

# ZIM Integrated Shipping Services Ltd.

## Corporate Governance Guidelines

Effective as of January 27, 2021

### 1. Size and Composition of the Board and Board Membership Criteria; Director Qualifications

The Board of Directors (the “**Board**”) of ZIM Integrated Shipping Services Ltd. (the “**Company**”) shall be responsible for nominating candidates for Board election, using, among others, the criteria set forth in these Corporate Governance Guidelines. The Board shall:

- review candidates’ qualifications for membership on the Board (including making a specific determination as to the independence of the candidate) based on the criteria approved by the Board (and taking into account the provisions of the Company's Special State Share, the enhanced independence, financial literacy and financial expertise standards that may be required under law or New York Stock Exchange rules for audit committee and compensation committee membership purposes);
- evaluate current directors for re-nomination to the Board; and
- periodically review the composition of the Board in light of the current challenges and needs of the Board and the Company, and determine whether it may be appropriate to add or remove individuals after considering issues of judgment, diversity, age, skills, background and experience.

The Board will consider not only an individual’s qualities, performance and professional responsibilities, but also the then composition of the Board and the challenges and needs of the Board at that time. The Board also will consider the impact of any change in the principal occupation of existing directors and the Board dynamics and relations.

#### Board Size

The Board intends to have not less than 7 and not more than 9 members, consistent with the Company’s Articles of Association. Although the Board considers its present size to be appropriate, it may consider expanding its size to accommodate its needs or reducing its size if the Board determines that a smaller Board would be more efficient, and to the extent required recommend such expansion or reduction to the Company's shareholders to be reflected in a proposed amendment to the Company's articles of association. The Board shall periodically review the size of the Board.

### Independence

A majority of the Board shall be comprised of directors meeting the independence requirements of the New York Stock Exchange at a minimum. The Board shall make an affirmative determination at least annually as to the independence of each director.

### Term Limits

It is the policy of the Board to avoid term limits which have the disadvantage of discontinuing the availability and contributions of directors who have developed experience with, and insight into, the Company and its needs over a period of time.

### Retirement Age

It is the policy of the Board to avoid a mandatory retirement age for directors which would have the disadvantage of discontinuing the availability and contributions of directors who are otherwise capable and valuable members of the Board.

### Simultaneous Service on Other Public Company Boards

A director must notify the Board Chairperson prior to accepting any invitation to serve on another public company board, in order for the Company to confirm the absence of any actual or potential conflict of interest or impairment of such director's ability to serve efficiently.

### Conflicts of Interest

If an actual or potential conflict of interest develops because of, among other things, a change in the business of the Company, or in a director's circumstances (for example, significant and ongoing competition between the Company and a business with which the director is affiliated), or if the director has a personal interest (within the meaning of such term in the Israeli Companies Law of 1999 (the "Companies Law")) in a proposed or existing transaction of the Company, the director must report the matter immediately (and no later than the first Board meeting in which the transaction is discussed) to the Board, including the nature of the director's personal interest and any material fact or document.

Upon such event, the director shall recuse himself or herself from participation in the discussion and shall not vote on the matter.

The Board members shall be familiar with the provisions of the Companies Law dealing with situations of a conflict of interest and personal interest of directors.

### Ordinary Share Ownership

The Company encourages directors to purchase the Company's ordinary shares. However, the number of ordinary shares owned by any director is a personal decision and, at this time, the Board has chosen not to adopt a policy requiring ownership by directors of a minimum number of shares.

## Diversity

The Company shall have at least one Board member who is not a controlling shareholder of the Company or their relatives (as such term is defined in the Companies Law) of the opposite sex of the other Board members.

## **2. Director Responsibilities**

The Board acts as the ultimate decision-making body of the Company and advises and oversees management, who are responsible for the day-to-day operations and management of the Company. In fulfilling this role, each director must act in what he or she reasonably believes to be in the best interests of the Company and must exercise his or her business judgment.

### Participation at and Preparation for Board Meetings

The Company expects directors to be active and engaged in discharging their duties and to keep themselves informed about the business and operations of the Company. Directors are expected to attend all Board meetings and the meetings of the committees on which they serve and to prepare themselves for these meetings.

In order for the Board to exercise fully its oversight functions, management provides the Board with access to information regarding the Company and the markets in which the Company operates. This information comes from a variety of sources, including management presentations and reports about the performance and operations of the business, security analysts' reports, competitive and peer companies' information, interaction with senior management at Board meetings and visits to Company facilities. Any written materials that assist directors in preparing for a Board or committee meeting shall be distributed to the directors in advance of the meeting, to the extent possible, and directors are expected to review such materials prior to the meeting.

### Company Performance and Corporate Strategy

The Board reviews the Company's financial performance on a regular basis at Board meetings and through periodic updates, with a particular focus on peer and competitive comparisons. These reviews include the views of management.

The Board also conducts an annual meeting to review the Company's long-term strategy, and assess its strategic, competitive and financial performance.

## **3. Board Agenda**

The Chairperson of the Board, with input from the Company's Chief Executive Officer and, as necessary, other directors, shall establish the agenda for each Board meeting. Board members are encouraged to suggest the inclusion of additional items on an agenda, and any director may request that an item be placed on an agenda, all subject to applicable law.

#### **4. Chairperson of the Board and CEO**

The Board believes it is important to retain its flexibility to allocate the responsibilities of the offices of the Chairperson and CEO in any way that is in the best interests of the Company at a given point in time. The Board may make a determination as to the appropriateness of its current policies in connection with the recruitment of the Chairperson of the Board and/or the CEO. Such policies shall comply with the Israeli Companies Law, which prohibits:

- the CEO or a relative of the CEO from serving as the Chairperson, absent shareholder approval;
- the vesting of authorities of the CEO with the Chairperson or a relative of the Chairperson, absent shareholder approval;
- a person subordinated, directly or indirectly, to the CEO from serving as the Chairperson;
- the vesting of authorities granted to those subordinated to the CEO with the Chairperson; and
- the Chairperson from serving in any other position in the Company or in a controlled company.

#### **6. Meetings of Non-Management Directors**

At any time in which the Board includes one or more members of the Company's management, the Company's non-management directors shall hold executive sessions after every regularly scheduled Board meeting in which management does not participate. If this group includes directors who are not considered independent, the independent directors must also meet in executive session at least once a year.

The non-management directors shall establish and publicly disclose in the Company's annual report on Form 20-F the procedure by which a presiding director is selected for each executive session and the method for interested parties to communicate directly with the Company's then presiding director or with the non-management directors as a group.

#### **7. Board Committees**

The Board shall have at all times an Audit Committee and a Compensation Committee. Subject to any changes that the Board may make from time to time:

- the Audit Committee shall generally be responsible for overseeing the integrity of the Company's financial statements, its independent auditor, its internal audit function and compliance by the Company with legal and regulatory requirements and review and approval of certain related party transactions; and
- the Compensation Committee shall generally be responsible for recommending the Board of the Company's compensation policy for directors and officers, overseeing the Company's directors' and officers' compensation and benefits policies and evaluating officers' performance and compensation.

Each of the Audit Committee and Compensation Committee shall operate pursuant to its own written charter. These charters shall, among other things, set forth the purpose, goals and responsibilities of the particular committee, the procedures for committee member appointment and removal and committee structure and operations, as well as reporting to the Board.

Only independent directors meeting the independence requirements of the New York Stock Exchange and, for audit committee members, Rule 10A-3 of the Securities Exchange Act of 1934 and any related rules promulgated by the Securities and Exchange Commission, may serve on these two committees. Committee members shall be appointed by the Board. The Board may, from time to time, establish or maintain additional committees as it deems appropriate and in the best interests of the Company.

## **8. Board Member Access to Management and Independent Advisors**

Board members shall have access to the management and employees of the Company and to its internal and outside counsel and auditors as necessary for fulfilling their duties as directors. Any meetings or contacts that a director wishes to initiate may be arranged through the Chief Executive Officer or the Secretary.

Officers and other members of senior management are expected to be present at Board meetings at the invitation of the Board. The Board encourages senior management to make presentations and to invite to Board meetings managers and other employees who can provide additional insight into the items being discussed. The Board also encourages senior management to include in Board meetings individuals that the senior management believes may become prospective leaders of the Company.

The Board is authorized to hire independent legal, financial or other advisors as they may consider necessary, without conferring with or obtaining the approval of management, for which the Company shall pay the fees and expenses.

## **9. Director Compensation**

The Compensation Committee shall review and approve compensation (including equity-based compensation) for the Company's directors. In so reviewing and approving director compensation, the Compensation Committee shall, among other things

- identify corporate goals and objectives relevant to director compensation;
- evaluate the performance of the Board in light of such goals and objectives and set director compensation based on such evaluation and such other factors as the Compensation Committee deems appropriate and to the benefit of the Company (including the cost to the Company of such compensation); and
- determine any long-term incentive component of director compensation based on the awards given to directors in past years, the Company's performance, shareholder return and the value of similar incentive awards relative to such targets at comparable companies and such other factors as the Compensation Committee deems appropriate and to the benefit of the Company (including the cost to the Company of such compensation).

### Contributions to Tax Exempt Organizations

Any proposed contributions or pledges of contributions to tax exempt organizations, by the Company to an entity for which a director or a member of his or her immediate family serves as a director, officer, or member of such entity's fund-raising organization or committee, shall be subject to prior review and approval by the Audit Committee and the Board.

The Board shall be provided on an annual basis with a report from management of the contributions to tax exempt organizations or pledges made by the Company during the fiscal year to an entity for which a director or officer, or a member of his or her immediate family, serves as a director, officer, or member of such entity's fund-raising organization or committee.

#### **10. Director Orientation and Continuing Education**

All new members of the Board are required to participate in the Company's orientation program for directors. The orientation program will include discussions with and presentations by senior management and visits to the Company's facilities, and provide new directors with a review of the Company's financial position, an overview of the industry in which the Company operates and competes and an introduction to the regulatory and legal environment that affects the Company's business, as well as governs directors' fiduciary duties.

All directors will be offered the opportunity, and are encouraged, to participate in continuing education programs with any associated expenses to be reimbursed by the Company.

#### **11. Management Evaluation**

The Board shall evaluate the performance of the senior management of the Company in order to ensure that management's performance is satisfactory and that management is providing the best leadership for the Company in the long and short-term.