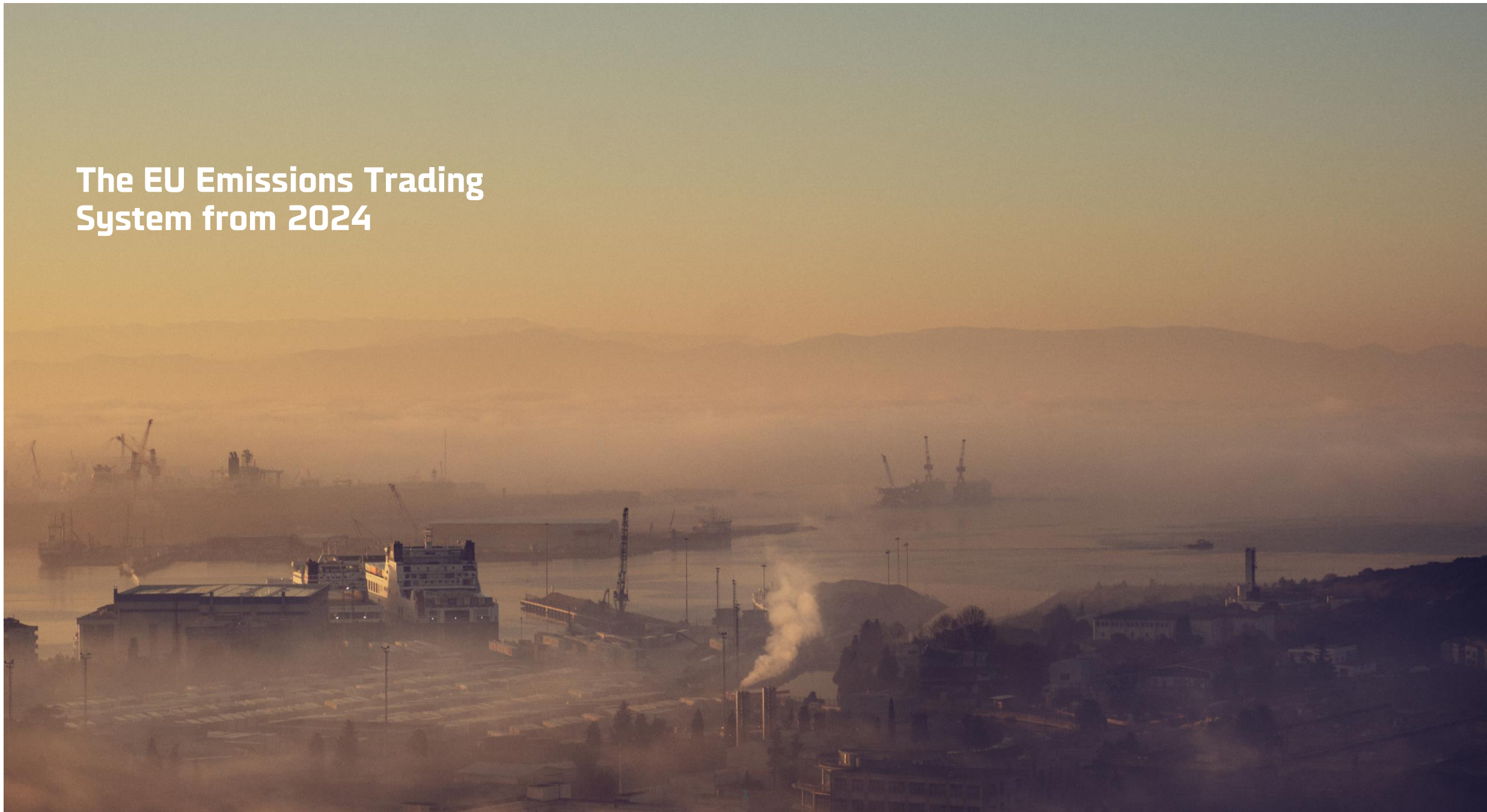
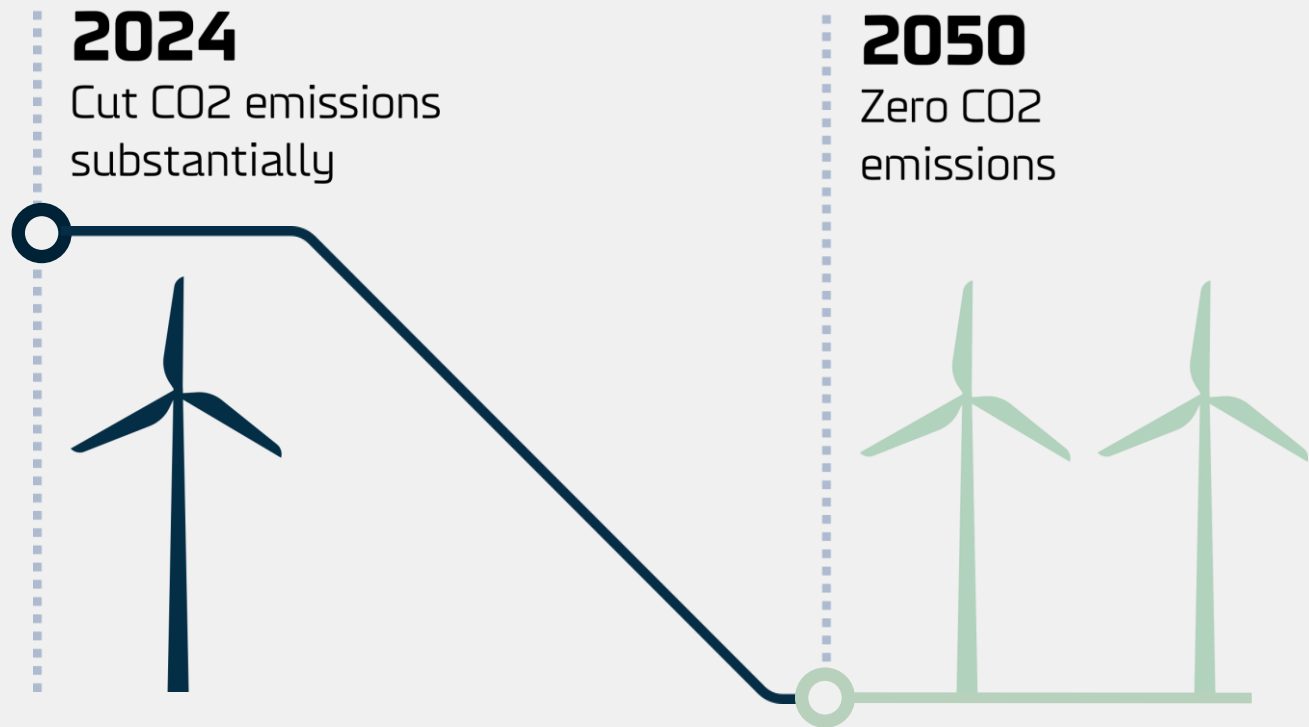


The EU Emissions Trading System from 2024



Shipping regulations from 2024 under the EU Emissions Trading System



What does the ETS mean for shipping companies?

Starting in 2024, companies with vessels operating between ports in the EU/EEA will need to pay annual EU Allowances (EUAs) for greenhouse gases (GHG) emissions.

Emissions will be reported and verified via the EU Monitoring, Reporting & Verification (EU MRV) system - which will be revised to cover more emission types, ship types & ship sizes.

What is the aim of adding shipping to the EU Emissions Trading System?

The Emissions Trading System (ETS) aims to create a financial incentive for shipping companies to reduce their GHG emissions with the long term goal of net zero emissions by 2050.

Vessels & routes affected

Vessels

ETS will cover commercial ships transporting cargo or passengers* above 5000 gross tonnage (GT).

Routes

ETS will cover 100% emissions on voyages between EU/EEA ports and 50% of emissions on voyages between an EU/EEA port and a non-EU/EEA port.

ETS coverage on DFDS routes

100% covered

- Klaipeda - Køge
- Klaipeda - Fredericia
- Klaipeda - Kiel
- Paldiski - Kappelskär
- Klaipeda - Karlshamn
- Zeebrugge- Fredrikstad
- Patras - Trieste
- Gothenburg - Ghent
- Gothenburg - Zeebrugge
- Brevik - Ghent
- Copenhagen - Oslo
- Frederikshavn - Oslo
- Gothenburg - Brevik
- Rosslare - Dunkirk

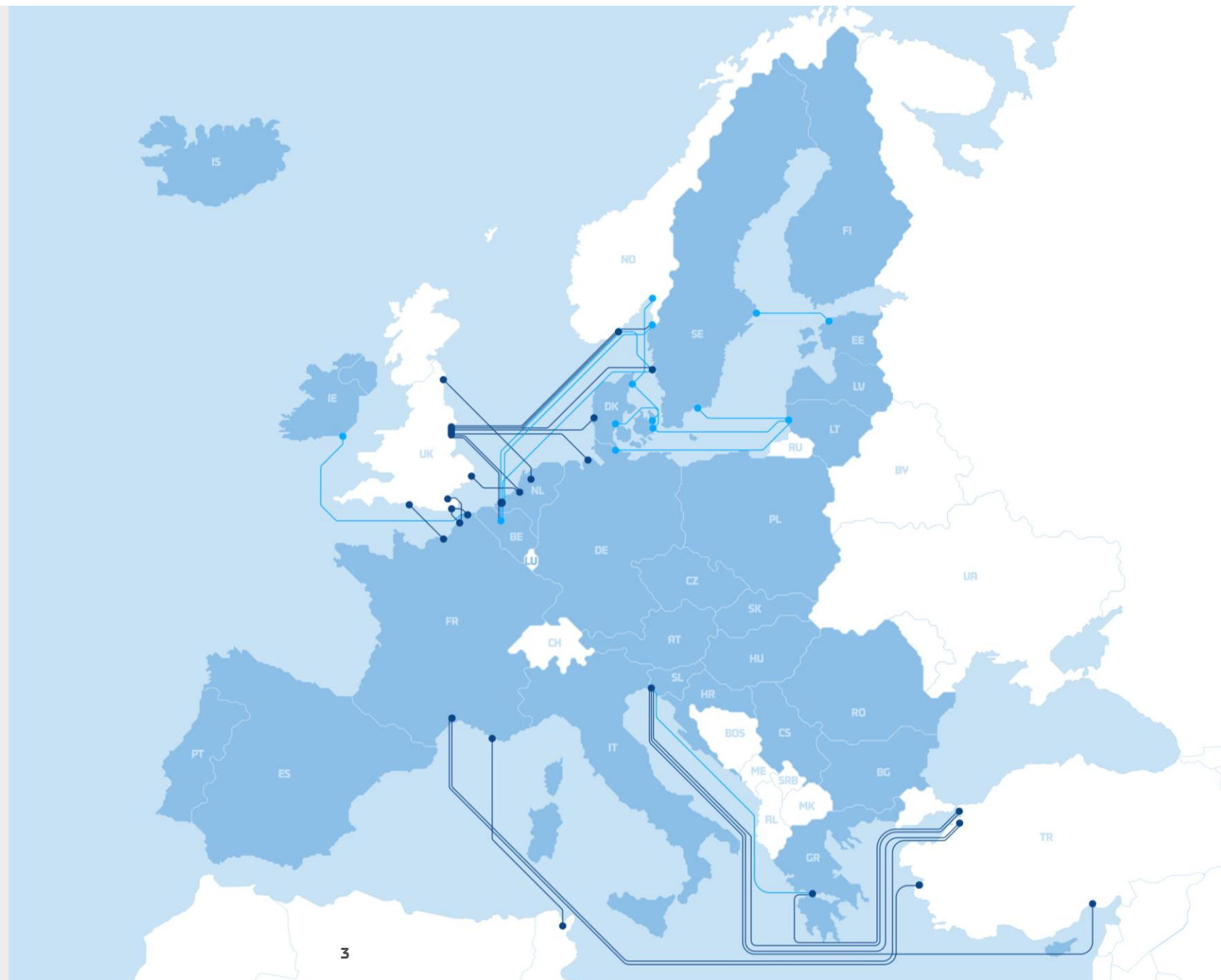
50% covered

- Marseille - Tunis
- Pendik - Trieste
- Izmir - Sète
- Valova - Trieste
- Mersin - Trieste
- Pendik - Patras
- Valova - Sète

50% covered ETS (expect UK equivalent)

- Dover - Calais
- Dover - Dunkirk
- Calais - Tilbury
- Newhaven - Dieppe
- Amsterdam - Newcastle
- Brevik - Immingham
- Cuxhaven - Immingham
- Esbjerg - Immingham
- Gothenburg - Immingham
- Rotterdam - Felixstowe
- Rotterdam - Immingham
- Immingham - Fredrikstad
- Zeebrugge - Immingham

*ETS cost will be split between freight and passenger.



ETS coverage phases

Compliance

DFDS is responsible for paying EU Allowances (EUAs) to ensure compliance with the EU ETS, and therefore bears the cost of the allowances. Failure to comply can lead to fines and refusal of port calls.

Payment of EUAs for emissions will be introduced gradually.

2024

Payment on **40%** of verified reported emissions

40%

2025

Payment on **70%** of verified reported emissions

70%

2026

Payment on **100%** of verified reported emissions

100%

What ETS means for our customers

The costs of compliance with ETS are significant and will impact our operations, costs and contractual agreements.

As with past regulatory costs, our customers will be subject to increased costs to help cover ETS.

Customers will therefore be subject to a standalone surcharge from **January 1st, 2024**.

DFDS Ferry decarbonization plan

Our shift to more sustainable fuel types will reduce emissions and should therefore reduce the ETS customer surcharge amount.

