

CMA CGM

Fostering Digital Innovation to Optimise Logistics Solutions



The CMA CGM Group, a global player in sea, land, air and logistics solutions, serves more than 420 ports around the world across 5 continents, with a fleet of around 600 vessels. In 2022, the Group transported 21.7 million TEU containers (twenty-foot equivalent units). Present in 160 countries, the Group employs 155,000 people worldwide, including nearly 4,000 in its head office in Marseille.

The world has reached an unprecedented level of interconnectivity and the pandemic has acted as catalysts for digitalisation in all sectors. The stakeholders within the shipping industry are no different and have also embraced this trend. One of CMA CGM's key strategic priorities is accelerating innovation and digitalisation.

ACCELERATING INNOVATION THROUGH ZEBOX AND TANGRAM

To build on the entrepreneurial spirit and foster innovation in digital transformation, CMA CGM launched its Asia-Pacific hub of ZEBOX (an accelerator founded in 2018) to fuel co-innovation for smart shipping, logistics, and supply chains, in Singapore. ZEBOX specialises in artificial intelligence, robotics, cybersecurity, blockchain, augmented reality and the Internet of Things (IoT), to address the top focus areas of corporations today. The ZEBOX community currently consists of more than 100 start-ups that receive support.

The CMA CGM Group has established TANGRAM, a new centre of excellence open to all parties collaborating on the sustainable transport and logistics of tomorrow. TANGRAM's goal is to make a pivotal

contribution to the transport and logistics sectors in response to the major challenges facing the world today. One of the major challenges TANGRAM aims to respond to is digitalisation and technological innovation by developing new solutions, including autonomous vehicles, robotics, metaverse, smart data, and AI.

INVESTING IN DIGITAL TOOLS AND INITIATIVES

CMA CGM also has an initiative to digitise the shipping line pricing process using a data analytics and simulation platform to optimise rate decisions across Asia Pacific. The group is attempting to strengthen depot efficiency such that empty containers may be released for priority shipments, and so that customer pick-ups or no shows may be more visible to inform fee-waiver decisions. Relatedly, the company's "Ship Tracking" platform is an all-in-one tool that integrates

the necessary information to monitor the ship's movement which also ensures the safety and security of the vessel at sea. It helps to optimise operational efficiency and reduce CO2 emissions.

Last year, the Group transformed its pricing offering with a new online tool SpotOn, which simplifies customer's spot booking process by attaching an instant quote with a guaranteed price and loading priority to each booking. This is a noteworthy digital transition in their pricing system as it provides customers with greater flexibility to adapt to rapid changes in the market.

Furthermore, by investing in R&D, IoT, artificial intelligence and blockchain solutions, the Group also aims to develop smarter and more secure service offerings to deliver a seamless user experience for customers and employees. In terms of Robotic Process Automation, APAC Automation COE works with the business to optimise, automate, and improve key processes such as quotation creation, customer credit status and invoicing to increase productivity and performance. CMA CGM is also focused on digitalising the monitoring of sales activities using the Salesforce platform. Through this, the company aims to improve their customer service experiences using customer relationship management functions and marketing automation.

INDUSTRY TRANSFORMATION

The digital transformation within our company expands beyond the doors of our offices. By taking a leadership seat at the Digital Container Shipping Association (DCSA), CMA CGM ensures global standardisation and best practices in cybersecurity for the industry. In Asia Pacific, the company is undergoing an IT Transformation to focus on value creation which will enable their businesses through revenue or productivity improvements via IT solutions.

DIGITAL FOR SUSTAINABILITY

The Group is committed to achieving Net Zero Carbon by 2050. They rely strongly on existing solutions and innovation to optimise operations, upgrade assets, and develop a global supply chain for alternative energies. Recently, CMA CGM leveraged virtual tapes on the cloud to store backup data, thereby reducing the usage of tape hardware, tapes, and offsite transport. Moving to virtual tapes has translated into 44% of cost savings and 93% reduction in CO2 emissions yearly across Asia Pacific¹.

COLLABORATIVE DIGITAL TRANSFORMATION EFFORTS

CMA CGM is engaging in collaborative digital transformation efforts – recently signing a Memorandum of Understanding (MOU) with the Maritime and Port Authority of Singapore (MPA) to initiate collaboration on the development of capabilities and solutions across maritime decarbonisation, digitalisation and innovation.² CMA CGM is also adopting PSA's Opt-E-Arrive digital solution to reduce carbon emission of vessels arriving at the Singapore port. Opt-E-Arrive is programmed to enable CMA CGM vessels to skip the anchorage stop and arrive just-in-time at berth in Singapore. By synchronising transparent real time ac-



tivities and automating the data exchange between the systems of the carrier and port operator, Opt-E-Arrive enables CMA CGM vessels to optimise vessel speed and reduce greenhouse gas emissions.

The CMA CGM Group is also participating in the world's longest Green and Digital Corridor between Singapore and Rotterdam by the Maritime and Port Authority of Singapore (MPA) and the Port of Rotterdam Authority. The Corridor will explore emerging alternative fuels for future trials and deployment. It will also create a digital trade lane where data, electronic documentation, and standards can be shared for optimal maritime efficiency, safety, and transparent flow of goods. The cross-industry partnerships as part of this corridor are set to bring about the first sustainable vessels sailing on the route by 2027. The initiative seeks to raise investment confidence, attract green financing, and kickstart joint bunkering pilots and trials for digitalisation as well as the use of low and zero carbon fuels along the route.

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¹ These statistics were calculated through AWS Pricing Calculator, AWS Customer Carbon Footprint Tool, and the SP Group's Carbon footprint calculator.

² "CMA CGM Group and MPA Collaborate to Advance Maritime Decarbonisation, Digitalisation, Innovation and Workforce Development," Maritime & Port Authority of Singapore (MPA), June 24, 2022, <http://www.mpa.gov.sg/media-centre/details/cma-cgm-group-and-mpa-collaborate-to-advance-maritime-decarbonisation-digitalisation-innovation-and-workforce-development>.



CMA CGM ASIA PACIFIC LIMITED

9 North Buona Vista Drive | #14-01 Tower 1 The Metropolis | Singapore 138588
W: www.cmacgm-group.com/en
T: +65 6371 2000