





# CONTENTS

## ABOUT STENA

- 02 CEO comments
- 06 Stena as an owner
- 08 Responsible business
- 12 Stena's value creation

## BUSINESS UNITS

- 14 Stena Line
- 18 Stena Drilling
- 20 Stena Bulk
- 22 Stena RoRo
- 24 Northern Marine Group
- 26 Stena Teknik
- 28 Stena Property
- 31 Stena Adactum
- 34 Stena Finance

## SUSTAINABILITY

- 35 Steering towards a sustainable future
- 36 Sustainability management
- 39 Key performance indicators
- 40 Environment
- 42 People
- 43 Safety
- 44 Community
- 46 UN Sustainable Development Goals
- 48 Audit statement

## ORGANISATION AND MANAGEMENT

- 49 Stena AB (publ.) Board of Directors
- 50 Stena Sphere
- 51 Coordination Group
- 51 Sphere Advisory Board
- 51 Stena Metall
- 51 Stena Sessan



### ANNUAL REPORT

Read more about the financial performance in the Annual Report. A printed report can be ordered at [info@stena.com](mailto:info@stena.com).

The cover photo shows the port of Belfast, Northern Ireland.

This Annual Review is presented in accordance with Chapter 6, Sections 10–14, of the Swedish Annual Accounts Act. Stena AB's Board of Directors is responsible for the preparation of the sustainability report in accordance with the Swedish Annual Accounts Act. The information in the Annual Review concerns Stena AB, including the subsidiaries which are subject to the reporting requirements in accordance with the Swedish Annual Accounts Act. The designations Stena and the Stena Group concern Stena AB and the Stena AB Group, respectively.

## THIS IS STENA

# 38,991

Total revenue<sup>1</sup>, MSEK

# 201

Construction of wind turbines<sup>4</sup>

# 15,400

Employees<sup>2</sup>

# 137

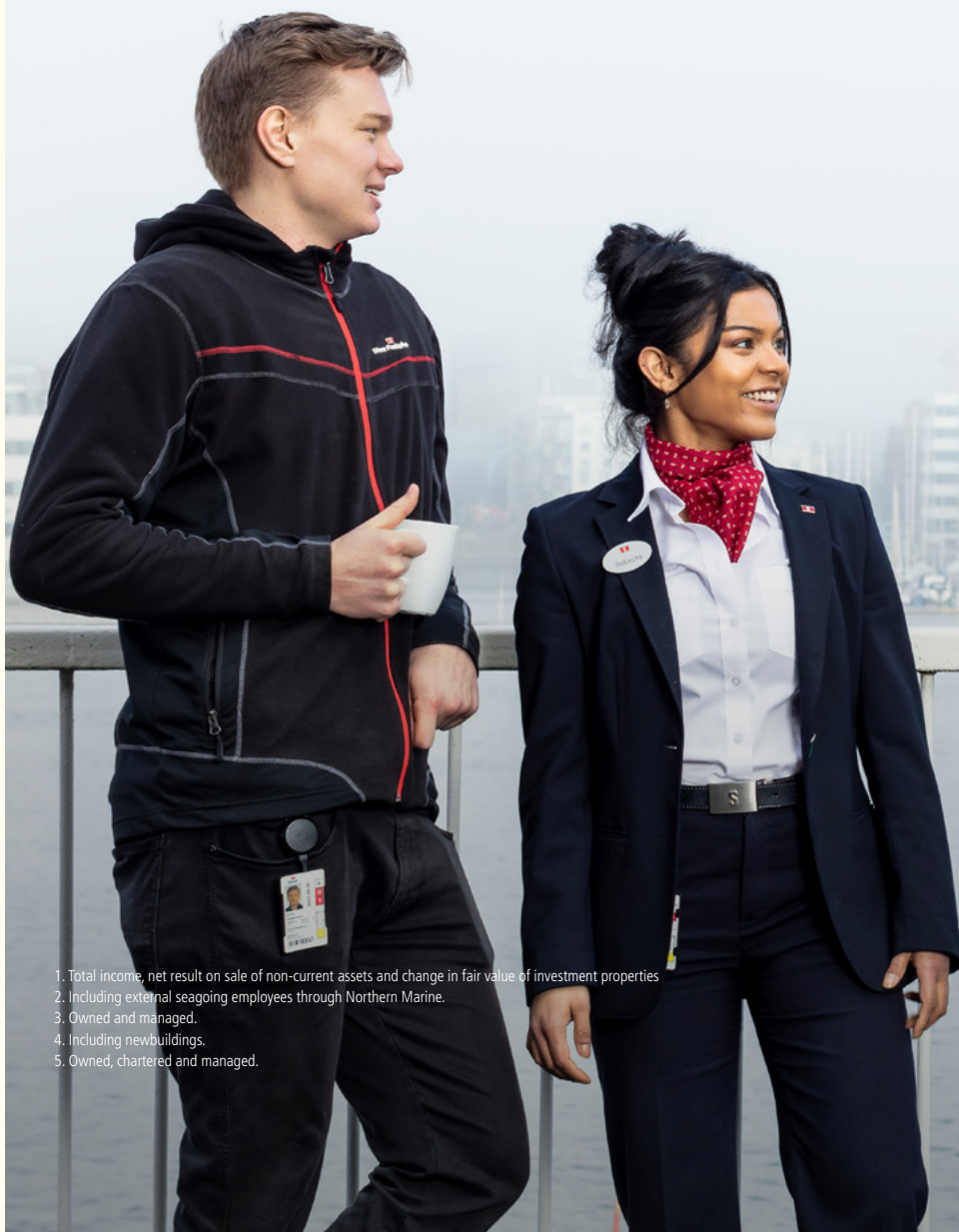
Vessels, including newbuildings<sup>5</sup>

# 29,500

Residential and commercial units<sup>3</sup>



Activities all over the world



1. Total income, net result on sale of non-current assets and change in fair value of investment properties

2. Including external seagoing employees through Northern Marine.

3. Owned and managed.

4. Including newbuildings.

5. Owned, chartered and managed.

# Care in everything we do

We create sustainable value today and in the future through our care and respect for people, capital, society and the surrounding environment.

Stena contributes to value creation in society by delivering essential functions on land and at sea, and through dedicated employees, who constantly seek to contribute to positive development.





# Profitable again in 2021

We have undergone two very special years. 2020 was an Annus Horribilis for Stena AB. However, 2021 was more successful. Our successes differ in terms of our various activities. This is why we are part of a conglomerate. Learning from each other is meaningful. We also seek to run a cost-effective business with the aim of being very close to our customers, and we do so with different degrees of success.

**WE DEVELOP AND EXERCISE PROXIMITY** to our customers. Successfully reducing our costs to such a great extent exceeds expectations, however. Thank you to all our employees for showing that when it comes to our survival, we can all do things in a simpler and more direct way. Let us continue to do things in a new and better way. Our customers will thank us for this and we will be able to continue to invest in our operations.

**OUR MOTTO IS** to always fear losses and to love profits.

This attitude has made our remarkable recovery possible. We have learned the importance of acting decisively in times of major changes, the significance of spotting problems in time and from different perspectives, and the value of balancing short-term and long-term perspectives. Our successful recovery has come from hard work, strong customer focus and difficult decisions and actions. I would like to thank all of you who have contributed to this recovery. Well done!

Companies are being tested in tough times. During the past two years, we have shown that Stena is resilient, that we can adapt and that we can collaborate in difficult times. I am proud of how we support each other, learn from each other and act positively together in the face of both opportunities and challenges. Through outstanding cooperation with our customers and also internally, we have proved our strength and ability to weather the storm.

I would now like to take this opportunity to say something about our different business units, from my perspective.

- Stena Line made an outstanding recovery in 2021. The company is benefiting from a strong freight market and we can see that our passengers, especially those in cars, are returning to us as soon as the restrictions are lifted. We were able to maintain our tight cost control even when volumes increased, which has led the company back to a profitable and really strong result for 2021.
- Through care of our customers and active development of various housing projects, Stena Property is delivering very good results and has several interesting development projects under way. During the summer of 2021 and other school holidays, over 500 young people were offered summer jobs and worked in our areas.
- The tanker market was very weak in 2021, and Stena Bulk struggled in this market. Despite the company's ability to proactively develop good customer solutions, 2021 was the worst year ever from a profitability perspective.
- Ship management operations within Northern Marine Group are developing well, and in 2021 we signed several prestigious new contracts with major energy companies and shipping companies. These contracts are proof of our ability to provide safe and efficient vessel management services and build on our operational capabilities.

- Stena RoRo's E-flexer programme has been a great success. In 2021, we took delivery of two new E-flexer vessels intended for DFDS and Brittany Ferries. Through long-term contracts, these vessels will contribute to stable cash flows.
- Our offshore drilling services through Stena Drilling also recovered well in 2021. The fact that all rigs have fixed contracts with well-known energy companies shows that our high operational standards with well-maintained units also pay off.
- Stena AB's investment in logistics benefited from strong market performance, with good revenue growth and profits.
- Stena Adactum delivered strong results last year and, together with Stena Property, generated sound cash flows and results that stabilise the Group. Ballingslöv and Blomsterlandet saw substantial increases in revenues and profits, as people invested in their homes and gardens during the pandemic. So far, Adactum's portfolio companies have doubled their market value every five years. We plan to continue to pursue this ambition in the future.
- Finally, I can say that in 2021 we proved that our business models for Stena AB also function well during difficult times.

During the past two crisis years, we not only reduced our cost levels, but also continued to invest for the future. In times of crisis, it is difficult to continue



“I am proud of how we support each other, learn from each other and act positively together in the face of both opportunities and challenges. Through outstanding cooperation with our customers and also internally, we have proved our strength and ability to weather a storm.”



## CEO COMMENTS

to invest in development. However, it is absolutely necessary to continue to take stakes and invest. Otherwise, we may well survive in the short term, only to realise that we have nothing to live on or for. I am very proud that we have been able to balance the short- and long-term perspectives. By doing so, I am convinced that we have secured something to live on and off, so that we can face the future with confidence. Thanks to our readiness, we will have both a place and a role to play in the future.

One important question I have been thinking about over the past year is:

– Who would miss us if we weren't here?

Thinking about this gives valuable inspiration in order to resolve the issues of how to create value for society and our customers, and how meaningful our activities are, and for whom.

This is more important than ever before, and I think we should all ask ourselves that question, in order to find solutions and opportunities where our expertise can be put to good use.

By continuing to use the knowledge and the expertise we have developed to create

new business, innovate, and nurture our customers and each other, I am confident that we will continue to perform well as a result of our hard work.

After our strong recovery last year, 2022 looked set to be a good year for us. That situation changed when Russia invaded Ukraine. Stena condemns Russia's military invasion of Ukraine and fully supports the sanctions adopted by the EU, USA, UK and others. The consequences of the war have already led to a humanitarian disaster, but also significant economic uncertainty. Naturally, our thoughts are first of all with the people of Ukraine, including employees and business partners of the Stena Group. We are constantly monitoring this very serious situation and our companies are evaluating possible consequences.

Our strength as a conglomerate is more important than ever and we are tackling 2022 with renewed energy. Together we have shown that, with our business partners, we can achieve almost anything.

Göteborg, 9 March 2022  
Dan Sten Olsson

“I am very proud that we have been able to balance the short- and long-term perspectives. By doing so, I am convinced that we have secured something to live on and off, so that we can face the future with confidence. Thanks to our readiness, we will have both a place and a role to play in the future.”

## GROUP SUMMARY

Key financial indicators	2021	2020	2019
Total income, net result on sale of non-current assets and change in fair value of investment properties	38,991	33,343	37,142
EBITDA, excluding sale of assets	8,776	5,613	8,527
Operating profit	2,155	-1,791	1,731
Profit/loss from investments in strategic associated companies	312	-19	86
Profit before tax	499	-4,858	240
Total assets	133,108	121,933	129,777
Equity including deferred tax liabilities	53,052	47,745	53,170
Cash and cash equivalents and short-term investments	4,542	3,566	6,297

Key non-financial indicators	2021	2020	2019
Number of employees	11,438	11,483	11,813
Percentage women (%)	28	28	30
Number of vessels (in emission reporting) <sup>1</sup>	99	92	115
Total energy consumption in vessels (TWh) <sup>1</sup>	11.9	11.1	12.5
CO <sub>2</sub> emissions (1,000 tonnes)	3,222	3,002	3,322
NO <sub>x</sub> emissions (1,000 tonnes)	81	74	75
SO <sub>x</sub> emissions (1,000 tonnes)	5	5	24
Energy consumption (electricity + heating) Stena Property (MWh)	307,480	289,500 <sup>2</sup>	302,513

1. Emissions reporting in this year's report includes Stena Line, Stena Bulk, Stena RoRo and Stena Drilling. Concordia Maritime's emissions have been included in previous years' reporting. The figures in this year's report are therefore not comparable with previous annual reports.

2. The figure for 2020 has been revised due to adjustment of actual values.

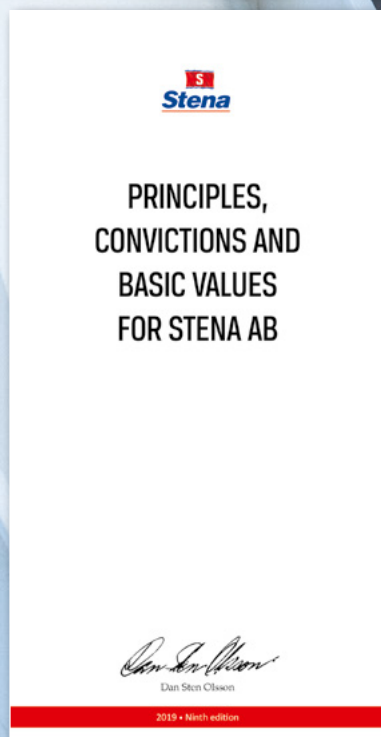


## THE WHITE BOOK

Stena's success and survival are rooted in our business philosophy, which is set out in the White Book. The book describes how we should act within Stena and how we should approach our business. Dan Sten Olsson has said: "By describing the values we want to have at Stena, we ensure that everyone acts in the right way and that we take proper care of our customers, resources, and each other."

## MISSING THE WHITE BOOK? YOU CAN DOWNLOAD A NEW COPY HERE:

<https://whitebookportal.stena.com/>



Tommi Kuusela, *Stena Jutlandica*



# Independent businesses with a shared framework

Stena adheres to the principle of delegated business acumen, with decisions taken close to the business. By balancing independent business units with a shared Group framework, we create a successful dynamic.

**S**TENA AB is an active, responsible owner with access to the expertise necessary to create good development in values over time. Within Stena AB's organisation, through our own experience and partnerships, this expertise is gathered within business development, financing, accounting, HR, internal governance and inspection, sustainability, communication and procurement. Stena AB organises and encourages contact and collaboration between companies, in order to enhance the benefits of being part of a large Group.

### BUSINESS ACUMEN

Each business is based on a clear business idea. The strategy to achieve the goal is based on delegated responsibility. Business knowledge is found in the companies, which is also where decisions are taken. While emphasising the importance of the independence and active business acumen of the business units, the work must adhere to adopted systems and processes, so that Stena can guarantee good performance throughout the Group.

### WHITE BOOK WITH SHARED GROUP VALUES

Each business unit is responsible for its own profitability, but there are also a number of common denominators for conduct within the Group. In the White Book, the principles, beliefs and fundamental values applying to all companies in the Stena AB Group are to be found. Besides Stena's vision, mission and business idea, this sets out shared success factors and describes the Group's values. To ensure long-term value creation, the focus is not only on financial earnings; the goal is also to work for the next generation and contribute to lasting change.

Maggie Bogert, AB Stena Finans  
Göteborg, Sweden





## COMMON FRAMEWORK

In addition to the White Book, there are also two codes that ensure good corporate governance within the group. The Code of Conduct describes the social norms, rules and responsibilities within the Group, and guides relations with business partners, employees and other stakeholders. The Code of Governance describes rules and responsibilities for the operations. This includes how Stena is governed and how decisions are taken within Stena, as well as risk management and the governing documents within the Group.

The White Book, Code of Conduct and Code of Governance constitute overall rules and responsibilities and serve as an umbrella for other governing documents such as Group-wide and company-specific policies. Corporate governance within Stena is important for doing good business, creating trust and ensuring that we work as one company with a common culture.

## WHISTLEBLOWER FUNCTION

Suspected irregularities can be reported via the Group-wide whistleblower function. In the external whistleblower system, where the Head of Corporate Governance and Chairman of the Audit Committee are the recipients, it is also possible to report anonymously. Relevant whistleblower cases are presented to the Audit Committee.

## INTERNAL GOVERNANCE AND CONTROL

One of the tasks of Stena AB's Corporate Governance function is to ensure that the operations are conducted in a responsible and efficient way. One aspect is to ensure a common approach through the governing documents within the Group. Another task is to support the business areas in dealing with the ever growing demands for corporate governance and compliance, as well the increasing information security threats.

Another task for the function and an important part of the governance work is to review the internal control of the

financial reporting, which is regularly reported to the Audit Committee under Stena AB's Board of Directors.

Decisions regarding corporate governance are established by Stena AB's Board of Directors and executed by the operations.

## SUSTAINABILITY MANAGEMENT

The sustainability work at Stena is based on a common set of values and a sustainability framework, SuStenability, which defines the overall agenda for all sustainability management within the Group.

The central Sustainability department is responsible for consensus and coordination of the strategic sustainability work in the business areas. The department is also responsible for reporting the results to the Audit Committee, under Stena AB's Board of Directors, on a regular, annual basis. Read more about SuStenability on pages 36–37.

## PRUDENT RISK MANAGEMENT

Shareholder value is created by accepting and managing risk on a responsible basis through effective risk management. The Group's stability is safeguarded by a deliberate strategy to focus on several different industries that face various risks, in contracyclical industries. Increased stability is also achieved by gradually moving investments to assets with secure cash flows. During the last years, the share of properties and other non-maritime assets have increased, as a share of capital employed. The proportion of maritime assets exposed to the spot market or short-term contracts have decreased accordingly. In addition, investments in land-based logistics have been increased in recent years. Prudent risk management will maintain confidence in Stena's ability to achieve its strategic ambitions, in line with its values and goals.

## VISION

Our vision to "Always be the customer's first choice and quality-assured partner" requires us to safeguard the company's and the world's resources. We contribute to this vision by participating in value-creating activities – often together with our customers.

## MISSION

By maintaining good contact with our customers and the world around us we nurture our growing trust. By doing this we create more and better business – and more satisfied customers.

## BUSINESS CONCEPT

By using our expertise, we will make money from our business areas: shipping, ferry lines, offshore, real estate and finance. We will also continue to create new business areas for the future.

We will take care of our most important long-term assets, our customers, in such a way that we contribute to their – and society's – positive development.

Never wasting our own or the world's resources is a Stena trademark.

## CUSTOMER RELATIONSHIP

- Always the customer's first choice
- Leader in quality and quality assured partners
- Always efficient and effective with our own and others' resources
- Clearly delegated business acumen

## CORE VALUES

- Customer satisfaction
- Quality
- Dedicated employees
- Innovation
- Results



# Businesses that contribute to positive societal development

We live in a complex, uncertain and fast-moving world. 2021 was characterised by change and an emerging sustainable transformation. In the midst of the ongoing pandemic, companies and communities managed to drive development in society. We saw a recovery in the global economy and business leaders globally have overall taken a positive view of the past year.



Jetmira Isufi, AB Stena  
Finans, Göteborg, Sweden.



**S**TENA HAS A LONGSTANDING TRADITION as an active member of society. With the business in focus, the Group is invited to, and takes the initiative for, innovative cross-border collaboration and partnerships. In 2021, these partnerships

led to new business, while contributing to solutions to some of the social issues that characterised 2021, such as climate change, vaccination coverage in shipping and social sustainability in Swedish residential areas.

## GREEN TRANSFORMATION WITH A FOCUS ON CLIMATE

### NEW CLIMATE COMMITMENTS AND COLLABORATIONS

During this year of change, we could see the green transformation take shape and become an increasingly more accepted concept. There was increased pressure on governments, society and the business community to become more involved and contribute more.

At the UN's COP26 climate summit in Glasgow, a new global climate agreement was signed by 190 countries with commitments and concrete measures from governments and companies, including the maritime sector that is so important to Stena.

In addition, more and more companies worldwide set ambitious climate targets for the entire value chain, and new cross-sector collaborations were initiated in many sectors. How we act together in society over the next decade until 2030 will be crucial for reaching our climate goals.

**“No single organisation or individual holds the key to meeting the challenges ahead of us. Collaboration is crucial and we are pleased to bring on board two of the world's largest truck manufacturers and one of the world's largest ferry companies. With our collective expertise, breadth, and market presence we can make a real difference.”**

Elvir Dzanic,  
CEO, Gothenburg Port Authority

### STENA CONTRIBUTES WITH PARTNERSHIPS AND TECHNOLOGICAL DEVELOPMENT

Stena depends extensively on fossil fuels with significant carbon emissions. As a long-term owner and a major player in the maritime industry, Stena plays an important role in reducing emissions and supporting the industry's goal of net zero emissions by 2050.

### THE TRANZERO INITIATIVE

The Tranzero Initiative was launched during the year as a collaboration between Stena Line, the Gothenburg Port Authority, Scania and the Volvo Group. The aim is to make the port of Göteborg, which is Scandinavia's largest port, fossil free by increasing fossil-free transport by sea or land. An initial target is to reduce emissions that have a climate impact by 70 per cent before 2030. To reach this target, Stena Line is working to achieve its vision to deploy the battery-powered vessel *Stena Elektra* on the Göteborg–Fredrikshamn route by 2030.

One of the first initiatives within the project is to motivate freight transport companies to increase the proportion of emission-free lorries more quickly, via the “Green priority”. As from 1 January 2022,

Stena Line gives priority to electric lorries, which will take precedence at the terminals and be allowed to bypass any queues.

### INNOVATION FOR THE FUTURE

Stena's maritime business units are working actively on energy efficiency improvements, as well as investments in innovation and groundbreaking technologies, which contribute to the development of renewable fuels and battery operation together with various partners.

During the year, Stena RoRo started working together with Proman Shipping on the development of green methanol, where Stena RoRo is responsible for converting engines on existing vessels for methanol operation. The conversion of the existing fleet is an important and extensive task which contributes to the industry's climate transformation.

Furthermore, Stena Bulk is the only tanker operator to have joined the OGCI (Oil and Gas Climate Initiative), together with a number of major global energy companies. Within the framework of this collaboration, a project is being run to investigate the potential for capturing carbon dioxide from the engines' exhaust gases on board a tanker.



The port in Göteborg, Sweden.



## RESPONSIBLE BUSINESS

### SHIPPING DURING THE PANDEMIC

#### THE NEED FOR INCREASED VACCINATION COVERAGE IN SHIPPING

During the year, the pandemic continued its grip on society. The shipping industry was particularly exposed to the consequences of the virus.

Seafarers were affected severely, and many were stuck on cargo ships at sea for longer than planned. Vaccination coverage also varied greatly, as crew members often come from many different countries.

The WHO (World Health Organization) guidelines for Covid-19 vaccination include seafarers on cargo ships among the groups of the population to be prioritised in the event of limited availability of vaccines.

**“I am glad to see that the WHO recognises the importance of vaccinating seafarers on cargo ships. These individuals are responsible for transporting over 80 per cent of all goods around the world, including food, medicine and vaccine supplies – and have continued to do so despite extremely challenging circumstances. Seafarers will play a key role in the global recovery, and barriers to international travel and crew change must be removed.”**

Secretary-General Kitack Lim of the IMO  
(International Maritime Organization)

#### STENA ENABLED VACCINATION

It has been challenging for Stena to operate shipping during the pandemic, and this has had a major impact on both employees and passengers. Among other things, this meant longer shifts on board for staff, due to the quarantine requirements. Stena has seafarers from many different parts of the world, which means that vaccination coverage has varied considerably. In 2021, the company worked actively to create opportunities for employees to get vaccinated while vessels were in port, as an important commitment to reducing the spread of infection and strengthening the safety and security of employees on board.

“The health and safety of our crews will always be the highest priority,” says Joanne Howard, Senior Crew Coordinator at Northern Marine Group.

“In 2021, we carried out extensive initiatives in line with our robust Covid-19 safety regulations and offered the opportunity for our seafarers to get vaccinated. Despite challenges with travel restrictions and requirements for isolation before boarding, it was pleasing to see their understanding and support.

The opportunity for vaccination was much appreciated – as a clear demonstration of our shared ambition to continue to protect each other,” she continues.







“At Volvo Cars, we firmly believe that by involving committed residents and focusing on concrete activities that make a real difference, Tynnered, and other districts, can nurture both talent and business ideas.”

Håkan Samuelsson,  
President and CEO of Volvo Cars

## SOCIAL SUSTAINABILITY IN SWEDEN

### NEED FOR SUSTAINABLE AND INCLUSIVE GROWTH

In Sweden, news about social instability, in the form of exclusion and criminality, were high on the media agenda during the year. Some residential areas are more vulnerable to and affected by instability than others, and many young people's living conditions are characterised by difficulties in entering the labour market.

In order to solve the challenges in these areas, collaboration between different actors in society is needed. Here, the business community plays an important role in motivating, opening doors and creating faith in the future.

To ensure future quality of life, sustainable and inclusive growth must be ensured. This requires solutions to society's most pressing challenges to be created in collaboration and partnership, with a broad participation of various actors in society.

### STENA PROPERTY CONTRIBUTES TO SECURITY AND FAITH IN THE FUTURE

Stena Property has been working systematically with social sustainability for 20 years and is now a leading player in its sector. The company's long-term focus has been on increasing security and integration in its residential areas through extensive initiatives together with residents, civil society organisations, the public sector and the business community.

Impressive progress was made in several areas during the year. With the aim of creating a residential area with faith in the future, Stena Property, in cooperation with companies including Volvo Cars and the property group Framtiden, has managed to reverse the negative development in the Tynnered area of Göteborg. This long-term partnership entails investments in schools, leisure activities, employment and sustainable urban development. At the same time, the companies are inviting more players to participate in order to create the right conditions to strengthen Tynnered's development and create an area characterised by entrepreneurship and faith in

the future. The collaboration has yielded tangible results and the area is no longer classified by the police as a particularly vulnerable area. This goal for 2025 was set when the collaboration began and has now already been achieved.

### SUSTAINABILITY LOANS BASED ON SOCIAL SECURITY

Confirmation of Stena Property's successful work came during the year, when Handelsbanken for the first time granted a sustainability loan based on social security. The loan is linked to both social and environmental variables, which are followed up annually. With the loan of SEK 500 million, the company can continue to step up its work to contribute to safe and prosperous communities and society.

“This loan is an important marker for us, as it provides verification that our work is being noted by others. The loan has an innovative structure with a clear link to the development of security in our areas. We are proud to take our sustainable financing to the next level together with Handelsbanken,” says Jakob Nilsson, CFO, Stena Property.



# Initiatives for a sustainable societal development

The Stena Group contributes to value creation and society's development by providing maritime transport of goods, vehicles and passengers, offering secure homes in the Group's properties, generating renewable electricity, and building strong companies. The work takes place through dialogue and partnerships with the Group's various stakeholders.

### People

15,400<sup>1</sup>

The Stena Group has around 15,400 employees worldwide. The employees are the basis for Stena's success, and their expertise and dedication drive the activities and contribute to society's long-term development.

1. Including external seagoing employees through Northern Marine.

### Vessels and properties

37



ROPAX VESSELS

12



RORO VESSELS

3



LNG VESSELS

68



TANKERS

2



SHUTTLE TANKERS

2



DRILLING RIGS

4



DRILLSHIPS

25,800



RESIDENTIAL UNITS

3,700



COMMERCIAL PREMISES

Stena's fleet totals 137 owned, chartered and managed vessels and drilling rigs, including newbuildings. Ashore, Stena owns and manages a total of 29,500 residential units and commercial premises. A full list of all our vessels and properties can be found at [stena.com](https://stena.com)



**THE GROUP'S** stability and long-term viability benefit from the strategy of operating in different sectors that, today and in the future, together contribute to important functions in society. These activities create employment for many people all over the world.

Stena ensures sustainable value creation through its dedicated employees, who seek constantly to contribute to positive development for both our customers and society at large. Care, effective performance and innovation are Stena's key success factors – today and in the future.

### STENA'S ROLE IN SOCIETY

Stena's activities contribute to society by:

- **CONNECTING EUROPE** by enabling people to travel and trade to flourish
- **SECURE TRANSPORT** of energy resources and other important products on which our modern society relies.
- **WELL-TRAINED SEAFARERS** who make it possible for Stena's shipping activities and other shipping companies to provide safe and efficient maritime transport.
- **SAFE AND SECURE HOMES** of good quality for many families
- **INNOVATIVE TECHNOLOGICAL DEVELOPMENT** in the maritime industry.

### ■ SUSTAINABLE PRODUCTS AND SERVICES

demanding by the market in various industries.

**FURTHERMORE**, Stena contributes to economic growth in the societies in which it operates via the taxes paid and employment for thousands of people all over the world.

## Stena's business units

### STENA LINE

Operates ferry traffic as an important part of the European logistics network.  
Read more on page 14.

### STENA DRILLING

Owns and operates 4 drillships and 2 rigs.  
Read more on page 18.

### STENA BULK

Owns, charters and manages 80 tankers in global traffic.  
Read more on page 20.

### STENA RORO

Builds and charters out vessels and provides technical expertise.  
Read more on page 22.

### NORTHERN MARINE GROUP

Provides maritime services and manning globally.  
Read more on page 24.

### STENA TEKNIK

Develops future maritime technology for increased competitiveness.  
Read more on page 26.

### STENA PROPERTY

Owns and manages 29,500 residential units and commercial premises.  
Read more on page 28.

### STENA ADACTUM

Long-term investments in listed and unlisted companies.  
Read more on page 31.

### STENA FINANCE

Builds financial strength and creates opportunities for the entire Group.  
Read more on page 34.





# Record freight levels – major investment in the Baltic Sea

By streamlining and increasing the focus on freight operations, Stena Line managed to return to a profit in 2021 and also strengthened its future competitiveness. The ferry company is now investing in expanded operations in the Baltic Sea, among other things, and has increased the pace of the transformation to fossil-free shipping.

**S**TENA LINE is one of the world's leading ferry operators, with 39 vessels serving 18 routes in Northern Europe. Stena Line also owns five ports and controls a further ten. The company is an important part of the European logistics network, offering intermodal freight solutions that combine rail, road and marine transport. Stena Line's passenger business plays an important role for tourism in Europe by offering affordable and flexible ferry transport.

### GREATER FLEXIBILITY

In 2021, Stena Line's revenue increased by over 20 per cent to SEK 12.7 billion, compared to the previous year. The business was realigned towards freight transport. During the pandemic, Stena Line had the opportunity to prove its important role in Europe's infrastructure,

where the company played an important role in the transport of food and health-care products. Today, around 65 per cent of Stena Line's sales consist of freight.

"Since we were so quick to adapt, we managed to reverse the negative trend during the past year. The decisions on a reduced cost base and increased flexibility made in 2020 had a positive effect during the year and also contribute to making us less vulnerable. We've also taken market shares in all regions in all segments," comments Niclas Mårtensson, MD of Stena Line.

"Apart from increased focus on freight, it's also a matter of moving away from cruises solely for the leisure sector and expanding our operations where we're already strong, i.e. in the Irish Sea, the North Sea and the Baltic Sea," he continues.

### CONTINUED DIGITALISATION

Another focus area for Stena Line is increased digitalisation of operations, whereby technologies such as Artificial Intelligence (AI) and machine learning are used to interconnect all parts of the business, from ports to booking systems and operations, in order to optimise efficiency, reduce emissions and improve the customer experience. Customs clearance can also take place digitally.

"Digitalisation means that we can scale up operations and increase revenues – without increasing costs by adding employees," says Niclas Mårtensson.

### PANDEMIC AND BREXIT

As the Covid restrictions were eased during the year, passenger traffic started up again. Stena Line effectively ensured safety on board, with clear guidelines and procedures for crews and passengers.

In parallel, Stena Line benefited from a sharp increase in passenger traffic between England/Scotland and Belfast as a consequence of Brexit – as this traffic takes place within the UK's borders. Brexit has also affected freight transport in the Irish Sea and brought challenges for free trade in Europe, also affecting Stena Line's operations. As a result, British ports are often avoided due to the increased complexity of customs clearance, with freight traffic instead passing directly from Ireland to France.



Stena Embla in Belfast, Northern Ireland.



“Our ambition is to lead the development towards fossil-free shipping and sustainable transport by sea. This means that in the long term we will also need to break the dependence on fossil fuels and minimise our total emissions, and not only be more efficient per sailing.”

Niclas Mårtensson,  
MD, Stena Line

André Petersén,  
Stena Jutlandica.

### CLIMATE FOCUS

The single most important issue for Stena Line is how to minimise carbon emissions, in the face of increased expectations and external requirements. In 2021, Stena Line presented a Carbon Roadmap for 2030, under which the company will accelerate its transformation to fossil-free shipping and the company's total carbon emissions will be reduced by 30 per cent up to 2030.

Stena Line focuses on four key areas in order to achieve its goals. These include electrification both offshore and onshore, operation based on alternative fuels such as hydrogen, fuel cells and methanol, fleet modernisation and AI assistance on board to optimise routes.

“Our ambition is to lead the development towards fossil-free shipping and sustainable sea transport. This means that in the long term we also need to break the dependence on fossil fuels and minimise our total emissions – and not only be more efficient per sailing,” says Niclas Mårtensson.

One challenge is the current uncertainty about the optimal fuel and technology choices for future fossil-free ship operation. Since the vessels are estimated to last for at least 40 years, there is also a significant lock-in effect. It will therefore be important to work with both existing and new vessels in order to achieve the goals. One advantage for Stena Line is that the company operates short-route

services, which makes it easier to plan and thereby also work to reduce its carbon emissions.

### EXPANSION OF BALTIC SEA OPERATIONS

After previously strengthening its position in both the Irish Sea and the North Sea, Stena Line continues to expand in the Baltic Sea by increasing passenger and freight capacity on several routes. To meet the increasing demand for freight transport in the region, modern new ferries are being deployed in two of the routes.

Two of the ferries are of the E-flexer type and are up to 30 per cent more fuel efficient than traditional ferries, thanks to the optimised design. They are also

# STENA LINE

prepared for conversion to alternative fuels, such as LNG (Liquefied Natural Gas), methanol and battery operation.

In 2022, a further two modernised ferries will be added to the Baltic Sea traffic, on the Karlskrona–Gdynia route. Expansion offshore also brings onshore investments. In Nynäshamn, Stena Line has moved to a new port and in Gdynia to a modern new terminal.

Stena Line is also entering the Finnish market with a new route from Nynäshamn to Hangö in Finland, with daily departures from both ports.

“We’re investing in the new route to meet the increasing demand from our freight customers for transport across the Baltic Sea and beyond. By expanding our new network to Finland, we’re expanding and improving the most extensive ferry route network in northern Europe. In total, we’re increasing capacity in the Baltic Sea by just over 30 per cent,” says Niclas Mårtensson.

## PORT RELOCATION IN GÖTEBORG - NEW PORT IN ENGLAND

In 2021, Stena Line initiated negotiations with the Gothenburg Port Authority with the aim of enabling relocation from central Göteborg to the outer port as from 2027. A new ferry terminal will optimise Stena Line’s conditions for growth and implementation of future investments. The aim is that the new port will offer a well-developed infrastructure for hybrid electric-powered vessels. It will also give opportunities to move heavy traffic out of the city, to the benefit of the City of Göteborg’s urban development plans and sustainable societal development.

During the year, Stena Line also signed an agreement with Associated British Ports in the UK to jointly develop a new port in Immingham. The reason is that, as freight volumes continue to increase, the shipping company needs to increase terminal capacity. The new terminal, which will be in operation by 2025, will make it possible to deploy larger vessels in the route between Rotterdam and Immingham.

## SUSTAINABILITY PERFORMANCE

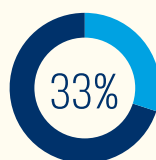
In the environmental area, energy is at the top of the agenda, with focus on more efficient fuel consumption, fossil-free fuels and electrification. Stena Line failed to meet its target for reduction of carbon emissions in 2021. Instead, the company’s emissions per nautical mile increased slightly compared with 2020, due to more departures and larger vessels with higher fuel consumption compared with the previous year.

For Stena Line, consideration for the planet’s resources is also a priority area. The key ratio for material recycling shows a stable level during the year, although the target of an annual increase in the proportion of recycled material was not achieved.

Stena Line also focuses on gender equality and equal opportunities for everyone, with the aim of increasing the proportion of female managers. However, the results for the year show a reduction in the proportion of female managers, despite efforts to increase gender equality and achieve the company’s goals.

### FINANCE

SHARE OF TOTAL  
INCOME



INCOME, MSEK

12,700  
(10,400)

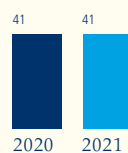
CAPITAL EMPLOYED,  
MSEK

24,500  
(20,300)



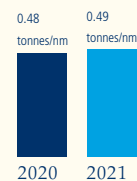
### ENVIRONMENT

MATERIAL  
RECYCLING [%]



Goal: +2.5%/year.

CARBON DIOXIDE  
EMISSIONS, CO<sub>2</sub>



Goal: – 2.5 per cent CO<sub>2</sub> emissions per nautical mile per year.

### PEOPLE

NUMBER OF  
EMPLOYEES



PROPORTION OF FEMALE  
MANAGERS IN 2021

17%

Goal: At least 30 per cent female managers by the end of 2022

### UN SUSTAINABLE DEVELOPMENT GOALS

Stena Line focus on the following UN Sustainable Development Goals:





## OUR BUSINESS

“We create value by being a trusted link between people, places and communities. This is more important than ever before.”

Markus Lindbom,  
Chief Commercial Officer, Stena Line

Stena Danica, Göteborg, Sweden.

# All rigs on contracts – new investments to future-proof operations

Stena Drilling's strategy to keep all rigs in top condition when the pandemic hit the offshore industry in 2020 proved to pay off. The company also continued to invest in new technology to improve energy efficiency and safety.

**S**TENA DRILLING is one of the world's leading independent drilling contractors. The company is also a pioneer within innovation and technical development in the offshore industry, after several successful newbuilding and conversion projects. Today, the fleet comprises four drillships and two semi-submersible drilling rigs, operating in a global market.

When the pandemic hit in March 2020, people in all industries were affected – but offshore crews faced particular challenges due to their work environments, where social distancing is nearly impossible. Meanwhile, oil prices dropped dramatically, which caused oil and gas companies to postpone new operations overnight. Almost two years later, the offshore industry is still affected, but production was increased during 2021 as the recovery of world markets resulted in increased demand for energy.

"2020 was incredibly tough and we had to do everything we could to protect the business; cutting costs and laying off staff. But we managed to keep the rigs that lost their contracts hotstacked, while some of our competitors were forced to go through bankruptcy proceedings," says Erik Ronsberg, MD of Stena Drilling.

"By keeping the rigs ready to reactivate, we managed to sign new contracts for

all our rigs as soon as the market turned, and we were also able to re-employ people. Repeat business is extremely important to us and our ability to offer our services whenever our customers need us has strengthened our relationships with them," he continues.

### SEVERAL ASSIGNMENTS FOR EXXONMOBIL

ExxonMobil is one of Stena Drilling's long-term customers. During the year, two of Stena's drillships were on assignment for the energy company off the coast in Guyana, while one operated off Cyprus. During the year, *Stena Forth* also operated off Israel, decommissioning older oil wells. Meanwhile, *Stena Spey* was assigned for similar decommissioning operations off the south coast of Ireland.

"We foresee more decommissioning work in the future as old, unproductive oil fields are shut down," says Erik Ronsberg.

### INVESTING IN THE FUTURE

Stena Drilling positions itself to be the most digitally and efficient drilling contractor globally. During the year, the company revealed several partnerships aimed to contribute to strengthening its digital evolution. One of these, with blockchain company Smart Chain Services, focuses on developing smart contract solutions for the energy sector. Another, with Intebloc

– a specialist digital lifting solutions provider – aims at improving the safety and productivity of offshore lifting operations.

During the year, Stena Drilling also entered an option agreement with Samsung Heavy Industries to acquire a drillship. This gives Stena Drilling the opportunity to offer the market a state-of-the-art drilling service with a lower carbon footprint.

"Our plan is to fit the drillship with hybrid technologies, including the use of batteries," says Erik Ronsberg.

"While providing the best possible services and focusing on our day-to-day business, we're also continuously evaluating future opportunities for our fleet; making best possible use of our technological competence, passionate people and knowledge of the sea. This could be areas that include renewables like wind or wave power, or carbon capture and storage," he continues.

### FOCUS ON ENERGY EFFICIENCY AND SAFETY

Stena Drilling is one of the world's first drilling contractors to gain ISO 50001 energy management certification. In order to increase efficiency and reduce vessels' fuel consumption and emissions, Stena Drilling has developed smart energy and emission meters, so that employees can monitor and reduce energy consumption in real time.



Stena Drilling is also known as a leader in the industry when it comes to safety. This is a competitive advantage in relation to oil companies, for which safety is a top priority.

#### FOCUS ON EMPLOYEES AND LOCAL COMMUNITIES

During the year, Stena Drilling provided skills development and new career opportunities for their employees. The company also launched a mental health portal for all staff.

Stena Drilling seeks to have a positive impact in all the communities where they operate by, for example, assisting countries such as Guyana to develop their own energy resources. The company is also securing opportunities for local populations to benefit from Stena Drilling being part of their community and providing employment, as well as support for employees' families in areas of healthcare and education – thereby contributing to better living conditions.

#### SUSTAINABILITY PERFORMANCE

In the environmental area, Stena Drilling focuses on reducing its carbon dioxide and nitrogen oxide emissions by reducing its fuel consumption. The target for 2021 was to reduce fuel consumption by 5 per cent, with 2019 as the base year. The company's ISO 50001 certification, combined with daily monitoring of fuel consumption, has contributed increased focus and led to good results, with a 6 per cent reduction of carbon emissions from 2019 levels.

Stena Drilling conducted accredited anti-corruption training for selected key personnel during the year.

“By keeping the rigs ready to reactivate, we managed to sign new contracts for all our rigs as soon as the market turned, and we were also able to re-employ people.”

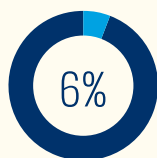
Erik Ronsberg,  
MD, Stena Drilling

Crew on DrillMAX Stena Forth.  
Stena Drilling.

## OUR BUSINESS

### FINANCE

SHARE OF TOTAL  
INCOME



INCOME, MSEK

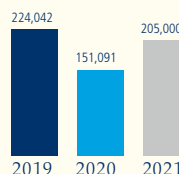
2,500  
(1,300)

CAPITAL EMPLOYED,  
MSEK  
16,000  
(16,600)

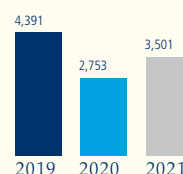


### ENVIRONMENT

CARBON DIOXIDE  
EMISSIONS, CO<sub>2</sub>



NITROGEN OXIDE,  
NO<sub>x</sub> (TONNES)



### PEOPLE

NUMBER OF EMPLOYEES



800

99%

have completed  
anti-corruption  
training\*

\* The target group for the training is key personnel and consisted of 174 employees.

### UN SUSTAINABLE DEVELOPMENT GOALS

Stena Drilling focus on the following UN Sustainable Development Goals:





# Focus on sustainability and innovation in a challenging year

In a year characterised by the transformation in the energy sector, Stena Bulk focused on development within sustainability and the technology of the future. Among other things, the company plays a driving role in the development of methanol-powered tankers.

**W**ITH A FLEET OF 80 owned, chartered and managed tankers in global traffic, Stena Bulk is one of the world's leading tanker operators. The business concept is to offer secure, innovative and cost-effective marine transport of crude oil, refined petroleum products, chemicals and LNG (Liquefied Natural Gas). The strategy is to adopt a holistic perspective, from development and construction to technical operation, with the crewing and chartering of first-class tankers and LNG vessels.

### A CHANGING ENERGY INDUSTRY

Stena Bulk is strongly affected by the fundamental changes taking place in the energy industry. Large parts of the year were characterised by the lowest demand for oil ever experienced by the industry since the 1970s, combined with a surplus of tonnage. The phasing-out of older tonnage as expected by the market did not take place, while new tankers were launched in the market. This also affected Stena Bulk, which reported a loss for the year.

"We hope and trust that we've weathered the worst of the storm and that 2022 will be a better year for the

industry and for ourselves," comments Erik Hånell, MD of Stena Bulk.

"The most positive thing during the year was that we made several advances in the transition to the sustainable technology of the future. We're convinced that investment in the development of energy-efficient propulsion of the vessels, and to explore new low-carbon fuels is the right commercial decision to future-proof our fleet," says Erik Hånell.

The transformation of the energy industry presents not only challenges, but also new opportunities. Stena Bulk works actively with business development to meet demand and provide the world with the energy and liquid raw materials of the future. This work is taking place against the backdrop of a changing market, where the company sees collaboration and partnership with major customers as a key to success. In 2021, Stena Bulk saw a strongly expanding market and increased demand for natural gas.

"As with all major changes, the change the energy industry is facing will present major opportunities. But we don't know exactly what these opportunities will look like, so it's important for us to have the right organisation, the right mindset and the right partners to be prepared to act and invest when the time is right," says Peter Björkborg, Sustainability and Transformation Manager at Stena Bulk.





### AN AMBITIOUS SUSTAINABILITY STRATEGY

During the year, Stena Bulk drew up an ambitious roadmap to address the major sustainability challenges and to transform them into new opportunities. Stena Bulk's goals are:

- All newbuildings must be climate neutral by 2030
- To have carbon-neutral operations by 2040
- To be a "net-zero business" by 2050, whereby everything the company transports must be climate neutral.

The roadmap also includes three focus areas that are integrated into both the company's strategic direction and day-to-day operations, and that are drawn up in line with the UN Sustainable Development Goals. These are:

- A safe and attractive workplace
- Energy and raw materials for a growing world
- A minimised ecological footprint

### SUSTAINABILITY FOCUS DURING THE YEAR

In 2021, Stena Bulk focused on the environmental area, with a number of investments within technology development, development of propulsion with methanol, carbon storage on board vessels, and the implementation of biofuels in day-to-day operations.

Prior to COP26, Stena Bulk also joined forces with other industry leaders within the framework of the Global Maritime Forum's Call to Action for Shipping Decarbonisation.

Safety is a constant focus within the company. Ongoing safety activities are conducted together with Northern Marine Group, which is responsible for crews and operations on board. During the year, Stena Bulk also signed the Neptune Declaration, which aims to safeguard the welfare of crews on board.

### DEVELOPING FLEXIBLE VESSELS

Stena Bulk engages actively in the business development of flexible tonnage that can run on different fuels and can transport different types of raw materials.

These investments include the development of three methanol-powered vessels, which are currently being built within the Proman Stena Bulk joint venture company. Methanol as a fuel reduces

emissions of SOx (sulphur oxides), NOx (nitrogen oxides), particles and exhaust gases. The first of these vessels will be delivered during the first half of 2022, while the other two are expected to follow towards the end of 2023.

"We've seen a major change in the industry during the past year in terms of interest in sustainable solutions, and we believe that this initiative can give us an important competitive advantage in the future," Erik Hånell concludes.

### SUSTAINABILITY PERFORMANCE

In the environmental area, Stena Bulk focuses on energy and fuel efficiency in day-to-day operations. As of 2020, Stena Bulk reports EEOI (Energy Efficiency Operational Indicator) for its vessels. This is a good measure of the vessels' energy efficiency, as it ensures comparability between years, even if the size of the business changes. EEOI for the MR segment, which concerns smaller vessels, the result for the year improved and Stena Bulk achieved its targets. For the Suezmax segment, the larger vessels, EEOI is at a similar level as last year.

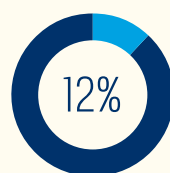
In 2021, Stena Bulk also reduced its fuel consumption and exceeded its target of reducing its consumption by 0.3 tonnes/day/vessel.

**"We've seen a major change in the industry during the past year in terms of interest in sustainable solutions, and we believe that this initiative can give us an important competitive advantage in the future."**

Erik Hånell,  
MD, Stena Bulk

### FINANCE

SHARE OF TOTAL  
INCOME



INCOME, MSEK

4,500  
(5,500)

CAPITAL EMPLOYED,  
MSEK

9,700  
(6,800)

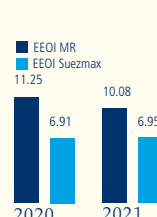
### EMPLOYEES

NUMBER OF EMPLOYEES



### ENVIRONMENT

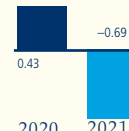
EEOI



Goal: -2%/year

FUEL CONSUMPTION/  
ENERGY EFFICIENCY

(Change in  
tonnes/day/vessel)



Goal: -0.3%

### UN SUSTAINABLE DEVELOPMENT GOALS

Stena Bulk focuses on the following UN Sustainable Development Goals:



# New orders for the next generation of flexible RoPax vessels

Good demand for freight partly offset the pandemic's effects on passenger traffic for Stena RoRo. The year's most important events included three new orders for E-Flexers – Stena's RoPax vessels, which set a new sustainability standard in the industry.

**S**TENA RORO builds and charters out RoRo and RoPax vessels, and is an important link in society's chain by enabling efficient and sustainable freight transport. RoRo vessels carry wheeled cargo, primarily lorries, creating bridges at sea all over the world. On the RoPax vessels, load capacity is combined with all of the facilities offered by modern vessels to their passengers. Currently, a number of vessels are chartered out to operators around the world; both to Stena Line and to external parties.

## THE PANDEMIC AND BREXIT AFFECTED THE MARKET

Two strong trends characterised the market in 2021. One trend was the pandemic, which continued to slow down demand for passenger vessels, while the freight market strengthened as a consequence of new consumption patterns based on e-commerce. The second was Brexit, which has led to new routes for ferry traffic based on a changed market.

"Since we charter out RoPax vessels that are primarily designed to carry wheeled freight, with passengers as a supplement, we were able to benefit from the fluctuations in the market towards this segment," comments Per Westling, MD of Stena RoRo.

"This resulted in stable growth. Brexit has also meant that we have seen increased demand for freight from Ireland

that circumnavigates the UK and passes directly to the continent, with greater opportunities to charter out large vessels," Per Westling continues.

The result was burdened by Stena RoRo taking over two older ferries from Stena Line, with associated cost increases. In total, this means that Stena RoRo reports a zero result for the year.

## CUSTOMISED VESSEL SOLUTIONS

Activities include the construction of new vessels, and the design and further development of existing vessels, in order to provide customised transport solutions for customers. Stena RoRo has been successful in these operations over the years, thanks to an active "Stenability" strategy of acquiring vessels at competitive prices, creating value through development, and achieving gains in the right market conditions.

The company's expertise, market knowledge and creativity have been used to find completely new employment for *Stena Saga*, which was taken over from Stena Line. *Stena Saga* has been converted into floating accommodation and office premises for personnel and is used in conjunction with the construction of a new airport in the Philippines, located on a new artificial island.

The year also saw delivery of *Stena Baltica* and *Stena Scandica*, which in a

unique conversion project have each been extended by 36 metres.

During the year, Stena RoRo also achieved the multi-year assignment of assisting the Crowley Maritime Corporation shipping company in the procurement of new RoRo vessels.

## BATTERY OPERATION AND NEW FUELS

Stena RoRo has seen a significant market shift in recent years. Today, virtually all customers require hybrid solutions based on new fuels and battery operation when they order new vessels. Under new EU regulations, the entire life cycle of the vessels will need to be taken into account. For this development to really gain momentum, however, the infrastructure for electrical operation needs to be expanded.

## GOOD DEMAND FOR E-FLEXERS

Stena RoRo's most extensive investment in the development of the new generation of RoPax vessels, called Stena E-Flexers, is a good response to the market demand. These vessels set a completely new sustainability standard in the RoPax segment. They offer improved cost and energy efficiency, as they are up to 30 per cent more fuel-efficient. The engines can also run on different types of fuel, such as biogas, ammonia and hydrogen. Some of the vessels also have large battery





Stena Estrid

packs installed, which enable them to operate on electric power into and within port. These can run at 17.5 knots on batteries alone.

During the year, a further three out of a total of 12 E-flexers were ordered and will be delivered by 2025. Two of the twelve were delivered in 2021.

“We note a clear increase in interest from our customers in flexible ship operation. This applies to orders for new vessels, where hybrid solutions are the dominant factor, but also the opportunity to convert existing vessels to methanol operation. Our knowledge and experience in these areas is – and will continue to be – one of our main competitive advantages and success factors,” says Per Westling.

## SUSTAINABILITY PERFORMANCE

Health and safety are important in day-to-day operations, and Stena RoRo has established targets and key figures in this area. A key focus is workplace safety, for which the established LTIF measure is used for the crew onboard. The company’s vision of zero occupational accidents was achieved during the year.

Stena RoRo holds ISO 14001 certification for environment management and therefore works systematically to

“We note a clear increase in interest from our customers in flexible ship operation. This applies to orders for new vessels, where hybrid solutions are the dominant factor, but also the opportunity to convert existing vessels to methanol operation.”

Per Westling,  
MD, Stena RoRo

minimise the environmental impacts of the vessels that are built, converted and chartered. Stena RoRo reached the target of zero oil spills during the year.

Stena RoRo’s goal is for the new generation of RoPax vessels, known as Stena E-Flexers, to meet the highest standards of energy efficiency by meeting or exceeding the IMO’s design index (EEDI). The E-Flexers that have been produced show good results and exceed the IMO’s requirements.

## PEOPLE

NUMBER OF  
EMPLOYEES



260

## ENVIRONMENT

OILSPILLS

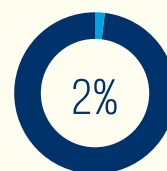


0

spills reported

## FINANCE

SHARE OF  
TOTAL INCOME



INCOME, MSEK

600  
(500)



CAPITAL  
EMPLOYED, MSEK

4,300  
(2,700)

## UN SUSTAINABLE DEVELOPMENT GOALS

Stena RoRo focus on the following UN Sustainable Development Goals:



# Great efforts to enable world trade

Continued travel restrictions and a challenging tanker market due to severely unbalanced supply and demand conditions affected the operations of Northern Marine Group in 2021. Meanwhile, both the shore staff and seafarers of the company worked hard to help enable world trade to continue, despite the logistical and operational challenges caused by the pandemic.

**N**ORTHERN MARINE GROUP (NMG), headquartered in Glasgow, provides technical, personnel and administrative services for vessel owners and crews in the Stena Group, and also to external customers in the marine, offshore and renewables industries. NMG's considerable multinational pool of seafarers work onboard different types of vessels, in collaboration with experienced shore-based managerial personnel. NMG's extensive shore-based infrastructure comprises a wide network of offices, training centres and strategically located marine supply facilities offering global services.

### CONTINUED EFFECTS OF THE PANDEMIC

The pandemic continued to have a major impact on the operations of NMG during the year, with travel restrictions and logistical challenges for the vessels' crews, as well as its effect on global supply chains, which resulted in a significant increase in the cost of freight.

Another area that was impacted was the marine supply activity, as some ports were effectively closed down and vessels re-routed. Most severely affected was the travel management and training business areas, due to continued restrictions on the free movement of people.

### INCREASED FOCUS ON MARINE DECARBONISATION

Sustainable shipping is now the ultimate goal for the sector. All policy and regulation changes and emission control measures are moving towards the unified objective of decarbonisation. The International Maritime Organization (IMO) is playing an important role in this transformation and the EU is introducing a regional Emissions Trading System (ETS) that is seeking a reduction in greenhouse gas emissions to at least 55 per cent by 2030.

### RENEWABLE'S TRAINING CENTRE AND MARITIME GLOBAL SERVICES LAUNCHED

In 2021, NMG subsidiary Clyde Training Solutions opened a training centre for the training and assessment of personnel working in the renewable sector, especially offshore wind farms. Maritime Global Services was also launched during the year as a further step in advancing the company's relationship and support to ExxonMobil. This is a business unit dedicated to providing marine quality assurance to ExxonMobil's subsidiary, SeaRiver Maritime.

"NMG provides a single-source competence solution for energy companies. We also have the infrastructure and professionals in place to capitalise on the growth in training requirements of the renewables sector, which means that we

are well positioned for future growth," says Philip Fullerton, MD of NMG.

"Our ability to establish Maritime Global Services during the initial stages of the pandemic, as well as the efforts of both shore staff and seafarers to help ensure world trade in the face of the continued logistical and operational challenges caused by the pandemic, have proven the strength of our organisation and the dedication of our staff," Philip Fullerton continues.

### NEW CONTRACTS SIGNED

Other important events during the year included contracts signed for the management of new vessels, including new vessel types with the capability to be propelled by methanol or LPG fuels. NMG was also contracted to crew a fleet of Liquefied Natural Gas (LNG) carriers for a new, internationally reputable client.

Meanwhile, RoPax officers were placed on a managed gas carrier vessel to learn how to operate gas-fuelled vessels. The training aims at developing seafarers for working with future fuels and assisting with the delivery of Stena E-Flexers to charterers.

NMG's future strategy includes organic growth in the vessel management activity, with larger customers and focus on additional gas and offshore assets. The company is equipped to facilitate the management of new vessel types and those that require new fuels.

### FOCUS ON SUSTAINABILITY

NMG takes a holistic approach to sustainability, which includes everything from logistics to customer service.

**“One of our greatest challenges – but also opportunities – is to assist in the transformation from a fossil dependent economy to one with a greater balance of renewable energy.”**

Philip Fullerton,  
MD, NMG





OUR BUSINESS

Safety exercise on board *Stena Imprimis*.

Important areas are safety and optimising the fleet's performance to help customers achieve their targets for fuel consumption and emission reductions.

In 2021, NMG continued to evaluate new energy solutions, while assisting clients with modifications to vessels to improve energy efficiency and emission reduction.

"One of our greatest challenges – but also opportunities – is to assist in the transformation from a fossil dependent economy to one with a greater balance of renewable energy," Philip Fullerton says.

"We are well positioned to provide engineering solutions for the transition to clean fuels and power generation, particularly in emerging markets," he continues.

Stena Power & LNG Solutions facilitates LNG as an energy source and offers capacity to utilise future fuels, such as hydrogen or ammonia. This business unit also provides solutions to allow lower capital cost projects to be considered, to bring stable sources of power to developing regions.

"We are fully engaged in and supportive of an energy transition and we will do our utmost to position the company, and indeed our clients, to achieve their ESG goals," Philip Fullerton says.

## SUSTAINABILITY PERFORMANCE

Within the environmental area, NMG has a focus on reducing its fuel consumption and succeeded in exceeding the annual target of 2 per cent during the year.

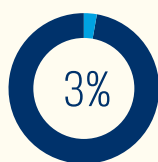
In the safety field, the company follows up on occupational accidents. There were no occupational accidents for onshore operations. Regarding occupational accidents at sea, NMG's results are somewhat better than the target and are well in line with the industry average.

The company also uses "Retention Rate" as a key ratio to monitor its ability to retain seafarers. This year too, the company exceeded its target of 90 per cent.

In 2021, NMG continued to maintain several certification standards.

### NET SALES

SHARE OF TOTAL INCOME



INCOME, MSEK

1,000  
(900)

CAPITAL EMPLOYED, MSEK

600  
(600)



### PEOPLE

NUMBER OF EMPLOYEES



4,600

RETENTION RATE

93%

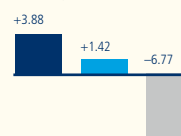
Goal: >90%

The company also uses "Retention Rate" as a key ratio to monitor its ability to retain seafarers.

### ENVIRONMENT

ENERGY CONSUMPTION

(change in %)



2019 2020 2021

Goal: -2% MJ/tonnes/M

### UN SUSTAINABLE DEVELOPMENT GOALS

NMG focuses on the following UN Sustainable Development Goals:



### SAFETY

OCCUPATIONAL ACCIDENTS, LAND-BASED OPERATIONS

0

Goal: 0 pcs.

WORKPLACE SAFETY AT SEA (LTIF)

0.29

Goal: <0.35

# Increased cooperation within Stena for sustainable development

During the year, Stena Teknik took new initiatives to strengthen technical cooperation between the maritime business units.

**S**TENA TEKNIK is a technical resource for Stena's maritime-related business units, committed to increasing their competitiveness and developing techniques to operate the Group's vessels on a secure, sustainable and effective basis. Stena Teknik plays a central role in the Stena Group's work to contribute to the shipping sector's vision of climate-neutral transport, with net zero emissions by 2050. Intensive work is under way in this area to optimise the design of both existing and newly built vessels, in order to increase load capacity, minimise fuel consumption and enable fossil-free operation.

### GROUP TECHNOLOGY HUB

Stena Teknik also focuses on developing safety on board, not least in terms of fire safety. Another area where collaboration is necessary is digitalisation and the use of new technology for everything from streamlining operations to the development of new types of ship operation. One example is where AI is used to make ships self-steering.

"There is solid knowledge and experience within the various Stena companies. In order to make greater use of this and learn from each other, we have taken new initiatives for collaboration during the year. The goal is to develop Stena Teknik into the 'think tank' that we have the opportunity to become," says Ron Gerlach, Technical Director of Stena Teknik.

"During the year, we've examined potential collaboration with both industry and academia to find solutions that make the vessels as lightweight and efficient as possible. There is elimination of anything that is not necessary for the vessels' operation, in order to reduce the weight as much as possible. The vessels will also have a more flexible structure, which can be adjusted quickly, depending on the distribution of demand between freight and passengers," he continues.

### DEVELOPMENT OF FOSSIL-FREE OPERATION

Stena's maritime business units are working to minimise carbon emissions in their operations and are actively involved in the development of groundbreaking new technology and innovations.

"We're also aware that more needs to be done to address the transformation to renewable fuel and electrification," says Ron Gerlach.

Stena Teknik is involved, together with several other players, in the development of ship operation based on various different fuels. One example is the construction of Stena RoRo's energy-efficient E-Flexer vessel, the RoPax model. These vessels are designed to run on different types of fuel and are the most energy-efficient of their kind.

One important alternative fuel, to reduce shipping's dependence on fossil fuels, is methanol. During the year, Stena developed its cooperation with the Swiss

energy company Proman on the development of a solution that enables ship operation at sea based on methanol. The goal is to offer this solution for Stena's vessels and to external operators.

Another area is the development of battery-powered vessels. Stena's prestigious project – battery-powered *Stena Elektra* – the world's most advanced RoPax vessel and is expected to be operational in 2030 with battery capacity for a range of 50 nautical miles, i.e. the route between Göteborg and Frederikshamn.

"There are many pieces that need to be in place before 2030, not least on the battery side. We need to gain better insight and knowledge about the batteries of the future – and what the charging infrastructure will look like. We need to work with both battery manufacturers and ports," says Ron Gerlach.

**“We need to gain better insight and knowledge about the batteries of the future – and what the charging infrastructure will look like. We need to work with both battery manufacturers and ports.”**

Ron Gerlach,  
Technical Director, Stena Teknik



“The rapid technological development, combined with increased sustainability requirements, means that we must make use of all the knowledge that exists within the Group in order to lead the industry’s transformation to renewable fuels and electrification.”

Ron Gerlach,  
Technical Director, Stena Teknik

Stena Danica in dry dock, Odense, Denmark



# Celebrating 40 years of forward-looking urban development projects

From the outset, 40 years ago, Stena Property has grown rapidly and also developed from a management company into a leading urban developer that invests in people, neighbourhoods and communities. In 2021, the company invested just over SEK 3 billion, contributed thousands of new homes and created more than 500 holiday jobs for young people.

**S**TENA PROPERTY is one of Sweden's largest privately-owned property companies. It owns and manages approximately 2.4 million square metres in around 25,800 residential properties, and 3,700 commercial premises in the metropolitan regions of Stockholm, Göteborg and Malmö. The portfolio also consists of commercial properties in other countries. In 2021 and early 2022, Stena Property in Poland was established through three acquisitions of modern commercial properties in the country's three largest cities. The occupancy rate for the holdings in Sweden was 97 per cent in 2021, while for holdings abroad it was 87 per cent.

At the Fastighetsgala in February 2021, Stena Property was named Housing Company of the Year for reasons such as demonstrating that sustainability and business acumen go hand in hand. At the beginning of 2022, Stena Property was also named Career Company of the Year.

"Our long-term focus on diversity, consideration and social sustainability is reflected in the award. The award gives us even more power and energy, and contributes to the fantastic commitment we see every day," says Marie Bergsgård, HR Manager of Stena Property.

### THE PANDEMIC HAS PUT THE FOCUS ON THE HOME

One of the trends with the greatest impact on Stena Property in 2021 was the increased interest in housing as a consequence of the pandemic and people spending more time at home.

"There's been great demand for new homes, we've sold more owner-occupied flats and customers have become keener to pay their rent. Many tenants also want to move to homes with more space. We've also noticed that more people are demanding better broadband and smart solutions, such as being able to book the laundry room electronically. There's also increased interest in caring for the local area and making it pleasant and attractive. For us, these are all positive trends," says Cecilia Fasth, MD of Stena Property.

### SUSTAINABLE GROWTH

Stena Property continued to grow strongly in 2021, with results in line with expectations and with investments in several projects in Stockholm, Göteborg and Malmö. These include various types of innovative solutions for new types of housing, such as co-living, i.e. cooperative housing where several tenants share a residential unit. During the year, Stena Property also won ground instructions in both Uppsala and Mölndal. In total, Stena

Property had 1,550 residential properties in production in 2021, while 1,250 residential properties were renovated.


"We are continuing our strong growth and have stepped up the growth target to 1,100 new homes per year. In parallel, we're selling more and more owner-occupied flats: 283 residential units in total during the year, which meant that we exceeded the target of 215. By continuing to invest in creating pleasant and secure neighbourhoods with different forms of housing, as well as innovative solutions, we're also safeguarding the future of our business," comments Cecilia Fasth.

### CAREFUL URBAN DEVELOPMENT

Stena Property is a long-term property owner that owns and develops its neighborhoods for future generations and works to strengthen the cities where the company operates. In practice, this means that a long-term approach and care for health, the environment and safety guide all decisions and are integrated into the business objectives.

In the early 1990s, Stena Property made a unique decision by investing in residential units in the "Million Programme" area of Lindängen in Malmö. This was where "Relationship Management" began to be developed as a way of working that today permeates the entire company and is the basis for strong leadership within social sustainability. Dialogue, local presence, collaboration and long-term ownership in order to make people feel secure and content where they live and work are important components. Today, a significant proportion of Stena Property's residential properties are located in "Million Programme" areas, including Fisksätra in Nacka, Bellevuegården in Malmö and Tynnered in Göteborg. The company has a solid presence in its areas and invests in social activities. Here, the company is working to uplift the neighbourhood and contribute to positive development in the areas by contributing everything from schools and retirement homes to new owner-occupied flats and rental apartments.



A woman with blonde hair, wearing a blue and pink quilted jacket, black leggings, and a pink headband, is running on a path covered in fallen yellow leaves. The path is surrounded by trees with autumn foliage. In the background, a modern building with balconies is visible. The sun is shining through the trees, creating a bright, warm atmosphere.

“ We are continuing our strong growth and have stepped up the growth target to 1,100 new homes per year. In parallel, we’re selling more and more owner-occupied flats: 283 residential units in total during the year, which meant that we exceeded the target of 215. By continuing to invest in creating pleasant and secure neighbourhoods with different forms of housing, as well as innovative solutions, we’re also safeguarding the future of our business. ”

Cecilia Fasth,  
MD, Stena Property



# STENA PROPERTY

One of this year's initiatives is Destination Tynnered, a collaboration between Stena Property, Volvo Cars and the municipal real estate company Framtiden. The aim is to create a secure and attractive Tynnered that is characterised by confidence in the future and entrepreneurship, see the Responsible business section on pages 10–11.

"Another thing we're proud of within the framework of our relationship management is that during the year, thanks to our creativity, we created 621 holiday jobs for young people in our areas," reports Cecilia Fasth.

## SUSTAINABLE HOMES

Stena Property also has high ambitions in the climate and environmental area. The goal is to reduce the climate footprint by 50 per cent by 2030, while achieving the same return. This means that during that period, Stena Property must reduce its carbon emissions from operations by at least 50 per cent. In order to succeed, intensive work is under way in all parts of the business. Important initiatives in 2021 included early identification of climate-saving measures in all new production projects, production of over one million kWh solar panels, transition to renewable district heating, investment in building

Nordic Swan Ecolabelled timber buildings, and intensified focus on emissions from the supply chain. Working proactively with the supply chain is essential for a company that purchases services related to construction, administration and renovation.

Stena Property's goal is to produce at least 1,000 sustainable homes every year. This means that the company provides homes that are produced sustainably and which also make it easier for their residents to live sustainable lives. To monitor and follow up on its work, Stena Property has developed a tool for calculating the climate footprint of an entire apartment. The tool takes account of every aspect of an apartment that affects the climate, in proportion to each other, which makes it easier to prioritise and work sustainably in both operation and production.

## SUSTAINABILITY PERFORMANCE

In the environmental area, Stena Property has climate issues high on its agenda and follows up on its carbon emissions from its own operations and in the value chain. The company has reduced the carbon footprint from its own operations by 53 per cent compared to the base year, 2018, through energy savings and switching to green energy. In 2021, Scope 3 emissions rose compared

## HAMMARBY FOTBOLL

Three years ago in Stockholm, Stena Property became the main partner of the soccer club Hammarby Fotboll in the Samhällsmatchen (community match) project, with the intention of uniting forces as a catalyst for a positive development in society. Increased security, more people in employment and greater equality in Stockholm's southern locations and in Fisksätra are some of the goals.

The collaboration has generated a number of initiatives such as career days, blue light matches and inclusion programmes. In 2021 alone, there were more than 8,000 participants in the Samhällsmatchen activities, and almost 160 people found a job via one of the programme's labour market initiatives.

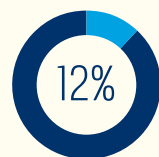
with the previous year, due to increased new production and more completed projects in 2021.

Stena Property works actively on dialogue with residents, holiday jobs and relationship management in order to achieve its goal of increasing security and well-being in its residential areas. The company uses an Active Bo Security Index that is measured every other year, and the results for 2021 show an improvement since the measurement in 2019.

On the employee side, Stena Property works actively on diversity and has followed up the proportion of employees with a foreign background in order for the workforce to reflect society.

## FINANCE

SHARE OF TOTAL INCOME



INCOME, MSEK

4,600  
(3,700)

CAPITAL EMPLOYED, MSEK

41,400  
(40,900)

## PEOPLE

NUMBER OF EMPLOYEES



DIVERSITY

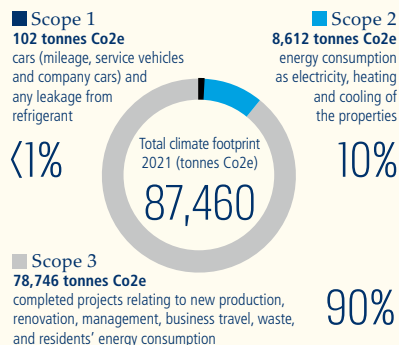
19%

Goal: At least 24 per cent by 2024

The proportion of employees with a foreign background must reflect society

## ENVIRONMENT

TOTAL CARBON FOOTPRINT 2021, CO<sub>2</sub>e



Goal: -50% by 2030 compared to 2018

## COMMUNITY

SECURITY IN RESIDENTIAL AREAS

78.6%

Goal: At least 82% in Aktiv Bo by 2024

<sup>1)</sup> Security is measured through Aktiv Bo. The survey is run every second year.

## UN SUSTAINABLE DEVELOPMENT GOALS

Stena Property focuses on the following UN Sustainable Development Goals:





# Record performance and strong value creation in the portfolio

The investment company Stena Adactum recorded record results for 2021, despite a challenging year with increased costs and shortages of goods due to the pandemic. At the same time, consumer-focused holdings benefited from the increased interest in the home, which led to strong growth. In total, the net asset value of the portfolio increased by 33 per cent.

**S**TENA ADACTUM is Stena AB's wholly-owned investment company. The investment model is based on acquiring companies with good potential for growth and profitability, and then taking the next step of developing and strengthening their operations as an active partner. Stena Adactum's strategy is based on long-term ownership. Several of the holdings, such as wholly-owned Ballingslöv International, Stena Adactum's largest individual holding, and Blomsterlandet and Envac, have been included in the portfolio since the early 2000s, when Stena Adactum was formed. Today, the portfolio comprises nine companies with revenue totalling around SEK 19 billion. From the start, there has been sound value growth. At the end of 2021, the company's net asset value was almost SEK 13 billion, an increase of 33 per cent compared with the previous year.

"We have an ambitious growth target to double the value of the portfolio in five years, i.e. by around 15 per cent per annum – which we are proud to have exceeded in 2021 and also since the start of Stena Adactum. For the first time, in 2021 we also recorded a profit of more than SEK 1 billion," comments Stena Adactum's MD, Anders Wassberg.

## INCREASED ORDER INTAKE

Several of Stena Adactum's holdings benefited from the house and home trend, with increased demand for goods such as kitchens, bathrooms and garden products. The kitchen brand group Ballingslöv International, bathroom company Svedbergs and gardening company Blomsterlandet all recorded an increase in sales during the year.

The B2B category within Adactum includes the security company Gunnebo; Envac, which is a world leader in automated waste management; and the high-tech company Beijer Electronics.

"In the second half of the year, there was a sharp increase in order intake for our B2B holdings, which were previously severely affected by the pandemic. Supply chain disruptions and major difficulties in obtaining both materials and components led to major cost increases. But our companies were good at working with customisation and pricing to meet the new reality," says Anders Wassberg.

## ALECTA AS A NEW CO-OWNER OF SR ENERGY

In the spring of 2021, Alecta became a new co-owner, and thereby increased its holdings in SR Energy, formerly Stena Renewable. This is an important company for Stena Adactum, with a clear

environmental profile, and during the past 15 years it has established a strong position within wind power projects in southern Sweden. SR Energy currently has one of the large commissioned wind power portfolios in Sweden, totalling 315 MW. In addition, SR Energy has projects for an additional almost 600 MW that are ready for development or under construction.

"With Alecta – and also AMF and KLP in Norway – we have three of the Nordic region's leading institutional investors as partners. They share our long-term ambition to build a large green energy company with a focus on sustainability. This will further strengthen the company's rapid expansion," comments Anders Wassberg.

## NEW ACQUISITIONS AND STRONGER OWNERSHIP

Stena Adactum's holdings completed two acquisitions at the close of the year. Svedbergs acquired Roper Rhodes, a well-established supplier and designer of bathroom furniture and products in the UK, while Envac acquired American PAC, specialising in industrial solutions within healthcare.

"Through this acquisition, Svedbergs is establishing a strong market position in the UK. For Envac, the acquisition of PAC means that the company is entering the important US market and that we now have a stronger focus on health and medical care," comments Anders Wassberg.

## AN AMBITIOUS AND CLEAR SUSTAINABILITY PROFILE

Sustainability plays a central role for Stena Adactum, and during the year the company saw increasing interest from financiers in sustainability issues.

With a long-term strategy for its holdings and as a responsible owner, Stena Adactum helps to develop strong and profitable companies where sustainability is integrated into the business. It is important that the companies take a long-term approach and are transparent in their communication. Several of the companies play an important



Ballingslöv

**“With Alecta – and also AMF and KLP – we have three of the Nordic region’s leading institutional investors as partners. They share our long-term ambition to build a large green energy company with a focus on sustainability.”**

Anders Wassberg, MD, Stena Adactum

role as employers by offering jobs in small towns and contributing to local communities.

Stena Adactum supports and influences the portfolio companies in their sustainability work by sharing knowledge, and by raising and setting requirements for the companies through their Board work. The wholly-owned portfolio companies have ambitious sustainability targets, KPIs and follow-up on site within the framework of Stena’s four focus areas, adapted to the sector in which the company operates.

For the portfolio company Envac, the link to sustainable development is particularly clear, as this company offers automated waste suction systems that create smart solutions for safer and cleaner residential areas.

The portfolio company Midsona develops and markets strong brands within health and well-being. During the year, the company was recognised for its sustainability work by the non-profit environmental organisation CDP (Carbon Disclosure Project). Midsona received a prestigious CDP rating of



“Our long-term approach and security of ownership, combined with our foundation as a family-owned company, make us an attractive owner, from which we reap the benefit when potential new acquisitions are considered.”

Anders Wassberg,  
MD, Stena Adactum

A–, as one of the best listed companies in the world when it comes to climate change strategy and leadership. For several years Midsona has also scored well in Dagens Industri’s “Sustainable Companies” ranking.

Ballingslöv International is another company that is a strong leader within sustainability, with a focus on circular design, careful choice of materials and promotion of a sustainable lifestyle.

Blomsterlandet’s ambition is to be a driving force for sustainability activities in the horticulture industry. One example is the energy area, where the company works with the installation of solar cells in its own property portfolio, reduced distances between production and end customers, and the transformation to fossil-free transport.

#### AMBITIOUS PLAN FOR CONTINUED GROWTH

According to Anders Wassberg, one of Stena Adactum’s key strengths is the strong shared values that permeate the entire company, with clear delegation of responsibility. This creates both commitment and business focus.

“Our long-term approach and security of ownership, combined with our foundation as a family-owned company, make us an attractive owner, from which we reap the benefit when potential new acquisitions are considered. We are proud of our heritage. This is something we live with and manage on a daily basis.”

“Now we will continue to build Stena Adactum. We are looking at the possibility of increasing the number of holdings in the portfolio from nine to ten in 2022,” says Anders Wassberg.



#### PORTFOLIO COMPANIES

Ballingslöv  
International

Blomster  
landet

captum /



BEIJER  
GROUP



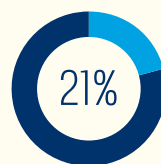
SVEDBERGS  
GROUP

GUNNEBO



#### FINANCE

SHARE OF TOTAL  
INCOME



INCOME, MSEK

8,200  
(7,200)



CAPITAL EMPLOYED,  
MSEK

7,300  
(6,700)

#### PEOPLE

NUMBER OF EMPLOYEES

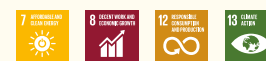
2,800

#### SUSTAINABILITY REPORTS FOR PORTFOLIO COMPANIES

Wholly-owned Ballingslöv International and Blomsterlandet present their own annual and sustainability reports. No key figures are therefore presented for them in this report.

#### UN SUSTAINABLE DEVELOPMENT GOALS

Blomsterlandet focus on the following UN Sustainable Development Goals:



Ballingslöv International focuses on the following UN Sustainable Development Goals:



# Financial stability after intensive work

The measures taken by Stena Finance in 2020 to ensure financial stability when the pandemic severely affected several of Stena's activities paid off during the past year. "We had a rather stable year as the balance sheet could be strengthened by such measures as divestment of the foreign property portfolio," comments Peter Claesson, Director of Finance.

**S**TENA FINANCE'S main task is to manage the Stena Group's financing and liquidity planning in both the short and long term. Stena Finance manages the operational business units' financial risks in the fixed-income, currency and oil markets, and also manages the Group's financial investments. Another important role is to serve as a resource in the identification, analysis and development of new business. Stena is a capital-intensive company with several business areas that operate in markets subject to the risk of sudden fluctuations, which was highlighted in conjunction with the outbreak of the pandemic in early 2020, and the extensive effects on both ferry traffic and oil operations.

## STRENGTHENED FINANCES IN 2021

Peter Claesson describes 2021 as a year of strengthening the balance sheet.

"The measures we took in 2020 to achieve financial stability in connection with the challenges faced by the Group have yielded results. At the same time, 2021 saw better results for the business units that did not do so well in the previous year, i.e. Stena Line and Stena Drilling. On the other hand, the tanker market performed weakly."

"Our financial strategy to focus on high liquidity has proved its worth," he says.

The balance sheet was also strengthened by divestment of the foreign property portfolio and Stena's victory in a long-standing dispute concerning the order of an oil drilling rig.

## INCREASED FOCUS ON SUSTAINABILITY

According to Peter Claesson, Stena Finance is facing increasing interest from the financial market with qualified issues concerning the Group's sustainability work and reporting in this area.

"We take these issues very seriously. Extensive efforts to contribute to sustainable development are underway in all business units, from trials with new fuels and electricity-based shipping operations to developing sustainable urban districts. In view of this increased interest, we will strengthen and develop our communication in this area," he comments.

## FINANCING OF NEWBUILDINGS

One of Stena Finance's tasks is to manage the financing of the vessels ordered by different business units within Stena in recent years. Each of these requires a substantial investment. In 2022, Stena Finance

**“As always, the focus is on high liquidity, positive cash flows and the ongoing work of achieving the best possible return on our financial assets.”**

Peter Claesson,  
Director of Finance, Stena AB

will continue to work on financing the last three vessel orders, placed in 2021.

"As always, the focus is on high liquidity, positive cash flows and the ongoing work of achieving the best possible return on our financial assets," says Peter Claesson.



Kallebäck Tower, Stena Property



# Navigating towards a sustainable future

2021 was characterised by an emerging green transformation, increased climate ambitions and a significant increase in interest in global sustainability issues. In addition, the pandemic and social instability left their mark on the year.

**S**TENA'S AMBITION is to actively contribute to a sustainable society. By taking a long-term approach, with business focus and close collaboration with key partners, the company contributes to positive development in the transformation society is facing. Here are some important sustainability trends that affected Stena in 2021.

## CLIMATE CRISIS AND TRANSFORMATION IN THE ENERGY SECTOR

In 2021, the importance of climate change increased significantly in all parts of society, in response to increased extreme weather conditions around the world, the noteworthy report from the UN's Intergovernmental Panel on Climate Change (IPCC) and the UN's COP26 climate summit in Glasgow. In the annual report from the World Economic Forum (WEF) describing the global risk landscape, climate change was deemed to be one of the most important risks. The year was also characterised by the prevailing energy crisis and a fundamental transformation of the energy sector.

To succeed in reversing global warming and stabilising the climate, a sharply accelerating transformation is needed in all sectors of society.

These issues are of increasing importance to and impact all of Stena's different activities and there are challenges related to the phasing out of fossil fuels from both shipping and land-based operations.

At the same time, the large-scale changes provide good potential for sustainable new business and strategic partnerships.

## A LINGERING PANDEMIC AND SOCIAL INSTABILITY

During the year, the pandemic continued to affect society's development and people's everyday lives all over the world. For a Group like Stena, which operates in a global market with many activities, this had an impact on customers, suppliers and employees; travel and transport patterns were changed, rapid fluctuations in the prices of raw materials and energy, and challenges in the supply chain. At the same time, increased focus on the home brought new business opportunities.

The focus during the year was on social instability and segregation in Swedish residential areas. Stena Property is experiencing how the pandemic has contributed to driving segregation and exclusion. To meet this trend, for many years Stena Property has joined forces with residents and other stakeholders, on a sound and comprehensive basis, to strengthen social sustainability in the residential areas.

## INCREASED INTEREST IN SUSTAINABILITY IN SOCIETY

Companies in all sectors saw increasing interest in sustainability activities from the world at large during the year. Stakeholders want to see progressive goals in the climate area, as well as

clear strategies and evidence that the company can take specific measures in the right direction.

The commitment of and interest from the financial sector has played a dominating role, and the clearest reporting requirements come from this sector.

Stena works continuously to improve its follow-up and reporting in order to meet new expectations and increased reporting requirements.

Joakim Brunnhage,  
AB Stena Finans, Göteborg, Sweden.

# Sustainability management

By taking a long-term approach, with focus on care, Stena's business units deliver services for society both on land and at sea, today and in the future.

**S**TENA'S OVERARCHING sustainability framework, SuStenability, sets the basis for the Group's sustainability work. The aim is to ensure a clear direction, uniform structure and common processes for the entire Group.

The principle of delegated business acumen within Stena, based on the unique conditions in the individual business units, with decisions being taken close to the business, is well-integrated in the framework. Working close to the business contributes to increased commitment to sustainability, as business opportunities, knowledge and experience can be more easily leveraged and translated into concrete initiatives.

### GROUP GUIDELINES

Stena's Code of Conduct and shared Group policies set the framework and the foundation level for all of the Group's operations. All shared Group policies were updated and approved in the spring of 2021.

Stena's Code of Conduct stipulates the rules for the Group concerning the environment, social conditions, personnel, human rights and anti-corruption. It also concerns relationships with business partners, and how Stena reserves the right to withdraw from a relationship if a partner does not live up to the principles for good business conduct.

The Group's guidelines are available to all employees. All employees within the Group are expected to have read and

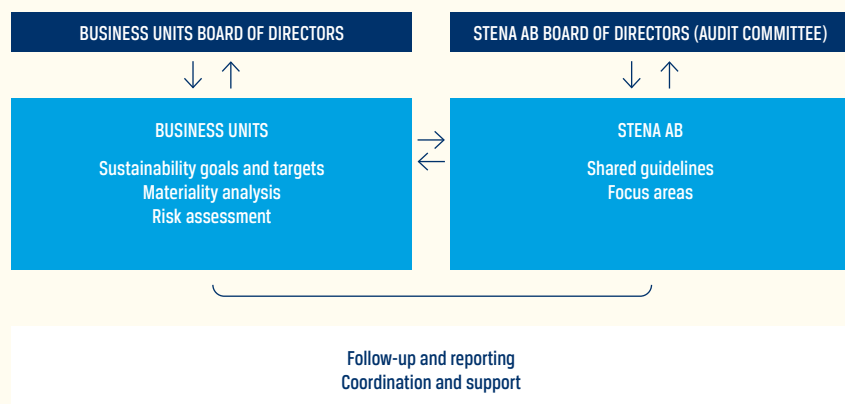
familiarised themselves with the Code of Conduct and Group policies.

The Code of Conduct is an integrated element of the employment contract and part of the introductory programme for new employees.

At the beginning of the year, a mandatory e-learning was completed, with each session focused on the respective Group policies. The aim was to increase knowledge and thereby provide guidance for employees.

The business units also have their own policies and guidelines, also for suppliers, which are adapted to the needs of the businesses and the environment in which they operate. These are based on Stena's shared guidelines.

## SUSTENABILITY - STENA'S SUSTAINABILITY FRAMEWORK



STENA'S SUSTAINABILITY PROCESS consists of the following elements:

- **SHARED GUIDELINES** comprising the Vision, Code of Conduct and policies for how Stena's business units are to act in a socially and environmentally responsible way.
- **FOCUS AREAS** whereby all of Stena's business units' set goals and KPIs within the environment, safety, people and community.
- **MATERIALITY AND RISK ANALYSES** are based on the business units' business models and value chains, and their impact on sustainability in society in general.
- **FOLLOW-UP AND REPORTING** take place in the business units, which are responsible for following up on goals and areas for improvement, as well as compliance with guidelines and policies. Stena AB ensures that the business units report according to plan.
- **RESPONSIBILITY FOR COORDINATION AND SUPPORT** is held at Group level. Stena AB also contributes inspiration, training and networking, as well as the sharing of experience.



### MATERIALITY AND STAKEHOLDER DIALOGUES

Materiality analyses are performed on a regular basis by the business units, and include impacts on the business models and value chains, and on society in general. The results of the materiality analyses form the basis for setting measurable goals and KPIs. The stakeholder perspective is well-integrated in the analyses. Stena's stakeholders are multifaceted and include tenants, suppliers, logistics companies and some of the world's largest global energy companies.

During the year, stakeholder dialogues in various forms were conducted by the business units. In most cases, this concerned ongoing dialogue primarily with customers and suppliers, as part of the business collaboration. The dialogues were also conducted as targeted questions in customer surveys, training for suppliers, and targeted sustainability-related initiatives and activities with selected stakeholders.

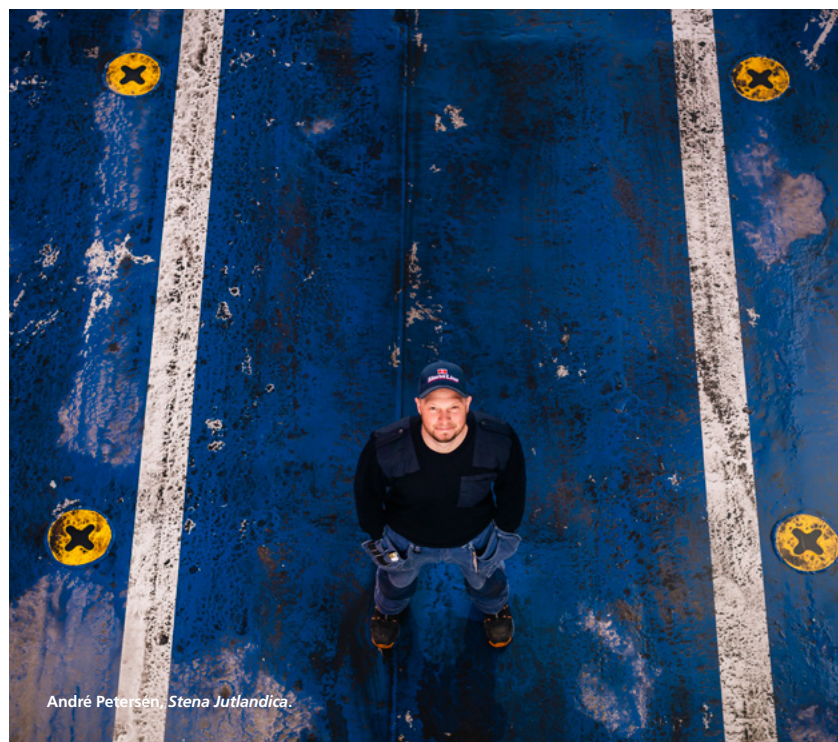
### REPORTING AND FOLLOW-UP

Materiality analyses, with related goals and KPIs, are approved and followed up by the business units' management groups and Boards of Directors. Twice a year, an overall report on sustainability activities is presented to the Audit Committee under Stena AB's Board of Directors. In this way, sustainability is placed high on the agenda and the Board of Directors are kept informed of both the results and the ongoing work.

### FOCUS AREAS AND GOALS

Stena has four focus areas as the basis for strategic sustainability work, to guide the Group going forward. The four focus areas are the environment, safety & security, people and society. These have been identified as the most important areas, based on the business units' materiality analyses, as they unite Stena's various operations.

In 2021, all business units adopted targets and KPIs within the framework of the four focus areas. For several business units, this entailed raising the level of



André Petersén, Stena Jutlandica

ambition. A selection of the most important goals and key figures for each business is presented on pages 14–34.

### RISK ASSESSMENT

Stena has well-established risk analysis methods and processes, a work that is conducted by the respective business units. Identification and analysis of sustainability risks is an integral aspect of the business units' overall risk activities. This takes place in consensus with and dialogue between those responsible for each aspect.

Identification of sustainability risks concerns the environment, personnel, social conditions, human rights and anti-corruption. This is conducted once a year and is reported to Stena AB's central Sustainability Department.

### WHISTLEBLOWER FUNCTION

If an employee discovers anything that violates applicable legislation, or Stena's Code of Conduct, values or policies, there is a whistleblower function to report the incident, based on full anonymity. The

whistleblower function is available to all employees on Stena's intranet, with instructions and information about the steps employees are encouraged to take to report suspected irregularities.

The service is provided by an external partner and all information is encrypted, as an additional security measure.

### SUSTAINABILITY NETWORK

Stena has a central Sustainability Department whose purpose is to provide a common framework, and coordinate and support the activities. Each business unit has a sustainability manager, who is responsible for driving the sustainability work forward. Together these functions form the SuSustainability network.

The sustainability managers and the central Sustainability Department meet two to three times a year, to exchange experience and training in the area. Activities in 2021 included a digital workshop held by the company Stena Circular Consulting from the Stena Metall Group, on the topic of the circular economy.



### FOUR FOCUS AREAS GUIDES STENA FORWARD

The issues identified as most important based on each business unit's materiality analysis can be found in the areas of the environment, safety & security, people and society.



#### MINIMIZING ENVIRONMENTAL IMPACT

- Reduce emissions
- Efficient use of resources
- Enable a circular society



#### INCREASING SAFETY & SECURITY

- Zero work-related injuries
- Zero accidents
- Strong information security resilience



#### EMPOWERING PEOPLE

- Engaged and curious employees
- Diversity and inclusion
- Transformative leadership
- Continuous learning



#### CONTRIBUTING TO SOCIETY

- Sustainable and useful products and services
- Ethical business acumen
- Responsible sourcing
- Care for partners and society

### SUSTAINABILITY VISION

Care in everything we do.

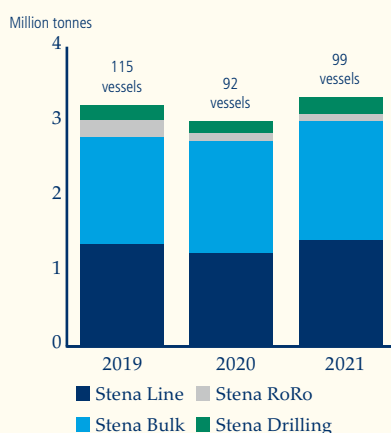


# Key performance indicators

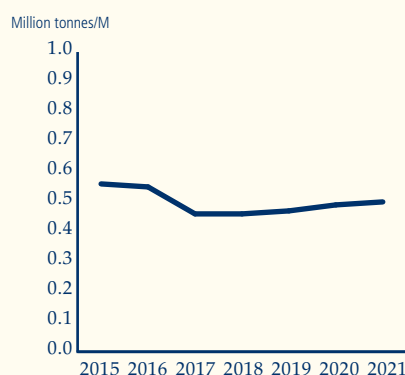
Below are the outcomes for a selection of the Group's key figures within the four focus areas.

## ENVIRONMENT

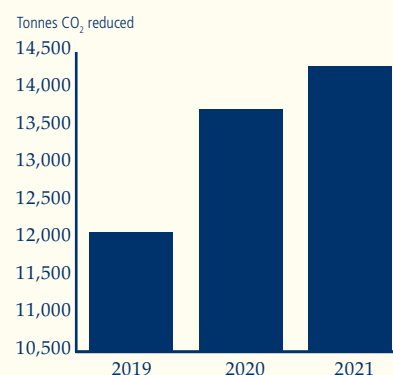
Total amount of carbon emissions from the Group's vessels by business unit. In 2021, emissions increased due to increased activity.



CO2 emissions per nautical mile (M) and year for Stena Line, Stena Bulk and Stena RoRo. Emissions remain stable for the entire fleet, despite larger vessels and more cargo during the year.



The use of onshore power supply is increasing, which leads to reduced carbon emissions.



The reduction in carbon emissions through the use of onshore power is equivalent to around

**8,400** diesel cars' carbon emissions in one year.

## OIL SPILLS

The year's total number of oil spills resulted in emissions totalling 531 litres.



Oil spills	Goal	Unit	2021	2020	2019
Stena Line	0	Number	6 <sup>1</sup>	4	1
Stena Bulk	0	Number	0	0	0
Stena RoRo	0	Number	0	0	0
Stena Drilling	0	Number	6 <sup>2</sup>	1	3
Northern Marine	0	Number	0	0	0

1) In total 125 litres for 2021. 2) In total 406 litres for 2021.

## SOCIETY

Stena Property produced

**1,000**  
new sustainable homes during the year.

Stena Line currently has

**18**  
ferry lines that connects Europe.

The Group employs more than

**15,400**  
employees worldwide.

## SAFETY & SECURITY

Safety is one of the first items on the agenda at all Board meetings in the maritime business units. LTIF is an important metric for this safety aspect. The majority of the business units achieved their targets and improved their LTIF performance during the year.



LTIF	Goal	2021	2020	2019
Stena Line	<1.0	2.2	1.7	1.9
Stena Bulk	<0.2	0.1	0.3	0.3
Stena RoRo	<1.0	0	2.2	4.6
Northern Marine	<0.35	0.3	0.2	0.2
Stena Drilling	0	0	0	0.2

Lost Time Injury Frequency (LTIF) is a measure of workplace safety used for the crew on board. LTIF is calculated on a rolling 12-month basis according to the following formula: number of LTI x 1,000,000/total exposure hours (total time on board as working hours and resting time). The definition of LTI is absence on the following working day (24 hours) for Northern Marine Group, Stena Bulk, Stena Line and Stena RoRo, and absence of more than 72 hours for Stena Drilling.

## PEOPLE

Women on Boards of Directors (%)

Company	Share
Stena AB	27%
Stena Line Holding BV	22%
Stena Drilling Ltd	0%
Stena Bulk AB	38%
Stena RoRo AB	33%
Northern Marine Group Ltd	33%
Stena Fastigheter AB	43%
Stena Adactum AB	0%

# Focus on climate and energy

Stena always seeks to use the planet's resources wisely and minimise the negative impact on the environment.



**CLIMATE AND ENERGY ISSUES** were high on the agenda during the year. Important areas for Stena are energy efficiency improvement, the transition to renewable energy, and electrification.

Stena's greatest sustainability challenge is the dependence on fossil fuels, which presents legal, market and financial risks to its operations. Stena has a tradition of strong technical expertise, which enables innovation, development and implementation of future climate-smart technology and solutions. While many initiatives are in progress, Stena is well aware that the rate of transformation needs to increase

sharply in the coming years in order to achieve society's climate goals.

During the year, investors and the financial markets showed increased interest in Stena's sustainability work in this area.

### CLIMATE AND ENERGY IN SHIPPING

Transport by sea is important both today and in a future sustainable society. Global shipping is the lifeblood of society. More than 80 per cent of all goods are transported by sea. At the same time, the industry's extensive dependence on fossil fuels results in significant carbon emissions, amounting to around 1 billion tonnes per year.

During the next few decades, the industry must succeed in achieving the sector's net zero emissions target by 2050. This is a goal that Stena supports and sees as an opportunity, since the company is a major player with the power to influence different segments of the shipping industry. Stena's shipping activities command a strong position in the ongoing energy transformation and actively seek collaboration with customers that are driving the transition to fossil-free fuels. The collaboration between Stena Bulk and Proman Shipping on the transition to methanol propulsion, and Stena Line's blue methanol research project together with SSAB, are good examples within this area.

Stena RoRo and Stena Line have good opportunities to take on the leadership of the electrification of short-route vessels. There are greater challenges for longer routes, due to the considerable uncertainty about fuel and technology choices going forward. There is also a

### JOINT NET ZERO EMISSION STRATEGY

The shipping units overarching net zero emissions strategy takes a holistic approach on the basis of three interacting parts:

- Energy efficiency is a top priority, as access to clean energy will be a scarce resource in society.
- Contribute actively to the development of new fossil-free fuels, such as methanol, in combination with major investments in electrification.
- Be a major player in driving legislation in this area and promoting a global carbon tax, by being involved in and influencing its structure.

lock-in effect due to the vessels' long service life, which is over 40 years on average. Conversion of existing vessels will probably be required, to the benefit of a segment in which Stena RoRo operates within the conversion of existing engines to alternative fuels.

Another example is Stena Drilling, which is one of the first companies in the industry to be certified in accordance with the ISO 50001 energy management system.

### CLIMATE TRANSITION IN THE LAND-BASED ACTIVITIES

Stena Property has long been working actively to switch to fossil-free operations and has the ambitious goal of halving its climate footprint by 2030.

In the field of new construction, Stena Property works with innovative solutions in many projects. The goal is to produce at least 1,000 sustainable homes every year. One example is the urban development area Masthuggskajen in

Stuveriet (visualization)  
Stena Property





Göteborg, which was one of four finalists for the World in Property Award 2021. This prize is awarded to a company or project that has an extraordinary impact on the Swedish property market by taking a visionary approach based on faith in the future, courage and social benefit. In the area, Stena Property's new office building, Stuveriet, is a modern and sustainable office building with a facade of recycled aluminium, a sedum roof that binds carbon dioxide, and solar cells that supply the entire property with electricity.

The investment company Adactum is working actively to minimise its climate footprint and convert all portfolio companies to switch to renewable energy. The kitchen company Ballingslöv is at the forefront in the industry. The work to reduce the carbon footprint throughout the value chain is a high priority and the company works actively with life cycle analyses as a basis for goals and targeted activities where they have the greatest impact. Life cycle analyses of frames, hatches and different worktops were conducted during the year.

#### EMISSIONS TO AIR, LAND AND WATER

Stena's activities must always fulfil, or preferably exceed, requirements in national or international regulations and agreements. The risk of oil spills is an ongoing issue for shipping and usually occurs in connection with bunkering. Stena works continuously to minimise the risk, but there are still minor spills, as presented on page 39. Preventive work at Stena Bulk takes place under the Ship Oil Pollution Emergency Plan (SOPEP) for the tanker industry.

#### CIRCULAR FLOWS IN SOCIETY

Stena contributes to circular flows in society through increased reuse and recycling of residual products and by minimising the generation of waste. Several business units are environmentally certified in accordance with ISO 14001, whereby activities in this area are governed by clear processes.

At Stena Property, these issues are high on the agenda, and through well-developed sorting at source, the operations make an important contribution to the circular economy.

For Stena's shipping operations, there is a group-wide Ship Recycling Policy to manage the environmental conditions at the shipyards where the vessels are recycled. In 2021, recycling of one of Stena's older vessels began at an EU-certified shipyard.



# Continuous learning strengthens the business

A high rate of change is the new normal. Continuous learning for all employees is thereby becoming an increasingly important success factor.



## STENA EMPLOYS

around 15,400 people worldwide. The Group's focus on caring for all employees lays the foundation for long-term, sustainable and successful business.

## CONTINUOUS LEARNING FOR EVERYONE

Stena wants to give all employees the opportunity for continuous learning by offering a corporate culture that encourages curiosity and the opportunity to both share knowledge and learn from others. All employees must have the opportunity to develop their talents and achieve their full potential.

Increasing digitalisation is an area that requires employees to develop as their work tasks change. Stena encourages continuous skills development in this area, to ensure that the right skills are in the right place. Stena annually invests more than SEK 150 million in training for its employees and almost 750 managers have participated in one of Stena's internally developed leadership programmes. In 2021, digital training courses were developed to ensure skills development during the pandemic.

## FOCUS ON DIVERSITY AND INCLUSION

Diversity in the workplace is an important success factor for creativity and innovation. An inclusive corporate culture is, in turn, a prerequisite for diversity and contributes to attracting and retaining the breadth that Stena seeks to achieve.

## REDUCED INEQUALITIES

All of Stena's business units have the long-term goal of achieving gender-equal Boards and management teams. Stena ensures that both genders are represented in succession planning, in all recruitment for managerial positions and on the appointment of new Board members. Several of the companies have increased the proportion of women on their Boards since 2020.

## FAIR AND FAVOURABLE WORKING CONDITIONS

At Stena, there must always be fair and favourable working conditions, with equal opportunities for everyone.

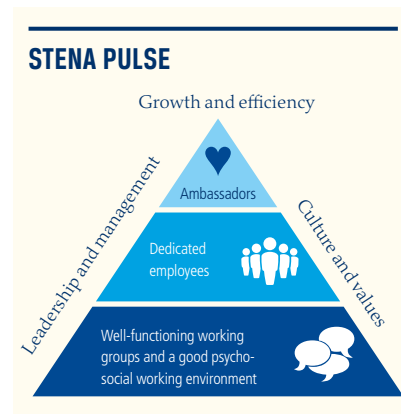
Stena has zero tolerance of any form of differential treatment and/or discrimination on the basis of gender, age, nationality or ethnic origin, pregnancy, illness or functional impairment, religion, sexual orientation, trade union membership or political affiliation. Stena also has zero tolerance of harassment and abuse, and does not accept

any form of violence, threats or destructive behaviour at the workplace.

Stena wants to give all employees good opportunities to thrive in their jobs by offering a good work-life balance and through various wellness initiatives.

## ANNUAL EMPLOYEE SURVEY

Stena conducts an annual employee survey – Stena Pulse – which is a modern and research-based tool. The method is presented in the diagram below. It is based on sound leadership and a good working environment as the basis for dedicated employees and good customer relations that increase growth and profitability. The Pulse tool also provides a large database for benchmarking that enables comparison with companies in different industries. The results of the 2021 employee survey are presented in the table below.



## RESULTS OF STENA PULSE - IT STARTS WITH YOU

Stena Pulse 2021	Stena <sup>1</sup>	External benchmark <sup>2</sup>
eNPS (Employer Brand & Loyalty)	12 <sup>3</sup>	14
Leadership index	80	78
Engagement index	82	80
Team efficiency index	80	76
Organisational and social work environment index	77	74
Response rate	71% <sup>4</sup>	

1) Each index is based on a weighting of a number of questions on a Likert scale, where the outcome is converted to a number between 0–100.

2) Benchmark consists of 600,000 responses from 260 companies, most of which have their head office in the Nordic region, but operate globally.

3) Scale for eNPS is +100 to –100.

4) The result includes a majority of the Stena Group companies but is not comparable to the previous year when Stena Line was not included.



# Safe and secure environment for all

Safety is of the highest priority at Stena. As a major global player with on land and at sea activities, the Group is often active in tough environments – onboard ships, at shipyards and on rigs all over the world.



**OFFERING** a safe and secure environment to employees and customers, including passengers and tenants, and in relation to freight, takes highest priority for Stena.

## SAFETY MEASURES AND RISKS

Stena conducts proactive and systematic safety work to increase awareness of safety. This issue is always top of mind in all areas of the Group's activities, and became even more relevant in 2021, when two of Northern Marine Group's seafarers tragically lost their lives on board a ship in severe weather conditions. This incident highlights the risks within shipping operations and the great importance of safety measures. As a minimum level, Stena adheres to the national and international conventions governing the safety of human lives

at sea, but also focuses on the design of vessels in terms of saving lives, fire prevention and radio equipment.

Other significant risks in shipping operations involve employees being exposed to unsafe and health-hazardous environments or lacking the skills and experience to perform tasks with high risk exposure. Stena works continuously to ensure that employees receive training to be able to perform their work on a safe and secure basis. With clear procedures for hazardous work tasks and the right safety equipment in place, the risk of injury is reduced. A safe and secure working environment is also put to the test in cases where Stena's seafarers are on vessels in waters and routes where there is a risk of pirate attacks.

## FOLLOW-UP OF KEY PERFORMANCE INDICATORS

Follow-up of relevant key performance indicators for safety is regularly considered by the management and Board of Directors of Stena AB, and in the business units. For some years now, Stena has a Group-wide crisis team, with overall coordination responsibility, for increased emergency measures in the event of crises affecting all or several parts of the Group. For LTIF data, see the table on page 39.

## SAFE WORKPLACES

To ensure a safe workplace during the pandemic and to manage current recommendations, Stena has worked actively to develop digital working methods. Within shipping and drilling operations,

maritime activities presented challenges in 2021, as a consequence of the ongoing pandemic. Among other things, this meant longer shifts on board for staff, due to the quarantine requirements. The safety on board of both employees and passengers was the main focus, with a ban on visitors to vessels and clear guidelines and procedures on board for crews and passengers. To support employees, Stena facilitated and enabled the vaccination of seagoing personnel. In total, around 70 per cent of NMG's seafarers had been vaccinated at the end of January 2022.

## INFORMATION SECURITY

Information security is an important area for Stena, and measures to manage these risks are ongoing.

The digitalisation of Stena's processes imposes stricter security requirements in terms of information flows, IT systems and potential cyber risks, which puts greater focus on these issues.

On an annual basis, Group-wide drills are conducted in order to stress test and identify technical and social vulnerability in digital systems and at physical premises.



Sharp mode on Stena Danica.

# Positive development – locally and globally

Stena's ambition is to contribute to societal development, both in the value chain and in society at large, by acting responsibly and offering services that support society.



**STENA CONTINUOUSLY SEEKS** to be an active and dedicated corporate citizen that contributes to positive societal development and sustainable long-term activities. Issues related to human rights, anti-corruption and social instability have a great impact on Stena's activities. Social sustainability initiatives vary according to the nature of the activities and often take place in collaboration or partnership. Activities can be relationship management in residential areas or initiatives to ensure compliance with the Group's Code of Conduct.

### KEY FUNCTIONS IN SOCIETY AND PARTNERSHIPS

The various Stena companies meet fundamental needs in society both onshore and offshore, such as transport, logistics, homes and premises, green electricity generation and sustainable technical development, as well as commodities such as kitchens, bathrooms and garden products.

In the shipping sector, Stena is actively committed to influencing international policy work and legislation in a sustainable direction that supports the transition to fossil-free fuels, while maintaining fair competition and market dynamics.

During the pandemic, Stena Line played an important role and facilitated the transport of essential goods for society, such as pharmaceuticals and equipment for healthcare and medical care. Stena Bulk considers its role in society from a broader perspective, as an important player in supplying the world with sustainable energy, both today and in the future. The company is focusing on local sustainable development, for example in Angola, and with a sustainable energy project in Indonesia.

Anton Lindqvist, property manager,  
Stena Property in Göteborg, Sweden.



Through its activities, Stena contributes to stability and development in the local communities in which it operates worldwide by offering jobs and acting as a responsible member of society. One example is Stena Adactum's portfolio companies, which offer employment opportunities in small towns where the company is an important employer, and which contribute actively to the local community.

For Stena Property, social sustainability activities concern working proactively to increase social stability in residential areas. Challenges in the form of social instability, exclusion and the economic vulnerability of residents have a major impact. For more than 20 years, the company has developed its successful relationship management, in close collaboration with residents, associations and public actors, to create areas where people can live secure and rewarding lives.

In 2021, two of Stena Property's areas, Tynnered in Göteborg and Karlslund in Landskrona, were no longer classified as particularly vulnerable areas by the police. This is strong confirmation that the long-term work that is conducted is yielding good results.

#### HUMAN RIGHTS AND SUSTAINABLE VALUE CHAINS

Stena supports and respects the UN's Universal Declaration of Human Rights. This includes zero tolerance of any form of forced labour and child labour, or use of illegal manpower for the production of goods or services, within Stena or in the activities of suppliers or business partners. One risk is that employees in the supply chain do not have fair working conditions and that issues concerning human rights and working conditions are not fully addressed.

Stena seeks to reduce these risks by ensuring better control of every link of its value chains. Stena's business units work actively with their suppliers through dialogue and continuous follow-up to ensure quality and sustainability. Governance is based on Stena's Code of Conduct and values.

In Stena's shipping operations, child labour and forced labour in the supply

chain are identified as potential risks in the operations at the yards engaged for newbuildings or repairs.

Stena RoRo monitors suppliers and shipyards on site through the site team's continuous presence and operational control procedures. In instances where new suppliers or shipyards are being considered, more in-depth audits are conducted. One such audit was conducted in 2021. However, work on third-party supplier and shipyard audits was impeded by the pandemic and the prevailing restrictions in different countries.

For Stena Line, there are also risks associated with refugee smuggling and human trafficking, as well as the smuggling of stolen goods, weapons and drugs on board vessels. Stena Line works continuously together with authorities in Sweden and in other countries to strengthen its procedures and train the affected personnel, in order to avoid such incidents. During the year, Stena Line updated a Code of Conduct which was sent to the 270 largest suppliers. This is an ongoing project for the procurement function. In January 2022, more than 200 suppliers had signed the code, corresponding to 68 per cent of the annual procurement volume in 2021.

Stena Property has its own Code of Conduct for business partners, suppliers and contractors. This is applied to all contracts and purchases. During the year, the work linked to this intensified. Stena Property also held training sessions with its suppliers during the year.

#### BUSINESS ETHICS

Stena has a good reputation as a company that with honesty and integrity always promotes good business practice.

Stena advocates open markets and fair competition and does not engage in discussions or agreements with competitors on price-fixing, market-sharing or any other activities that violate the rules of fair competition. Further training initiatives are planned for the personnel concerned, who are active in sectors with few players, in order to strengthen knowledge and awareness of this issue.

Tax is also an important sustainability topic and Stena contributes to society by paying tax in the markets where the companies operate, in line with local regulations and international guidelines.

#### ANTI-CORRUPTION

Within all operations there is a potential risk of bribes and inappropriate gifts being offered. Stena works actively to handle these issues in its business relations. Stena's Code of Conduct, internal training and internal audits aim to minimise risks. During the year no cases evaluated as corruption have been reported through the central whistleblower function.

Within Stena's shipping activities, there are risks related to "facilitation payments" to third parties to secure a contract or service. Such payments might e.g. be required for a vessel to pass a strait or berth in a port. Stena Bulk is an active member of the Maritime Anti-Corruption (MACN) network, which is a sector organisation to eliminate corruption in the shipping industry.

#### SUPPORT THAT MAKES A DIFFERENCE

During the year, Stena chose to support several different organisations that contribute to a better society in various ways. As a rule, the support is always directly or indirectly linked to Stena's activities. The aim is to always seek to make a difference and create a better world through donations to non-profit organisations, institutions and individual good initiatives, to strengthen competence within schools, environmental initiatives, innovation, research, culture, sports associations and children's rights.

#### CODE OF CONDUCT

All business units have implemented Stena's Code of Conduct



## UN SUSTAINABLE DEVELOPMENT GOALS

# Sustainable Development Goals

Via Agenda 2030, the UN has set 17 Sustainable Development Goals (SDGs). To achieve these goals, governments, civil society and business need to work together. The Stena Group works actively to ensure that its activities contribute to the SDGs.

**B**Y INTEGRATING sustainability in the Stena Group's core business, Stena contributes positively to achieving the SDGs. Yet Stena's activities also have a certain negative impact on the SDGs.

Below, the SDGs with greatest relevance for the Stena Group are presented. For each SDG, there is a summary of the Group's impacts and risks, as well as a link to Stena's four focus areas.

### REDUCED INEQUALITIES

Stena's focus areas:  
People



- ➔ **STENA IS ACTIVE** in several sectors where it is – and has been historically – a challenge to achieve a good gender balance among the employees
- ➕ **STENA IS DEDICATED TO ACHIEVING** a better gender balance throughout the company. Stena has the goal of achieving a better gender balance in their Boards and management groups.
- ➕ **IN 2021, STENA AB** launched a Diversity & Inclusion Council with the aim of increasing knowledge and supporting and encouraging the initiatives undertaken by the business units.
- ➕ **COMPLIANCE WITH STENA'S** Code of Conduct and policies will prevent discrimination.

### AFFORDABLE AND CLEAN ENERGY

Stena's focus areas:  
Environment



- ➔ **MANY OF STENA'S ACTIVITIES** use large amounts of energy and fossil fuel, leading to significant emissions of greenhouse gases.
- ➕ **IN ITS MARITIME BUSINESS**, Stena has begun to operate sea transport based on alternative fuels, electrification and energy-efficient tonnage.
- ➕ **STENA PROPERTY** aims to reduce its climate footprint by half up to 2030, compared to the 2018 level.
- ➕ **MORE AND MORE OF STENA'S ACTIVITIES** are solely based on green electricity, and the transition to climate-neutral transport is ongoing.

### DECENT WORK AND ECONOMIC GROWTH

Stena's focus areas:  
People, Society and Safety & Security



- ➔ **STENA IS A GLOBAL OPERATOR** with activities in tough onshore and offshore environments, which presents risks related to working conditions, and the health and safety of employees, suppliers and customers.
- ➕ **STENA'S CORPORATE CULTURE** is characterised by care and inclusion. The Group's Code of Conduct sets clear requirements for decent working conditions and Stena's safety initiatives are ambitious and proactive.
- ➕ **STENA'S RESPONSIBLE** and expanding business activities contribute value-adding economic growth wherever they are operated.



Nicole Bevenhall, Stena Group IT, Göteborg, Sweden.



## INDUSTRY, INNOVATION AND INFRASTRUCTURE



**Stena's focus areas:**  
Environment, People and Society

- ➔ **STENA'S MARITIME** activities among other things generate emissions that degrade air quality and can contribute to excessive noise.
- ➔ **REPLACING THE MARITIME FLEET** is a long-term process. Stena has a tradition of maintaining its vessels for long-term use (between 15 and 40 years). While it is positive to care for and use assets for a long time, technological development is progressing quickly within shipping and using older tonnage can therefore be a poorer solution from a sustainability perspective. This can also counteract the goal of upgrading the business to a sustainable infrastructure.
- ➕ **THE VARIOUS STENA COMPANIES** make important contributions to society, such as transport, electricity generation and technical development.
- ➕ **MARITIME TRANSPORT** is a climate-efficient freight consignment method and Stena's vessels are testbeds for new innovation and the transition to sustainable infrastructure.
- ➕ **STENA DEVELOPS** new collaboration and promotes strategic port locations/routes, in order to offer customers several intermodal alternatives.

## SUSTAINABLE CITIES AND COMMUNITIES



**Stena's focus areas:**  
Environment, People and Society

- ➔ **CLIMATE AND ENVIRONMENTAL IMPACTS** from Stena Property, such as energy use, transport, biological diversity, waste handling and water use, and stormwater management.
- ➔ **IN MANY OF THE CITIES** where Stena Property is present, there are challenges with regard to social instability, insecurity, economic vulnerability and alienation.
- ➕ **STENA PROPERTY** provides secure homes for many families from different backgrounds, developing new forms of housing.
- ➕ **ACTIVE RESPONSIBILITY** for the positive development of the communities/areas where Stena Property is present.



**THE GLOBAL GOALS**  
For Sustainable Development

Read more about the UN Sustainable Development Goals at [stena.com](https://stena.com)

## RESPONSIBLE CONSUMPTION AND PRODUCTION



**Stena's focus areas:**  
Environment and Society

- ➔ **THE USE OF PLASTICS AND CHEMICALS** in both Stena's maritime and land-based activities. In addition, the pandemic has increased demand for single-use plastic items.
- ➕ **STENA'S GOAL IS TO IMPROVE WASTE MANAGEMENT AND INCREASE MATERIALS RECYCLING.** The Group takes a structured approach to reducing its use of chemicals and works actively to ensure that customers make sustainable choices.

## LIFE ON LAND



**Stena's focus areas:**  
Environment

- ➔ **STENA'S SHORE-BASED** and maritime activities present the risk of negative impacts on ecosystems and biological diversity.
- ➕ **STENA** undertakes environmental impact assessments, sets requirements for its suppliers and adheres to the Ballast Water Management Convention.

## CLIMATE ACTION



**Stena's focus areas:**  
Environment and Society

- ➔ **MANY OF STENA'S** activities consume large amounts of fossil fuels, leading to greenhouse gas emissions.
- ➔ **STENA HAS A NEED TO EXTEND THE TIME PERSPECTIVE** concerning the impact of climate-related risks on its activities, and to increase knowledge and capacity for the handling of these risks.
- ➕ **STENA IS SEEKING TO** minimise greenhouse gas emissions through renewable alternatives and electrification.

## LIFE BELOW WATER



**Stena's focus areas:**  
Environment

- ➔ **STENA'S MARITIME** activities have a negative impact on marine ecosystems via emissions to water, disruption of marine ecosystems, noise and the risk of oil spills.
- ➕ **STENA WORKS ACTIVELY** to reduce its impact on marine ecosystems by working continuously to minimise risks of oil spills, install ballast cleaning systems on vessels, and use environmentally-friendly hull paint.
- ➕ **SINCE THE START,** Stena has supported the Ocean Health Index, which is the UN's recommended index to measure the health of the world's oceans. Stena is also part of the "Friends of The Ocean Action" initiative, which is supported by the UN and the World Economic Forum.

## PARTNERSHIPS FOR THE GOALS



**Stena's focus areas:**  
Society

- ➕ **STENA SEEKS** to be an active and dedicated corporate citizen that contributes to positive societal development. Stena directly and indirectly supports the work performed by organisations in civil society.
- ➕ **STENA IS A MEMBER OF** the Maritime Anti-Corruption (MACN) network, which seeks to reduce corruption in the shipping industry.
- ➕ **AN EXAMPLE OF COLLABORATION** related to sustainable development is the Swedish Shipowners' Association and several other nations' shipowner associations (the UK Chamber of Shipping, the Royal Association of Netherlands Shipowners), ECSA (European Community Shipowners' Associations) and Lighthouse. Blomsterlandet, together with the Swedish Society for Nature Conservation and Stena Property, collaborates with the Red Cross and local City Missions in Sweden.

## SUSTAINABILITY REPORT

Matrix with page references to the requirements for statutory sustainability report in accordance with Chapter 6, Section 10 of the Swedish Annual Accounts Act. The Sustainability Report concerns Stena AB, including the companies that are subject to the requirements<sup>1</sup>.

AREA	INFORMATION	PAGE REFERENCE
GENERAL	Business model	6–7
ENVIRONMENT	Policy and environmental issues	36–38
	Risks and risk management	9, 35, 40–41, 46–47
	Goals and results related to environmental issues	16, 19, 21, 23–25, 30, 39, 40–41
SOCIAL CONDITIONS	Policy and social issues	36–37
	Risks and risk management	42–43, 46–47
	Goals and results related to social issues	11, 16, 23, 25, 30, 39, 42, 46
HUMAN RIGHTS	Policy and human rights	36–37, 45
	Risks and risk management	44–45, 47
	Human rights-related goals and results	45
ANTI-CORRUPTION	Anti-Corruption Policy	36–37, 45
	Risks and risk management	45
	Targets and results related to anti-corruption	19, 45

1) Northern Marine Group, Stena Bulk, Stena Drilling, Stena Fastigheter, Stena Line and Stena RoRo. Ballingslöv International and Blomsterlandet produce their own sustainability reports. Read more at ballingslovinternational.com and blomsterlandet.se

Contact concerning sustainability issues:

**Frida Torstensson**, Sustainability Controller, [frida.torstensson@stena.com](mailto:frida.torstensson@stena.com)

## AUDITOR'S REPORT

OTHER

The auditor's report on the statutory sustainability report to the general meeting of Stena AB (publ), corporate identity number 556001-0802.

### ASSIGNMENT AND RESPONSIBILITIES

The Board of Directors is responsible for the Sustainability Report, of which the extent is described on page 48, and for ensuring that it is prepared in accordance with the Swedish Annual Accounts Act.

### FOCUS AND SCOPE OF THE EXAMINATION

Our examination was performed in accordance with FAR's auditing standard RevR 12, Auditor's report on the

statutory sustainability report. This means that our examination of the Sustainability Report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

### OPINION

A statutory sustainability report has been prepared.

Göteborg, 28 April 2022

**Johan Rippe**

Authorised Public Accountant

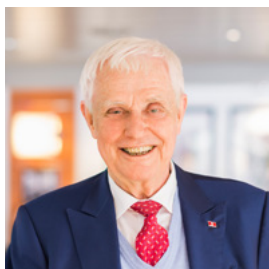
**Johan Malmqvist**

Authorised Public Accountant





**Gunnar Brock**  
Chairman



**Dan Sten Olsson**  
CEO



**Mia Brunell Livfors**



**Christian Caspar**



**Vivienne Cox**



**Marie Eriksson**



**Casper von Koskull**



**William Olsson**



**Lars Westerberg**



**Anne-Marie Pouteaux**  
Deputy



**Daniel Holmgren**  
Employee representative



**Mikael Johansson**  
Employee representative



**Pia Carlsson**  
Employee representative,  
deputy

---

**AUDITORS**

**Johan Rippe**  
Authorised Public Accountant

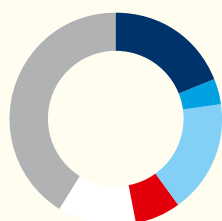
**Johan Malmqvist**  
Authorised Public Accountant

# One sphere – three independent companies

The Stena Sphere consists of the three parent companies, Stena AB, Stena Sessan AB and Stena Metall AB. A total of 19,000 people are employed in the Stena Sphere. Total revenue for 2021 was SEK 66 billion. Profit before tax amounted to SEK 2.3 billion.

BUSINESS AREAS	STENA AB (PUBL.)	STENA SESSAN AB	STENA METALL AB
FERRY OPERATIONS	Stena Line		
OFFSHORE DRILLING	Stena Drilling		
SHIPPING	Stena Bulk, Stena RoRo, Stena Teknik, NMG	Concordia Maritime (52 %)	
PROPERTY	Stena Property	Stena Sessan Fastighets AB	
NEW BUSINESS	Stena Adactum	Exeger (4%) Budbee (9%) Annotell (11%) Voi (3%) 24Health (15%) Funnel (5%) Matilda Foodtech (20%) Scandic Hotels Group (20%)	
FINANCE/OTHER	Stena Finance		Stena Metall Finance
RECYCLING, ENVIRONMENTAL SERVICES AND TRADING			Stena Metall

## STENA SPHERE - TOTAL INCOME AND SHARE OF TOTAL INCOME 2021<sup>1</sup>



- Ferry Operations 19%, MSEK 12,717
- Offshore Drilling 4%, MSEK 2,513
- Shipping 17%, MSEK 11,627
- Property 7%, MSEK 5,076<sup>1</sup>
- New businesses 12%, MSEK 8,206
- Recycling, environmental services and trading 41%, MSEK 28,191

1) Excl. sphere eliminations

## STENA SPHERE - TOTAL INCOME AND PROFIT

	Total income		Profit before tax	
MSEK	2021	2020	2021	2020
Stena Metall <sup>2</sup>	28,191	23,658	1,947	559
Stena Sessan	1,196	1,486	(146) <sup>3</sup>	406 <sup>3</sup>
of which Concordia Maritime	705	1,026	(658)	(65)
Stena AB	38,991	33,343	499	(4,858)
Sfärelimineringar	(2,552)	(1,598)	–	–
Total	65,826	56,889	2,300	(3,893)

2) Annual accounts 2020/2021

3) Excluding change in value of shareholdings



## STENA METALL

The Stena Metall Group operates within seven business areas, as the Nordic region's leading recycling company. The Group works actively to contribute to the development of the circular economy. Close collaboration with customers and partners enables more efficient and smarter use of resources.

**EVERY YEAR**, Stena Metall recovers and processes six million tonnes of waste and obsolete products, and supplies customers with raw materials, steel products and marine fuel. These are leading recycling activities with well-developed logistics solutions, industrial processing and a growing range of services related to waste handling and recycling.

**STENA NORDIC RECYCLING CENTER (SNRC)** is the hub of the infrastructure for industrial materials recycling established in the Group. During the year, SNRC continued to contribute to significantly higher recycling ratios and a higher quality yield.

**THE 2020/2021 FINANCIAL YEAR** was a strong year for the Stena Metall Group, which was characterised by positive market performance and a high development rate. Stena Metall thus continued to strengthen its position as the Nordic region's leading recycling company. The profit before tax was SEK 1,947 million.

## STENA SESSAN

Stena Sessan is, among other things, the owner of the hotel operator Scandic Hotels Group (20 per cent) and Concordia Maritime (52 per cent), and the wholly-owned company Stena Sessan Fastighets AB. The property portfolio consists of approximately 5,000 rental apartments in Göteborg, Stockholm and Uppsala.

**IN 2021, THE PORTFOLIO WAS** expanded with three new companies. These are 24 Health, which is a Nordic market leader with a digital solution for automated care provision and patient communication; Funnel, which is the leading data platform for marketers and enables reporting of marketing results in real time; and Matilda Foodtech, a Nordic software platform for the meal industry, with solutions to improve and automate the entire meal process.

**STENA SESSAN'S NET ASSET VALUE** increased during the year by approximately 12 per cent to SEK 8.1 billion at the end of 2021. The increase is largely due to the development in Fastighetsbolaget (the property company), which contributed positively with both increased cash flow

and value development. Scandic has recovered from last year's lockdowns and restrictions and contributed positively to the increase in net asset value.

In 2021, Concordia Maritime was adversely affected by the pandemic and the associated restrictions, as well as historically weak tanker market development during the year, with lower volumes, shorter distances and higher fuel prices. All new investments made in the portfolio in 2020, i.e. Exeger, Budbee, Voi and Annotell, performed well and made a positive contribution to the development in net asset value.

### INVESTMENTS (OWNERSHIP INTEREST)

Stena Sessan Fastighets AB (100%)  
 Concordia Maritime (52%)  
 Scandic Hotels Group (20%)  
 Exeger (4.0%)  
 Budbee (8.2%)  
 Annotell (11.5%)  
 VOI (2.8%)  
 24 Health (15.0%)  
 Funnel (4.5%)  
 Matilda Foodtech (20%)

## THE STENA SPHERE COORDINATION GROUP

- Is responsible for the Sphere's strategic development
- Supports the appreciation of the Sphere's value
- Evaluates significant investment/divestment proposals from the business units
- Provides information on important business incidents and events
- Ensures the Sphere's development through cross-fertilisation
- Maintains and develops the Sphere's shared values

**MEMBERS:** Peter Claesson, Cecilia Fasth, Carl-Johan Hagman, Annika Hult, Anders Jansson, Niclas Mårtensson, Dan Sten Olsson, Erik Ronsberg, Anders Wassberg

## THE STENA SPHERE ADVISORY BOARD

Advises on

- Keeping the Sphere together and ensuring value creation
- Implementing the consequences of change
- Management issues and support to the Group CEO
- Evaluating established goals and performance
- Balancing risks against opportunities in the short-, medium- and long-term perspectives

**MEMBERS:** Samir Brikho, Michael F. Hassing, Roger Holtback, Annika Hult, Stefan Lindskog, Dan Sten Olsson, Eivind Reiten



**Design & production:** Narva

**Photo:** Jesper Orrbeck, Patrik Johäll, Catharina Fyrberg, Oscar Mattson, Jacqui McIntosh, Peter Mild, Emelie Asplund, Marcus Lawett, Ellen Tellbe, Sam Chin, Steven Tarbox, Sofia Sabel, Andreas Jurkian, Alf Jakin.

**Print:** Elanders 2022



Stena AB (publ.) SE-405 19 Göteborg  
Phone +46 31 85 50 00 [www.stena.com](http://www.stena.com)

