



Annual review 2022



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THIS IS STENA

53,414

Total income¹, SEK million

136

Vessels, including newbuildings⁴

17,200

Employees²

201

Wind turbines in operation

30,100

Residential and commercial units³



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 via Northern Marine Group.

3. Owned and managed.

4. Owned, chartered and managed.



Annual Report
Read more about the financial performance
in the Annual Report. A printed report can be
ordered at info@stena.com

The cover shows the port of Göteborg, Sweden.

The Annual Report and 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 Report and 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.

Care in everything we do

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

Stena ensures sustainable value creation by delivering functions that are important to society on land and at sea, and through dedicated employees, who constantly seek to contribute to positive social development.

Through care, innovation and effective performance, we achieve our goal of always being the customer's first choice.



Victor Westberg,
Karin Jedvert,
Anton Ryman,
Jesmira Isufi,
Irène Sahlin,
Göteborg, Sweden

Diversified businesses supports resilience

For Stena AB, 2022 was a profitable year with positive development in all activities. In order to avoid uncertainty in the event of economic fluctuations, the Group is designed as a conglomerate, which means that so far we have coped well with major fluctuations. Our biggest competitive advantage is our ability to care – not only for our customers, but also for each other, our suppliers and partners. Through continuous improvement, we are achieving the major changes that are necessary.

S **TENA AB'S COMMITMENT** to a sustainable society in the long-term started early within all the areas in which we operate. As early as 2005, we decided to invest in wind turbines. Fossil fuels are effective, but despite all the efficiency improvements, they contribute to increasing the carbon content in the atmosphere. Today, 18 years later, our partly-owned company Scandinavian Renewable Energy (SR Energy) operates 201 wind turbines in southern Sweden, making us Sweden's largest wind power

producer based on revenue. This investment was possible thanks to support from institutional investors, and our ownership share today amounts to 20 per cent. With electricity generation at 2 TWh, we currently rank as the sixth largest producer of electricity in Sweden. On average, it has taken over ten years to get all permits for wind power and associated power cables in place in our latest projects. Democracy takes time. It is naturally possible to improve processing times. We respect the democratic

system and work intensively to create consensus with the general public to the greatest possible extent through responsiveness and improvements. We currently have a project portfolio that can lead to a doubling of our electricity generation. Simultaneous investments in large-scale photovoltaic systems at our wind farms will also increase our electricity generation.

All of our properties' roofs will have solar panels in the future. Stena Property aims to be self-sufficient in



GROUP SUMMARY

Key financial indicators	2022	2021	2020
Total income, capital gains and changes in value	53,414	38,991	33,343
EBITDA, excluding sale of fixed assets	13,501	8,776	5,613
Operating profit	5,407	2,155	-1,791
Profit/loss from investments in strategic associates	-77	312	-19
Profit before tax	2,759	499	-4,858
Total assets	149,716	133,108	121,933
Equity including deferred tax liabilities	60,419	53,052	47,745
Cash and cash equivalents and short-term investments	4,896	4,542	3,566

Key non-financial indicators	2022	2021	2020
Number of employees	13,000	11,438	11,483
Percentage women (%)	29	28	28
Number of vessels (in emission reporting) ¹	100	99	92
Total energy consumption in vessels (TWh) ²	11.2	11.9	11.1
CO ₂ emissions (1,000 tonnes) ²	3,060	3,222	3,002
NO _x emissions (1,000 tonnes) ²	70	81	74
SO _x emissions (1,000 tonnes) ²	5	5	5
Energy consumption (electricity + heating) Stena Property (MWh) ³	302,956	307,480	289,500

1. The number of vessels is calculated on the basis of the number of vessel days operated over 365 days.

2. Emissions reporting includes Stena Line, Stena Bulk, Stena RoRo and Stena Drilling.

3. Energy consumption includes Stena Property in Sweden (approx. 95% of activities).

CEO COMMENTS

“Our greatest competitive advantage is care in everything we do – not only caring for our customers, but also for each other, our suppliers and partners.”

electricity. With the help of AI solutions and several other measures, Stena Property is committed to reducing its total climate footprint by 55 per cent by 2030.

Our vessels consume and will continue to consume energy, but in relation to transport activities, we are reducing our energy consumption by around 1.5 per cent on an annual basis. Switching energy sources from fossil to non-fossil fuels is not easy, but we have experience of doing this. When we were the owner of the Helsingborg–Helsingör route, we made electric operation of the ferries possible. We have also operated with methanol as fuel for the Göteborg–Kiel route. Methanol has many environmental benefits. In the long term, it will also be possible to produce methanol as a climate-neutral fuel with the potential to reduce carbon emissions by up to 95 per cent. However, the fuel cost of methanol is generally twice that of diesel.

To accelerate the transition to renewable fuels with neutral terms of competition, the shipping industry takes a positive stance on the carbon tax on shipping, provided that the tax revenue is shared between development support for the industry and promoting the replacement of coal-based energy production in developing countries with carbon-neutral production.

For our shorter routes, Stena Line believes in electrically-powered vessels and for our longer routes, we believe in vessels powered by methanol. There are

also several other fuel options, such as hydrogen. Since all of these alternatives entail at least a doubling of our fuel costs, we take a cautious approach to quickly switching to new fuels on any large scale. Moreover, a transition to electrically-powered vessels entails major investments at the ports we use. Not only costs, but also energy security drive our investments in the fuels of the future. Albeit to a lesser extent, oil or methane gas will therefore continue to be shipping's main fuel for a long time to come.

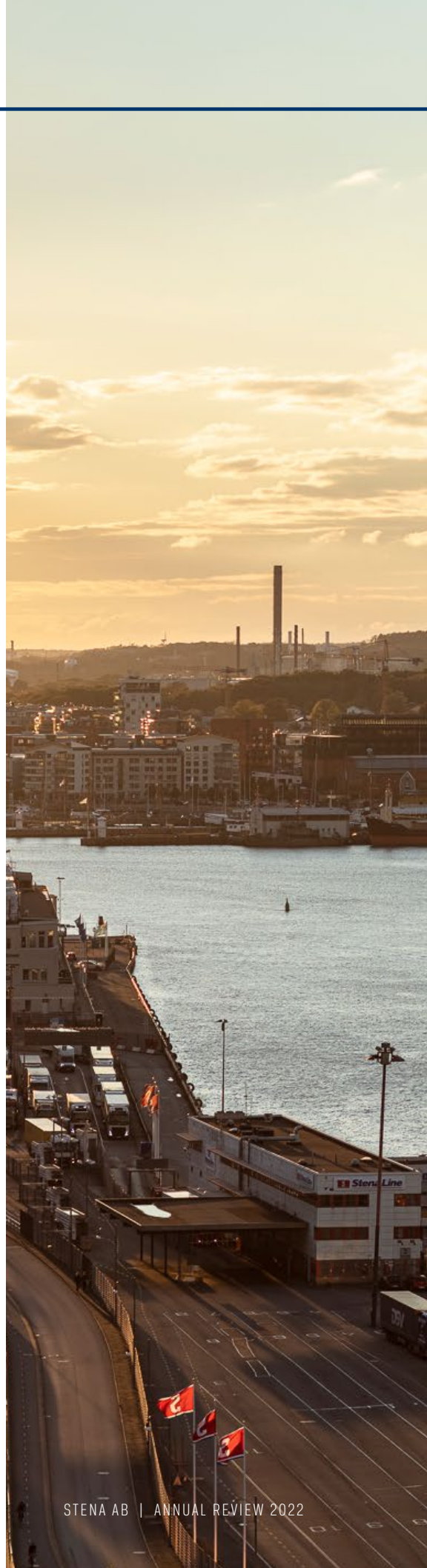
To stay at the forefront, Stena Bulk and Northern Marine now operate four new methanol-powered vessels.

GOOD COOPERATION IS IMPORTANT FOR CONTINUED SUCCESS

For Stena AB, 2022 was a good and profitable year. Depending on the course of the global economy, however, there are both negative and positive uncertainties in various business areas of the Group regarding the profit for 2023. So far, our conglomerate has coped well with major fluctuations.

Thanks to seamless collaboration in which everyone plays a role, we have achieved almost perfect operations. We are very satisfied with our partnerships. We look to the future with confidence.

Göteborg, 26 February 2023
Dan Sten Olsson

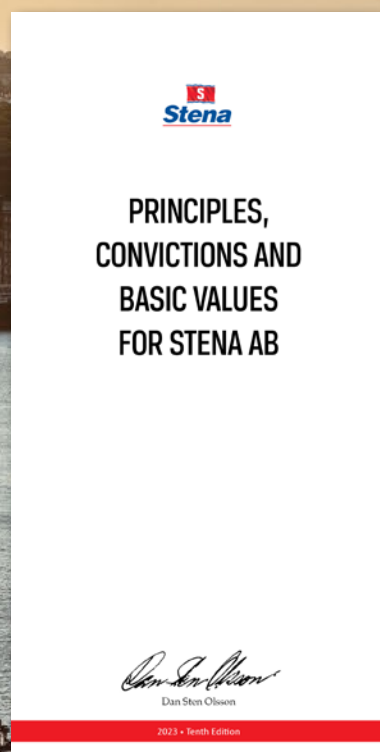


THE WHITE BOOK

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/>



Port of Göteborg

Long-term and responsible owner

By taking a long-term approach, with focus on care in everything we do, Stena's business units deliver services for society both onshore and offshore. By balancing independent business units with a shared Group framework, we create a successful dynamic.

STENA 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, IT, 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. 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.

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 regulatory compliance.

In an increasingly connected, digitalised world where the use of IT systems is fundamental, Stena has a strong focus on safeguarding information and cyber security. Through its information security policy and management system, Stena works with systematic method support

Dafni Papamatthaiou,
Carolina Ingvarsson,
Göteborg, Sweden



that is based on ISO 27001. 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 business units.

CENTRAL RULES AND GUIDELINES

The White Book, Code of Conduct, Code of Governance and policies form the basis for good corporate governance of all of the Group's business units. Corporate governance within Stena AB is important for doing good business, creating trust and ensuring that we work as one company with a common culture.

THE WHITE BOOK

In the White Book, Stena AB's CEO and principal owner has formulated the principles, convictions and fundamental values that apply to all the Group's companies. Each business unit is responsible for its own profitability, but there are also a number of common denominators for conduct within the Group. Besides Stena's vision, mission and business idea, the White Book 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 to contribute to lasting change.

CODE OF CONDUCT

Stena's Code of Conduct describes how Stena is to act in order to fulfil the values and commitments concerning, for example, 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 Code of Conduct is an integrated element of the employment

contract and part of the introductory programme for new employees.

CODE OF GOVERNANCE

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.

GROUP POLICIES

In addition to these general documents, there are also Group-wide policies that are reviewed on an ongoing basis to cover relevant areas for all Group companies. The companies also have their own policies that apply to their specific operations. All of these documents are available to employees, who in turn are expected to have good knowledge of how these documents are of significance to them.

WHISTLEBLOWER FUNCTION

Suspected irregularities can be reported via the Group-wide whistleblower function. The whistleblower function is available to all employees on Stena's intranet. Openness is encouraged, but reports can also be submitted anonymously. The recipients of reported incidents are the Head of Corporate Governance and the Chair of the Audit Committee. Relevant whistleblower cases are presented to the Audit Committee. The service is provided by an external partner and all information is encrypted, as an additional security measure.

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, and 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

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, drilling, 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

POLICIES

GENERAL GROUP POLICIES

- Brand and Trademark Policy
- Information Security Policy
- People Policy
- Safety and Environment Policy
- Security Policy
- Whistleblower Policy

SPECIFIC GROUP POLICIES

- Finance Policy
- IT Governance Policy
- Tax Policy
- Pre-approval Policy

STENA AS AN OWNER



Robin Andersen and Robert Strömberg,
Masthuggskajen, Göteborg

assets has increased, as a ratio of capital employed. The proportion of vessels and drilling units exposed to the spot market has decreased equivalently. 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.

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 aim is to ensure a clear direction, uniform structure and common processes for the entire Group.

The principle of delegated business acumen also permeates the view that sustainability activities should take place close to the business units, in order to leverage business opportunities, knowledge and experience, and translate them into concrete initiatives.

The central sustainability department is responsible for coordinating the strategic sustainability activities in the Group, and for supporting sustainability managers in the day-to-day sustainability activities that take place in the business units. There is also regular annual reporting on development to the Audit Committee under Stena's Board of Directors.

MATERIAL SUSTAINABILITY ISSUES

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, which are approved and followed up by the business units' management groups and Boards of Directors.

Based on the business units' materiality analyses, Stena has four focus areas as the basis for strategic sustainability work, to guide the Group forward. The four focus areas are the environment, safety & security, people and society.

REPORTING AND FOLLOW-UP

All business units adopt targets and KPIs in the four areas. The business units' identification and analysis of sustainability risks is reported to the central sustainability department on an annual basis.

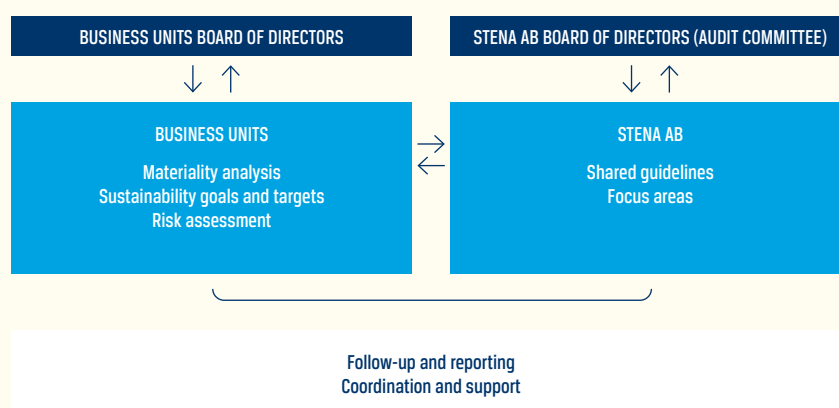
IDENTIFICATION OF SUSTAINABILITY RISKS

Stena has well-established risk analysis methods and processes, as work conducted by the respective business units. Sustainability risks are identified and analysed on an annual basis. This is an integral aspect of each business unit's overall risk activities, with focus on the environment, personnel, social conditions, human rights and anti-corruption.

SUSTAINABILITY NETWORK

The central sustainability department and the business units' sustainability managers form the SuStenability network, which meets a number of times a year for the exchange of experience and for training in the field of sustainability.

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 & security, 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.
- **COORDINATION AND SUPPORT** are available at Group level. Stena AB also contributes inspiration, training and networking, as well as the sharing of experience.

STENA DRILLING

- 4 drillships
- 2 rigs

Northern Marine Group trains offshore personnel for Stena Line and Stena Drilling, to ensure they are certified and competent.

Northern Marine Group
provides technical and crew
services for Stena Bulk's vessels.

Offers technical, crewing and marine services within the Stena Group and to external customers in the marine, offshore and renewable industries. Employs 4,900 people from all over the world.

Tanker shipping company that transports crude oil, refined petroleum products, bio liquids, chemicals and natural gas on 75 ships all over the world. Helps to safely and energy-efficiently increase the global supply of energy and other raw materials.

STENA LINE

Operates ferry traffic as an important part of the European logistics network and infrastructure. As a reliable link between people and places, they ensure that 2 million freight units and 7 million people reach their destination safely every year.

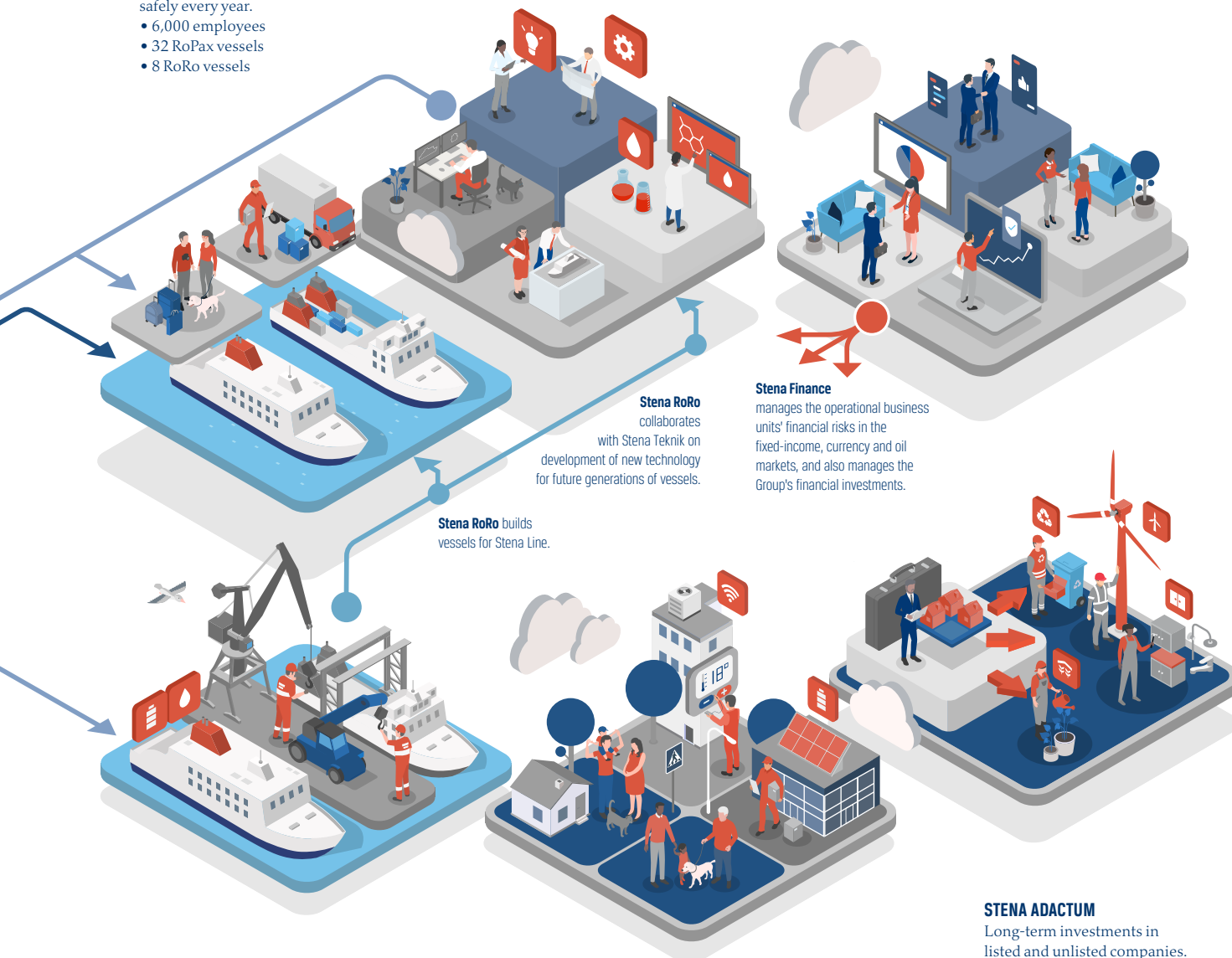
- 6,000 employees
- 32 RoPax vessels
- 8 RoRo vessels

STENA TEKNIK

Stena Teknik supports the maritime companies within the Stena Group in developing safe, sustainable, energy-efficient and innovative solutions. Works actively to ensure that the Stena Group's technical solutions contribute to a sustainable future with a reduced climate impact.

STENA FINANCE

Optimises the capital structure, builds financial strength and creates opportunities for the entire Stena Group. Another important role is to serve as a resource when new business is identified, analyses and developed.



Stena RoRo collaborates with Stena Teknik on development of new technology for future generations of vessels.

Stena RoRo builds vessels for Stena Line.

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.

STENA RORO

Develops, builds, charters out and converts vessels for rolling cargo and passengers (RoRo and RoPax) for the Stena Sphere and for customers all over the world. Active developer and designer of vessels with fossil-free propulsion.

STENA PROPERTY

One of Sweden's largest private property companies that creates security and social stability through relationship management as a way of working. Owns and manages around 26,300 apartments and 3,800 commercial premises.

STENA ADACUM

Long-term investments in listed and unlisted companies. Diversifies the Stena Group's operations and creates new business areas with the aim of doubling the value of invested capital every five years.

Benefits local communities and global development

Stena has a long-standing tradition as an active member of society. 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.

In addition, our dedicated employees are constantly striving to find innovative solutions that help solve the societal challenges we face – both in the short and long term. This includes everything from climate crisis to jobs for young people and support to the war-struck population in Ukraine.

Care, effective performance and innovation are Stena's key success factors – today and in the future. For a group like Stena, which operates in a global market with many different activities, there are constant new opportunities to contribute to both the local community and global development.

Many initiatives concern the climate crisis and the energy transition we are facing. In addition to the shipping-related projects in which Stena plays an important role – such as the assessment of alternative vessel fuels and electric propulsion of vessels – Stena is also involved in the strong expansion of wind power in southern Sweden.

In addition, Stena contributes to greater economic growth in the societies in which it operates, via the taxes paid and by creating employment for thousands of people all over the world.

STENA'S BUSINESS UNITS CONTRIBUTE TO:

- 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 demanded by the market in various industries.





STENA LINE ASSISTS UKRAINE WITH TRANSPORT

Following the invasion of Ukraine in February 2022, Stena Line decided to assist Ukrainians who were forced to flee the country by offering free travel on all routes, as well as free meals and cabin places onboard. Stena Line also provided aid organisations with free transport of supplies to Ukraine. During the months after the invasion, Stena Line helped more than 30,000 people on their journey to safety and security. Most of these refugees travelled via the Gdynia–Karlskrona line. In parallel, Stena Line's ferries carried out more than 200 humanitarian transports of supplies to Ukraine.

Niclas Mårtensson, Stena Line's MD, visited the Poland terminal in Gdynia in March 2022 to witness the relief efforts.

"I encountered teenagers who had been sent alone to another country, and mothers, children and grandparents who had travelled for days to get to safety. Day and night, my colleagues witnessed these human tragedies and responded by doing everything in their power to help. It is absolutely clear to me and my colleagues that both Stena Line as a company and we as individuals have a social responsibility to do what we can – and we have shown in practice what Care as a core value means for us."



STENA PROPERTY GIVES YOUNG PEOPLE THE CHANCE TO DO THEIR FIRST JOB

Stena Property has been involved in "relationship management" for many years. The goal is to create neighbourhoods where people can thrive, feel safe and want to work and live for a long time. One aspect is to contribute to early working lives, providing work experience and a first line on the CV. Since 2014, more than 3,500 young people have been offered jobs during summer and holiday periods by Stena Property in and around Stockholm, Göteborg and Malmö. One clear effect is that both confidence in the future and a sense of responsibility for the neighbourhood are strengthened for these young people. Many holiday workers come back for several years – and some even as adults.

"My first summer job was with Stena Property at Lindängen and Hermodsdal. It was a fun job with varying tasks. I mainly worked with gardening, and there was also some painting work, and of course the stores were emptied. What I particularly enjoyed, looking back after 20 years, is that some of us who worked together during the summer became colleagues here at Stena," says Jens Celind, Property Manager.

“We know that there are young people in and around our neighbourhoods who want to work, but they may not have the contacts, but we do.”

Cecilia Fredholm Vaarning, Head of Sustainable Business, Stena Property.

Strong year with focus on sustainability and expansion

With continued expansion in several regions, and new vessels in operation, Stena Line noted another successful year in 2022. "Our expansion is continuing. The major challenge is the green transition, where the new E-Flexer vessels are important pieces of the puzzle in achieving our goals," comments Niclas Mårtensson, MD of Stena Line.

STENA LINE is one of Europe's leading ferry operators, with 40 vessels and 18 routes in northern Europe, and with 25,000 sailings per year. The company is an important part of the European logistics network and is continuously developing new, intermodal freight solutions by combining transport at sea by rail and road. With its extensive passenger services, Stena Line also plays an important role for tourism in Europe.

STRONG PERFORMANCE IMPROVEMENT

In 2022, Stena Line's revenue increased by 42 per cent compared with the previous year, to SEK 17.5 billion.

"We've had the market with us and set the right priorities. We benefit from how we've built flexibility into the business and also taken a number of measures to reduce the cost base," says Niclas Mårtensson.

"During the past year, passenger traffic gained momentum, especially in the automotive segment. We can also note a certain slowdown in the freight market. This makes it even more important for us to maintain our pricing and quality – and to meet deadlines and stay focused on safety – which are key competitive advantages for us," he continues.

DIGITALISATION INCREASES FLEXIBILITY

An important tool for Stena Line in optimising its activities is the focus on digitalisation, where technology such as Artificial Intelligence (AI) and machine learning are used to connect all parts of the business, from ports to booking systems and operations, in order to increase efficiency, reduce emissions, improve the customer experience and support employees. Customs clearance can also take place digitally.

MULTI-REGION EXPANSION

In January 2023, Stena Line introduced the second large E-Flexer ferry for traffic on the Karlskrona–Gdynia route. *Stena Ebba* and its sister vessel *Stena Estelle*, launched in August 2022, are the largest in Stena Line's E-Flexer fleet. The 240-metre-long vessels have 50 per cent more cabins and 15 per cent more cargo capacity, compared to previously delivered E-Flexer vessels in operation in the Irish Sea. Like other E-Flexers, *Stena Ebba* and *Stena Estelle* have an optimised hull design, propellers and rudders for maximum efficiency, while also being adapted for alternative fuels.

Stena Line's investment in modernising the ferry route includes a new ferry terminal in Gdynia, with capacity for larger

vessels and the opportunity to develop intermodal solutions through proximity to railway track. The strengthening of the connection between Sweden and Poland is an example of how Stena Line is meeting the increasing demand from customers in the southern and eastern Baltic region.

The investments in the southern Baltic Sea also made it possible to strengthen the route between Ireland and France. *Stena Vision*, which has been in operation on the Karlskrona–Gdynia route, will be relocated to Rosslare–Cherbourg. This brings a significant increase in capacity for this route, particularly on the passenger side.

SUSTAINABILITY IS KEY

The single most important challenge for Stena Line is how carbon emissions can be reduced. The plan includes decreasing total carbon emissions from vessels by 30 per cent by 2030. In August 2022, figures were published showing that the ferry company has so far reduced its carbon emissions by 11 per cent, calculated per tonne of freight transported over each nautical mile, and reduced the vessels' total emissions by 4 per cent, compared with before the pandemic. The main reason is the significantly

“*Stena Ebba* and *Stena Estelle* set a completely new standard for flexibility, service focus and customer experience – and also link together some of the most dynamic markets in Europe.”

Niclas Mårtensson,
MD, Stena Line

E-FLEXERS – FERRIES OF THE FUTURE

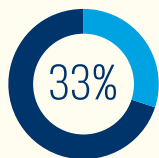
Stena is leading the development of future passenger and freight ferries: E-flexers. With optimised hulls, propellers and rudders, they are around 30 per cent more energy-efficient than today's conventional ferries. They can be prepared for operation on various different fuels, such as methanol, Liquefied Natural Gas (LNG) and ammonia, and can be converted to electric propulsion. They have a higher freight capacity, are easier to load and can carry more passengers. The design also provides an improved passenger experience. Stena RoRo currently has 12 confirmed orders for E-Flexer vessels. Nine of the vessels have been delivered so far, five of which to Stena Line. The latest is *Stena Ebba*, launched in January 2023 for traffic between Karlskrona and Gdynia.



Stena Ebba

FINANCE

SHARE OF THE GROUP'S
TOTAL INCOME



TOTAL INCOME¹, MSEK

17,500
(12,700)

CAPITAL EMPLOYED,
MSEK

25,200
(24,500)

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

PEOPLE

NUMBER OF
EMPLOYEES



6,000

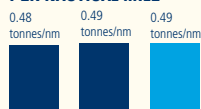
SHARE OF WOMEN
IN THE MANAGEMENT
TEAM

50%

Goal: Gender
equality in the
management team

ENVIRONMENT

CARBON DIOXIDE EMISSIONS, CO₂
PER NAUTICAL MILE



2020 2021 2022

Goal: -2.5% CO₂ emissions per nautical mile per year.

SOCIETY

SHARE OF ADDRESSED PURCHASE VOLUME THAT
HAS SIGNED THE SUPPLIER CODE OF CONDUCT

88% Equivalent to more than
400 suppliers.

Goal: 90% of addressed purchase volume.
Addressed volume is approximately 77% of
total purchases.

THE UN SUSTAINABLE DEVELOPMENT GOALS

Stena Line focus on the following
UN Sustainable Development Goals:



Anton Strömberg,
Stena Germanica

“There is no doubt that the major challenge for Stena Line, as for the entire transport sector, is the green transition.”

Niclas Mårtensson,
MD, Stena Line

higher utilisation rate in recent years. Other specific measures are Stena Line's extensive use of renewable electricity while the vessels are manoeuvring and are moored in port. Pilot projects, such as giving electric trucks priority access to Stena Line's ferries in Göteborg and using recycled methanol from the steel industry as ship fuel, are other examples.

“The major challenge for Stena Line, and for the entire transport sector, is without doubt the green transition. With projects such as the methanol-powered ferry between Göteborg and Kiel, the state-of-the-art E-Flexer ferries, and our ambitious electrification projects, we're working to be at the forefront of this development,” says Niclas Mårtensson.

Within sustainability, Stena Line also strives to achieve gender equality, with the aim of increasing the proportion of female managers. After the addition of a new commercial head, as from mid-2022 the Stena Line management team consists of as many women as men.

TRANSPORTED REFUGEES FROM THE WAR IN UKRAINE

The effects of the war in Ukraine on Stena Line's operations have so far been limited. According to Niclas Mårtensson, continued war and the unstable economic situation are likely to have a major impact on the industry.

“Our contribution to helping Ukraine is that we've offered free transport of war refugees from Poland to Sweden, a total of around 30,000 people so far. We've also provided free transport of aid shipments from all over Europe to Ukraine,” he explains.

TWO ACQUISITIONS, CONTRACT FOR 2100 AND 60 YEARS ANNIVERSARY

In 2022, Stena Line completed two important acquisitions. One concerns a large area of land adjacent to the British port of Holyhead. The aim is to enlarge the port for future expansion of ferry traffic between Wales and Ireland. Holyhead is the second largest RoRo port in the UK.

The second acquisition concerned Voigt Travel Holding, the leading Dutch specialist for winter travel to the Nordic countries. The acquisition of Voigt Travel, together with its two sister companies, Scandinavian Wintersports and Ruka Safaris, strengthens the offering in the travel segment in the Dutch market.

At the same time, for the Irish Sea, Stena Line secured a long-term presence in Birkenhead/Liverpool through a contract that allows the company to continue to run and develop activities in the region until 2100. Stena Line has been operating the Liverpool–Belfast route since 2011, and this long-term contract opens up new opportunities for future expansion.

In 2022, Stena Line celebrated its 60th anniversary. Activities have evolved from the first “floating border shops” to Denmark, via cruise-like entertainment trips during the glory days of tax-free shopping in the 1980s and 1990s, to today's efficient, high-frequency, freight-heavy and passenger-adapted ferry transport – as the result of a constant change process.

Improved results – work for the entire fleet

A slowdown to all drilling activities during the pandemic was followed by a sharp increase in demand in 2022. This enabled Stena Drilling to improve its results after a few tough years, while securing important work for 2022 and 2023.

STENA 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. Today, the fleet comprises four drillships and two semi-submersible drilling rigs, operating in a global market.

After challenging years for the oil and gas industry, first due to excess production of oil and then an abrupt decline during the pandemic, the market took a significant step upwards in 2022 and Stena Drilling succeeded in winning several profitable new contracts. The supply of drilling units is at historically low levels, while there is structurally driven high demand after many years of underinvestment in the oil and gas sector.

"I'm incredibly proud of how we managed to maintain the high quality of our fleet and services during the tough times, while several of our competitors went bankrupt. This meant we were ready and able to meet the increased demand," says Erik Ronsberg, MD, Stena Drilling.

SAFETY AS A KEY COMPETITIVE ADVANTAGE

Stena Drilling is known in the industry as a safety leader. This is a competitive advantage in relation to our customers, who give safety high priority.

"Long-term relationships based on recurring customers are extremely important to us, and our safety record means that we are ranked highly by oil companies. Safety and performance are also deemed to go hand in hand," says Erik Ronsberg.

As a consequence of the strict safety procedures followed by Stena Drilling's employees, and a sound corporate culture, the company is among the best in the industry when it comes to safety.

"We've proved that we're big enough to win large contracts, but still small enough to care. The fact that we are an independent company with strong values is definitely appreciated by our customers," he continues.

ASSIGNMENTS FOR ALL DRILLING UNITS

Stena Drilling's four drillships – *Stena Carron*, *Stena DrillMAX*, *Stena Forth* and *Stena IceMAX* – as well as the drilling rigs *Stena Don* and *Stena Spey*, were all contracted for drilling assignments by large energy companies such as ExxonMobil, Chevron, Shell, Energean and BP in 2022 and 2023.

At the same time, a continued interest in phasing out old, unprofitable oil fields was noted.

"We predict more decommissioning work in the future, as use of fossil fuels

is reduced and renewable power sources are developed further. There are also legal aspects that speed up this development," says Erik Ronsberg.

"In parallel with focusing on our day-to-day operations, we are continuously evaluating future opportunities for our fleet, where we can make the best use of our technical expertise, passionate employees and knowledge of the world's oceans.

STENA EVOLUTION SETTING NEW INDUSTRY STANDARDS

During the year, Stena Drilling prepared for the newest addition to its fleet: *Stena Evolution*. This technologically advanced seventh generation drillship is an example of Stena Drilling's continued commitment to leading the way in deep-water drilling. The vessel, which is being developed together with Samsung Shipyards, is planned to be commissioned at the beginning of 2024.

"*Stena Evolution* will be a fantastic addition to our fleet and will offer added value to potential customers in the form of a combination of new technology that improves performance and energy savings," says Erik Ronsberg.

“We've proved that we're big enough to win large contracts, but still small enough to care. The fact that we are an independent company with strong values is definitely appreciated by our customers.”

Erik Ronsberg,
MD, Stena Drilling

FIRST TO ACHIEVE ISO 50001 CERTIFICATION

To increase efficiency and reduce vessels' energy consumption and emissions, Stena Drilling has installed smart energy and emission meters. These enable employees to measure and reduce energy consumption in real time. The energy-saving measures led to Stena Drilling becoming one of the world's first drilling contractors to achieve ISO 50001 certification at the beginning of the year. Stena Drilling was also one of the first in the industry to achieve ISO 14001 certification for its entire fleet.

“This is a testament to our environmental commitment and our ambition to achieve our sustainability goals,” says Erik Ronsberg.

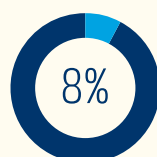
Stena Drilling's efforts to continuously assess opportunities to reduce environmental impacts are not only important to comply with new statutory requirements, but also to meet increased demands from customers, who want to work with companies that can demonstrate a sustainability plan. These efforts are also important when it comes to attracting new talent to the company, to work in an industry that many young people consider to be a sunset industry.

“We need to be able to prove that we support the energy transition, that we are embracing new technology and that we are innovative. Finally, we need to be able to show that we offer a good, rewarding and safe workplace,” says Erik Ronsberg.



FINANCE

SHARE OF THE GROUP'S
TOTAL INCOME



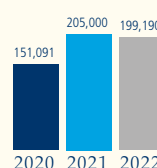
TOTAL INCOME¹, MSEK
4,300
(2,500)

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

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

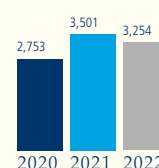
ENVIRONMENT

CARBON EMISSIONS,
CO₂ (TONNES)



Goal: –40% to 2030 compared with 2019

NITROGEN OXIDE
EMISSIONS, NO_x (TONNES)



Goal: –10% fuel consumption compared with 2019

PEOPLE
NUMBER OF
EMPLOYEES



SOCIETY
DEVELOP AND
PROMOTE LOCAL
PERSONNEL

33%
Local Guyanese employees

Goal: >30%

THE UN SUSTAINABLE DEVELOPMENT GOALS

Stena Drilling focus on the following UN Sustainable Development Goals:



Increased demand and freight prices turned a loss into a profit

In 2022, demand and the price of shipping both oil and refined products rose to new record-high levels. The reason was the increased demand for oil after continued recovery of energy demand after the pandemic, but also longer transport distances after countries boycotted Russian oil. "After a weak start to the year, our results soared upwards, particularly in the second half of the year," comments Erik Hånell, MD, Stena Bulk.

WITH A FLEET OF around 75 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, vegetable oils, 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. Customers are major international energy and chemicals companies. They also set high requirements for safety, flexibility and transport economy.

DRAMATIC YEAR WITH SHARP PRICE FLUCTUATIONS

The past year was characterised by a dramatic change in both demand and prices for the transportation of oil and refined products. In 2021, the lowest demand for oil registered by the industry since the seventies, combined with surplus tonnage, severely affected Stena Bulk. The trend turned in early 2022, with an increase in demand, and improved dramatically in the second quarter, due to the war in Ukraine.

"As the countries in Europe began to import oil from the USA, Africa and the Persian Gulf, instead of Russia, this

resulted in longer transport distances and thus reduced access to free freight capacity. This led to a dramatic price upswing for tanker transport during the year, which in itself contributed to a strong result for Stena Bulk," says Erik Hånell.

"This development has been sustained, as oil consumption has continued to increase, while the countries' commercial and strategic oil stocks have declined. In addition, the order book for new tankers is the lowest we have seen since the seventies. We have a strong brand and stand for what the major oil companies are demanding, which means that we are the first choice for important customers," he continues.

TRANSFORMATION OF THE INDUSTRY GIVES NEW OPPORTUNITIES

The most important long-term trend in the industry is the transition to more energy-efficient vessels and new fuels with lower greenhouse gas emissions.

"We've been very clear about our support for the new regulations that come into force during the year and that aim to limit carbon emissions. For the regulations to be effective, cooperation is required from all players in the industry.

"We want to be at the forefront of the transition of our own fleet by 2050. We therefore see investments in new technology and new fuels – especially

METHANOL AS A MARINE FUEL

There are many advantages to methanol as a marine fuel. It reduces the vessel's carbon footprint and is already available in large quantities in most ports. In addition, it is a liquid fuel, which means that it is easy to store onboard. Another advantage is that it is biodegradable, which limits environmental damage in the event of a spill. Methanol burns at low temperatures and does not release soot. In the short term, the fuel can therefore have a major impact on emissions of nitrogen oxide and other pollutants. In the slightly longer term, it can be produced as climate-neutral, synthetic fuels: bio-methanol and e-methanol. These fuels would reduce carbon emissions by up to 95 per cent, and nitrogen oxide emissions by up to 80 per cent, and furthermore eliminate emissions of sulphur oxide and particles altogether.



those that are focused on methanol – as sensible from a commercial perspective and believe that they will strengthen our future competitiveness,” says Erik Hånell.

As an example, he highlights the collaboration with Proman, the world’s second-largest methanol producer. The cooperation so far has resulted in four methanol-powered tankers in operation via Stena Bulk. All vessels were delivered in 2022. Stena is co-owner of three of these.

“This is a huge leap forward in the shipping industry’s transformation and I’m proud that our team can help prove the benefits of methanol as a fuel today,” says Erik Hånell.

In 2022, Stena Bulk initiated collaboration with the Global Centre for Maritime Decarbonisation (GCMD) and the Oil and Gas Climate Initiative (OGC). The projects, which run for two years and in three phases, aim to demonstrate the

practical feasibility of carbon capture and storage onboard.

“We hope this will bring us one step closer to making carbon storage a reality for the entire global fleet,” says Erik Hånell.

40TH ANNIVERSARY

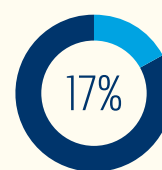
The past year brought an important milestone for Stena Bulk, which celebrated its 40th anniversary, and could also celebrate a record operating result. During these four decades, the company developed from a holding of six second hand tankers, which were bought during a downturn in the industry, to its current leading position with a fleet of 75 vessels totalling more than 5 million deadweight tonnes. Stena Bulk is now working on the goal of continuing to meet the world’s growing need for energy, while reducing emissions towards climate neutrality by 2050.

CARBON STORAGE - AN IMPORTANT PART OF EU CLIMATE POLICY

An important part of the EU’s climate policy is to invest in carbon capture and storage (CCS). CCS captures carbon dioxide in emissions and flue gases. It is then transformed into liquid form by means of pressure and low temperature, and then transported to a storage site deep below ground. Most surveys indicate that the most advantageous way of transporting separated carbon dioxide is by ship.

FINANCE

SHARE OF THE GROUP'S TOTAL INCOME



TOTAL INCOME¹, MSEK
8,900
(4,500)

CAPITAL EMPLOYED, MSEK
8,800
(9,700)

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

PEOPLE

NUMBER OF EMPLOYEES



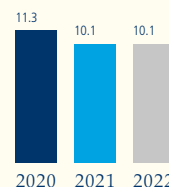
RETENTION RATE

93%
Goal: >90%

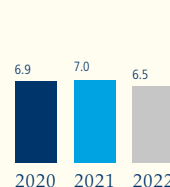
The company uses “Retention rate” as a key ratio to monitor its ability to retain employees.

ENVIRONMENT

EEOI, MR



EEOI, SUEZMAX



Goal: -2% per year

The Energy Efficiency Operational Index is a recognised method within shipping of measuring a vessel’s energy efficiency per tonne of goods transported.

THE UN SUSTAINABLE DEVELOPMENT GOALS

Stena Bulk focuses on the following UN Sustainable Development Goals:



Record profit after delivery of new and rebuilt vessels

With delivery of new E-Flexer vessels and sale of a rebuilt vessel, Stena RoRo recorded a record-high result for 2022 – both when it refers to the number of transactions and results.

STENA RORO builds and charters out RoRo and RoPax vessels, and is an important link in society's infrastructure 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, around 10 vessels are chartered out to operators around the world; both to Stena Line and to external parties.

Stena RoRo specialises in using technical expertise and innovation in the design and production of new vessels, as well as in the conversion of existing vessels, in order to deliver customised

solutions to its customers under the "Stenability Strategy".

THE FUTURE LIES IN E-FLEXERS

During the year, Stena RoRo delivered two E-Flexer ferries to Stena Line – *Stena Estelle* and *Stena Ebba* – so far the largest vessels of this type ever designed and built. A further vessel, *Santonia*, was delivered to the French shipping company Brittany Ferries. The E-Flexer vessels set a completely new sustainability standard in the RoPax segment. They improve cost and energy efficiency, and the engines can also be powered by different types of fuel, such as biogas, ammonia and methanol. Some of the vessels also have large battery packs installed, which enable

them to operate on batteries or fuel cells inside and outside of port. Stena RoRo currently has 12 confirmed orders for E-Flexer vessels, which are being built at the CMI Jinling Shipyard in Weihai, China. Nine vessels have been delivered so far, of which three were delivered in 2022.

"There's a great deal of interest in this type of vessel, as they can be adapted for different types of fuel. Their extensive capacity also reduces the total emissions per unit transported. My assessment is that interest will increase further in line with the new EU regulations for carbon emissions for vessels and that the future lies in E-Flexers, which are designed to meet the environmental requirements within the EU by 2050," comments Per Westling, MD, Stena RoRo.

"Investments in these vessels are extensive at over SEK 1 billion per ferry. But this is now paying off, as deliveries are starting to be ready and they go directly into service, which results in a substantial cash flow for us. We're also in dialogue with both Stena Line and a number of other shipping companies concerning orders for new E-Flexers, which we hope we'll be able to land in the course of the coming year," he continues.

SUSTAINABILITY REQUIREMENTS FOR THE SHIPYARDS

Stena RoRo has a clear process in place to ensure that the shipyards meet Stena RoRo's sustainability requirements. Stena RoRo operates in accordance with Stena's Code of Conduct and Stena's Group-wide policies, and Stena RoRo also holds ISO certification.

Stena RoRo sets requirements and evaluates new partners in a number of areas, and this always takes place before a new yard is engaged. Sustainability aspects are an integral aspect of Stena RoRo's selection process.

Throughout the newbuilding project, Stena RoRo has a project team in place at the shipyard with instructions to evaluate and follow up on issues such as safety, the working environment and human rights. Stena RoRo's project team continuously follows up and reports on any deviations at the shipyard.



Global Mercy and Africa Mercy,
Mercy ships

“I’m proud of our contribution to this project, which will save lives and contribute to an increased quality of life for many people.”

Per Westling,
MD, Stena RoRo

STRONG CONVERSION SKILLS

According to Per Westling, Stena RoRo has developed into a major company with stable cash flows and relatively low risk, which gives the company greater opportunities and clout for the second part of the business concept, which is to buy vessels when prices fall, and then upgrade them and sell them again when prices rally. Such a deal was successful during the year when the RoPax vessel *Connemara*, which was purchased in 2007, was sold to a New Zealand ferry company.

“We can benefit from our strong expertise in the conversion field,” says Per Westling.

Another prestigious assignment for Stena RoRo in 2022 was to provide expertise for the procurement of new vessels for the US fleet, MARAD (United States Maritime Administration). The assignment took place in collaboration with the American Crowley Maritime Corporation shipping company, which was responsible for the execution of the transaction.

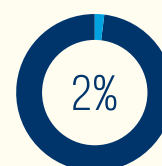
OPENING OF GLOBAL MERCY IN SENEGAL

On behalf of the Mercy Ships charity, Stena RoRo has been responsible for the design and construction of *Global Mercy*, the world’s largest civilian hospital vessel. The vessel was inaugurated in July 2022 with ceremonies in Dakar, Senegal. At the same time, the crew was already up and running with the vessel’s first intervention to strengthen African health-care. Building the vessel had been in progress since 2013 and involved several European, US and Asian subcontractors. Stena RoRo has had its own international team on site at the yard in China to monitor the construction process.

“I’m proud of our contribution to this project, which will save thousands of lives and contribute to an increased quality of life for many people who might otherwise not have received hospital care,” comments Per Westling.

FINANCE

SHARE OF TOTAL
INCOME



TOTAL INCOME¹, MSEK

1,300
(600)

CAPITAL EMPLOYED,
MSEK

5,700
(4,300)

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

PEOPLE

NUMBER OF
EMPLOYEES



300

ENVIRONMENT

OIL SPILLS



0 spills
reported

Goal: 0

THE UN SUSTAINABLE DEVELOPMENT GOALS

Stena RoRo focuses on the following
UN Sustainable Development Goals:



Intensive work to ensure ship crewing

The logistical challenges surrounding manning of vessels continued to affect Northern Marine Group's international pool of seafarers in 2022. The reasons were the conflict in Ukraine and continued Covid restrictions in Asia.

NORTHERN MARINE GROUP (NMG), headquartered in Glasgow, provides services in the form of technical management, crewing and marine services to the Stena Group, as well as external customers in the marine and offshore industry. NMG provides employment for around 4,900 people around the world, most of whom work onboard ships. NMG's considerable international pool of seafarers work onboard different types of vessels, in collaboration with experienced shore-based managerial personnel.

NMG's comprehensive onshore infrastructure consists of a large network of strategically located offices and training centres. Through training centres and customised competence solutions, NMG seeks to be the main strategic partner to the international marine and offshore industries. Vessel management and crewing and the company's other service offerings, which include marine supply, marine quality assurance and more, ensure transport of fuels and energy around the world.

STEPS TOWARDS GREENER SHIPPING AND LONG-TERM PROFITABILITY

In 2022, NMG took important new steps in its efforts, together with the shipping industry, to reduce emissions in the industry. Among other things, several new

vessels that can run on alternative fuels, were welcomed into the managed fleet.

Other important events included two new service partnerships within maritime education, one of which is a cadet course in collaboration with the City of Glasgow College – one of the UK's leading institutions for maritime education. A new, customised training programme for Stena Line's deck officers was also launched in 2022. The purpose of the training is to ensure that the officers live up to the high competence requirements. In parallel, the first year was concluded at NMG's dedicated Renewables training centre.

Demand for services to energy giants Chevron and ExxonMobil increased during the year.

"This is a testament to the confidence in NMG's ability to offer support with both the energy transition and the need to ensure society's access to reliable energy," comments Philip Fullerton, MD, NMG.

The company supplies ExxonMobil with employees for operations both offshore and onshore. In 2022, NMG's subsidiary Maritime Global Services (MGS) successfully completed its first business year. MGS offers marine quality assurance services to ExxonMobil's shipping operations, ensuring that ships comply with the necessary operating and safety

regulations when transporting cargo for ExxonMobil.

Collaboration on technology was also established between NMG and Provaris Energy in 2022, to support the development of compressed hydrogen as a fuel.

GLOBAL MARKET TURBULENCE

Russia's invasion of Ukraine and continued Covid restrictions in Asia presented new logistical challenges for NMG crews and crewing operations. Teams in staffing departments all over the world worked intensively to ensure that crews could board the vessels and return home after completing their assignments.

Access to energy became a challenge for many countries, causing trade patterns and shipping routes to change in 2022, and NMG adapted its operations accordingly. Higher demand for Liquefied Natural Gas (LNG) increased the pressure to maximise ship operation and minimise the time vessels were out of service for dry dock or other reasons.

There is intense recruitment competition as a consequence of the changed global demand for energy. To be a more attractive employer, NMG offers modern and flexible working conditions, such as hybrid working for employees onshore and competitive wages for seafarers, as well as

Technician at
Stena Blue Sky

wide-ranging personal development opportunities of NMG's seafarers.

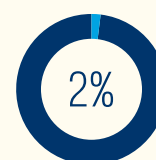
DECARBONISATION PROJECTS

In 2022, there was sustained focus on the International Maritime Organisation's (IMO) changes to the environmental regulations for shipping, and also on the new carbon emission legislation that applies to existing vessels as from 2023. Many customers ask for advice on this and work with NMG to achieve

compliance. In parallel, work continued to achieve a more sustainable energy infrastructure outside shipping operations, including floating LNG terminals offered through Stena Power & LNG Solutions.

FINANCE

SHARE OF THE GROUP'S
TOTAL INCOME



TOTAL INCOME¹, MSEK

1,300
(1,000)

CAPITAL EMPLOYED,
MSEK

700
(600)

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

PEOPLE

NUMBER OF
EMPLOYEES



4,900

RETENTION RATE

96%

Goal: >90%

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

SAFETY & SECURITY

OCCUPATIONAL
ACCIDENTS, LAND-
BASED OPERATIONS

0

Goal: 0 accidents

WORKPLACE SAFETY
AT SEA (LTIF)

0.30

Goal: <0.35

THE UN SUSTAINABLE DEVELOPMENT GOALS

NMG focuses on the following UN Sustainable Development Goals:



Development of technological cutting-edge technology for future ship operation

Stena Teknik took further steps during the year to consolidate knowledge in the Group. The mission is to operate technical solutions that will make the ship operation of the future more efficient, safer and more sustainable.

STENA TEKNIK assists Stena's maritime business units with expertise within project management, technical solutions and innovation, in order to increase Stena's competitiveness and future relevance through the development of safe, effective and sustainable solutions. Stena Teknik plays a central role in the Stena Group's work to contribute to the shipping sector's vision of climate-neutral transport. 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. Stena Teknik also focuses on developing safety onboard, not least in terms of fire safety.

"As Stena's internal research and development unit, we have an obligation to predict the effects of new environmental legislation, and also to analyse opportunities to reduce energy consumption both offshore and onshore," says Ron Gerlach, Technical Director, Stena Teknik.

NEW TOOL FOR MEASURING FUEL CONSUMPTION

According to Ron Gerlach, we are starting to see the effects of the EU Emission Trading System (ETS), while fuel taxation is increasing and oil is becoming a more expensive fuel. Although electric propulsion and biofuels are currently relatively

expensive, such solutions will be more cost effective in the future, compared to oil. Another important tool in reducing both emissions and fuel costs is to work on streamlining, he believes.

"We're currently developing an AI tool in collaboration with Stena IT, which is designed according to our fleet structure and the systems we use. It gives an opportunity to measure and monitor both fuel consumption and emissions in real time – and thereby predict future consumption. This gives Stena's business units the opportunity to make decisions about how the fleet should be developed and what the best future operating solutions are.

CONTINUOUS ANALYSIS AND EVALUATION OF DIFFERENT FUELS

Stena Teknik works broadly in terms of analysis and evaluation of future fuels, in collaboration with several other players within Stena.

"We keep our eyes and ears open, to see what's happening on the market. We will be open to different solutions – even though our current focus is mainly on methanol and electrification," says Ron Gerlach.

Methanol is considered an important fuel for reducing the future fossil dependence of shipping. The development of

“ We keep our eyes and ears open to see what is happening in the market, even though our current focus is mainly on methanol and electrification. ”

Ron Gerlach, Technical Director, Stena Teknik

methanol power takes place in partnership with Swiss energy company Proman.

"One of the challenges when it comes to methanol is ensuring that it is produced in a green way. Stena is constantly increasing its demand for green fuel, in order to send a clear signal to producers. We believe that the main development in this area will take place within the next three to four years. This means that we will probably see a real increase in both demand and supply of green methanol after 2025," says Ron Gerlach.

OUR BUSINESS

Machinery room
Stena Pro Patria

Stable operations in an uncertain world

With a strong focus on neighbourhood development, Stena Property invests in a successful mix of rental apartments, tenant-owned apartments and commercial premises. Around 800 new homes were completed in 2022, as were retirement homes and preschools in both Göteborg and Stockholm, where a school was also opened.

STENA PROPERTY is one of Sweden's largest privately-owned property companies. The company owns and manages around 26,300 residential properties and 3,800 commercial premises in the metropolitan regions of Stockholm, Göteborg and Malmö. Stena Property develops city districts and manages them with care. Sustainability issues are high on the agenda, and relationship management is used to cooperate with residents and other stakeholders on creating attractive areas that people can enjoy and settle in permanently.

A small part of the commercial portfolio is located in Poland and the USA. The Polish property portfolio was increased in 2022 through the acquisition of two highly environmentally-classified office projects in Wrocław and Kraków.

The occupancy rate was higher than ever before during the year – for the portfolio in Sweden it amounted to 98 per cent, and for the portfolio abroad to 89 per cent. In parallel, 140 tenant-owned apartments were sold.

SUSTAINABLE URBAN DEVELOPMENT

In 2022, Stena Property completed around 800 new tenant-owned and rental apartments in the area of Vega in Haninge outside Stockholm, and in western Göteborg. Stena Property acquired a commercial area in the

suburb of Huddinge, Stockholm, for the future development of residential properties.

For many years, Stena Property has worked according to the principle of developing neighbourhoods to values such as diversity, consideration and social sustainability. 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. Today, a significant proportion of Stena Property's residential properties are located in "Million Programme" areas, including Fisksåtra in Nacka, Bellevuegården in Malmö and Tynnered in Göteborg.

In Tynnered, a preschool and a nursing home were completed during the year. In Fisksåtra, long-term agreements were signed to build a new preschool and nursing home. Extensive investments have been made in both of these areas to create safe and attractive neighbourhoods. Stena Property won an award for its investments in Fisksåtra, where the school has been refurbished and renovation of the centre has started.

"We're also continuously upgrading parts of the portfolio. During the year, we had a record number of such renovations – a total of 1,250 homes," says Cecilia Fasth, Stena Property's MD.

“As part of our efforts to lower the thresholds in the housing market, we have joined forces with Stockholm City Mission to initiate a project for co-living accommodation in the Vega area of Haninge for people who lack any footing in the ordinary housing market.”

Cecilia Fasth, MD, Stena Property

INVESTMENT IN CO-LIVING AND HOLIDAY WORK

Stena Property invests in various types of innovative solutions for residents. One example is co-living, i.e. a cooperative home where several tenants share a home.

"As part of our efforts to lower the thresholds in the housing market, we have joined forces with Stockholm City Mission to initiate a project for co-living accommodation in the Vega area of Haninge for people who lack any footing in the ordinary housing market," says Cecilia Fasth.

Another initiative of which Stena Property is proud and that is part of the urban development strategy is the annual investment in holiday work for young people. In 2022, 450 holiday positions were created, partly in Stena



REAL ESTATE COMPANY OF THE YEAR - RESIDENTIAL PROPERTIES

Stena Property has been named as the property company of the year – residential properties. The prize was presented at the annual Property Gala, which is organised by the Local Guide and World in Property. The motivation stated, among other things, that Stena Property “through its more than 20-year sustainability journey, opened up what the entire industry is now characterised by”. Stena was praised for its way of linking sustainability with new technology in order to halve its climate impact by 2030, and for its relationship management. “In many ways, Stena Property is a lighthouse that guides the way forward,” the jury wrote.



Trikåfabriken, Malmö,
Stena Property

Property's own operations, and partly through collaboration with Volvo Cars, which together with Stena Property and the municipal property company Framtiden is developing the Tynnered area.

BIGGEST AI PROJECT IN THE INDUSTRY

Stena Property also has high ambitions in the climate and environmental area. The goal is to reduce the climate footprint by 55 per cent from 2018 to 2030, while achieving the same return. This means that during that period Stena Property must reduce its carbon emissions from operations by at least 55 per cent. As part of this work, Stena Property is carrying out the largest AI project in the

industry to date, where artificial intelligence is used to control energy consumption, especially in terms of heating systems.

"Everyone benefits from this. This will be better for the customer, who experiences increased comfort, while at the same time we can use less heating and thereby reduce our energy consumption. This makes us less sensitive to volatile energy prices and it's also good for the environment. This is also a technology that can be used in many different areas, which is exciting for the future. The goal is 'self-operating' properties," comments Cecilia Fasth.

During the year, Stena Property completed Sweden's first climate-neutral renovation of a property, with the

refurbishment of the old Trika factory in Malmö. The goal was to retain the character and soul of the building and thanks to a well-considered renovation process, an old commercial property has been transformed into a modern, sustainable workplace with smart technology and flexible solutions. The first stage has now been completed and all premises have been rented out.

TARGET TO PRODUCE 1,000 HOMES PER YEAR

Stena Property's goal is to produce at least 1,000 sustainable homes every year.

According to Cecilia Fasth, the strategic plan remains in place, even though the number of new homes started in 2022 was much lower, due to contractors' price increases.



“Rising prices, interest rates and electricity costs are challenging for our business. We are therefore focusing on becoming self-sufficient in electricity. Another challenge is that it can be more difficult to sell tenant-owned apartments when loans become more expensive. It is positive that demand for rental apartments remains high in the metropolitan regions where we operate, and this is the largest element of our property management. We have also hedged financing and interest expenses for the coming years.”

“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.”

We’ve shown that we can make a difference in the areas where we are becoming established,” she says.

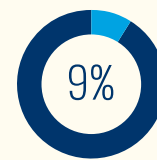
“By continuing to invest in creating pleasant and secure neighbourhoods with different forms of housing, as well as innovative solutions, we’re also safeguarding the future of our business.”

Cecilia Fasth, MD, Stena Property

OUR BUSINESS

FINANCE

SHARE OF THE GROUP'S TOTAL INCOME



TOTAL INCOME¹, MSEK

4,800
(4,600) ↑

CAPITAL EMPLOYED, MSEK

46,300
(41,400)

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

PEOPLE

NUMBER OF EMPLOYEES



300

DIVERSITY

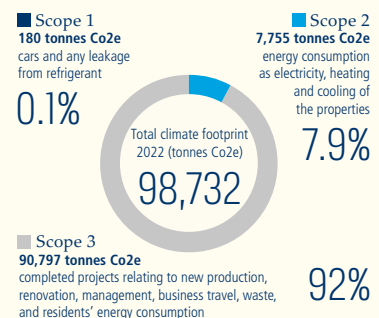
23%

Goal: At least 26% by 2024

The share of employees with an international background should reflect society

ENVIRONMENT

TOTAL CLIMATE FOOTPRINT 2022, CO₂e



Goal: -55% by 2030, compared to 2018

SOCIETY

SECURITY IN RESIDENTIAL AREAS

78.6%

Goal: At least 82% in Aktiv Bo by 2025

Peace of mind is measured through Aktiv Bo, a customer survey. The survey is run every second year.

THE UN SUSTAINABLE DEVELOPMENT GOALS

Stena Property focuses on the following UN Sustainable Development Goals:



Increased growth rate and strengthened portfolio

With two acquisitions, Stena Adactum increased its growth rate in 2022 and also recorded another record result, with an increase of 10 per cent compared with the previous year. "All portfolio companies performed positively, with consumer-focused companies benefiting from the continued interest in houses and homes," comments Adactum's MD, Anders Wassberg.

STENA ADACTUM is Stena AB's 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 part of the portfolio since the early 2000s, when Stena Adactum was formed. Today, the portfolio comprises 11 companies with revenue totalling around SEK 23 billion.

From the start, there has been stable value creation. At the end of 2022, Stena Adactum's market value was almost SEK 14 billion, an increase of 10 per cent compared with the previous year.

HOUSE AND HOME INVESTMENTS IN GERMANY AND NORWAY

Several of Stena Adactum's holdings benefited from the prevailing house and home trend, with increased demand for goods such as kitchens, bathrooms and garden products. Kitchen brand group Ballingslöv International and bathroom company Svedbergs continued to see increasing sales in 2022.

During the year, Ballingslöv International established the Kvik brand in Germany, where so far two stores have opened and a number of other stores are planned.

"The German market is large and we believe that Kvik has good opportunities to grow there," comments Anders Wassberg.

In the spring of 2022, Stena Adactum acquired the Norwegian Plantehallen and thereby became established in the Norwegian horticultural market. The ambition is to build up a network of stores in several cities in Norway in the coming years, based on the current store in Oslo. Two of the founders of Plantehallen, both of whom have extensive experience in the industry, will continue to manage the business. 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 is a good illustration of our strategy. When we invest, we do so with responsibility and respect for the expertise found in the company. We're an active partner to our companies, with the aim of developing and strengthening our business. We're convinced that this creates the flexibility needed to build strong, growing and profitable companies," he comments.

"This also provides an opportunity for synergies with Blomsterlandet's operations in such areas as procurement – even though we will allow the companies to develop in the best way possible, in the conditions existing in each market. We are currently planning for around 40 stores in Norway.

Svedbergs Group, which offers a comprehensive bathroom range, also noted a sharp increase in sales. During the year, Stena Adactum increased its holding in Svedbergs to just over 40 per cent. Svedbergs increased its sales from SEK 450 million in 2016 to SEK 1.8 billion in 2022.

Midsona carried out a new share issue in late 2022, to strengthen its financial position. As the main owner, we accepted our ownership responsibility and guaranteed the new share issue, whereby which we increased our ownership share from 29 per cent to 48 per cent.

SR ENERGY OPENS THE LARGEST WIND FARMS IN SOUTHERN SWEDEN

In the summer of 2022, the energy company SR Energy, of which Stena Adactum is co-owner, opened the two largest wind farms in southern Sweden. SR Energy, formerly called Stena Renewable, was founded in 2005 by Stena Adactum. The ownership share is currently 20 per cent and there are plans for further investments in the business, as there is great

“When we invest, we do so with responsibility and respect for the expertise found in the company. We are an active partner to our companies, with the aim of developing and strengthening our business.”

Anders Wassberg,
MD, Stena Adactum



potential in renewable energy. As the largest wind power company in southern Sweden, SR Energy will contribute to a reduction of carbon emissions in the region of 1.26 million tonnes, which is equivalent to 2.7 per cent of total emissions there.

The B2B category within Stena Adactum includes Envac, which is a world leader in automated waste management. During the year, Envac's operations were divided into two segments, one of which focuses entirely on healthcare, with everything from cleaning services to handling infected waste, while the other focuses on other types of waste management. A significant part of the healthcare business is conducted in China and the USA, with the US market considered to be particularly interesting from a growth perspective.

ACQUISITION OF MEDIA PRODUCTION COMPANY

The second acquisition in 2022 concerned the media production company

Stockholm Digital Media Centre (DMC). DMC is a media production company that offers comprehensive solutions, from monitoring live broadcasts to post-processing, primarily in the sports segment.

“Sports media production is an exciting future area, with rapid technical development and great potential, and we can now offer a solution that is both cost-effective and reliable,” says Anders Wassberg.

Through centralised remote sports production, media companies reduce cost, travel and equipment transport, thereby reducing their climate footprint.

ANNUAL GROWTH TARGET OF 15 PER CENT

Stena Adactum's growth target is to increase the value of the portfolio by around 15 per cent annually.

“The positive development during the year, combined with the fact that we are constantly evaluating potential new acquisitions, makes me convinced that we must continue to live up to our growth

target,” comments MD Anders Wassberg.

The challenges ahead in the coming year include the uncertain economic situation, as well as continued delivery problems and difficulties in obtaining both materials and components, which will lead to major cost increases for several companies within the Group.

SUSTAINABILITY IS IMPORTANT FOR CONTINUED SUCCESS

According to Anders Wassberg, the Group's focus on sustainability is an important future success factor. With a long-term strategy for its holdings, and as a responsible owner, Stena Adactum helps to develop strong and profitable companies which integrate sustainability into their 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 role as employers by offering jobs in rural areas and contributing to local communities.

STENA ADACTUM

"We see this as a prerequisite for long-term value creation. By acting sustainably, our portfolio companies can offer their customers competitive and sustainable products and services, which creates good long-term profitability. The portfolio companies are transparent in their sustainability work and focus on continued development that contributes to both resource efficiency and reduced emissions," he says.

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 in place within the framework of Stena's four focus areas, adapted to the sector in which the company operates.

In the wholly-owned companies, Stena Adactum has a greater influence on sustainability issues in terms of strategies and reporting. In the partly-owned companies and listed portfolio companies, Stena Adactum exerts influence through its active ownership, but the operational responsibility and decisions regarding sustainability strategies, their implementation and reporting rest with the boards and managements of the respective companies.

PORTFOLIO COMPANIES

Ballingslöv
International

Blomster
landet

captum /

DMC
PRODUCTION

BEIJER
GROUP

midsona

SVEDBERGS
GROUP

ENVAC

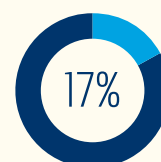
Plantehallen

GUNNEBO

SR Energy

FINANCE

SHARE OF THE GROUP'S TOTAL INCOME



TOTAL INCOME¹, MSEK
9,000
(8,200)

CAPITAL EMPLOYED, MSEK
9,000
(7,300)

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

PEOPLE

NUMBER OF EMPLOYEES

2,900



SUSTAINABILITY REPORTS FOR PORTFOLIO COMPANIES

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

THE UN SUSTAINABLE DEVELOPMENT GOALS

Blomsterlandet focus on the following UN Sustainable Development Goals:



Ballingslöv International focuses on the following UN Sustainable Development Goals:



Envac focuses on the following UN Sustainable Development Goals:



Svedbergs,
Stena Adactum

Interest expenses hedged for a long time to come

2022 was a positive financial year for the Stena Group, with all business units contributing to increased revenue. In a situation with stable income in an unstable global situation, one of Stena Finance's focus areas was to hedge both interest and fuel costs. "At the same time, we continue to prioritise our strategy of high liquidity," comments Director of Finance Peter Claesson.

STENA FINANCE is mainly engaged in managing the funding requirements and liquidity planning of the Stena Group, in both the short and long term. Stena Finance manages the operational business units' financial risks regarding interest rates, currencies 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 achievement 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, with extensive effects on both ferry traffic and offshore drilling.

POSITIVE YEAR

In 2022, all of the Group's business areas recorded increased revenue compared with the previous year. The effects of the war in Ukraine in the form of rising interest rates and increased fuel costs resulted in intensive measures by Stena Finance to hedge the future expenses. This work resulted in around 80 per cent of interest costs being hedged for a long period ahead, as well as a significant proportion of fuel costs.

"Of course, we've also been affected by market developments, but our measures have mitigated the effects," comments Peter Claesson.

According to Peter Claesson, the uncertain global situation makes it even more important for Stena Finance to focus on the basic strategies of the business, i.e. high liquidity, positive cash flows and achieving the best possible return in the financial portfolio.

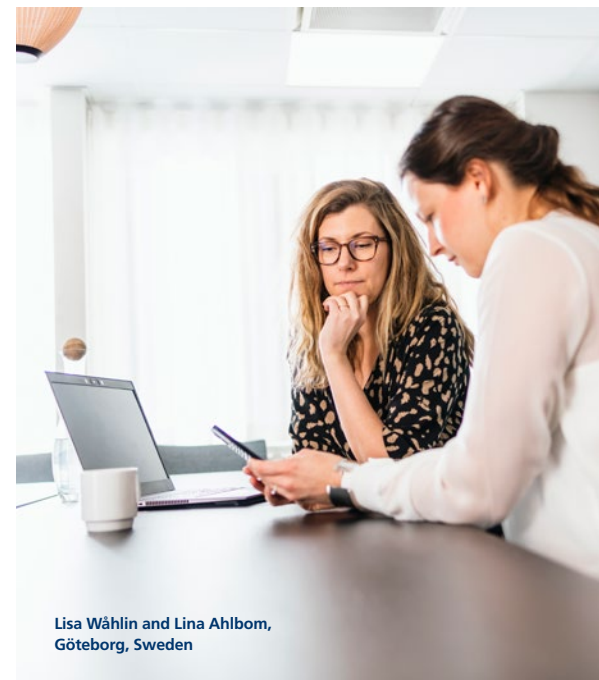
"In 2021, the focus was on the financing issue, and now we're concentrating on re-financing and maintaining a high level of liquidity. The focus is affected by how the Group is doing and the state of the world."

"To cope with economic changes, Stena needs strong liquidity – currently SEK 19 billion. Our policy is to be able to handle cyclical financial strains for at least a three-year period," says Peter Claesson.

The refinancing concerns bonds maturing in 2024 and 2025, for which new agreements are currently being negotiated. The strategy is to spread risk by balancing equities holdings in relation to holdings of bonds and interest-bearing securities, in order to safeguard capital and high liquidity. Another task for Stena Finance is to manage the financing of new vessels. Of the 14 new vessels in total ordered by the various Stena business units, nine have been delivered.

“ Naturally, we have also been affected by market developments, but our measures have mitigated the effects.”

Peter Claesson,
Director of Finance, Stena AB



Lisa Wählin and Lina Ahlbom,
Göteborg, Sweden

Four focus areas to guide Stena forward

Stena has four focus areas as the basis for strategic sustainability work, to guide the Group 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.

SUSTAINABILITY VISION

CARE IN EVERYTHING WE DO

In 2022, all business units adopted targets and KPIs within the four focus areas. A selection of the most important goals and key figures for each business is presented on pages 16–31.



REDUCING ENVIRONMENTAL IMPACT

OUR AMBITION

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



EMPOWERING PEOPLE

OUR AMBITION

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



INCREASING SAFETY & SECURITY

OUR AMBITION

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



CONTRIBUTING TO SOCIETY

OUR AMBITION

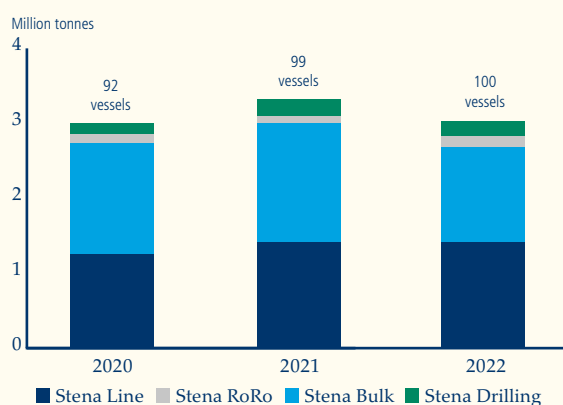
- Sustainable and useful products and services
- Ethical business acumen
- Responsible sourcing
- Care for partners and society

Sustainability in numbers

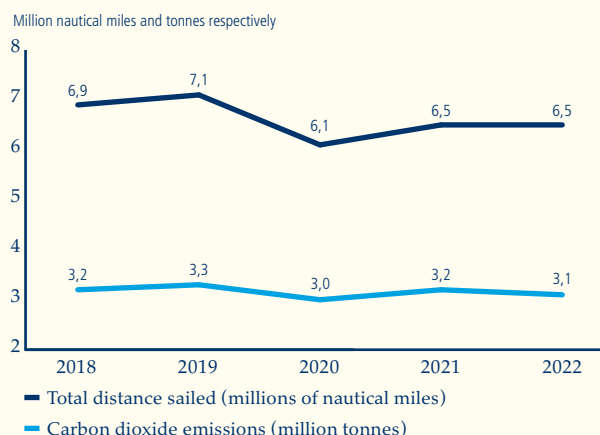
Below are the outcomes for a selection of the Group's key figures within the four focus areas.

ENVIRONMENT

Total amount of carbon emissions from the Group's vessels by business unit. In 2022, the Group's total carbon emissions from vessels decreased.



Carbon emissions from the Group's vessels and sailed distance. In 2022, emissions decreased from 3.2 to 3.1 million tonnes, even though the distance sailed is at the same level as the previous year.



OIL SPILLS

The year's total number of oil spills resulted in emissions totalling 1,074 litres.



Oil spills	Goal	Unit	2022	2021	2020
Stena Line	0	Number	6 ¹	6	4
Stena Drilling	0	Number	4 ²	6	1
Stena Bulk	0	Number	0	0	0
Stena RoRo	0	Number	0	0	0
NMG	0	Number	0	0	0

1) In total 1,035 litres for 2022. The largest oil spill, of 1,000 litres, occurred at the port in Gdynia when a lorry's fuel tank was damaged during loading and diesel leaked out onto the quayside.
2) In total 39 litres for 2022

SOCIETY

Stena Property produced	Stena Line currently has	The Group employs
780	18	17,200
new sustainable homes during the year.	ferry lines that connect Europe.	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 during the year.



LTIF	Goal	2022	2021	2020
Stena Line	<1.0	2.7	2.2	1.7
Stena Drilling	0	0	0	0
Stena Bulk	<0.2	0.2	0.1	0.3
Stena RoRo	<1.0	0.5	0	2.2
NMG	<0.4	0.3	0.3	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 Board of Directors (%)

Company	Share
Stena AB	25%
Stena Line Holding BV	25%
Stena Drilling Ltd	0%
Stena Bulk AB	33%
Stena RoRo AB	33%
Northern Marine Group Ltd	50%
Stena Fastigheter AB	43%
Stena Adactum AB	0%

Board members include ordinary members and the CEO.

Active role in the transition

In its own actions and in collaboration and partnership with other stakeholders, Stena must minimise the climate and environmental impacts resulting from the Group's activities on a responsible and efficient basis.

THROUGH OPTIMAL use of resources, phasing out fossil fuels, energy efficiency measures and electrification, Stena works purposefully to drive development in a sustainable direction. The pursuit of a circular economy, with the development of new business models, is also a central part of the Group's transition, opening up new business and growth opportunities.

POLICY

Stena's Code of Conduct and Group Safety and Environment Policy form the basis for the Group's environmental work. All of Stena's business units are required by the Code of Conduct to work to reduce their environmental and climate impact.

Stena promotes responsible use of resources and applies the precautionary principle to protect the environment, prevent pollution, reduce energy use, and minimise waste and greenhouse gas emissions. Stena's business units must always

be in line with, or exceed, national or international agreements and regulations regarding emissions to air, land and water.

Several business units have their own environmental policies adapted to the needs of the business. Moreover, several business units are certified according to ISO 50001 and ISO 14001 (energy management and environmental management systems respectively). These systems guide how the business units work with organising, following up, evaluating and reporting energy and environmental impacts.

GOALS AND RESULTS

Each business unit sets its own long-term and short-term goals, based on the materiality analyses. The environmental goals applying to all business units are to minimise greenhouse gas emissions and improve energy efficiency.

Stena works actively to contribute to the shipping sector's efforts to achieve the sector's net zero emissions target by 2050. Stena sees this target as a business opportunity, since the Group is a major player with the power to influence different segments of the shipping industry in the right direction.

The dependence on fossil fuels is Stena's greatest sustainability challenge. Many initiatives are under way within the Stena Group with the aim to achieve net zero. Stena is also well aware that the transition rate needs to increase sharply in the coming years, in order to achieve society's climate goals. For an overview of the Group's key environmental indicators, read more on page 37. The annual report contains additional key performance indicators in the environmental area.

STENA'S POSITION

In 2022, Stena AB published a position paper on fossil fuels and greenhouse gas emissions.

Stena has decided to take an active role in the transition to net zero emissions and the phasing-out of fossil fuels, and supports:

- The EU's ambition to be climate neutral by 2050
- The implementation of a worldwide tax on CO₂ emissions from ships

Within Stena's business units, a number of initiatives are underway to drive development towards net zero emissions from shipping. Examples of these are:

- Minimise energy consumption across all business units
- Offer biofuels as an alternative in the tanker segment
- Take a leading role in the development of methanol as a fuel for shipping and in the development of a large-scale battery solution for ferries

REDUCING ENVIRONMENTAL IMPACT

OUR AMBITION

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



THE UN SUSTAINABLE DEVELOPMENT GOALS

In the Environment area, Stena influences and contributes to achieving the following goals:



RISKS

Stena has well-established sustainability risk analysis. These are conducted by each business unit on an annual basis and reported to the central sustainability department. The next page provides a summary of the business unit's most significant risks in the area of Environment.



Battery operation
at Stena Jutlandica

RISK AREAS	RISK CATEGORY AND LOCATION:	RISK MANAGEMENT:
FOSSIL FUELS AND GREENHOUSE GAS EMISSIONS	Group: The dependence on fossil fuels and related greenhouse gas emissions is the Stena Group's single largest sustainability risk, which entails legal, market-related and financial risks for the Group's business units.	Stena has a tradition of strong technical expertise, which enables innovation, development and implementation of climate-smart technology and solutions. More and more of Stena's business units use green electricity, and the transition to climate-neutral transport is ongoing.
	Maritime: Shipping operations aim on achieving net zero emissions.	Stena has begun to operate sea transport based on fossil-free fuels, electrification and energy-efficient tonnage. Stena actively seeks collaboration with customers to drive the transition to fossil-free fuels.
	Landbased: For Stena Property, minimising the climate and environmental impact is business critical.	This work is an integral aspect of the business plan. The ambition is to achieve fossil-free operations, with the aim of halving the climate footprint by 2030 with the help of climate-efficient construction and management.
CLIMATE IMPACT	Landbased: An important business risk for Stena Property is the impact of climate change in both existing areas and new construction, with the risk of extreme weather conditions and changed water flows.	There are goals, plans and measures to halve our own climate impact. Stena Property also cooperates with other players and implements climate adjustments in the production of new properties.
WATER ACCESS AND USE	Landbased: Due to the impact of climate change, water supply is an important issue for Stena Property.	To address this risk, the current situation is evaluated and analysed, and new solutions in our areas and in connection with new construction are developed. There is also ongoing cooperation with municipalities.
BIODIVERSITY AND ECOSYSTEM	Landbased: Stena Property sees the loss of biodiversity and ecosystem in its areas as a risk.	Environmental impact assessments are included in the procurement process and in agreements with suppliers.
	Maritime: Risk of ballast water spreading invasive species. Emissions of used water and sludge can also have a negative impact on marine ecosystems.	Stena has processes for handling ballast water on vessels in line with IMO requirements.
OIL SPILLS	Maritime: There is a constant risk of oil spills in shipping.	The business units work proactively and document and evaluate all oil spills that arise, in order to prevent future emissions.

Safety always comes first

Offering a safe and secure environment to all employees and customers onboard vessels and rigs, and at yards all over the world, takes highest priority for Stena. Stena conducts continuous proactive safety work to increase awareness of safety in its business units.

SAFETY ISSUES are always top of mind in all areas of Stena's business units. Proactive and systematic work concerns ensuring a safe and secure environment for employees and customers, including passengers and tenants. The safety work also includes the transport of goods.

POLICY

The following Group-wide policies concern security issues: Safety & Environment Policy, Security Policy and Information Security Policy. In addition, there are other business-specific policies.

INCREASING SAFETY & SECURITY

OUR AMBITION

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



THE UN SUSTAINABLE DEVELOPMENT GOALS

In the area of Safety & Security, Stena influences and contributes to achieving the following goals:



Stena aims to provide a safe environment for all employees, and the goal is for no work-related injuries or accidents to occur.

Safety issues are at the top of the agenda in shipping operations, and as a minimum, Stena adheres to the national and international conventions governing the safety at sea.

GOALS AND RESULTS

Proactive work is under way to achieve Stena's vision of zero work-related injuries and workplace accidents in its operations.

Follow-up of relevant key performance indicators for safety, including LTIF (an established key performance indicator in the area), is regularly considered by the management and Board of Directors of each business unit. For LTIF data, see the table on page 37.

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.

RISKS

Stena has well-established sustainability risk analysis. These are conducted by each business unit on an annual basis and reported to the central sustainability department. The next page provides a summary of the business unit's most significant risks in the area of Safety & Security.

FIRE PREVENTION

To minimise the risk of fires onboard vessels, at sea or in port, Stena works proactively with, for example, national and international authorities, fire safety experts and researchers. Despite extensive efforts to prevent fires from breaking out, incidents will still occur. In August 2022, close to Gotska Sandön a fire broke out onboard *Stena Scandica*. The fire was localised to a lorry's refrigeration unit, was quickly extinguished and only spread to a limited extent. No personal injuries were reported in connection with the fire.

To ensure a fire-safe future, Stena has learned important lessons from the incident that occurred on *Stena Scandica*.

"We share knowledge within the Stena Sphere, for example between Stena Teknik on the maritime side, and Stena Recycling, since there are many shared challenges, and with colleagues in the industry. Good safety work depends on cooperation. We can achieve more by working together," says Martin Carlsson, Marine Engineer on *Stena Teknik*.

“ Good safety work depends on cooperation. We can achieve more by working together. ”

Martin Carlsson, Marine Engineer,
Stena Teknik

Exercise onboard
Stena Imagination

RISK AREAS

RISKS ON VESSELS

RISK CATEGORY AND LOCATION:

Maritime: Loading, unloading and mooring, as well as elements that can lead to gas formation and a lack of oxygen in the cargo hold. Slipping accidents are another risk factor, and furthermore many work operations are performed at heights. There is also a general risk for vessels at sea that are exposed to severe weather conditions.

Maritime: Risk that employees have inadequate skills and experience to perform tasks with high risk exposure.

Maritime: Risk of pirate attacks may arise when Stena operates in certain waters

Maritime: There is a constant risk of fires on board vessels. Risks associated with new energy sources in vehicles and vessels, such as batteries, LNG and methanol-based operation, present an extra challenge.

RISK MANAGEMENT:

To reduce the risk of personal injury, there are clear procedures for hazardous work operations, together with the correct safety equipment being in place and being used. Stena also works on designing vessels to optimise safety.

Stena works continuously to ensure that employees receive instruction and training to be able to perform their work on a safe and secure basis.

To reduce the risk of pirate attacks, high-risk areas are assessed in accordance with a clear process before vessels are put into service. Guards on board or other safety measures can be deployed if necessary.

Working with fire safety is an area of high priority for Stena. To increase fire safety, Stena works proactively with national and international authorities, fire experts and researchers, as well as colleagues in the industry.

INFORMATION SECURITY

Group: Increased digitalisation of Stena's processes requires secure management of information flows and IT systems, and resilience to potential cyber risks.

Every year, Stena conducts Group-wide stress tests to identify technical and social vulnerability in both digital systems and physical premises. To ensure resilience, not only in technical systems, but also among employees and suppliers, Stena regularly conducts training courses that raise awareness in the field of information security.

Culture that promotes learning and is characterised by care in everything we do

Stena seeks to attract and retain committed, curious and competent employees. To make this possible, each business unit works on the basis of the Group's People Policy, which is in line with the UN's Sustainable Development Goals for Decent Work and Economic Growth, as well as Gender Equality.

STENA IS COMMITTED to being a good employer with dedicated employees with the right expertise. In total, Stena employs around 17,200 people worldwide. Stena is convinced that consideration for all employees lays the foundations for sustainable and profitable long-term business activities.

POLICY

Stena has adopted a Group-wide People Policy, which serves as the overall framework for employee issues and lays the foundations for a corporate culture characterised by care within the Group. Stena's goal is to be an employer that promotes learning, creativity and care. The People Policy also states that every

Stena employee must support and respect the UN's Universal Declaration of Human Rights.

Each business unit has the opportunity to adapt its policy work based on its own operations and needs. The Group-wide People Policy serves as a basis from which to work.

GOALS AND RESULTS

REDUCED INEQUALITIES

Active gender equality work is conducted within the Group, which has promoted both business results and a good working environment in workplaces. All of Stena's business units have the long-term goal of achieving gender-equal Boards and management teams. To achieve this, it is ensured that both genders are represented in succession planning, in recruitment for leading positions and in the appointment of new board members. Stena Line, Stena Bulk and Stena Property have gender-equal management groups.

EXPERTISE DEVELOPMENT

In 2022, a new training portal, Stena Learning Site, was launched, which is available to all employees and offers knowledge and insights in a number of different areas.

Stena annually invests more than SEK 150 million in training for its employees and almost 900 managers have participated in Stena's internally developed leadership programmes.

EMPLOYEE SURVEY

Stena's annual Stena Pulse employee survey is a modern, research-based tool of which the philosophy is that good leadership and a good working environment are the basis for dedicated employees and good customer relations. This in turn generates increased growth and profitability. The tool also provides an extensive database for benchmarking against companies in different industries.

The results of the employee survey are processed at Group level and each department is responsible for drawing up improvement measures and defining them in an action plan. The survey conducted in 2022 shows continued high results in line with the previous year within all areas except for eNPS, which measures employer branding and loyalty. eNPS increased significantly from 12 to 20, and Stena's increase was also significant compared with the external benchmark.

The results of the 2022 employee survey are presented in the table on page 43.

RISKS

Stena has well-established sustainability risk analysis. These are conducted by each business unit on an annual basis and reported to the central sustainability department. The next page provides a summary of the business unit's most significant risks in the area of People. Risks related to employee safety are described in the section on pages 40–41.

EMPOWERING PEOPLE

OUR AMBITION

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



THE UN SUSTAINABLE DEVELOPMENT GOALS

In the People area, Stena influences and contributes to achieving the following goals:



Arne Sjögren,
Malin Olsson,
Göteborg, Sweden

RISK AREAS

RISK CATEGORY AND LOCATION:

RISK MANAGEMENT:

ATTRACT AND RETAIN EMPLOYEES

Group: One of Stena's primary risks concerns its ability to attract and retain employees. Another risk is related to the perception of Stena as an employer and the business as a future-oriented industry. This also includes ensuring key skills in areas such as digitalisation and AI. This is crucial for a long-term successful and profitable business.

To succeed in attracting and retaining employees, an inclusive corporate culture is promoted, whereby creativity and personal initiative are encouraged. Stena is committed to offering good working conditions, in terms of wage, working environment and opportunities for a good work/life balance. Stena's investments in the technology of the future, opportunities for personal development and a focus on gender equality are important in attracting and retaining employees.

SKILL DEVELOPMENT

Group: Developing the skills of existing employees is a critical issue. Increasing digitalisation requires employees to develop as their work tasks change.

At Stena, all employees have the opportunity to develop their talents, and the ambition is for knowledge to be easily accessible to everyone. Stena encourages continuous expertise development, with focus on ensuring that the right skills are in the right place.

RESULTS OF STENA PULSE - IT STARTS WITH YOU

Stena Pulse 2022	Stena ¹	External benchmark ²
eNPS (Employer Branding & Loyalty)	20 ³	15
Leadership index	81	79
Engagement index	83	80
Team efficiency index	80	77
Organisational and social work environment index	78	74
Response rate	78%	

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) The benchmark consists of 600,000 responses from 250 organisations in the Nordic region and globally.

3) The scale for eNPS is +100 to –100.

STENA PULSE



Positive social development, globally and locally

Stena's ambition is to be an active and committed corporate citizen that contributes to positive social development.

STENA CONTRIBUTES important functions to society and has the ambition to always act responsibly in every part of the value chain and to conduct its operations according to sound business principles. Issues such as good business ethics, respect for Human Rights and initiatives that counteract social instability in society are fundamental to Stena's work.

POLICY

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 and in the activities of suppliers and business partners. Stena's Code of Conduct states

how the Stena Group is to act in order to live up to its values and commitments. The Code of Conduct concerns among other things the environment, social conditions, Human Rights, people 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.

All business units have implemented Stena's Code of Conduct, and some business units have also produced their own codes of conduct and codes of conduct for suppliers.

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

GOALS AND RESULTS

Each business unit sets its own long-term and short-term goals based on the business' significant impacts on society. For an overview of the Group's key performance indicators, read more on page 37.

No cases deemed to be corruption were reported during the year via the central whistleblower function.

RISKS

Stena has well-established sustainability risk analysis. These are conducted by each business unit on an annual basis and reported to the central sustainability department. All business units analyse and report on risks associated with

CODE OF CONDUCT

Stena's Code of Conduct describes how Stena is to act in order to fulfil its values and commitments concerning among other things the environment, social conditions, personnel, human rights and anti-corruption.

All business units have implemented Stena's Code of Conduct.



CONTRIBUTING TO SOCIETY

OUR AMBITION

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



THE UN SUSTAINABLE DEVELOPMENT GOALS

In the Society area, Stena influences and contributes to achieving the following goals:



corruption and Human Rights annually to Stena AB. The next page provides a summary of the business unit's most significant risks in the area of Society.



Stena Property

RISK AREAS	RISK CATEGORY AND LOCATION:	RISK MANAGEMENT:
ANTI-CORRUPTION	<p>Group: Within Stena's business areas, there is a potential risk of corruption, in the form of bribery and improper gifts.</p> <p>Maritime: Within shipping in particular, risks associated with "facilitation payments" to third parties occur.</p>	Stena works actively to prevent corruption and Stena's Code of Conduct, internal training and internal controls aim to minimise these risks.
HUMAN RIGHTS	Maritime: In Stena's shipping operations, child labour and forced labour in the supply chain are identified as potential risks, specifically at the yards engaged for newbuildings or repairs.	Stena works continuously to ensure sustainable supply chains with fair working conditions, and to ensure that Human Rights are fully respected. To ensure quality and compliance with the Code of Conduct, there is active dialogue with suppliers and continuous follow-up, including on-site inspections.
SMUGGLING	Maritime: For Stena Line, there are risks associated with refugee smuggling and human trafficking, as well as the smuggling of stolen goods, weapons and drugs onboard vessels.	Stena Line collaborates with authorities in Sweden and abroad. Employees are trained to reduce human-trafficking risks. During the year, all managers concerned within Stena Line took training in Modern Slavery Awareness.
SOCIAL INSTABILITY AND INSECURITY	Landbased: In several areas where Stena Property is present, there are challenges with regard to social instability, insecurity, economic vulnerability and alienation.	Stena Property takes a broad and active responsibility for creating socially sustainable residential areas. For more than 20 years, Stena Property has been working with relationship management, with a focus on preventive work. This takes place in close collaboration with residents, associations and public operators, to create areas where people can live secure and rewarding lives.

SUSTAINABILITY REPORT

Matrix with page references to the requirements for statutory sustainability reports 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 requirements¹.

AREA	INFORMATION	PAGE REFERENCE
OVERALL	Business model	6–13
ENVIRONMENT	Policy	38
	Risks and risk management	38–39
	Goals and results ²	37–38
SOCIAL CONDITIONS	Policy	40, 42, 44
	Risks and risk management	40–45
	Goals and results ²	37, 40, 42, 44
HUMAN RIGHTS	Policy	44
	Risks and risk management	44–45
	Goals and results ²	44
ANTI-CORRUPTION	Policy	44
	Risks and their management	44–45
	Goals and results ²	44

1) Northern Marine Group, Stena Bulk, Stena Drilling, Stena Fastigheter, Stena Line and Stena RoRo.
(Ballingslöv, Blomsterlandet and Envac produce their own annual and sustainability reports.)

2) Sustainability data, including goals and results, are also presented in Stena AB's Annual Report.

Contact concerning sustainability:

Frida Torstensson, Sustainability Manager, frida.torstensson@stena.com

AUDITOR'S REPORT

SUSTAINABILITY

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 for the year 2022, of which the extent is described on page 46, 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

OPINION

A statutory sustainability report has been prepared.

Göteborg as per the day of the digital signature

Johan Rippe

Authorised Public Accountant

Johan Malmqvist

Authorised Public Accountant



From left to right: **William Olsson**, **Marie Eriksson**, **Christian Caspar**, **Gunnar Brock** (Chairman), **Casper von Koskull**, **Anne-Marie Pouteaux** (Substitute), **Vivienne Cox**, **Dan Sten Olsson** (CEO), **Daniel Holmgren** (Employee representative), **Pia Carlsson** (Employee representative substitute), **Mikael Johansson** (Employee representative), **Peter Laurin**.

AUDITORS

Johan Rippe
Authorised Public Accountant

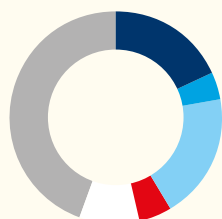
Johan Malmqvist
Authorised Public Accountant

One sphere – three independent companies

The Stena Sphere consists of the three parent companies, Stena AB, Stena Metall AB and Stena Sessan AB. A total of 21,000 people are employed in the Stena Sphere. Total income for 2022 was SEK 93 billion. Profit before tax amounted to SEK 6.2 billion.

BUSINESS AREAS	STENA AB	STENA METALL AB	STENA SESSAN 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		Scandic Hotels Group (20%) Portfolio of venture investments
FINANCE/OTHER	Stena Finance	Stena Metall Finance	
RECYCLING, ENVIRONMENTAL SERVICES AND TRADING		Stena Metall	

STENA SPHERE - TOTAL INCOME AND SHARE OF TOTAL INCOME 2022¹



- Ferry lines 18%, MSEK 17,517
- Offshore Drilling 4%, MSEK 4,331
- Shipping 19%, MSEK 18,380
- Property 5%, MSEK 5,277¹
- New business 9%, MSEK 9,073
- Recycling, environmental services and trading 44%, MSEK 43,509

1) Excluding Sphere eliminations

STENA SPHERE - REVENUE AND PROFIT

	Revenue		Profit before tax	
MSEK	2022	2021	2022	2021
Stena AB	53,414	38,991	2,759	499
Stena Metall ²	43,509	28,191	2,470	1,947
Stena Sessan	1,188	1,196	936 ³	(146) ³
of which Concordia Maritime	686	705	126	(658)
Sphere eliminations	(4,976)	(2,552)	–	–
Total	93,135	65,826	6,165	2,300

2) Financial year 2021/2022

3) Excluding value adjustment of shareholdings

STENA METALL

The Stena Metall Group contributes actively to the development of the circular economy by achieving more efficient and smarter use of resources in close collaboration with customers and partners.

A major part of the Group is Stena Recycling, one of Europe's leading recycling companies, which recycles and processes six million tonnes of waste and end-of-life products every year and, in collaboration with partners and customers, develops circular solutions.

In addition to offering services within Stena Recycling, the Group also includes Stena Aluminium, Stena Stål, Stena Oil, BatteryLoop and HaloSep, which supply aluminium alloys from recycled

raw materials, steel products, marine fuels, systems for energy storage and a pioneering technology for cleaning and processing hazardous waste from fly ash, to customers all over the world.

The Group operates at 220 locations in nine countries and has around 4,000 employees. Net sales for the last financial year amounted to SEK 43.5 billion.

Despite turbulent and volatile markets the 21/22 financial year was another strong year in which the Group continued to strengthen its positions in several business areas. The profit before tax was SEK 2.5 billion.

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), as well as the wholly-owned company Stena Sessan Fastighets AB. The property portfolio consists of approximately 5,000 rental apartments in Göteborg, Stockholm and Uppsala.

IN 2022, the portfolio was expanded with two new companies. These are A3P Biomedical, which specialises in advanced diagnosis of prostate cancer, and A Day's March, which is a Swedish sustainable fashion brand that manufactures timeless, high-quality clothing. In 2022, a decision was made in Fastighetsbolaget (the property company) on new construction in Fisksätra of a retirement home, preschool and 40 rental apartments, with construction starting in 2023.

STENA SESSAN'S NET ASSET VALUE increased during the year by approximately 11 per cent to around SEK 8.9 billion at the end of 2022. The increase is mainly driven by a revaluation of Budbee as a consequence of the completed merger with Instabox, and a positive value trend for Fastighetsbolaget's interest rate hedging. During the year, Scandic recovered from the pandemic years and experienced very strong operational and financial development. However, its share price showed a slightly negative trend in the declining stock market. Based on an overall assessment, write-downs have been made of the value of holdings in Exeger and Voi. Valuations for other unlisted holdings remained unchanged during the year.

CONCORDIA MARITIME was positively affected by the strong tanker market, with high rates and vessel prices. Concordia Maritime gained scope to gradually amortise its bank loans in connection with vessel sales.

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, Annika Hult, Markus Lindbom, Niclas Mårtensson, Dan Sten Olsson, Erik Ronsberg, Kristofer Sundsgård, 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:

Michael F. Hassing, Roger Holtback, Annika Hult, Stefan Lindskog, Dan Sten Olsson, Eivind Reiten



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