Climate policy

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Content

Introduction

As a ferry operator and logistics provider, we are aware that our business activities have an impact on both local environments and the global climate. Because of this, we are in a constant search for innovative and intelligent ways to move DFDS in a greener direction.
This policy includes details about the climate area. At DFDS, we define climate as the pattern of weather conditions of the entire planet. The most prominent issue within the topic of climate is global heating: increased temperatures globally due to the increased levels of atmospheric greenhouse gas produced by the use of fossil fuels. At DFDS, we have set a target to become net zero by 2050. ‘Net zero’ explicitly includes all emissions scopes, and requires that no more of 10% of our total emissions may be reduced by indirect means, such as offsetting. The way towards decarbonisation and a truly greener business demands cooperation between many units within DFDS. This policy serves as a structure, upon which our continuous work towards developing innovative solutions can be built.

Scope

The purpose of this policy is to establish a general framework to ensure that climate-related concerns are being prioritised throughout the entirety of our business.

This policy applies to all DFDS employees globally and covers, in particular, all assets owned and controlled by DFDS. Given our 2050 net-zero goal, 3rd party service providers and other supply chain-related activities also come within the scope of this policy, although our own operations are most highly prioritised in the short-term (to 2030) timeframe.

Policy statement

To become a net-zero company by 2050, we must improve upon numerous aspects of our business. To meet the objectives of the Climate Policy, we must ensure the following:

Transparency and monitoring

- Collect, monitor and measure emissions data from all our activities to determine our footprint and progress against targets. Such data must be activity-specific, and customer-specific, allowing us to correlate consumption and emissions to activity performed for our customers.
- Collect and store environmental data in central tools to ensure its accuracy and availability.
- Communicate openly about our greenhouse gas emissions footprint and ongoing plans to reduce our impact.
- Include environmental factors as a part of our Enterprise Risk Management processes to define and mitigate climate-related risks.

Decarbonisation

- Establish and continuously monitor both high-level and year-on-year targets for greenhouse gas reduction.
- Prioritise avoidance and efficiency techniques over energy transition techniques.
- Analyse and establish short, medium and long-term pathways for the decarbonisation of our commercial activities.
- Establish and continuously monitor both targets and principles for improving the energy efficiency of our maritime and land-based activities and for increasing the percentage of energy we produce ourselves.
- Take a partnership approach in order to decarbonise throughout the supply chain
- Continuously come up with innovative ways of reducing emissions from our vessels, trucks and other vehicles and operational activity.
- Invest time and resources in innovative initiatives to support the implementation of low and zero-emission fuels and assets.
- Work towards transitioning our fleets towards electric or to sustainable fuels.
- Ensure that the greenhouse gas reductions made available as certified reductions to our customers are credible and correctly accounted.
- Keep up to date with global and EU-level regulatory developments in pursuit of climate goals and ensure the impact and implications of such developments are reflected in our decarbonisation pathways.
- Carry out a formal evaluation process for suppliers to assess sustainability-related strengths and risks.

Implementation

Transparency and monitoring

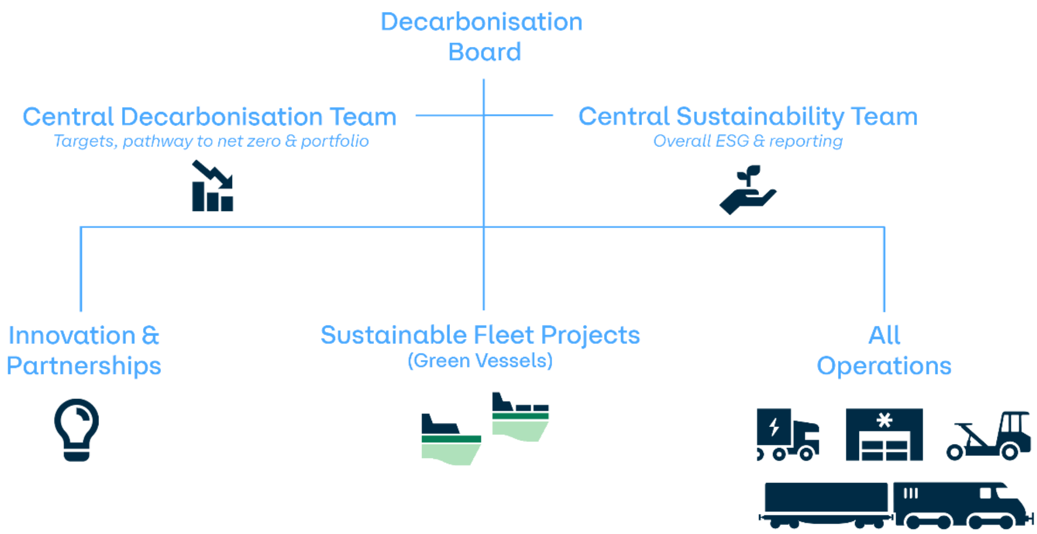
- Establish ways to collect more granular data from our operation and our suppliers of third-party transport, in order to be able to accurately assess the impact of both planned and implemented decarbonisation initiatives.
- Provide customer-specific emissions reports.
- Each area of the operation must report consumption and activity data in the requested format and tool as defined by Group Sustainability and Decarbonisation.
- Reporting Scope 3 emissions on a spend-based approach and increasing data granularity by collecting activity data from suppliers.
- Monitoring suppliers' climate actions & strategies through a formal evaluation process.
- Setting expectations and requirements from existing suppliers on developing greenhouse gas management systems and setting reduction targets that will enable DFDS in its green transition.

Decarbonisation

- The overall governance of decarbonisation is via the Decarbonisation Board, a body that meets on a monthly basis to make investment decisions and review decarbonisation policy.
- Targets are reviewed in the Decarbonisation Board at least annually – and more frequently in periods of rapid regulatory development.
- Running projects and programs have additional, project-specific governance, and may be raised at the Decarbonistion Board from time-to-time.
- Projects are evaluated, invested in, and monitored, according to a standard KPI framework (detailed in the Decarbonisation Board Charter), whose central metric is abatement cost (Euro/ tCO_2e).
- Projects and programs in support of the policy consist of:
    - Ongoing efficiency programs
    - Transition to new fuels and assets on sea and land
    - Foundational data projects
    - Supplier outreach and monitoring, including the expectation that suppliers adhere to the sustainability standards described in our Sustainable Procurement policy.
    - Customer engagement and collaboration
    - Commercialisation of achieved emissions reductions.
- Including carbon emissions management in the sourcing process as a criterion for the supplier selection.
- Ensuring compliance with regulations in relation to suppliers' due diligence & compliance with any emerging EU regulations regarding climate transition plans.

Roles and responsibilities

Responsibility for mitigating our climate impact is in principle shared by all at DFDS.



The central Decarbonisation team is responsible for setting actionable climate-related targets and communicating a common direction across the company. It is also responsible for addressing data gaps and for increasing granularity of data, and the ability to correlate consumption with activities, in order to increase transparency both internally and for customers.

Group Sustainability is responsible for collecting and reporting on consumption data in aggregate, for the purpose of regulatory reporting.
Group Procurement is responsible for supplier outreach and monitoring, ensuring that our climate policy is upheld by suppliers, and providing emissions data from suppliers.

All DFDS managers are responsible for working actively to carry out the objectives of the policy.

Approval

This policy has been reviewed by the Decarbonisation team and approved by VP, Decarbonisation and Head of Group Sustainability

Date	Name, title
11 February 2025	Sophie-Kim Chapman, VP, Decarbonisation
	Sofie Lindegaard, Head of Group Sustainability