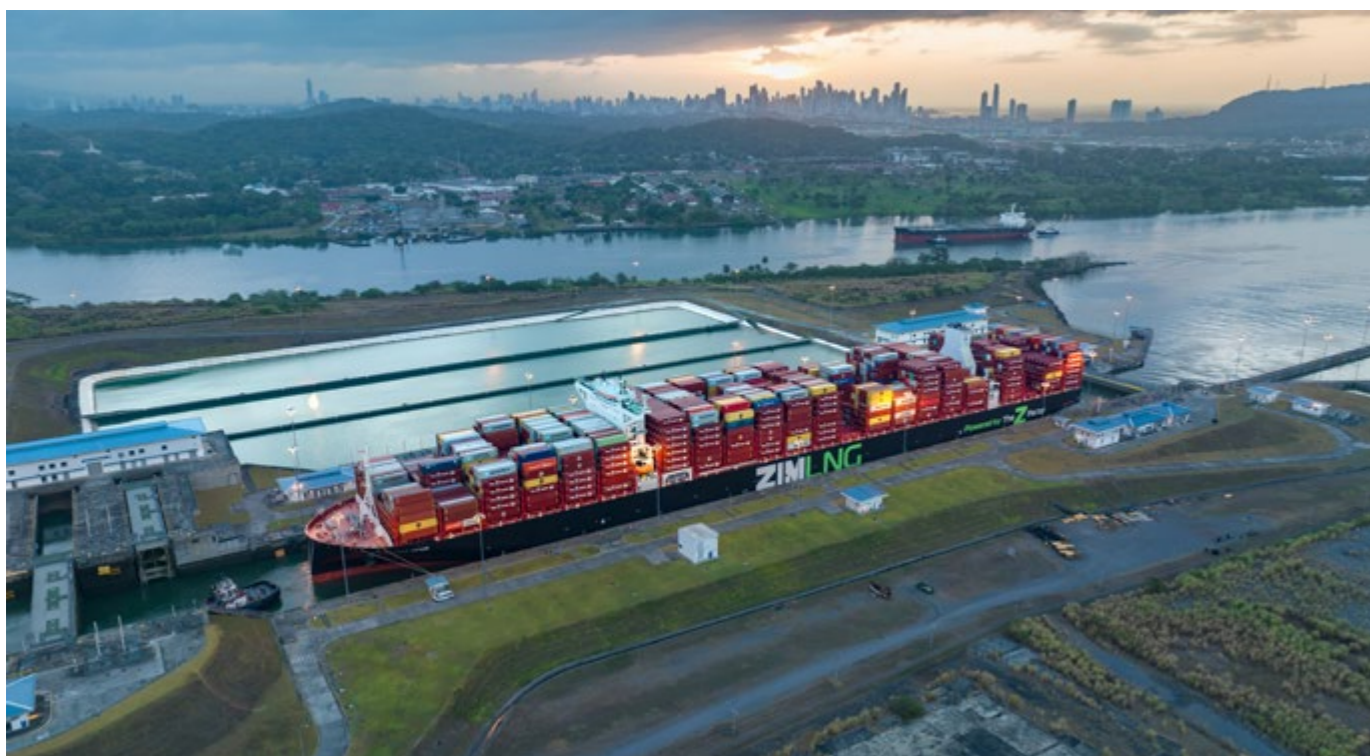
OUR ESG PILLARS



ZIM'S ESG TARGETS

ENVIRONMENT

Target	Rationale	Progress
Emitting less CO₂	Reduce our carbon intensity (Gr CO ₂ /TEU KM) by 30% by 2025, compared to the baseline year, 2021	Reduce our environmental impact, fight climate change and comply with regulation 2025 Target -30% 2023 -22.2%
More transparent emissions	Providing our customers with an upgraded GHG emission calculating tool for sea and land shipping services	Assisting customers in calculating and reducing their scope 3 emissions The tool will be available by 2025
Green offices	Increasing the share of renewable energy in our energy consumption (scope 2) around the world by 3% annually, compared to a 2022 8% baseline	Renewable energy emits less or 0 GHGs 2024 Target 14% 2023 11% 2022 8%



SOCIAL

Target	Rationale	Progress
Internal upward mobility	35% of open positions filled by ZIM employees	Allowing ZIM employees to grow and develop within the company and put their experience and knowledge of the company to use Target 35% 2023 31%
Voluntary attrition	<10.5% voluntary attrition	This reflects ZIM as preferred workplace where most people choose to stay for the long run Target 10.5% 2023 11.4%
Effective Employee training	At least 85% of the responses should be graded 9/10 or more to the question following a training "was the training relevant to your daily work"	Making sure our training sessions are relevant and effective to employees NEW TARGET

GOVERNANCE

Target	Rationale	Progress
Ethics training	100% of active employees trained on business ethics issues	Making sure that our employees are familiar with the Code of Ethics Target 100% 2023 90%
Suppliers' ESG	100% of suppliers accepting ZIM's supplier code of conduct	Making sure our suppliers share and live up to our values Target 100% 2023 75%
Cyber Security	Zero successful cyberattacks and minimal interruption to business continuity in the event of a successful attack.	Continuous uninterrupted business operations Target 0 2023 0

THE UN'S SUSTAINABLE DEVELOPMENT GOALS (SDGs)

Our ESG strategy takes into account the SDGs with a focus on the following SDGs that are relevant to our business and sector.

The 17 SDGs are at the core of the 2030 Agenda for Sustainable Development, adopted by all United Nations member states in 2015. The goals recognize that ending poverty and other deprivations globally must go together with strategies that improve

health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests. The following SDGs are relevant for ZIM and are described in detail throughout the report.

PARTNERSHIPS



PEOPLE



PLANET



PROSPERITY & GOVERNANCE

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MANAGING OUR ESG APPROACH

As we expand our global operations and as the market environment in which we operate continues to evolve, we are placing greater emphasis on our ESG performance and strategy.

ESG efforts at ZIM are overseen by the COO, with the ZIM Global ESG unit serving as the professional knowledge center for the company to develop innovative approaches that align our growth strategy with our sustainability commitments. In addition, the ESG Steering Committee, comprised of senior executives from across ZIM departments and countries, meets quarterly to oversee the formulation and implementation of ESG policies and strategies across business units. In 2023, we held a comprehensive ESG tutorial for all our teams to raise awareness of our ESG program and encourage broad participation in our ESG activities.

The US Securities and Exchange Commission (SEC), for example, recently published new climate disclosure rules that require public companies to disclose ESG performance in their financial reports. This will include climate risk analysis incorporated into company risks, and reporting of verified Scope 1&2 emissions. The International Maritime Organization (IMO), a specialized agency of the United Nations responsible for regulating shipping, will also require increased transparency and real time monitoring of greenhouse gas (GHG) emissions data.

We have accomplished significant progress in our ESG achievements in recent years, have developed ambitious targets, and continue to work on developing our ESG program, across topic areas – people, planet, prosperity, and governance.

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ESG and Climate Management at ZIM

The EVP & COO oversees ZIM's ESG and climate related program and activities. The COO leads the ESG Steering Committee, which is responsible for the formulation and implementation of ZIM's ESG policies and strategies, as well as preparation for upcoming regulations relevant to climate and ESG areas. The ESG Steering Committee, comprised of senior executives from across the company,

meets quarterly and reports to ZIM senior management. ESG issues are reported by senior management to the Board on a quarterly basis. This year, EVPs and VPs from across the company were involved in identifying and formulating our climate risks, following their participation in a workshop dedicated to the topic.

Our ESG program is administered by the ZIM ESG global unit, led by the Head of ESG and

the Global ESG Lead. The unit works closely with ZIM departments company-wide to support the implementation of ESG policies and initiatives. It also manages ZIM's external ESG partnerships, including providing responses to supplier questionnaires related to ZIM's ESG performance. The unit also participates in professional working groups, roundtables, and coalitions to support sector wide initiatives, and is responsible for

ESG training and education at ZIM. In 2023, the unit conducted workshops to ZIM salespeople worldwide to provide them with information on LNG and its benefits. In addition, the unit led the selection process for the new ESG trustees and provided them with onboarding on ESG matters. To connect all ZIM employees to ESG topics, an ESG learning module was developed and successfully completed by more than 83% of employees.



“ Guiding our company towards sustainable practices is a collective effort driven by commitment, innovation, and a shared vision of environmental stewardship and social responsibility. Our actions echo our commitment to ESG principles. Through training, engagement, and open dialogue, we are cultivating local leadership globally that is both knowledgeable and passionate about driving positive change. ”

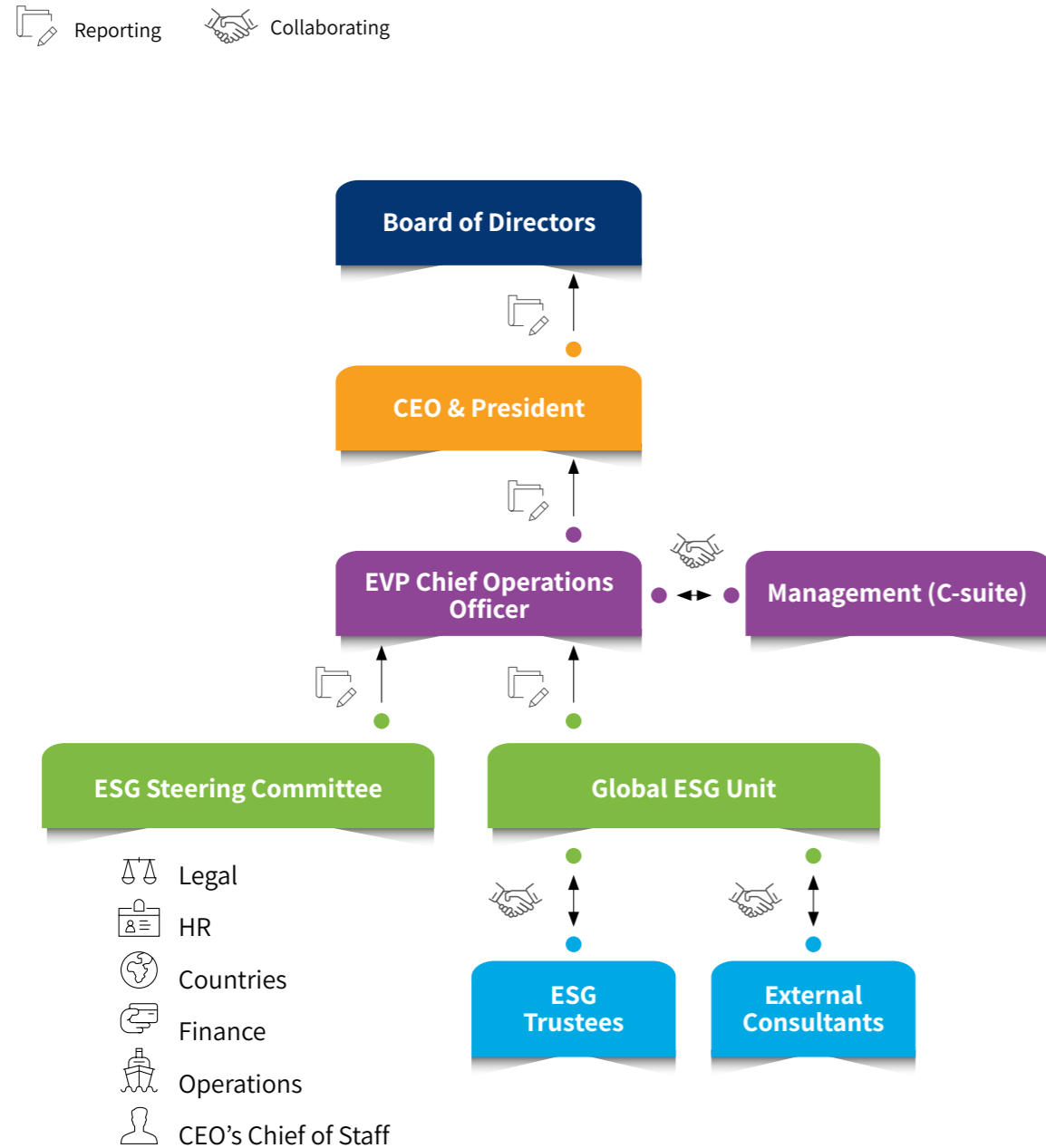
Shay Levy, Head of ESG



“ Leading sustainability and ESG efforts at ZIM means charting a course towards a reality where profit and purpose intertwine with positive impacts. It's about forging a commitment to integrate environmental, social, and governance considerations into our business decisions, shaping a landscape where sustainability is not just a goal, but a fundamental principle guiding our journey. ”

Shelly Levi-Tsur, Global ESG Lead

ZIM ESG MANAGEMENT STRUCTURE



ESG Trustees : Expanding our Global ESG Efforts

To support our expanded ESG program and focus, in 2023 we launched our new global ESG Trustee Program. This ambitious plan marks a pivotal step forward in the company's commitment to sustainability and responsible corporate practices. The cornerstone of the program lies in the engagement of an ESG trustee within every ZIM owned or joint venture (JV) agency, altogether 38 trustees. This deployment strategy ensures that ESG principles permeate throughout ZIM's operations, regardless of geographic location or organizational structure.

To streamline implementation, a careful segmentation framework was devised: fully owned and JV agencies are categorized based on the maturity of their respective countries in terms of ESG development, regulation, and

practices. This tailored approach ensures that resources are allocated efficiently, maximizing the impact of ESG initiatives in each market.

Responsibilities of the ESG Trustees are multi-faceted, reflecting the comprehensive nature of ESG considerations at ZIM, from environmental stewardship to social impact and governance practices. Already in 2024 trustees are collecting environmental data, improving energy management.

The Trustee Program signifies a bold stride forward for ZIM, signaling our commitment to embedding ESG principles into the fabric of our global operations. With official nominations slated to commence in the third quarter of 2023, ZIM is poised to chart a course towards a more sustainable and responsible future.



“ I believe we need to shoulder the important responsibility of promoting the sustainable development of the shipping industry. ”

Samuel Li

CFO & Head of Market Promotion, North China
ESG Trustee

PLANET

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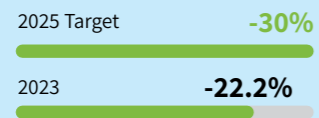
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OUR TARGETS & PROGRESS

TARGET	PROGRESS
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Emitting less CO₂

Reduce our carbon intensity (Gr CO₂/TEU KM) by **30%** by 2025, compared to the baseline year, 2021



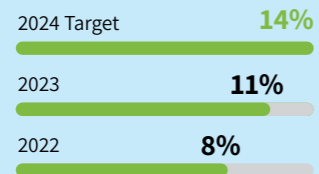
More transparent emissions

Providing our customers with an upgraded GHG emission calculating tool for sea and land shipping services

The tool will be available by 2025

Green offices

Increasing the share of renewable energy in our energy consumption (scope 2) around the world by **3%** annually, compared to a 2022 baseline



MANAGING OUR ENVIRONMENTAL IMPACT

We recognize our role as a leading global container shipping company, and we are dedicated to reducing our environmental impact.

As such, the management of our environmental impacts is one of our highest priorities, and we make every effort to protect the planet and its climate, oceans, land, and biosphere.

We continue our efforts to improve our environmental performance in both regulated and non-regulated areas. Over the past year, we focused on our path to decarbonization, including preparing for new regulations, launching our new LNG ships, and launching our Trustees program to include specific responsibilities related to improving our data collecting and identifying renewable energy opportunities.

Complying with Emission Regulations

In recognition that international shipping is a large and growing source of greenhouse gas (GHG) emissions which is responsible for ~3% of global GHG emissions, several major sectoral and regional regulations have been implemented in recent years. We are actively working to continuously comply with them, with multiple company functions involved in the process, including Operations, Finance, and Commercial. Examples of selected regulations are highlighted on the next page.



EEXI & CII Regulations

The IMO has adopted various technical and operational measures to reduce the carbon intensity of international shipping that include the **Energy Efficiency Existing Ship Index (EEXI) and the Carbon Intensity Indicator (CII)** rating scheme. They support the long-term target set in the IMO’s GHG Strategy: to reach net-zero GHG emissions by or around 2050, as well as its mid-term target of a reduction in carbon intensity of international shipping (to reduce CO₂ emissions per transport work), as an average across international shipping, **by at least 40% by 2030** compared to 2008.

Our Actions

To comply with CII measures, we have implemented a dashboard for ship data reporting and monitoring. The status of each ship is monitored and tracked, using both external as well as internally developed tools. These tools allow us to see actual data as well as perform simulations on ways in which we can improve CII ratings (such as change in sailing speed or changes in vessels deployment to different lines). For ships that are not ZIM-owned, we are in close communication with the ship owner regarding the ship’s rating status. If a ship does not meet the ratings requirements, corrective actions are made accordingly, mainly speed reduction and adjustment, and allotting the optimal ship for each route.

However, we do not need to apply speed reduction to our many new state-of-the-art ships added this year, including the ultra-efficient new LNG ships thanks to their advanced and efficient systems.

The introduction of our new build vessels in 2023 (both LNG as well as VLSFO propulsion vessels), supports these efforts as the modern and efficient design of the vessels enable us to maintain compliance with no need to restrict the vessel’s operational profile.

EU ETS

The EU ‘Fit for 55’ plan aims to reduce the EU’s total GHG emission by 55% by 2030 (compared to 1990 baseline) and reach zero emissions by the EU by 2050.

The **EU Emission Trading System (EU ETS)** is designed to enforce the regulations by creating a cap-and-trade system for carbon allowances. Through the ETS, a limited amount of emission allowances – the cap – is put on the market and can be traded. **As of 2024, all ships above 5,000 gross tonnages (GT) operating in the EU will be required to acquire and surrender emission allowances for their GHG emissions.**

Our Actions

To prepare for EU ETS, we have created a joint workforce with representatives from different units across the company to ensure ZIM’s alignment and readiness. In 2023, we performed an internal mapping process to prepare for the upcoming regulation which covered areas such as our purchasing strategy for allowances, and vessel owner reconciliation mechanisms, among others.

A second element of the “Fit for 55” scheme is the FuelEU, a regulation which aims to support the decarbonization of the shipping industry. Once in effect on January 1, 2025, it will increase the share of renewable and low-carbon fuels in the fuel mix of international maritime transport in the European Union (EU). ZIM is preparing to comply with this upcoming important regulation too.



OUR PATH TO DECARBONIZATION

We are committed to reducing emissions and achieving our **Net-Zero emissions target by 2050.**

Our net-zero agenda has been approved by the ZIM Board of Directors, and we have started to implement various steps to reach it.

During 2023 we developed, together with an internationally renowned consulting firm, a thorough and detailed climate and decarbonization plan that delineates the steps we will take to meet this target. The plan will be discussed by our management and board during 2024.



LNG AT ZIM

Our state-of-the-art LNG fueled ‘green’ ships, which joined our fleet throughout 2023, are the central pillar in our path to decarbonization. These remarkable vessels are the first of their kind on the Asia to US East Coast trade route, placing ZIM at the forefront of innovation and progress.

We chose LNG as our main path to decarbonation as it progressively meets our de-carbonization goals, and optimally aligns with our operational and commercial strategy. We consider LNG an interim solution as a pathway transition fuel, until zero carbon fuels are available at scale. At this point, LNG

is the most environmentally friendly, mature, scalable, and commercially viable alternative fuel currently available for the shipping sector. The use of LNG enables us to immediately reduce our GHG emissions at an affordable cost, instead of waiting for the development of future technologies and alternative fuels.



Our LNG Fleet Strategy

28
new
builds:



10 LNG dual-fuel vessels
deployed in 2023



18 LNG dual-fuel vessels
expected for delivery

By the end of 2024:

~20%

of ZIM's operated vessels
will be LNG-fueled

~40%

of fleet capacity (TEU)
will be LNG-fueled

Advantages of LNG Powered Ships

LNG Immediately Reduces GHG Emissions

Compared to conventional heavy marine fuels, LNG reduces GHG emissions by:

- ~ **21%** on a Well-to-Wake basis
- ~ **28%** on a Tank-to-Wake basis¹
- LNG emits virtually no Sulphur Oxides (SOx) or particulate matter (PM).
- Compared to existing heavy marine fuel oils, LNG can emit up to 95% less nitrogen oxide (NOx) emissions.
- LNG poses **no pollution risk** to marine ecosystems vs. traditional marine fuels.
- Emissions associated with the production and distribution of LNG are, on average, less than those associated with the production and distribution of diesel fuel.

Avoiding Methane Slip

One of the potential risks of using LNG is the release of methane into the atmosphere due to leaks during handling or transport, known as methane slip. This risk is primarily associated with our upstream fuel suppliers, as fugitive emissions can occur in the gas production, processing, pipeline transport, liquification, or purification stages. It can also occur while using LNG and bunkering, but this occurs less frequently.

ZIM suppliers have had significant progress reducing methane slip on a yearly basis along their supply chain. All ZIM's LNG ships have prime mover engines equipped with a high-pressure fuel system, assuring negligible methane slip and high fuel efficiency in comparison to low-pressure fuel systems used in other ships. Furthermore, our ships follow the European law regarding methane emissions.

Safety of LNG Ships

In its liquid form, natural gas is not flammable. However, if spilled, it creates a vapor cloud as the liquid rapidly reverts to a gas and mixes with oxygen. The colorless, odorless vapors can accumulate near the spill or drift over land or water, and can be ignited by heat, sparks, flames, or other sources of ignition, given the right mix of oxygen and gas.

LNG spills from ships are unlikely, due to the many safety mechanisms in place. There are extensive internal protocols to prevent LNG spills, including training exercises, inspections, and certifications. There are emergency shut-down systems to halt LNG transfers, and emergency release couplings to protect against spills if the transfer mechanism detaches. These precautions, along with regulations and safe handling methods, have proven effective in preventing LNG spills. If a spill does occur, LNG is unlikely to contaminate water or soil, as it will not have time to be absorbed before returning to gas form.

All crews have undergone training for the use of LNG, mainly focused on refueling, and officers receive a work training certificate after passing the training course.



¹ Source: [Sea LNG Organization data](#)

ZIM Pilots Green Shipping with LNG Credits

In a move towards decarbonized shipping, ZIM has been developing a decarbonization credits to clients' service, which, once available, will mark the debut of "green shipping" services in our portfolio. This initiative will offer our customers the opportunity to reduce their carbon emissions, either partially or in full, through their shipments with ZIM, and it will be available to clients once the service is fully developed.

In a large pilot program with one of our biggest customers, we provided full emissions reduction credits for their annual shipments. This accreditation process is based on the Smart Freight Centre's 'Book and Claim' model, and calculated using the Clean Cargo, GLEC methodology.

This comprehensive offering will allow customers to benefit from green, decarbonized, and credited shipping services tailored to their specific needs and environmental aspirations. This innovative approach not only empowers our customers to make environmentally conscious choices but also reinforces ZIM's commitment to driving sustainable practices within the maritime industry.

As we continue to test environmentally friendly solutions, we are proud to offer our customers the opportunity to reduce their carbon footprint and contribute to a healthier planet.



“ In 2023, Electrolux together with ZIM, successfully decreased our scope 3 emissions by leveraging LNG emissions credits. This partnership has allowed us to make tangible strides in our sustainability efforts. We value working with ZIM which emphasizes sustainability and provides solutions that contribute to enhancing our environmental performance. ”

Emissions & Energy

We continue to actively work on achieving our emissions reduction targets and improving our energy efficiency.

Our Carbon Footprint

We track Scope 1, 2, and 3 emissions according to the GHG Protocol. Climate related impacts for ships under our operational control (owned and chartered), are reported according to CCWG methodology.

We are constantly making improvements to our scope 3 data collection and calculations, by striving to receive accurate emissions data from our suppliers, instead of using spend-based estimations. Indeed, for 2023, our scope 3 data is mostly based on real emissions data from our suppliers.



Scope 1

Direct emissions from our operations and worldwide sites where we have operational control. 99% of our emissions come from fuel use in our ship fleet.



Scope 2

Indirect emissions from the generation of purchased energy in our company sites.

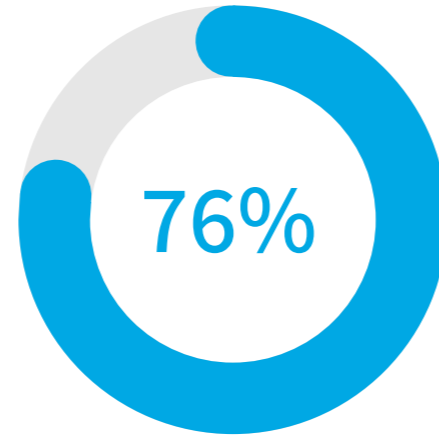


Scope 3

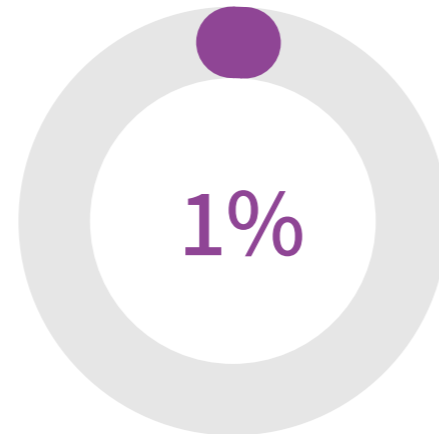
Indirect emissions that occur in our value chain, including both upstream and downstream emissions.

Total GHG Emissions (tCO₂e), 2023

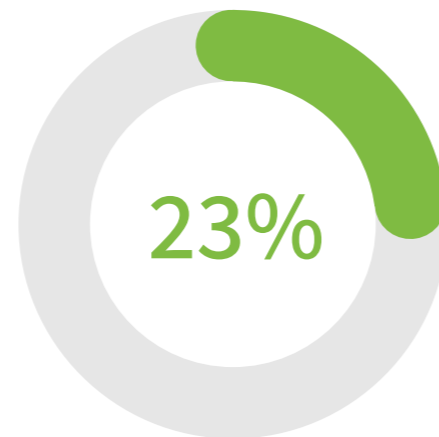
Scope 1*



Scope 2



Scope 3



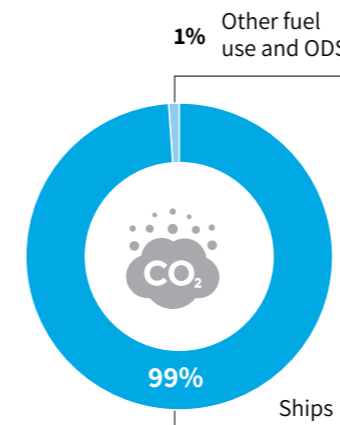
* Vessels fuel use is based on actual use from ZIM's SAP system

Scope 1



5%

reduction compared to 2022



Our total Scope 1 GHG emissions in 2023:

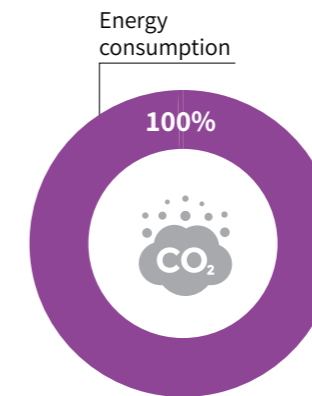
5,524,462 tCO₂e

Scope 2



26%

reduction compared to 2022



Our total Scope 2 GHG emissions in 2023:

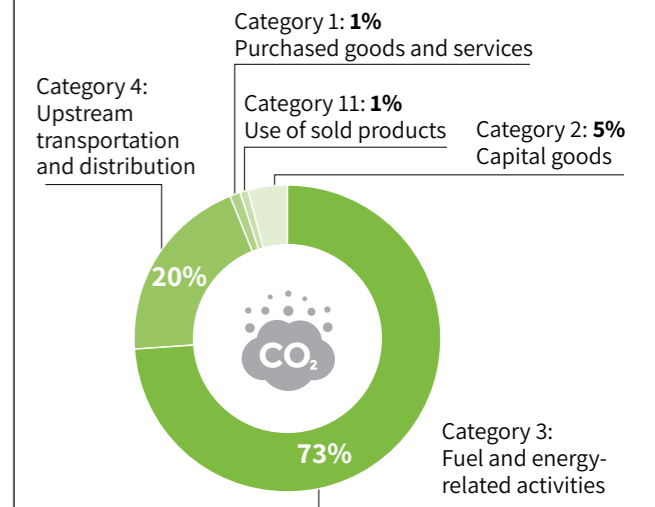
3,628 tCO₂e

Scope 3



2%

reduction compared to 2022



Our total Scope 3 GHG emissions in 2023:

1,731,322 tCO₂e

Total reduction compared to 2022: **4%**

TOTAL GHG EMISSIONS: 7,259,412 tCO₂e

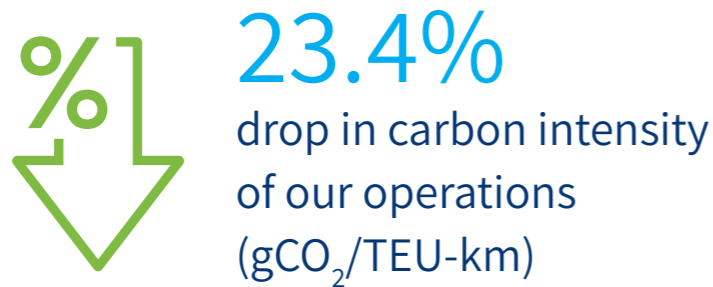
SCOPE 1 CO₂ EMISSIONS



	2020	2021	2022*	2023
CO ₂ Emissions (tons CO ₂ e)	2,931,720	4,509,751	5,805,558	5,524,462

*Emissions for 2020-2021 are according to CCWG methodology, 2022-2023 emissions are Scope 1 emissions according to the GHG Protocol methodology, as detailed above.

We measure our carbon intensity according to CCWG methodology and strive to improve the fleet's average CO₂ emissions per TEU. **Our carbon intensity value in 2023 was 63.6 (gCO₂/TEU-km), compared to 83.02 (gCO₂/TEUkm) in 2022.** This dramatic drop of 23.4% means that we emitted less GHGs for every TEU we shipped. This was due to a variety of measures we implemented.



How we did it:

- We integrated new efficient ships into our fleet to comply with EEXI.
- Our new LNG vessels significantly decrease emissions, and LNG's caloric value enables increased energy efficiency.
- We decreased vessel speed and added new vessels to routes to comply with EEXI.
- We performed hull cleaning on almost all of our older ships which improves the performance of fuel consumption by ~1.5 - 3%, to comply with CII.
- We treated ship propellers more often to comply with CII.
- We implemented data validation programs based on AI to more accurately measure fuel consumption to comply with regulations. Real-time alerts are sent to operation managers re. vessel speed and fuel consumption, so adjustments can be made as necessary.
- We used silicone paint on some ships, which improves vessel performance, thereby decreasing engine power needs and fuel consumption by ~3%.
- We manage our fleet deployment according to each vessel's operating data and capabilities.

EMMISSIONS CONTROL

In addition to our main LNG strategy, we have a range of other initiatives in place to reduce GHG emissions and air pollution.

In 2023 in Singapore, we introduced barging instead of trucking between the terminal and the operational site of one of our main customers. This not only saved costs, but also achieved a 37% reduction in GHG emissions compared to the previous. We are the second carrier in Singapore to offer this option.

All of our vessel engines comply with the NOx emission limits detailed in Regulation 13, Annex VI, of the MARPOL Convention, and we strive to reduce SOx emissions by purchasing fuel with reduced sulfur content. We use ultra-low sulfur fuels in Sulphur Emission Control Areas (SECAs), and about **90% of our fuel purchased in 2023 were fuels low in sulfur (very low sulfur fuel oil (0.5%), ultra-low sulfur fuel (0.1%) and LNG).**



FLEET AIR POLLUTION EMISSIONS

	2020	2021	2022	2023
SOx Emissions (tons)	4,506	13,337	20,825	23,815
NOx Emissions (tons)	68,136	112,255	137,529	125,768

ENERGY MANAGEMENT

We have a wide range of initiatives in place to reduce our energy use and operate more efficiently. These tools help us meet our internal environmental management and efficiency goals, as well as comply with external regulations.

Onboard our vessels, we use advanced IT tools and external services, such as WNI (WeatherRoute) for **optimized route planning**. It helps us increase ship safety, reduce fuel consumption, and lower GHG and air emissions. We also deploy **trim optimization software**, used in conjunction with a vessel's planning system software to optimize the vessel's trim and draft. This helps minimize ballast quantities, improve the vessel's performance, reduce water resistance, and reduce fuel consumption and air emissions. To increase engine efficiency, we have installed a **waste heat recovery system** in the exhaust boilers of all our vessels, as well as in the evaporator (FW generator) system. This results in fuel savings and reduced air emissions.

In 2023, we initiated a pilot to use **silicone-based paints** for our ships, which have fewer substances that are harmful to the environment, and do not contain TBT, in compliance with IMO's regulation. The paint is intended to increase ship efficiency due to less resistance and fuel used. In addition, it helps prevent biofouling, i.e., algae and mollusks attaching themselves to the hull, thereby slowing down the ship and increasing fuel consumption. Less sea life attached to ships means less maintenance required and prevents invasive species transfer between different biological areas. We are evaluating the pilot and will determine whether to use the paint in additional vessels.

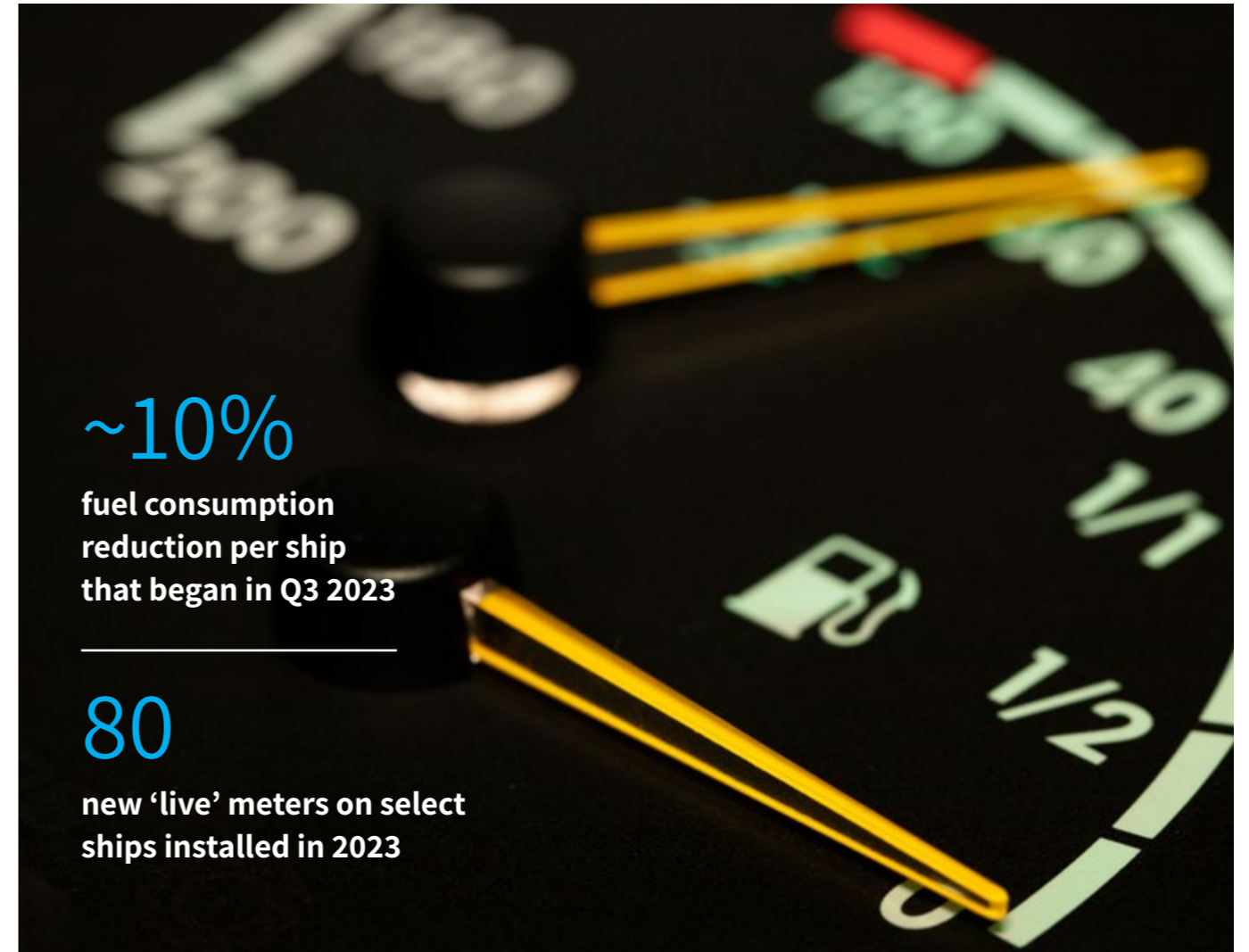
Fuel Efficiency

To reduce our overall fuel consumption, we undertake a range of measures through careful monitoring of our operational data and performance. These include optimizing port call sequences to avoid unnecessary acceleration, optimizing sea routes to avoid extreme weather conditions and thus unnecessary speed-ups, and optimizing port productivity to reduce time in port and thus avoid unnecessary high-speed sailing to the next port.

We are also working on upgrading ZIM-owned older ships through installing new propellers and changing the bow's shape. This initiative, which began in Q3 2023, helps increase the efficiency of these ships and is expected to **save ~10% fuel consumption per ship**. It will also help improve the CII rating for select ships.

To further optimize fuel consumption, in 2023 we installed **80 new 'live' meters on select ships**. These meters continuously track a ship's performance indicators, such as fuel use, and provide us with high frequency data. Measurements can be taken every half hour or every few minutes, instead of daily, allowing us to improve the ship's performance and trim optimization more effectively.

In 2023, our fuel efficiency increased compared to 2022, mostly due to our new, more efficient ships and LNG shipping. This was accomplished despite external factor such as when we needed to increase ship speeds to recover from scheduling delays in the Panama and Suez canals.



FUEL EFFICIENCY (kg/TEU*1000Nm)

	2021	2022	2023
	40.3	41.1	34.9



15%

increase in fuel efficiency from 2022 to 2023

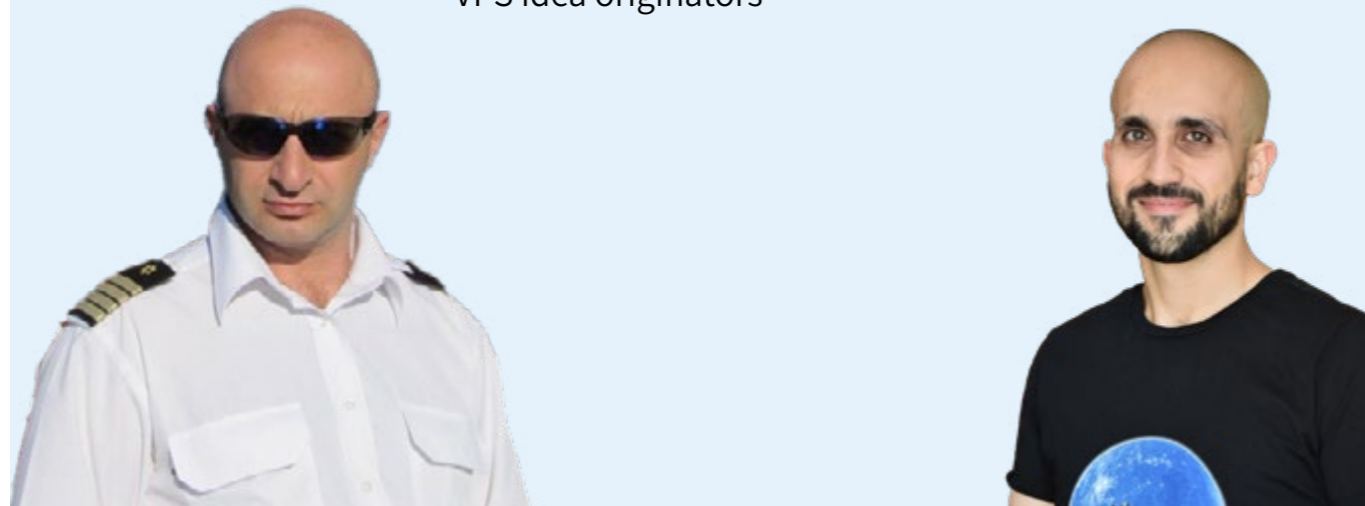
New Voyage Planning System (VPS)

In 2023 we enhanced an existing shipping lane selection system to add to it aspects that allow for fuel reduction and GHG emission reduction. The enhanced system measures, monitors, tracks, and controls the placement and routes of ships. The enhanced system asks the user for their route preference in terms of speed, fuel or GHG saving,

and then, using AI, and taking into account various aspects such as weather, ship size and type and port congestion, it simulates the routes and offers several options. This way, a user can choose the most GHG efficient route for each specific trip. This innovation won the CEO's award for innovation and creativity for 2023.

“ This new system marks a transformative shift to ZIM's approach towards energy management. By harnessing advanced data analytics, it empowers us to make informed operational decisions, optimizing fuel usage and ultimately reducing CO₂ emissions. ZIM will have a better platform to plan a reduced environmental impact while meeting regulations. ”

Captain Alexander Madliar and Armin Barkhordar
VPS idea originators



WASTE & MATERIALS

We operate a zero-spill policy and strive to eliminate all sources of marine pollution at the source. We do so by ensuring the highest standards of compliance with all relevant regulations.

We abide with all mandatory standards and treaties for the prevention of marine pollution, including:

- Flag administration
- IMO resolutions
- International Convention for the Prevention of Pollution from Ships (MARPOL)
- International Convention for the Safety of Life at Sea (SOLAS)
- International Maritime Dangerous Goods (IMDG) code
- Shipboard Oil Pollution Emergency Plan (SOPEP) regarding oil spills

Managing Waste on Ships

All of our vessels are in full compliance with obligatory MARPOL and IMO regulations regarding materials and waste treatment



WASTE FROM SHIPS (2023)

Garbage (Including ashes) (m ³)	Sludge & Oily Water (m ³)	Sewage Treated (m ³)	Garbage Disposed at Sea (m ³)	Garbage Incinerated (m ³)
7,583	67,069	22,491	3,892	5,629

To ensure proper treatment or recycling, waste on board ships is separated into different types, such as plastics, food waste, cooking oil, e-waste, etc. We continue our efforts to improve waste data collection on our ships, and vessel reports have been updated with new fields for waste data.

We had no spills or leaks to sea in 2023; however, unfortunately, we lost 5 containers that fell to the sea in 2023. No ships were sold for demolition in 2023.

Decommissioning Containers

We have a program in place to decommission containers that are no longer fit for our use. In 2023, we sold and scrapped more than 30,000 TEUs. A vast majority of these units are repurposed in some way, with most being used in local building structures, such as houses, offices, and storage facilities. A small percentage is sold for scrap or recycling.

Managing Waste & Water at Our Offices

We continue our efforts to track our waste and water consumption at our offices. Many of these offices are rental spaces, making it more challenging to gather exact waste and water data. We are working on collecting more accurate data in the future.

Managing Water on Ships

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 and is collected on board in specific tanks used for storage. Bilge liquids are collected and purified through the 'bilge separator', and sludge is collected in a dedicated tank on each vessel for disposal and treatment at a designated facility on shore, a practice which goes beyond regulatory requirements.

Water on board ships is desalinated using waste heat from the ship's engines. Approximately 20 cubic meters of water is desalinated every day on each ship. The ship staff uses about a third of this water for daily uses, such as showering, cooking, and laundry, while the remaining is used in the ship's processes, for example, engine cooling and boilers.



PROTECTING BIODIVERSITY

Each ZIM ship has a ballast water treatment system installed to prevent the transfer of species from different habitats around the world, and we conduct ballast exchanges in mid-ocean to avoid transferring marine life from one area to another.

Most of our ships utilize the UV method for this treatment; in several ships, we have installed the Purestream system for ballast water treatment. This innovative system allows the transfer of water only once it goes through the UV treatment process, unlike other systems that require the water to be transferred twice, thereby saving time and energy. We are in the process of installing the Purestream system on our new ships.

ZIM staff on ships are always on the lookout for marine wildlife that may cross our paths at sea. If a whale is spotted, the captain will decrease speed and alter the route to avoid a collision. Our staff will also report the whale sighting to the local Coast Guard or other certified authority. In the Vancouver area, we participate in Enhancing Cetacean Habitat and Observation (ECHO), a voluntary slowdown program for vessels approaching or leaving the Vancouver area, which helps prevent disturbance to the local habitat, particularly for killer whales.



CLIMATE RISK MANAGEMENT



ZIM considers climate risk management an integral part of the company's strategy, both to maintain its resiliency and also to take advantage of the business opportunities it holds. ZIM recognizes its role in encouraging and supporting its customers and business partners in the process of transitioning to a sustainable economy.

Our Commitment

At ZIM, we are dedicated to sustainability and responsible business conduct through risk management of all our domains, including the environment, a commitment that is deeply rooted in our daily operations and strategic decision-making. We understand that our journey towards sustainable growth depends on the effective management of risks and opportunities that could influence our strategic objectives. Our dedication is manifested both in reacting to events that could hinder our progress, and in proactively identifying and addressing these potential challenges to maintain resilience and ensure ZIM's growth in the years to come.

Our Approach

We firmly believe that risk management is both a strategic necessity and a driver of growth. We consider active risk management to be a vital component of our decision-making processes, a key to achieving our targets, and an integral part of our business operations.

We have implemented a system for regular monitoring and reporting, which are vital tools for us to maintain a focus on our risk management strategies. This system aids us in identifying potential challenges, adapting our strategies to changing conditions, and capitalizing on emerging opportunities.



Fundamental to our approach is the acknowledgement that risk management is an evolving practice. Aligned with this understanding, our risk management approach is neither fixed nor rigid. Instead, it adapts to the shifting landscape of risks and challenges, ensuring we stay responsive and proactive in our strategies and responses to risks.

Risk Oversight & Governance

Our risk oversight and governance are closely aligned with our core values, particularly in effectively managing risks across the entire organization. Our governance framework is clear and provides detailed information about roles and responsibilities to encourage accountability in risk management.

The Board of Directors has been entrusted with strategic oversight, while the implementation of risk management strategies is the responsibility of our management teams, particularly the CFO who also serves as the CRO and the Corporate Governance Manager. We assert this structure through regular audits and reviews to confirm compliance and effectiveness. This governance model thoughtfully demonstrates our dedication to managing risks responsibly and transparently.

Risk considerations are crucial to our decision-making process, encompassing a variety of factors like ESG risks as a whole and, more specifically, climate risks. Our ESG Unit is at the forefront of these activities, ensuring a comprehensive and centralized framework for managing our ESG and climate-related risks. We follow both regional and international rules and regulations, like those of the IMO, EU ETS, Fuel EU, CII, and EEXI. Our alignment with these standards and regulations helps us maintain our resilience among the changing challenges posed by climate change.

ZIM's Enterprise Risk Management (ERM) process, which follows the Committee of Sponsoring Organization Framework, is designed to promote visibility to the Board and governing bodies of our main risks and mitigation strategies.

Enterprise Risk Management: ZIM's strategic approach to ERM is comprehensive, and includes the identification, assessment, mitigation, and monitoring of all types of risks ranging from operational and financial to regulatory and environmental. Under the ERM framework, potential risks are identified and evaluated in terms of their impact and likelihood, guiding our strategic decision-making and helping to prevent threats to business operations.



The evaluated risks are visually aggregated into a risk matrix to ensure proactive management, which steers risk prioritization and facilitates the development of specific mitigation strategies. The inclusion of ESG risks into our ERM demonstrates our commitment to address and integrate new and rising risks and provides assurance that they are adequately addressed in alignment with our broader ESG objectives.

This comprehensive ERM framework allows us to maintain operational excellence, business continuity, and long-term sustainability, while emphasizing our firm commitment to risk management and mitigation.

Our Performance

Throughout 2023, we have made further progress to our climate risk mapping process by validating our climate risk assessment and promoting qualitative climate scenario analyses, thus laying the groundwork for future quantitative climate scenario analyses and risk quantification. In addition, we have strengthened our collaboration with suppliers and implemented significant improvements in data collection and reporting for GHG emission scopes 1, 2, and 3. This process also included the establishment of internal controls to ensure the integrity of our data collection processes for the measurement of scopes 1 and 2, in terms of completeness and accuracy of the data.

Building on the significant progress that ZIM made in managing its climate-related performance in 2023, the company is aware of the ongoing need to look deeper into a variety of possible risks and opportunities.

Risks, Opportunities and ZIM's Response to them

In the changing world of environmental challenges, ZIM maintains an ahead-of-the-curve approach that promotes not just adjusting, but a proactive response to these challenges and opportunities. As part of this proactive response, ZIM carries out risk assessments, implementation of internal controls on the GHG emissions measurements, gap analysis, and scenario analysis. Adapting to these changes is a reflection of ZIM's commitment to a sustainable future and its position as an environmentally responsible organization.

The evaluated risks are visually aggregated into a risk matrix to ensure proactive management, which steers risk prioritization and facilitates the development of specific mitigation strategies.



To illustrate the climate change related uncertainties surrounding ZIM’s markets and business operations, ZIM identified 5 key climate risks in the climate risk assessment.



1. Changes in Water Levels

ZIM’s global operations are already being affected by changes in sea levels at strategic locations, such as the Panama Canal. These climate-induced fluctuations, which are currently disrupting shipping trade lines, have the potential to pose challenges to the company’s profitability and reputation. As these disruptions are expected to intensify in the coming years, they represent considerable risks to ZIM, making climate change an increasingly major concern.

ZIM’s response:

In response, ZIM deploys its fleet strategically, considering suitable ship sizes for each route and potential water level changes, and actively seeking and using alternative routes to the Panama Canal. Moreover, ZIM invests in proactive measures,

enhances its systems, ensures suitable facilities, and maintains insurance. Through adaptive route management and innovative solutions, such as strategic unloading of goods for subsequent land transport, or adjustments to sailing speed in order to reduce waiting times for transit, ZIM is committed to dealing with this risk.

ZIM harnesses these climate-induced shifts as opportunities to discover efficient shipping routes and to cultivate climate-resilient operations, thus fostering growth through eco-conscious business practices.



2. Existing or Emerging Regulations

ZIM operates in a heavily regulated maritime industry and is exposed to a growing number of climate-related regulations established not only by the International Maritime Organization (IMO) but also by other regulatory bodies, both international and local. With the climate regulations expected to expand in the coming years, changes in these rules could directly affect ZIM’s operations and financial standing. Non-compliance carries risks of large fines, potential legal liabilities, reputational damage, and lost business opportunities, which may significantly harm ZIM’s growth trajectory and integral stakeholder relations.

ZIM’s response:

ZIM takes a proactive role, by both closely tracking changes to policy and taking an active and leadership part in industry committees. This active involvement helps us understand and support evolving regulations, places us at the regulatory forefront,

and reduces non-compliance risk while optimizing operational effectiveness.

We utilize technological advancements, such as, routing, efficiency and weather platforms to measure and analyze our operational performance in order to meet and exceed latest regulatory standards, remaining resilient in a heavily regulated maritime industry, and thus protecting our agencies, businesses, and bottom line.

ZIM actively anticipates future regulations and is already striving to act beyond compliance on these anticipated issues, thereby demonstrating readiness. This proactive approach to potential regulatory risks not only presents them as challenges but also as opportunities. Rigorous compliance with both current and future anticipated regulations showcase ZIM as a responsible maritime player, that encourages new collaborations, attracts investments, and strengthens stakeholder trust.

CARBON INTENSITY INDICATOR (CII RATING)

IMPROVING THE OPERATIONAL PERFORMANCE OF EXISTING SHIPS



<p>Each year, ships of 5,000 gross tonnage and above collect and report fuel consumption data. On the basis of this data, A CARBON INTENSITY RATING IS ASSIGNED TO THE SHIP, FROM A TO E</p>	<p>There are a variety of operational means to IMPROVE THE CARBON INTENSITY OF EXISTING SHIPS and achieve the Required CII, e.g.:</p> <ul style="list-style-type: none"> • Ship speed optimization • Weather routing • Just-in-time arrival • Trim, draft, and ballast optimization
<p>Poorly rated ships have to implement A PLAN OF CORRECTIVE ACTIONS, and the company is regularly audited incentives may be provided to best rated (A/B) ships</p>	<p>The requirements for CII rating ENTERED INTO EFFECT on 1 January 2023</p>

<https://www.imo.org/en/MediaCentre/HotTopics/Pages/EEI-CII-FAQ.aspx>

3. IMO Carbon Intensity Index (CII)

The IMO's Carbon Intensity Index (CII) poses a considerable risk to ZIM. It measures a ship's energy efficiency by measuring grams of CO2 emitted per cargo-carrying capacity and nautical mile. It sets strict carbon emission levels for vessels, which if not met, could lead to substantial penalties and consequently, vessel speed and routing restrictions, and reputational damage.

Due to the fact that the responsibility of this regulation is assigned to the vessel owner, non-compliance can affect the business relations with the vessel owner and can result in fines and increase in charter rates.

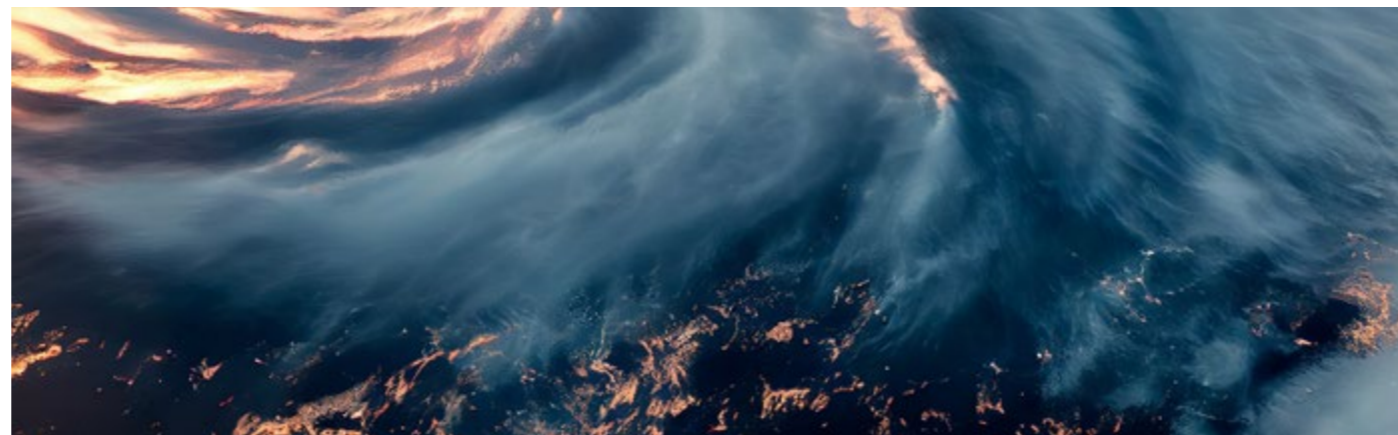
ZIM's response:

ZIM proactively addresses this risk by modernizing its fleet with 46 new vessels delivered and to be delivered in 2023-2024. By the end of 2024 we will have a fleet that is more modern and efficient, therefore enabling us to comply with developing regulation. We have instituted two internal real-time GHG emissions monitoring systems, complemented by an external system, to validate our commitment

to sustainability and to reliable adherence to international standards.

As this regulation assigns the responsibility on the vessel owners, a direct dialog and mitigation streamline was created in order to adhere promptly and relevantly to every deviation will raise.

Strict adherence to the CII not only minimizes risks but yields opportunities. It enhances ZIM's financial performance via lower fuel costs, reduces environmental impact and strengthens our reputation as a leading sustainable player in the shipping industry.



4. Weather Events

ZIM is increasingly exposed to climate-induced risks from extreme weather events such as storms and droughts, which are already increasingly common due to climate change. These unpredictable events can cause damage to cargo and equipment, and possibly also put human lives at risk. They can disrupt operations, cause delays in supply chains, and increase operational costs. Changing conditions may also necessitate route alterations, resulting in financial losses, and add complexities to risk management due to climate change uncertainties.

ZIM's response:

ZIM has adopted adaptive strategies to mitigate weather-related risks, that include quick modifications in shipping routes and quick responses to emerging weather events. We have increased investments in predictive tools and advanced weather monitoring systems for precautionary action. Emphasis is put on proper cargo handling and management, reducing possible damages during extreme weather events. Moreover, ZIM collaborates with maritime sector insurance clubs, working on industry-wide solutions that will aptly compensate it in case of losses.

As weather patterns evolve, ZIM foresee potential advantages by strategic alteration of shipping paths, leading to improved efficiencies, reduced journey times, and decreased emissions.



5. Inaccurate GHG Emissions Management

The accurate collection and measurement of greenhouse gas (GHG) emissions presents a challenge. As attention on environmental sustainability intensifies and forthcoming regulations, such as the EU ETS, are to be implemented, inaccuracies in emissions measurements could lead to financial penalties, jeopardized partnerships, and potentially compromise our license to operate. This risk demands rigorous scrutiny and an unwavering commitment to transparency in our measurement processes.

ZIM's response:

In response to these risks, ZIM has intensified its efforts in accurate data collection and reporting well beyond regulatory standards, local ESG trustees had been nominated and trained and computerized systems have been adjusted to assist in accurate data collection. To ensure the precision of our GHG emissions figures covering scopes 1 and 2, internal controls were put in place in 2023. These controls, which reinforce our firm-wide stringent governance, are aimed at assuring the completeness and accuracy of our data collection process.

PEOPLE

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OUR TARGETS & PROGRESS

TARGET PROGRESS

Internal upward mobility



Voluntary attrition



Effective Employee training

At least **85%** of the responses should be graded 9/10 or more to the question following a training “was the training relevant to your daily work”.

NEW TARGET



OUR EMPLOYEES

Powering the way forward, together.

At ZIM, we have thousands of employees from all over the world who each make a meaningful contribution to our can-do, results-driven culture. We value every individual and recognize that we are many and diverse, yet act as one ZIM team. We place the

highest priority on the health, safety and wellbeing of employees at sea and onshore, and value a diverse, inclusive workplace that supports every individual's professional and personal development.

4,778
onshore employees

145
seagoing staff

93
locations



We are committed to creating a positive work environment for all our employees and are proud of the recognition we've received around the world.



#1
out of 100 Services companies in Israel for **Excellence and Business Leadership** by BDI Code



Great Place to Work certified (Canada & UK)



#19
out of 100 **best companies to work for** in Israel by BDI Code



9th place
LinkedIn Top Companies, Israel 2023



One of HR Asia Best Companies to Work for 2023
Hong Kong region



China Top Human Resources Management Awards
to ZIM China and ZIM Logistics China by 51Job, China's leading job board



Top 100 Influencers
in the Shipping Industry
Eli Glickman, ZIM President & CEO included in the Lloyd's list for the 4th consecutive year



ZIM'S EMPLOYEES* WORLDWIDE

	2022			2023		
	Women	Men	Total	Women	Men	Total
Total	2,536	2,294	4,830	2,490	2,272	4,778

*Not including contractors

In 2023, we maintained a similar number of employees, with approximately the same turnover rate, and 99% of our employees are employed full-time.



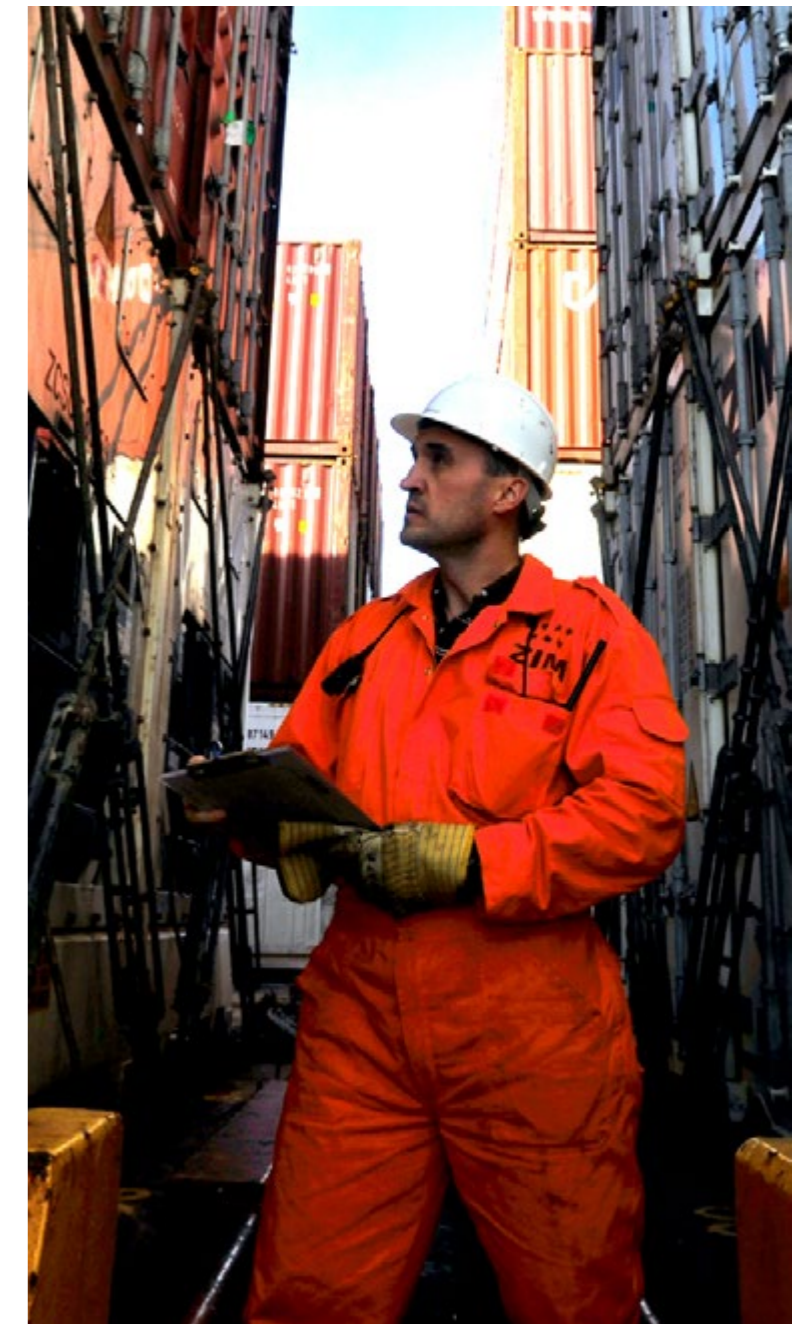
ENSURING SAFETY

We are committed to a culture of safety, both at sea and onshore, and have implemented a variety of safety measures and policies across the organization.

At Sea

We recognize that our on-ship workers operate in a hazardous filled, high-risk environment. Our ships sail across the seas in all types of weather, throughout the entire year. A ship can potentially be a dangerous place to work, and we take all precautions and measures possible to ensure the physical safety of our crews and vessels. ZIM's safety procedures apply to ZIM-owned ships and ZIM seafaring employees, as well as third party suppliers who board our ships, such as stevedores and seaport pilots. Regular safety briefings are conducted for employees onboard and onshore, including training on health and safety issues, and anti-harassment and bullying policies. Training is provided in person and through e-learning modules. Ship crew members are encouraged to report safety hazards through a designated web platform.

In addition to internal health and safety policies, we comply with all mandatory requirements, flag, and international regulations, including the SOLAS Convention for Safety of Life at Sea. We have an extensive safety program in place to ensure that our employees are knowledgeable and trained on the latest safety procedures and guidelines. Emphasis is placed on marine safety, safe working practices, and the protection of the marine environment, with the target of zero accidents or incidents. We have an internal Safety Management System (SMS) in place compliant with ISM code, which is continuously updated and enforced by ship captains and officers. The system includes standard safety checklists, work hazard notifications, and procedures for reporting



and handling of safety incidents. All safety incidents are tracked internally, with an investigation carried out as needed by a ZIM marine department manager. When necessary, safety alerts and investigative reports with recommendations for preventing recurrences are shared with all fleet vessels.

In addition to our internal safety system, we comply with all relevant regulations related to safety at sea, including International Safety Management (ISM) and Maritime Labour Convention (MLC) regulations, and the International Convention for the Safety of Life at Sea (SOLAS) from the International Maritime Organization (IMO). Internal and external audits are conducted annually on ships and in the technical, crew, and marine departments to ensure we follow the proper regulations, with any incidents or non-conformity events are reported. Audits cover a wide range of topics, including safe mooring, watertight integrity, fault-isolation of fire detection systems, smoking policy, lifesaving appliances, and more. In 2023, approximately 8 internal safety audits

were conducted. We also updated our procedures regarding identifying and reporting ‘near misses’.

Every ship has a designated marine manager onboard responsible for safety at sea, and safety inspections are conducted annually on each ship. Crew members are encouraged to report any safety issues or complaints to the captain, who communicates with headquarters as necessary. Once a year we review our management approach to safety, with updates implemented as necessary.

To ensure employees’ health needs are taken care of at sea, we have a 24/7 medical consultation service available via video. In addition, all deck officers are trained in first aid. In 2023, we only had 5 accidents at sea in which a day’s work was lost and our Long Term Injury.

Ratio at sea was 1.1, a decline from last year (1.34).* We also had no fatal accidents or work related ill health cases.



*LTIR is calculated as the ratio of accidents that caused the employee to miss at least one day of work, times 200,000, according to OSHA guidelines, divided by the overall number of hours worked on ZIM owned ships in 2023.



On Land

In recognition of the importance of providing a safe work environment for all our employees at sea and on land, in 2023 we determined to obtain the certification for ISO 45001, an international standard that specifies requirements for an occupational health and safety (OH&S) management system. It provides a detailed framework to manage risks and improve OH&S performance through a ‘Plan-Do-Check-Act’ methodology. The certification covers ZIM headquarters and references ZIM agencies around the world, wholly or partially owned as subcontractors.

As part of the certification, we implemented a new safety management system, developed new safety policies and procedures, and identified safety indicators to be tracked. The safety procedures were developed in consultation with an external safety expert, and safety management is overseen by an internal safety manager, the ESG unit, and four newly appointed safety trustees. The safety committee meets 8 times a year to review the program, oversee work procedures, identify safety gaps and risks, and investigate any incidents. To monitor compliance, we have instituted internal and external audits that

also identify performance areas for improvement and a monthly checklist for regular tracking. At any time, employees can report potential or existing work hazards via a designated email or a form on the company portal.

Safety training is provided to all employees once a year and they must complete a safety module. Safety committee members receive additional training on electrical hazards and safety representatives in designated locations receive additional training. In 2023, 85% of employees in Israel completed training in office safety. Training topics include safety procedures and instructions, emergency preparedness, equipment inspection, how to report an incident, and more. Fire safety was identified as a work-related hazard that poses a risk of high consequence injury, and our training materials include a designated section on fire safety at work.

With our new safety management system in place, we hope to extend our heightened culture of safety at sea to our operations on land and provide a safer, more secure work environment for all our employees. In 2023, there were zero occupational injuries or accidents on land due to safety hazards.

EMPLOYEE HEALTH & WELLBEING

We are dedicated to the health and wellness of our employees, and provide extensive benefits and programs to foster a supportive employee experience.

Social Benefits

We provide a wide range of benefits to employees according to local labor laws and acceptable practices in the countries where we operate. This includes health and dental coverage, parental leave, sick leave, retirement provisions, stock ownership, and more. Medical and healthcare services for employees are provided according to local law, and ZIM provides additional contributions to supplement governmental health services with private insurance in select locations. In Israel, part-time employees are eligible for sick leave and reimbursement of expenses, in accordance with the percentage of their employment status.

Parental leave

We encourage all are employees who have a baby, men or women, to go on parental leave and provide them with the time granted to them by local laws. We welcome them once they are ready to come back and so our return-to-work ratio is 90%. We also support flexible work terms for parents once they return from parental leave and thus their rate of retention a year after returning to work is also above 90%.

Pension and retirement plans are in place according to local labor practices. Generally, pension contributions are part of the social costs in an employee's salary, provided by ZIM according to local employment law. In EEMA, there is no private ZIM pension or retirement plan in place, and in select locations, disability coverage is provided through the pension funds. To support smart financial planning, we provide training seminars on pension funds and savings for our HQ employees.



We continue to offer hybrid work options for relevant employees, as well as opportunities for additional activities and benefits, such as company events, family days, and vouchers to local attractions.

Parental leave data	women	men	Total
Total number of employees that took parental leave	83	4	87
Number of employees that were due to return to work in 2023 after parental leave ended	40	2	42
Number of employees that actually returned from parental leave in 2023	36	2	38
Number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	39	2	41
Return to work rate	90%	100%	98%
Retention rate	98%	100%	98%

Promoting a Healthy Lifestyle



To support wellness for employees across the world, in 2023 we partnered with **Health360** to offer a wellness commitment app that employees can use on their mobile phones. With the app, individuals can access healthy living webinars and articles, get workout suggestions, and receive incentives for annual medical checkups. In addition, the app provides us with another channel to share info about company-wide health initiatives. In 2023, for example, we held a **World Stride Walking Challenge**, where employees won prizes for reaching the goal of 10,000 steps a day. We also held a **Slimdown Showdown Wellness Challenge** that supported weight loss through specific activities and educational material to support healthier food choices.

In addition to these companywide initiatives, health and wellness activities were held throughout the year at various locations. **ZIM Latin America** held a 90-day

Healthy Living Challenge to encourage employees to engage in various fitness activities together, and the challenge was concluded with a 5k run. At **ZIM Norfolk**, we partnered with local nurses to offer flu and COVID vaccinations onsite and arranged for a mobile mammogram bus to visit the office. At **ZIM Israel**, we held a seminar devoted to women's health and 70 employees participated at various races at the annual Tel Aviv marathon, and at **ZIM Brazil**, 37 employees participated in the annual 10k race in Santos City, Sao Paulo. At **ZIM Vietnam**, employees ran a 5k, which not only encouraged beginners to join their first race, but also built team spirit.

Occupational Health

Employees over the age of 45 are entitled to periodic medical examinations covered by the company, if they are covered by a collective agreement. In addition, after a lengthy sick leave, employees are referred to an occupational doctor to confirm their ability to return to work.

Employees' personal health-related data is kept private according to law, including GDPR regulations in Europe. We do not ask for or keep employee health information. Any confidential information held in paper records is locked and accessible only to relevant HR staff, and we conform with all local laws regarding data privacy for workers' personal health-related information. In addition, ZIM has internal policies that ensure private information is handled on a need-to-know basis and will never be used to discriminate against any employee. Participation in special programs is known only to relevant HR staff.



LABOR RIGHTS

We are committed to upholding the labor rights of our employees. ZIM is compliant with all labor laws in the locations in which we operate, and we support the value of a fair and equitable work environment.

We provide employees with equitable employment terms, pay fair remuneration that is based on the employee's experience, and provide social benefits according to local regulations. In 2023, we shared our success in the previous year with eligible employees through bonuses and raises.

There are collective bargaining agreements in place in select countries where we operate. In Africa, most employees are covered under a collective bargaining agreement and at our head office in Israel, 89% of employees are under such an agreement. In countries where there are no collective agreements in place, local labor laws are applied.



INCLUSIVE WORKPLACE

We believe a diverse, inclusive workplace is a key component for creating an innovative, creative environment at work.

At ZIM we value the experience, skills, and knowledge that each of our employees brings to work. We recognize that diversity fosters creativity, allows us to better meet the needs of our customers around the world, and improves business results. ZIM's diverse workplace includes people of different ages, nationalities, religions, ethnicity, sexual identity, abilities, and more.

Our diversity efforts focus on current and future employees and are overseen by ZIM regional HR managers. The ZIM Global Diversity & Inclusion (DEI) policy supports our commitment to diversity and inclusion in organizational practices, procedures, and behaviors. We aim to build a culture of inclusion through increased self-awareness, education, and ongoing dialogue with employees across the organization. To support these efforts, we provide diversity training to employees and monitor gender diversity across the company annually.

ZIM HR and recruitment departments participate in a variety of activities to promote diverse hiring. Specifically, at our HQ in Israel we are working with NGOs that promote the employment of veterans and of Israeli Arabs; we participate in employers' conferences from the Arab community; and we conduct interview training sessions for minority groups, including older candidates and recent immigrants to Israel.

To further expand our talent pipeline with a focus on diversity, in 2023 we initiated a program to increase hiring of people with disabilities. While disabilities are defined differently in each country, we focused our efforts on a global scale and conducted diversity training for our recruiters, HR team, and select managers. Training included a review of local labor

38%

women managers worldwide

31 out of **39**

country managers are local nationals



laws, understanding common types of disabilities, and the advantages of recruiting and employing individuals with disabilities. Through the program, we identified potential positions and partnered with local nonprofit organizations and municipalities in Israel to conduct outreach, identify qualified professionals with disabilities, and post job listings in various forums. This move was accompanied by training sessions for managers employing people with disabilities, in an effort to create a welcoming work environment for all.

In accordance with Israel law, we report the wage differences between women and men annually. For this analysis we divide employees into groups so that we measure comparable positions, and our analysis shows that in some groups men's wages are higher but in some groups women's positions are higher. Furthermore, differences that do exist are mainly attributed to tenure at the company or seniority of positions. There is no difference in wages between men and women in the first year of employment.

ZIM EMPLOYEES

At the end of 2023 we employed 6,607 people, including ZIM employees and contractors. Of those, 6,462 were onshore and 145 were seafarers; 4,778 were full-time employees and 1,684 were contractors. Employees are located across 39 countries, with 860 in Israel, 1,032 in China, and 552 in the US.

ZIM EMPLOYEES BY SENIORITY, AGE AND GENDER

	Gender		Totals	
	Age	Women	Men	Total Category
Executive (C-Suite)	<30	0	0	17
	30-50	1	4	
	>50	2	10	
Senior Management	<30	2		284
	30-50	59	83	
	>50	30	110	
Middle Management	<30	11	7	676
	30-50	200	250	
	>50	69	139	
Non-managers	<30	572	299	3,801
	30-50	1183	1015	
	>50	363	369	
Total		2,492	2,286	4,778

Or Bir Ben Mocha is a booking representative at ZIM Israel who was born with a hearing impairment. She joined ZIM over four years ago, working with custom brokers and salespeople to provide the most efficient and fastest delivery to customers by providing support for any questions or requests related to exports.



“ People in the company are always happy to assist and support. In the rare instances where I need to make a phone call, one of my team members gives me 100% support. ”

In 2023, Or was awarded employee of the quarter in the booking department. As she says:

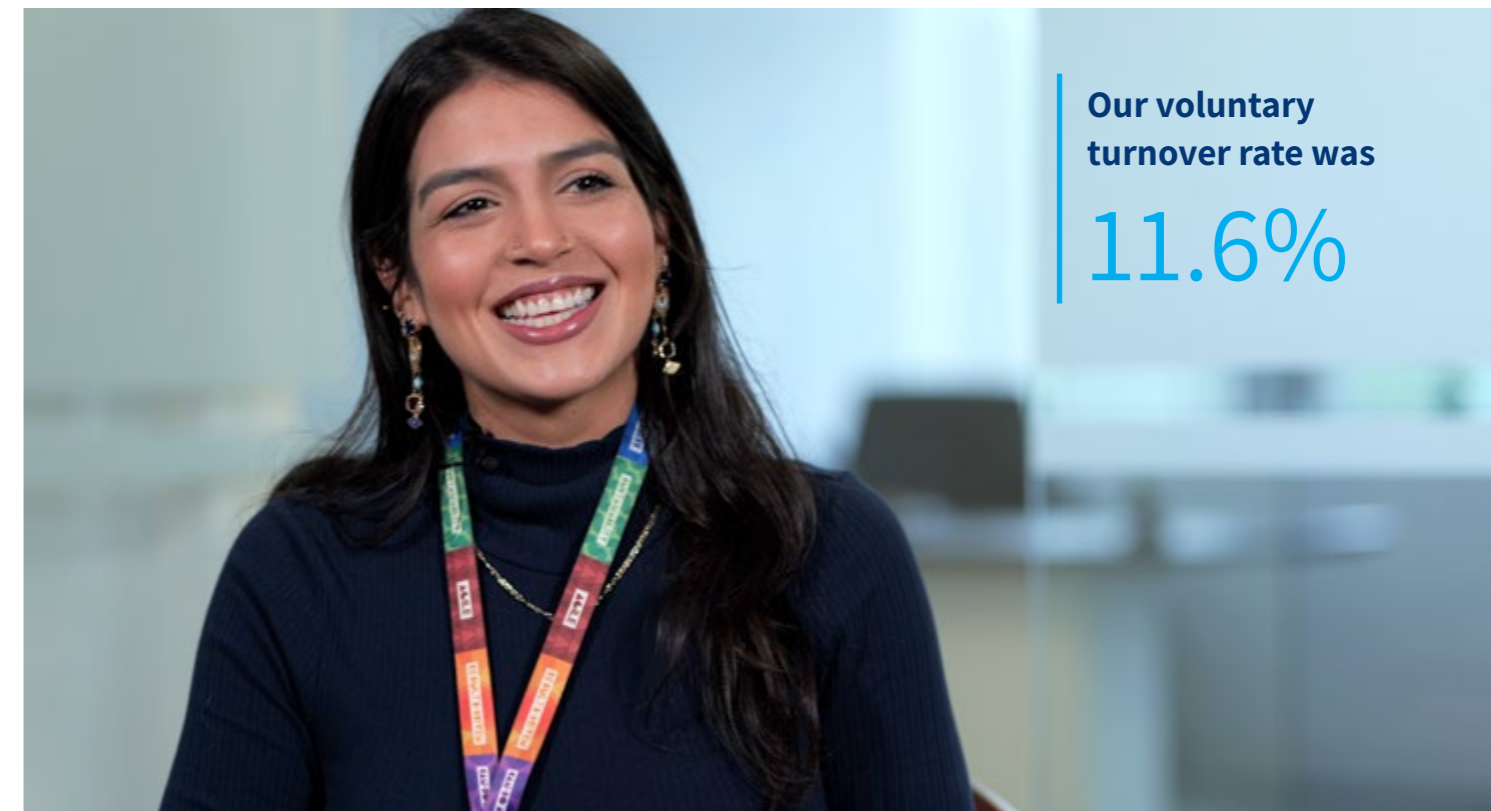
“ I always believed in my willpower and my close environment. Dedication, willpower, and consistency are things that I bring to everything I do, whether it is my studies – I have an MBA, my employment in the past, and of course, my current job at ZIM Israel. ”

The company always makes sure to bring a sign language translator for any activity – even after working hours for lectures or shows, so I get to understand and enjoy myself like everybody else. People with disabilities want to and can contribute to the company. Our success is your success. ”



ZIM EMPLOYEES BY AGE, GENDER AND NEW HIGHERS

	Age Group	New hires	Attrition (Cause of leaving: Voluntary, Retirement, Termination, Death)	Voluntary Attrition
Women	Under age 30	147	132	108
	Age 30-50	184	230	158
	Over age 50	33	65	24
	Total (Woman)	364	427	290
Men	Under age 30	120	105	87
	Age 30-50	195	232	162
	Over age 50	46	83	23
	Total (Man)	361	420	272
By Age Group	Under age 30	267	237	195
	Age 30-50	379	462	320
	Over age 50	79	148	47
	Total (all ages)	725	847	562



TRAINING & EDUCATION

Professional training and education are key components of our employee program.

We consider it part of the complete ZIM experience and dedicate significant resources to support employee professional development and career advancement. Training is provided throughout an individual's experience at ZIM, from onboarding to early career development, from management to retirement planning.

Topics covered by our training program are extensive. We provide sessions on a wide range of professional skills, including IT, language studies, Excel, and how to read financial reports. We have a program for employees to learn more about the organization and different business units, where employees present lectures to people in different business units so they can learn about their business activities, as well as strengthen collaboration opportunities. We offered a 40-hour course on the shipping for employees in Israel in 2023, designed to deepen their knowledge of the world of shipping, which was attended by 70 employees. Also in 2023, 58% of managers underwent management training.

The HR team has developed a special course focused on retirement, offered every two years. The course includes a set of sessions for employees to meet with an HR representative, a roundtable with the VP Human Resources, and financial and educational materials. In addition, there is an organized HR framework that helps employees prepare for retirement starting 6 months before they retire. In 2024, there are plans to provide the HR team with additional professional training on retirement.

In 2023, we identified several key employee segments for additional specialized training. We built custom learning and training modules for trade managers, account owners, service managers, and country team managers. Topics covered included decision-making

processes, customer interactions, and effective communication. We also conducted a course for business analysts that included a hackathon where participants built business models for comparison in different countries.

We launched a major new training initiative in 2023 to support employees' career development. The program, **ZIM Evolve**, was rolled out in Israel with plans to expand it globally. The program is designed for employees with 2-5 years of experience at ZIM and about 120 employees are expected to participate in 2024.

ZIM Evolve includes:

- **Identifying strengths** – Each participant completes a Gallop strengths assessment and meets individually with a representative from HR to review their strengths and career aspirations. Potential career paths are identified collaboratively with HR, as well as the direct manager of the employee.
- **Skills development** – A customized training plan is developed for each participant, with lectures and events scheduled throughout the year.
- **Organizational opportunities** – Participants can learn about different positions at ZIM through a new portal that maps ~90% of positions at ZIM, regardless of whether they are open or not. Each job has a detailed description, and positions are organized according to professional areas: strategic, financial, technological, commercial, operational, and HR.

To acknowledge the effort and dedication of employees in training, in 2023 we launched a new platform that provides digital certificates. Every employee who completes a training course receives a digital badge for the course they completed. Employees can share these badges on social networks or include them in their email signature.

We value open communication and feedback from employees. In 2023, our CEO conducted several roundtables with groups of 10-12 employees to listen to what's on their mind. We conduct annual reviews with employees, and in 2023, 97% of employees received feedback from their managers. This year we also added a new component to the evaluation process where employees can choose the 3 areas most important to them related to the employee experience. This adds an important component to the annual review process and provides the opportunity to focus on individual priority issues and areas for improvement.



We take great efforts to ensure our training program meets employees' needs and expectations. In 2023, 86% of employees graded our training as '4 out of 5' or higher, with the average being 4.3.

To support the ZIM values of learning and sustainability and get our employees to know more about the climate crisis, we offered employees a lecture about the topic



INNOVATION & CREATIVITY

At ZIM, we encourage innovation and creativity, and believe they play a crucial role in our business success.

We have a range of programs in place to spark and support innovation and creativity, from the ZNOVATE ideation and innovation platform to the StorytellerZ community which trains employees in creative

writing and storytelling. We held events and sessions throughout the year to spark innovation, including an AI seminar for ZIM IT led by the IT Influencers Committee (ITIC) and OD department.



CEO Award for Creative Thinking and Innovation Ambassadors



In the ever-evolving world of shipping and logistics, ZIM has positioned itself as a trailblazer by placing innovation at the heart of our operations. The annual **CEO Award for Creative Thinking** provides employees from across the world with the chance to develop new ideas and projects for implementation at the company. In 2023, there were over 133 submissions – over 3 times as many as in the previous year, representing over 10 countries. 18 finalists were identified in two categories (ideas and projects), and **6 winners** were selected.

Projects are evaluated based on innovation and creativity, potential impact, alignment with our

core values, estimated value, and collaboration between business units and countries. This year, to further foster a culture of innovation and ensure the smooth facilitation of ideas, Innovation Ambassadors were appointed from each business area to participate in the judging. The innovation ambassadors are experts in their functions and took an active role in empowering employing creativity. They spearheaded brainstorming sessions, conducted initial reviews of ideas, and approached relevant people in the organization to explore feasibility of project implementation. Ambassadors represented a wide range of business functions, including logistics, marketing, finance, IT, operations, sales, and more.

Winning projects for the ideas category included: **AI-based voyage planning system (VPS)** for more accurate line planning abilities with an AI fuel prediction model and commercial effects analysis; **shipping instructions (SI) eaZy tracker** for 24/7 independent, direct views of an SI status without having to contact a service center; and **automated booking process** for dry cargo, using an automated BOT.

Winning projects in the projects category included: **text to data AI tool**, allowing immediate quote returns to customers; **collab & collect**, using Microsoft Azure to instantly access and extract relevant information with 85% accuracy using an OCR algorithm; and **ERD repository**, a cross-departmental effort to improve and upgrade the ERD repository.



“ As an innovation ambassador, I have the chance to witness the metamorphosis of imaginative ideas into tangible reality. Harnessing cutting-edge and progressive technology in this endeavor is both exhilarating and awe-inspiring. I am proud to contribute to this transformative journey. ”

Sagit Yehezkel
Digital products Analyst
Innovation Ambassador



StorytellerZ

In 2023, we launched StorytellerZ as a global program. The purpose of the program is to inspire ZIM employees to embrace the role of storyteller and to contribute to the rich narrative of the company. Through the program, 30 employees worldwide receive training to develop their writing skills and acquire professional tools to become ZIM StorytellerZ and share our story on social media. Participants consist of employees across our global locations and various fields, including customer service, sales, logistics, HR, finance, and more.



StarZ Program

To reinforce our commitment to valuing and recognizing the contributions of our employees, the StarZ excellence program recognizes our top performing employees each year. The stars represent the top 2% of employees who consistently showcase unparalleled dedication, innovation, and excellence in their work. It is an opportunity to convey to our dedicated talent that their daily efforts are seen, acknowledged, and deeply appreciated. Employees are nominated by their managers and are selected by appointed committees.

EMPLOYEES' RIGHTS

We respect and protect employees' fundamental rights and freedoms, as outlined in the ZIM Code of Ethics.

Our business operations are consistent with the International Labor Organization's (ILO) and the United Nations Global Compact principles, and we require suppliers to comply with these principles, as well. We do not tolerate forced labor, including child labor or any other form of modern slavery, such as human trafficking. There is no child labor in any of our global locations and no one under the age of 18 is employed at our agencies.

We believe in the fundamental right of a safe work environment free from discrimination,

harassment, sexual harassment, bullying, or other unacceptable behaviors. We have a zero-tolerance policy for this type of behavior, which applies to ZIM operations at sea and on land. The ZIM Anti-Harassment policy and the ZIM Code of Ethics detail our commitment to prevent discrimination throughout the organization. There were no confirmed cases of discrimination at ZIM in 2023.

All employees must complete a sexual harassment prevention and respectful work environment module annually.

ZIM storytellerZ community



“ Learning to become a ZIM Storyteller has opened up a new talent in me, both personally and professionally. I learned how to express myself on social media and tell my stories and ZIM's. Also, through the ZIM StorytellerZ community I got to know colleagues from all over the world who share ZIM's various news and developments. ”

Nesia Bruk-Shlenkevitch
Documentation Representative,
ZIM Israel,
ZIM Storyteller



PROSPERITY & GOVERNANCE

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Innovative Logistics Solutions

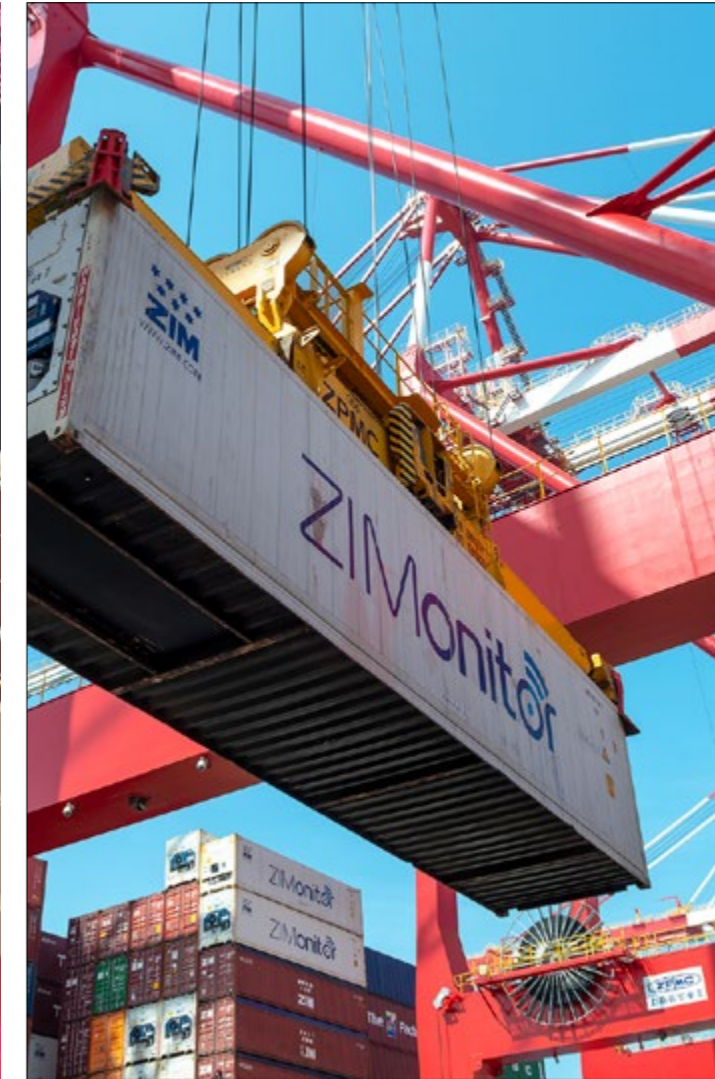
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Privacy & Cyber Security

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OUR TARGETS & PROGRESS

TARGET	PROGRESS
Ethics training	
100% of active employees trained on business ethics issues	Target 100% 2023 90%
Suppliers' ESG	
100% of suppliers accepting ZIM's supplier code of conduct	Target 100% 2023 75%
Cyber Security	
Zero successful cyberattacks and minimal interruption to business continuity in the event of a successful attack	Target 0 2023 0



POWERING GROWTH

We deliver world class services to our customers through a focused strategy, agile approach, and flexibility in responding to changing market conditions and customer needs.

Our innovative shipping vision is built upon careful analysis of data, along with a personal touch, which contributes to our 'customer first' approach. All of

this is grounded in our core values together with our commitment to responsible corporate governance practices.



We are proud of the value we generate for our stakeholders, and our prosperity is shared with the countries in which we operate through the wages and taxes we pay. For a detailed account of those and other financial highlights, see our financial report for 2023.

CODE OF ETHICS

The ZIM Code of Ethics is designed to guide ZIM employees in making business decisions and in the ethical management of our business activities. The Code is an extension of our core values and helps us attain our corporate vision.

The Code of Ethics includes information on the following topics, among others:

- Commitment to uphold and comply with the law
- Commitment to fairness in business and integrity in doing business
- Protecting company assets
- Creating an equitable and supportive work environment

The Code is available on our [website](#) and is communicated to all ZIM employees and agents. ZIM employees are required to review the Code annually.

90%

of employees reviewed the Code in 2023.



CORPORATE GOVERNANCE

We are dedicated to responsible governance principles as a reflection of our commitment to ethical business practices, as well as our compliance with relevant regulations.

The ZIM Board of Directors has adopted corporate governance guidelines that serve as a framework for how the Board and its committees operate. As per the Companies Law of Israel and our articles of association, ZIM's business is managed under the direction of our Board of Directors, and the Chief Executive Officer is responsible for day-to-day management of the company. Our Chief Executive Officer is appointed by, and serves at the discretion of, our Board of Directors. All other executive officers are appointed by the Chief Executive Officer and their terms of employment or consulting agreements are approved by the compensation committee and the Board of Directors. There are separate Chairman and CEO roles.

New Board members are selected according to professional background, skills, and knowledge of the shipping sector. In 2023, we were happy to welcome two new board members. Anita Odedre has 25 years of experience in the energy industry and is currently Senior Vice President at LNG Marketing & Trading at Tellurian Inc., as well as an independent non-executive board member of shipping company Navigator Gas, a public company. Anita completed her PhD in Rock Physics at the University College London and the University of Tokyo and has a BSc in Geology from Imperial College, University of London.

Barak Cohen is a Managing Director at Quantum Pacific (UK) LLP and a board member of Kenon Holdings and Qoros Automotive, after having served as Kenon Holding's Co-CEO in 2017- 2018. Barak holds bachelor's degree in Economics, and Accounting & Management from Tel Aviv University.

As a public company listed on the NYSE, our Board meets a range of NYSE requirements. These include certain conditions for board independence, board diversity, separate Chairman & CEO roles, and the utilization of specialized committees. Five of our nine directors are independent under NYSE rules, and two are professional directors. All others are members of additional boards but we are careful not to allow overboarding.

ZIM's board committees include the Audit Committee and Compensation Committee, and the Board and its committees convene at least once a quarter, with members receiving updates as needed.

Currently, there is no dedicated ESG committee at the Board level. We believe that ESG is a fundamental issue for our company, and so the entire Board of Directors should be involved with ESG issues and decisions. As such, the Board receives regular updates on ESG topics from senior management, with risks, including climate risks, discussed by the Board on a quarterly basis. Furthermore, the Board receives frequent updates from the CEO and COO on a range of issues, including LNG developments, news on regulations related to fleet management and greenhouse gas emissions, and other ESG topics. In addition, in December 2023, the COO gave an ESG presentation to the Board, reviewing 2023 highlights and presenting a detailed ESG workplan for 2024.

Members of the Board receive communications related to ZIM's anti-corruption policies, and each year they are presented with the results of our annual risk assessment related to corruption. In addition, Board members are sent questionnaires once a year

to report any potential risks of noncompliance with our corporate governance rules.

More information on the Board, its committees, and remuneration guidelines can be found in the [ZIM 2023 Annual Report](#).

Anti-corruption

We strive to act honorably in all our business doings and comply with relevant anti-bribery and anti-corruption regulations in all countries where we operate. Recognizing that we operate within a sector with a high risk of corruption, we take a zero-tolerance approach to bribery or corruption. To ensure compliance, once a year, an audit is conducted related to assess the risk of corruption in specific locations or agencies .

The ZIM [Anti-Corruption and Anti-Bribery Policy](#) is available on our website and details the conduct required by employees as they conduct business on behalf of ZIM. Training is provided on the policy to new employees, as well as to all employees on an annual basis. In 2023, 91% of employees successfully completed the training course on Anti-Bribery & Anti-Corruption.

In 2023, there were no significant corruption cases against ZIM. ZIM is currently not involved in any legal proceedings associated with bribery or corruption allegations.

ZIM does not accept money from governments and does not give political donations.

Anti-trust & Competition

We firmly uphold the principles of free and honest competition, and we believe that innovative, efficient companies will thrive in the market by providing excellent services and products at a fair price. We are committed to putting these beliefs into practice through our commitment to excellence, and we adhere to all laws related to anti-trust and competition.

The ZIM policy on Compliance with Global Antitrust Laws is available on our website and summarizes the fundamental principles of those laws, with the aim to assist employees in recognizing potential antitrust issues and guidance for how to proceed in such situations. We have been, and from time to time are, subject to investigations and party to legal proceedings relating to competition concerns. We believe that we have been, and continue to be, in compliance with all applicable competition laws. We also place high value, and invest substantial resources, in training and advising our employees on competition law compliance matters.

Compliance

To make sure we maintain strict compliance with all applicable laws and regulations across our business operations, as well as to identify any potential areas of violation, we have an extensive compliance program in place on antitrust and antibribery led by our legal unit. In addition, we engage with external auditors and conduct surveys as part of our risk assessment process. Separately, we also conduct internal audits and reviews throughout the year by the internal auditor.

We have extensive policies in place to guide our employees in compliance with regulations and to detail expected business conduct and all employees must successfully complete a learning module on the subject. In addition to the [Anti-Corruption and Anti-Bribery Policy](#) and [Compliance with Global Antitrust Laws](#) policies described above, we have a range of other policies, including the [Insider Trading Policy](#), and [Regulation Fair Disclosure Policy](#). These policies are available on the ZIM website and training is provided to employees to ensure awareness and knowledge of the issues.

In 2023, there were several instances of anti-competitive behavior in Israel, the US, Turkey, and Nigeria.

All employees receive mandatory training on sexual harassment prevention and on the importance of creating a respectful work environment. Posters are displayed in our offices with contact info to report

an incident of harassment, and there is a designated company sexual harassment commissioner who deals with any issues. In 2023, approximately 95% of employees completed training on prevention of sexual harassment.

An important part of the compliance program is our efforts to foster an open, safe work environment. We know it is crucially important that employees feel safe and secure to report any suspected irregularities or improper behavior that goes against our policies or the law. To that end, we have the ZIM [Whistleblower and Internal Complaints Policy](#), which outlines how reported complaints are handled within the company. As stated in the policy, all ZIM employees with knowledge of suspected irregularities are required to report them. Furthermore, ZIM does not tolerate any form of threat, retaliation, or other action against employees who have reported a suspected irregularity in good faith.

There is a whistleblower hotline where employees and other stakeholders can anonymously report any irregularities from any location around the world via phone, email, [website](#), or mail, in addition to a drop off box at our headquarters. The company's internal auditor reviews all reports, which are shared with the Audit Committee when relevant. In 2023, 36 reports were made related to misconduct, a respectful working environment, HR practices, and recycling. Out of those, 25 were found to be justified or partially justified and were dealt with at the administrative, procedural and/or disciplinary level.

In 2023, we were not convicted of any violations of laws or regulations. At the date of publication, there is one legal action pending against the company.

Tax Policy

We comply with the various applicable local and international tax laws and tax-related obligations in the countries and territories in which we operate. Due to the complexity of tax rules, ZIM may face differences in interpretation with local tax authorities,

and it reserves the right to contest any adjustments that it considers unfounded.

Due to our global business activities, we are liable to pay taxes in many countries with differing regulatory requirements. The respective national tax laws, in conjunction with bilateral agreements to avoid double taxation, set the legal parameters. Additionally, a multilateral agreement that is part of the BEPS (Base Erosion and Profit Sharing) program of the OECD is authoritative and is the basis for country-by-country reporting.

ZIM's global tax activities are overseen and monitored by ZIM's tax department, and relevant responsibilities and reporting requirements are regulated through our internal tax guidelines. Tax risk management is an important component of ZIM's overall risk management process, and we adopt a responsible approach to tax management and control, based on documentation and internal control reports of tax processes.

ZIM supports fair and transparent company taxation. We are proud of the value we generate for all our stakeholders, and our prosperity is shared with local communities and the countries in which we operate through, among other means, taxes. Our tax strategy is guided by the principles of transparent dialogues with relevant tax authorities, strict compliance with all legal requirements, and punctual payment of corporate taxes.

In 2022, the OECD published an implementation package for Pillar Two model rules. The Pillar Two rules were introduced to ensure that large multinational enterprises (MNEs) pay a minimum level of tax on the income arising in each jurisdiction where they operate.

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which ZIM operates, and the legislation will be effective for the ZIM Group for the financial year beginning January 1, 2024.

ZIM Group is in scope of the enacted legislation and has performed an assessment of the impact of Pillar

Two on its activity. This assessment is based on the most recent tax filings, country-by-country reporting, and financial statements for the constituent entities of the ZIM Group. Based on the assessment, Pillar Two effective tax rates in most of the jurisdictions in which the ZIM Group operates are above 15%.

Procurement

As a global shipping company, we work with an extensive range of suppliers across countries, industries, and product categories. Procurement is managed on a regional level for most items, with regional procurement managers that oversee four geographic areas: the Mediterranean Sea, Europe, Asia, and America. In addition, there are designated procurement managers to oversee major product categories, such as maritime procurement which involves ships and other major categories.

Most of our non shipping related procurement is carried out through local suppliers, supporting local economies. Our shipping related suppliers, which make up the bulk of or procurement, are spread all over the world.

Fuel is our largest purchase, and fuel procurement is centralized. Currently, we mainly work with 3-4 large fuel suppliers around the world. We also work with several local fuel suppliers when possible, for operational efficiency and to support local suppliers.

Just as we are committed to honest, ethical, and fair business practices, we also expect the same from our business partners and suppliers. The [ZIM Supplier Code of Conduct](#) was introduced in 2021 and outlines our expectations and requirements for our business partners. To further support these efforts, in 2023, we introduced a **Third-Party Anti-bribery & Anti-corruption** due diligence process for large vendors and those who interact with government officials on our behalf. These suppliers must provide specific information related to their business practices to ensure they abide by our anti-bribery and corruption policy. In 2023 we have added a sustainability clause and a supplier contractual commitment to our code

of conduct, in a case the supplier has its own code, our legal team will review the code and allow the suppliers' commitment. By the end of 2023, **suppliers representing 70% of our procurement spend signed our Code of Conduct**, almost doubling last year's number.

We have started the process of creating a risk map of our supply chain, according to trade areas.

Supporting our expanded efforts for ESG management, in 2023 we also implemented a CSR/ Sustainability Self-Assessment questionnaire for select vendors. Vendors who provide us with over a certain value of good are required to fill out the questionnaire, which covers topics such as company management's involvement in CSR, working conditions and human rights, business ethics, environmental management and programs, and supplier management.

We view these efforts as an important part of our role in the sector to raise awareness and support ethical and sustainable business practices throughout the supply chain.

To uphold our standards of social and ethical business practices, security personnel employed by external security companies at ZIM locations undergo dedicated training sessions related to employee and human rights, including an annual test and reviews.



INNOVATIVE LOGISTICS SOLUTIONS

Our comprehensive logistics solutions allow us to provide our customers with tailored, quality logistic services and solutions that meet their business needs— anytime, anywhere in the world. These solutions support our vision of ‘Innovative Shipping Dedicated to You’.

We offer a wide range of digital solutions for our customers. These include myZIM, which enables easy access to personalized real-time information, including cargo status, documentation management and on the go notifications, and eZIM, designed for fast and easy online booking and shipping

instructions. The ZIM mobile app allows customers to manage their shipments on their smartphones, with features such as cargo track and trace, vessel schedules, quote requests, submit a booking form, and contact info for the right ZIM person anywhere in the world.



Concargos is a digital platform company that helps land transport companies plan container reuse, so they can avoid empty trips and operate more efficiently. The platform also helps companies reduce the carbon emissions related to their land transportation. Launched in 2022, Concargos works with 300+ truckers and companies and has helped achieve 577 empty container diversions. The platform supported over 4,500 street turns, whereby a container is used for one trip and then immediately reused for another one.

1,019,538 kg of CO₂
customer emissions saved through Concargos



REEFERS & ZIMonitor

We are at the forefront of shipping goods that require refrigeration and temperature control, such as fruit and pharmaceuticals, and a large percentage of our shipments are done in “reefers” – refrigerated containers. ZIM operates the youngest reefer fleet in the market, which has several environmental benefits.

- **Energy efficiency:** newer reefers utilize advanced refrigeration systems and insulation that require much less energy to maintain cargo at the proper temperature. They can reduce energy use by 30-40% compared to reefers manufactured 15+ years ago. This significantly lowers fuel consumption, emissions, and operating costs.
- **Refrigerant leakage:** newer reefers have fewer potential leakage points and use R134a refrigerant, which has a lower environmental impact if leaked.
- **Noise reduction:** newer reefers generate less noise pollution, which creates a better environment for operators.

ZIMonitor is an exclusive application offered by ZIM that allows our reefer customers to track, monitor, and even control their cargo’s environment in real time throughout the shipping journey. The system provides alerts related to temperature, humidity, unauthorized door openings, route deviations, and more.

31%
increase of ZIMonitor usage in 2023, compared to 2022

ZIMLog

ZIM Log (formerly known as ZIM Logistics) helps customers to effectively integrate transportation into their supply chain, handling all their freight forwarding needs by connecting cargo to destinations worldwide. Its extensive network is tailored to oversee the delivery of diverse types of freight, regardless of their unique shape or size. ZIM Log offers a full suite of products and services, including:

- Ocean freight
- Air freight
- Land transportation, including rail and trucking
- Customs brokerage
- Warehousing services
- E-commerce solutions
- Cargo insurance

As a ZIM subsidiary, ZIM Log serves as a complementary arm to provide end-to-end solutions to ZIM customers. It has over 300 employees in 9 global locations. In 2023, in recognition of its rapid growth, ZIM Log launched a new brand and vision to accurately represent its essence: agile, innovative, dedicated products and services that provide an unparalleled service experience for customers.

ZIM Log plans to continue its growth with a focus on increasing ocean and air freight volume, expanding ecommerce and special cargo services, and implementing new digital solutions for customs brokerage and insurance.



ZIMARK

ZIMARK is an advanced, state-of-the-art real time tracking solution for the logistics and supply chain industries. This ZIM & Sodyo joint venture leverages Sodyo's technology in the logistics and supply chain ecosystems, enabling smarter and more efficient logistics processes. ZIMARK is a powerful tool that enables customers to add a small marker to the asset they are tracking, with the ability to track it using a smartphone, stationary camera, or drone. All the information is instantly transmitted to the backend system, providing real-time asset control, minimized manual intervention, inventory accuracy, and improved customer service.

In 2023, we also conducted a pilot program with Millennium Logistics Services, a leading player in the logistics space. The computer vision-based solution underwent rigorous testing at Millennium's central warehouse, demonstrating its capabilities as an effective shipping control solution.

Following this successful pilot in Israel, ZIMARK is gearing up for its market entry into North America. The real-time shipping control for full pallet



warehouses assists third party logistics companies (3PLs) and logistics providers to ensure all the right pallets are shipped to the right destinations, making sure no pallets are left behind and providing an easily accessible indexed proof of load library. The warehouse solution is designed to assist customers to improve their productivity and customer service, and to boost their bottom line.

Improving Internal Process for Better Service

We take pride in offering personalized service to all our customers and have initiated several programs to help our teams deliver optimized customer service.



In 2023, we launched a new customer relationship management (CRM) system – ZRM. The platform was developed over two years, where we worked with business teams worldwide to understand their specific requirements. The cutting-edge platform was designed to answer those needs; it was rolled out in ZIM Israel in 2023 and will reach more locations in 2024.

Delivering exceptional customer experience

We take pride in our ability to deliver an exceptional customer experience to customers around the world. To better understand our customers' experience with various interfaces and to ensure we are meeting their expectations, we conduct an annual customer experience survey in partnership with Ipsos, one of the largest global market research firms.

In 2023, over 4,500 customers from 23 countries participated in the survey, the highest response rate we've seen to date. ZIM's overall offering and various customer touchpoints scored significantly higher than previous years, reflecting our dedication to delivering an excellent customer experience.

Survey highlights:

- **~90%** of customers indicated they have a strong relationship with ZIM.
- **90%** of customers stated they would recommend ZIM as a shipping carrier.
- **91%** ranked the professionalism of our sales representatives as very good or excellent.
- **8 out of 10** customers declared that the performance of our customer service representatives is very good or excellent, including a high satisfaction level from CSR's professionalism & general attitude.



PRIVACY & CYBER SECURITY

We continuously work to protect the data privacy of our employees and customers.

We are dedicated to preserving the security of our data and technology infrastructure. The ZIM Cyber Security policy outlines our guidelines and procedures, and guides employees in proper handling of data and infrastructure to ensure data privacy and security. We are compliant with all relevant privacy regulations, including GDPR and local privacy regulations, and we are ISO 27001 and 27701 certified.

We maintain an extensive information security team and our Security Operations Center operates 24/7. There is a Data Protection Officer who oversees privacy protection and GDPR compliance, and the CISO is responsible for policy and the enforcement of security controls company wide. In 2023, there were zero privacy complaints received from outside parties or regulatory bodies.

To ensure preparedness in case of a cyber-attack, in 2023 we conducted a cyber drill for ZIM in North

America. All ZIM USA units participated in the drill, with the goal to ensure business continuity in the event of a cyber-attack. Various scenarios were simulated, such as handling new bookings without functioning information systems, working across business and operational units.

The drill yielded valuable insights to guide resource allocation and identify areas for improvement. A post-drill survey was conducted to gather participants' feedback, and we analyzed the results for clarity on where to invest resources moving forward. The US team demonstrated rapid improvement over the course of the multi-day drill, attributed to the dedication of top-level management, prompt meetings to enhance inter-unit communication, and effective crisis management sessions. The drill demonstrated that ZIM is well equipped to face potential challenges in cybersecurity.



PARTNERSHIPS



In this section:

Creating Partnerships

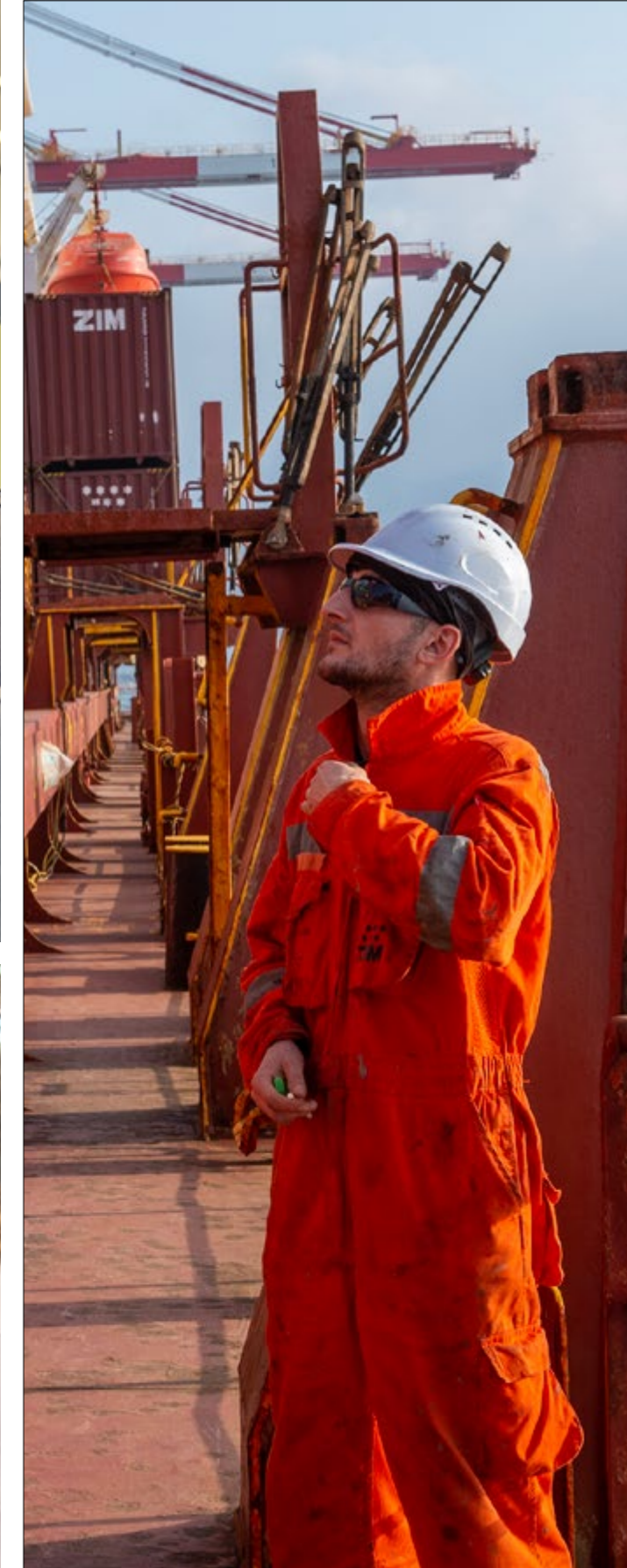
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Social Impact & Community Involvement

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OUR GOAL

To maintain ongoing innovation processes and platforms that allow ZIM to collaborate with startups and academia, test technologies and invest in them, in order to introduce new ideas, thoughts and solutions to the company.




CREATING PARTNERSHIPS


We believe creating partnerships is crucial to support our own vision and goal, as well as to advance development and improvement in the shipping sector at large. We value our cooperation with industry associations, nonprofit organizations, and other institutions to advance social and environmental change and innovation within the sector.


Memberships, Associations and Initiatives


We are dedicated to promoting sustainability and responsible business within the shipping industry, and we are members of several national and international groups working to advance these critical issues.





 **Cargo Incident Notification System**
Initiative designed to increase safety in the supply chain, reduce the number of cargo incidents onboard ships and highlight the risks caused by certain cargo or packing procedures.


 **Clean Cargo Working Group**
Dedicated to accelerating progress toward sustainability and reducing environmental impacts in the container shipping industry.

 **Digital Container Shipping Association (DCSA)**
Creates new digital standards in the maritime shipping industry to enable global collaboration, make shipping services easy to use, flexible, efficient, reliable and environmentally friendly.

 **Global Maritime Forum**
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.

 **Getting to Zero Coalition**
An alliance of more than 200 organizations in the maritime, energy, infrastructure, and finance sectors, committed to getting commercially viable deep sea zero emission vessels powered by zero emission fuels into operation by 2030, and towards full decarbonization by 2050.


 **Ma'ala**
Corporate membership organization promoting corporate social responsibility (CSR) in Israel. ZIM has been a member of the senior leadership forum since 2021.

 **Maritime Anti-Corruption Network**
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.

Achieved Platinum + in the Maala ESG Rating

Maala is a non-profit corporate membership organization that serves as the hub for ESG in Israel. The Maala ESG Rating is the most respected ESG rating in Israel, and one of the first in the world, operating since 2006.

In 2023, at the annual presentation of the Maala Index, we were awarded the highlight level of the Maala ESG Rating: Platinum Plus. The event featured leading business figures in Israel and the President of Israel, Isaac Herzog, was in attendance. ZIM

 **Sea Cargo Charter**
Provides a global framework for aligning chartering activities with responsible environmental behavior to promote international shipping's decarbonization.

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

We were also evaluated by the following organizations:



achieved a score of 97 across various ESG areas, with excellence noted in two key criteria: ESG and employment diversity.

This accomplishment is a testament to the achievements of our ESG team, the company management and all our employees who work diligently to make a difference. It also reflects our unwavering commitment to sustainability as a core value.

Partnering for Innovative Services

ZIM Ventures

Consistent with ZIM's vision to promote and nurture innovation and creativity, and by harnessing Israel's startup ecosystem, ZIM pursues investments in technologies as growth engines to support the next wave of innovation in shipping and trade.

Through ZIM Ventures, ZIM's corporate investment arm, we seek to invest in companies developing disruptive technologies in shipping and broader supply chain and logistics related sectors, as well sustainability related technologies. Our goal is to serve as home to tech pioneers, to propel innovation in the logistics ecosystem, and make it smarter and

more connected. **More recently, we expanded our focus and are currently actively engaging in assessing investment in novel technologies aimed at reducing global carbon footprint.** At ZIM Ventures, we serve as active strategic investors to help these companies develop and realize their potential, often incorporating our portfolio companies' technologies into our product offering, and simultaneously enabling our portfolio companies to test their solutions in real market situations and conditions.

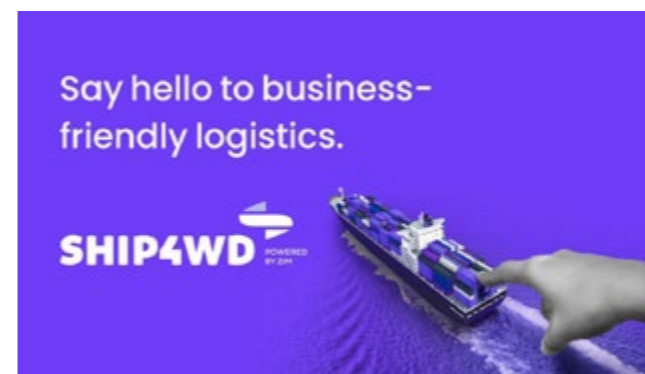


Hoopo helps businesses track and manage their logistics operations more efficiently and cost-effectively by providing real-time data and analytics for unpowered assets. Hoopo's smart tracking devices feature an innovative location intelligence technology that includes sophisticated hardware and cloud software to provide complete visibility for a range of business activities.

In 2023, ZIM decided to install the hoopoSense Solar, Hoopo's top-of-the-line tracking device, on its dry ran containers, significantly elevating our service

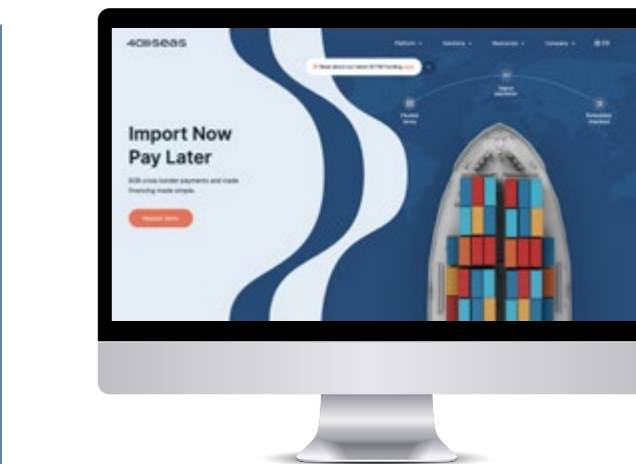


level. The Hoopo solution, specifically developed for the marine industry, ensures high reliability and durability combined with significant cost and energy efficiencies, thanks to better fleet container management and the avoidance of unnecessary container movements.



Ship4wd is a "one-stop-shop" digital freight forwarding platform that covers all aspects of the complex cross-border shipping process for small and medium-sized businesses (SMEs). Its global network provides customers with air, ocean, and land transport solutions between locations worldwide, including Asia, US, Canada, and Israel. The platform makes it easy for SMEs to find, compare, and book the best shipping for their business in just a few clicks. In 2023, Ship4wd expanded its offering to include LCL (less-than-container-load) shipping services.

In 2023, Ship4wd also received the Best Freight Forwarding Company award for SMEs in the US and Canada at the 11th Annual Global Brand Awards.



40Seas is an innovative fintech platform for cross-board trade financing. The company provides a solution that enables digital B2B payment functionality, while facilitating cross-border trade between SMEs. By leveraging AI and data-driven technology, 40Seas is able to offer flexible payment options that are primed to disrupt legacy trade-financing solutions, and extend the accessibility of working capital for SME importers, exporters, freight forwarders and sourcing agencies.

To better serve customers in its ecosystem ZIM will embed 40Seas into the freight forwarding services offered by [Ship4wd](#), targeting primarily the SME market. Through this integration, ZIM's SME customers will benefit from a digital financing solution designed to reduce operational and administrative overheads, and ease the burden of freight and inventory expenses.

Sodyo

Sodyo's next generation scanning technology creates highly functional offline to online (O2O) solutions that allows businesses to access information and understand their workflows, and enable online interaction with customers. [ZIMARK](#) is a Sodyo-ZIM joint venture dedicated to applying Sodyo's scanning technology to the logistics sector and supply chain processes.



Spinframe leverages AI to provide the automotive industry with efficient vehicle assessments across the entire value chain. The precise analytics it provides a standardized, advanced documentation solution for customers and actionable insights with unrivaled transparency. Its innovative vehicle-inspection systems produce “Digital Twins”, enabling efficient anomaly detection from assembly to end user. In addition, the system is capable of autonomously monitoring a large number of vehicles, providing a solution for vehicle documentation, identification, damage detection, and tally along the supply chain.



WaveBL is a revolutionary digital platform that mirrors the traditional process for transferring shipping paper documents and enables instant, encrypted, authenticated transfer of electronic bills of lading (eBL). The platform digitizes all trade-related documents, including bills of lading, bank guarantees, certificates of origin, bills of exchange, promissory notes, certificates of inspection, invoices, and more. It enables efficiency along the supply chain, while significantly reducing the amount of

paper used, as well as multiple courier trips, reducing the environmental impact of this process.

In 2023, The Digital Container Shipping Association (DCSA), an industry group which includes nine of the top ten carriers in the world, has set a goal for its members to issue 100% of their bills of lading digitally by 2030. ZIM was the first carrier to offer eBL to customers, starting in 2017.

Shipping Sector Activities and Recognition

We are proud of our sector collaborations and the strong bonds we maintain with our partners. The activities we conducted in 2023 and recognitions we received are a testament to our unwavering dedication, can-do approach, and our value of togetherness.

- **We hosted the International Supply Chain Management Academy (ISMA) Forum** at ZIM Israel headquarters for a full day event covering challenges in the industry, developments in supply chain sustainability, and examples of ZIM’s joint ventures.
- We held an immersive two-day **Cool Workshop** at the Port of Koper in the northern Adriatic Sea, which mainly connects central and southeast Europe with the Mediterranean Sea and Far East. At the workshop, a wide range of participants were guided through the process of working with reefers, including Pre-Trip Inspection (PTI) procedures.
- **ZIM USA** participated in the Virginia Maritime Association Symposium in Norfolk, VA, where Nissim Yochai, ZIM USA President, participated in a panel on the ‘Ocean Carrier Market Outlook.’
- **ZIM’s President and CEO, Eli Glickman** took part in an ESG roundtable event hosted by the **New York Stock Exchange** office in Israel, where he spoke about the changing sustainability landscape across the global shipping industry. The event was also attended by NYSE and Israel Stock Exchange officials and top executives from Israel’s largest investment firms.
- **ZIM Vietnam** was awarded the Top Ocean Partner of 2022 by Expeditors International, the American worldwide logistics freight forwarding company.
- **ZIM South China** was invited to attend the Global Customer Day by Guangxi Liugong Group Co. as the only shipping company with an overseas logistics strategic partnership agreement with the industry leader.



SOCIAL IMPACT & COMMUNITY ENGAGEMENT

At ZIM, we have a long history of engaging with organizations and institutions around the world to support individual and community development.

Globally, we contribute to a range of initiatives related to marine education and research, with a focus on developing the next generation of local marine professionals and advocates.

Supporting Nonprofit Organizations in 2023

We work with organizations and institutions around the world on a range of important issues relevant to ZIM, as determined by the ZIMpact, our Social Contribution Committee. We donated funds used to purchase advanced equipment for hospitals and an innovative treatment center for children using animal therapy. We also donated containers for various needs, such as an organic farm that works with people with post-traumatic stress disorder, and other institutions.

We made a donation to support the **Laboratory of Marine Ecological Environment at Qingdao University**, which conducts scientific studies on the environmental impacts of the shipping industry.

In **Jamaica**, ZIM employees renovated a play area for the Western United early childhood facility. ZIM ORF participated in a food drive for a local homeless shelter and a December toy drive for the organization Toys for Tots.

ZIM Hong Kong won the “Caring Company” award in 2023, presented by the Hong Kong Council of Social

Service in recognition of our donations and volunteer activities.

Employees from ZIM’s **Asia Regional Office** participated in the ‘Juvenile Horseshoe Crab Rearing Program’ organized by Ocean Park Conservation Foundation of Hong Kong, where participants have the opportunity to raise horseshoe crabs, track their growth, and then release them into the wild. **ZIM Singapore** teamed up with NParks to plant trees through their Plant-a-Tree program, contributing to the OneMillion Trees movement in Singapore.

At **ZIM Israel**, employees volunteered throughout the year with Leket Israel, the leading food rescue organization in Israel that focuses on rescuing healthy, surplus food and delivering it to those in need.

In addition, employees participated in a range of volunteer activities, including helping to run extracurricular activities for children at risk and painting a youth club run by the nonprofit ELEM that helps youth in distress. They also packed food donations through Pitchon-Lev, a nonprofit focused on breaking the cycle of poverty, and planted gardens at rehabilitative care centers for children with special needs. These volunteer activities were organized by ZIM to allow employees to contribute to the community on company time.

ZIM Israel also donated containers to local nonprofit organizations, including HaGal Sheli, which helps

youth develop life skills through surfing, and Technoda, a center for science and technology education in Hadera. During the holidays, ZIM donated backpacks and Chanukah gifts to a children’s home for youth at risk.

We held an Earth Day lecture on the climate crisis and organized a secondhand exchange market for the donation and ‘upcycling’ of clothes, toys, and home goods.



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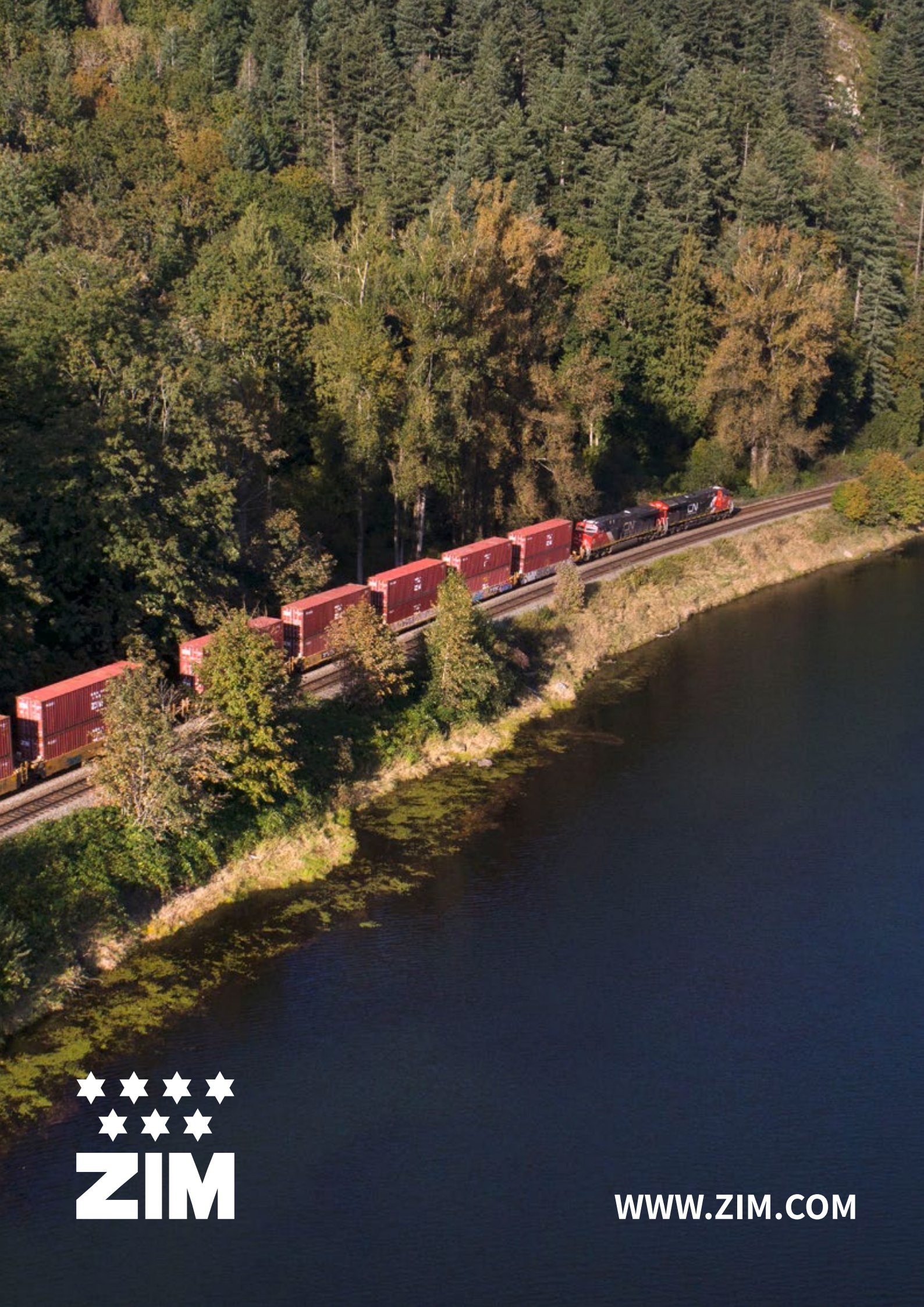
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SASB STANDARDS - MARINE TRANSPORTATION

ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE/ PAGE NUMBER
Greenhouse Gas Emissions				
Gross global Scope 1 emissions	Quantitative	Metric tons (t) CO ₂ e	TR-MT-110a.1	5,524,462
Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	“Discussion and Analysis”	n/a	TR-MT-110a.2	pg. 56-58
(1) Total energy consumed, (2) percentage heavy fuel oil, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	TR-MT-110a.3	Total energy consumed (bunkering fuel+electricity) 69,967 TJ
Average Energy Efficiency Design Index (EEDI) for new ships	Quantitative	Grams of CO ₂ per ton-nautical mile	TR-MT-110a.4	No new vessels
Air Quality				
Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (2) SO _x , and (3) particulate matter (PM ₁₀)	Quantitative	Metric tons (t)	TR-MT-120a.1	pg. 59
Ecological Impacts				
Shipping duration in marine protected areas or areas of protected conservation status	Quantitative	Number of travel days	TR-MT-160a.1	1,653 Days (time at ECA)
Percentage of fleet implementing ballast water (1) exchange and (2) treatment	Quantitative	Percentage (%)	TR-MT-160a.2	Ballast Water Exchange- 2 ships (33%) Ballast Water treatment – 4 ships (67%) For SMD vessels only
(1) Number and (2) aggregate volume of spills and releases to the environment	Quantitative	Number, Cubic meters (m ³)	TR-MT-160a.3	(1) no spills (2) 0
Employee Health & Safety				
Lost time incident rate (LTIR)	Quantitative	Rate	TR-MT-320a.1	1.1
Business Ethics				

ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE/ PAGE NUMBER
Number of calls at ports in countries that have the 20 lowest rankings in Transparency International’s Corruption Perception Index	Quantitative	Number	TR-MT-510a.1	216
Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Quantitative	Reporting currency	TR-MT-510a.2	ZIM is currently not involved in any legal proceedings associated with bribery or corruption allegations
Accident & Safety Management				
Number of marine casualties, percentage classified as very serious	Quantitative	Number, Percentage (%)	TR-MT-540a.1	11 accidents on ZIM owned ships, none very serious
Number of Conditions of Class or Recommendations	Quantitative	Number	TR-MT-540a.2	Condition of Class - 8 (SMD vessel)
Number of port state control (1) deficiencies and (2) detentions	Quantitative	Number	TR-MT-540a.3	Number of port state control – 15 Number of Deficiencies -25 detentions – 2
ACTIVITY METRIC				
Number of shipboard employees	Quantitative	Number	TR-MT-000.A	145
Total distance traveled by vessels	Quantitative	“Nautical miles (nm)”	TR-MT-000.B	11,605,799
Operating days	Quantitative	Days	TR-MT-000.C	50,502
Deadweight tonnage	Quantitative	“Thousand deadweight tons”	TR-MT-000.D	9,014,330
Number of vessels in total shipping fleet	Quantitative	Number	TR-MT-000.E	176
Number of vessel port calls	Quantitative	Number	TR-MT-000.F	9,287
Twenty-foot equivalent unit (TEU) capacity	Quantitative	TEU	TR-MT-000.G	823,451

In case of inconsistencies, inaccuracies, or conflicts between the financial content of this report and the company’s financial statements, the latter shall prevail.



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