**CARE IN PRACTICE**

1. "Care for me implies that we are humble, upright and transparent. As well as that we respect nature, contribute to the community, focus on constant improvement, practice cost control and that we understand the company’s values and protect the company’s assets."

2. "By the synergies created from being proactive about environmental concerns and concerns about safety our reputation increases along with the financial bottom line of the company."

3. "As bridge officer and responsible for navigation of the ferry, my main concern is that we reduce our emissions."

**ADITYA KARANDIKAR**
Assistant HR manager
Mumbai
Northern Marine Management

**CATHERINE CONTRERAS**
Assistant Financial Controller
Houston
Stena Bulk

**DAG WETTERHOLM**
Second Officer
Stena Scandinavica
Stena Line
BUSINESS IDEA

By using our competence in, above all, service, trading and ships, to make money in the business areas shipping, ferry lines, offshore, real estate and finance.

To create new companies for the future.

To take care of our most important asset in the long term, our customers, in such a way that we contribute to their development as well as that of society.

RESPONSIBILITY IN OUR BUSINESS RELATIONSHIPS

By building long-term relationships with our customers, suppliers and subcontractors, we are committed to delivering high-quality and best-value services.

We will meet the highest safety standards. Trust is the basis of all our relationships in society.

We are committed to meet the expectations of our customers in respect of responsible business practices.

We share our principles of Corporate Citizenship with our business partners. We may withdraw from a business relationship if we feel that the standards we uphold are not being met by a business partner.

ABOUT THIS REPORT

This is the Stena Group’s second sustainability report. The first report was published in 2013. The sustainability report is a supplement to the Annual Report. Sustainability at Stena is essentially based on three pillars:

- financial responsibility, with the aim of contributing to economic development;
- environmental responsibility, where the goal is to reduce our impact on the environment; and
- social responsibility, where our fundamental approach is to act ethically in everything we do.

This report contains examples and key indicators relating to the Stena Group’s work in these areas. The information in this report concerns Stena AB.

SOFIA SIGURDARDOTTIR
Operating Technician
Gothenburg
Stena Property

"It means that we work together to do our utmost to ensure our tenants are satisfied with their living environment."

JOHN WINDER
Safety Officer
Stena Carron
Stena Drilling

"For me the core value “Care” represents the very reasons I “want” to work for Stena Drilling. Respect, Caring, Prudence, efficiency, Integrity are not just words, they are perspectives and the very foundation of the way we conduct ourselves."

CAROLYN HUNTER
Senior Hotel Manager
Stena Jutlandica
Stena Line

"Stena’s focus on environmental and sustainability matters is important as a driver for a sustainable environment and future possibility for sustainable and profitable growth. It is also important in making us attractive to customers and employers."

STENA AB 2013 1
The Stena Group contributes to society in various ways. Activities in Shipping and Ferry Lines contribute to increased trade and globalisation, which in turn increases global prosperity. The vessels carry private passengers and trucks loaded with various types of goods, as well as oil and gas to meet some of the global energy needs. Stena is also a major producer of renewable electricity in Sweden and provides many people with convenient accommodation in the Group’s properties.

Important issues for Stena
An increasingly globalised world requires more transport and more efficient transport. Although shipping is already one of the most environmentally friendly modes of transport in relation to cargo volume, it is inevitable that maritime transport has an impact on the environment and climate. Stena is therefore actively engaged in minimising the negative impacts of transporting goods by sea.

We conduct our operations in such a way that we can ensure opportunities for the next generation to continue to run and develop the business. For this to be possible, positive financial results must be secured. This is dependent on both internal conditions, such as competent employees, and external conditions, such as a positive social climate and legislation that supports our operations.

Technology and innovation have always been high on the agenda at Stena and large amounts are invested annually to reduce environmental impacts. One example is the 200 or so projects that have been implemented under Stena Line’s energy reduction programme. The target is to achieve an annual reduction of 2.5 percent in energy consumption. Another example is the development of more fuel-efficient vessels that contribute to cost savings for Stena and customers and provide environmental benefits in terms of reduced emissions, which are of advantage to society at large.
CEO COMMENTS

SUCCESS THROUGH CARE

Caring, innovation and performance are the guiding principles of our organisation. Our performance is measured in reliability, safety, our customers’ praise, repeat business, costs and profit. Innovation is measured in the number of suggestions from employees and the percentage that are put into action. The meaning of caring is something we are still struggling with. In essence care transforms mindfulness into action and performance.

We have to be our best as measured by our financial success, our customers’ success, our employees’ success, our partners’ success and our communities’ success.

So… Take Care!

Gothenburg in April 2014

Dan Sten Olsson, CEO Stena AB

We continue to work to reduce our environmental impacts and we maintain high goals for our safety work on board. Systematic safety work is conducted on board the Stena ships and drilling rigs on a daily basis to avoid exposing our employees to hazardous situations.

Stena’s core values underpin all activities

Care, innovation and performance are core values that permeate the Stena Group. “Stena Care” is about creating value and success in every part of our companies’ activities and in all our stakeholder relationships. Acting ethically at all times is the foundation of the business. Showing care in all our relationships and contributing to stakeholders’ success play an important part in fulfilling Stena’s financial responsibilities and helping to secure the Group’s financial growth.

By building long-term relationships with our customers, suppliers and sub-contractors, we are committed to providing high quality and top service in what we deliver. We shall maintain the highest standards of safety throughout the value chain and strive to ensure that trust is the basis of all our relationships with society.

Organisation of sustainability efforts

Group-wide policies on the environment and safety have also been in place for a number of years. Each individual company is then responsible for formulating its own environmental and safety goals, based on its own operations. The companies have individuals who are responsible for environmental and safety work, and for following up the results at company level. At corporate level there is a function responsible for sustainability issues.
Here we present Stena’s sustainability efforts in numbers, in the form of a range of economic, environmental and social indicators.

Stena’s sustainability report is a supplement to the Annual Report. The indicators presented are at an aggregate level for the entire Group.

The financial indicators provide a good overview of the financial results for the entire Group, and the social indicators provide a reflection of all the companies in the Stena Group with regard to the number of employees and gender distribution.

The environmental indicators refer to vessels in Stena’s global fleet that Stena operate. As the fleet includes many different vessel types, it is difficult to obtain accurate efficiency indicators at an aggregate level. For this reason, the environmental indicators are reported in absolute figures.

During the years in which sustainability data has been collected, the number of vessels has increased, which means that fuel consumption and emissions have increased in absolute terms. However, fuel efficiency for the individual vessels has improved over these years.
### FINANCIAL INDICATORS

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>27,968</td>
<td>27,388</td>
<td>30,240</td>
</tr>
<tr>
<td>EBITDA* excluding asset sales</td>
<td>6,512</td>
<td>7,060</td>
<td>7,947</td>
</tr>
<tr>
<td>Income before tax</td>
<td>2,779</td>
<td>1,777</td>
<td>2,148</td>
</tr>
</tbody>
</table>

* Earnings before interest, taxes, depreciation and amortisation

### ENVIRONMENTAL INDICATORS*

<table>
<thead>
<tr>
<th>Environmental Indicators</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy consumption</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of vessels in the report</td>
<td>89</td>
<td>98</td>
<td>109</td>
</tr>
<tr>
<td>Total distance sailed (1,000 nm)**</td>
<td>4,233</td>
<td>4,719</td>
<td>5,545</td>
</tr>
<tr>
<td>Total fuel consumption on vessels (1,000 tonnes)</td>
<td>778</td>
<td>801</td>
<td>931</td>
</tr>
<tr>
<td>Total energy consumption on vessels (TJ)</td>
<td>30,926</td>
<td>31,752</td>
<td>37,037</td>
</tr>
</tbody>
</table>

Greenhouse gas emissions

<table>
<thead>
<tr>
<th>Greenhouse gas emissions</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO₂ emissions (1,000 tonnes)</td>
<td>2,435</td>
<td>2,507</td>
<td>2,914</td>
</tr>
</tbody>
</table>

Other emissions

<table>
<thead>
<tr>
<th>Other emissions</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOₓ emissions (1,000 tonnes)</td>
<td>52</td>
<td>54</td>
<td>59</td>
</tr>
<tr>
<td>SOₓ emissions (1,000 tonnes)</td>
<td>18</td>
<td>20</td>
<td>25</td>
</tr>
</tbody>
</table>

* Refers only to vessels, including Concordia Maritime’s vessels.

** For Stena Drilling’s units, distance sailed are not registered.

### SOCIAL INDICATORS

<table>
<thead>
<tr>
<th>Social Indicators</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of employees</td>
<td>10,242</td>
<td>10,565</td>
<td>11,348</td>
</tr>
<tr>
<td>Women (%)</td>
<td>29</td>
<td>29</td>
<td>29</td>
</tr>
<tr>
<td>Women on the Board (%)</td>
<td>22</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Women in Executive management (%)</td>
<td>10</td>
<td>10</td>
<td>12</td>
</tr>
</tbody>
</table>
EMPLOYEES

SAFETY AND DEVELOPMENT IN FOCUS FOR EMPLOYEES

Committed and competent employees are a cornerstone of Stena’s operations and competition for skilled, highly qualified personnel is increasingly intense. To ensure access to the right personnel in the future, Stena prioritises development and training of both existing and potential employees.

A focus is placed on both internal employee training and development in the form of mentoring, trainee programmes and external training.

Mentoring programmes create meetings
Today, Stena is an international group of companies with operations in many parts of the world organised in different business areas. Between the companies in each business area there is an extensive exchange of needs and services. To both maintain and develop Stena’s successful business model requires investment in internal development work. Since 2010, the Stena Sphere has run an internal mentoring programme that helps to create meetings between Stena’s employees. Four sessions of the programme have been completed to date, with about 40 participants – 20 protégés and 20 mentors.

In 2007, Stena Drilling initiated its Fast Track Drilling Trainee Programme (FTDT), designed to identify and train employees to be part of the future leadership within Stena Drilling’s offshore operations. Those selected undergo a three-year training and education programme in which they try all types of tasks on board. Since 2013, there has also been a trainee programme for future shore-based service, alternating between periods of training at sea and working at the shore-based office.

In 2013, Stena Rederi started a trainee programme, with selected participants working in different parts of Stena’s shipping operations. The trainee programme is primarily aimed at ensuring access to skilled personnel.

Continuous training of seagoing employees
Since Stena-owned Northern Marine Management (NMM) was founded in 1983, the company has supported international marine officer training around the world. The goal is to have at least one cadet from a marine officer programme on board each vessel manned by NMM. At present, there are about 100 of these cadets on board NMM’s fleet.

NMM also invests large sums annually in the training of seagoing employees. One example is the construction of a training centre with various types of ship simulators, which began in November 2013. The training centre is being built in cooperation with the customer Chevron at NMM’s head office in Glasgow. The centre will offer about 30 different training courses, available to officers on Chevron’s fleet and officers on other ships manned by NMM.

Every year about USD 15 million is invested in training for NMM’s staff.

Platform for spreading shipping knowledge in the world
As shipping’s importance as a mode of transport increases, so does the need for well-trained seafarers. NMM was one of the driving partners when Stena Association of Maritime Institutions (STAMI) was established in 2009. STAMI is a network for a number of maritime institutions from around the world who meet a couple of times a year to exchange experiences and best practices in their operations. A total of ten institutions from nine countries on three continents participate in the network. STAMI also works to improve quality and set common standards for maritime training.
Stena Voice is a regular employee survey of how employees perceive their overall work situation, and is completed by all Stena employees. The survey questions relate to working environment, performance management, organisation, human resources and leadership. The survey is conducted every 12 or 18 months depending on the company and is measured on a scale of 1-5.

RESULTS FROM STENA VOICE

<table>
<thead>
<tr>
<th>Stena AB Group excl. Stena Line</th>
<th>2010</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance appraisal (% of staff)</td>
<td>70%</td>
<td>83%</td>
<td>85%</td>
</tr>
<tr>
<td>Stena Voice results</td>
<td>4.51</td>
<td>4.46</td>
<td>4.47</td>
</tr>
<tr>
<td>Departments with over 4.0 in Stena Voice</td>
<td>91%</td>
<td>89%</td>
<td>91%</td>
</tr>
<tr>
<td>Stena Voice response rate</td>
<td>97%</td>
<td>99%</td>
<td>99%</td>
</tr>
</tbody>
</table>

Stena Voice is conducted every 18 months in these companies.

<table>
<thead>
<tr>
<th>Stena Line</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance appraisal (% of staff)</td>
<td>87%</td>
<td>81%</td>
<td>72%</td>
</tr>
<tr>
<td>Stena Voice results</td>
<td>4.17</td>
<td>4.16</td>
<td>4.11</td>
</tr>
<tr>
<td>Departments with over 4.0 in Stena Voice</td>
<td>74%</td>
<td>74%</td>
<td>69%</td>
</tr>
<tr>
<td>Stena Voice response rate</td>
<td>96%</td>
<td>95%</td>
<td>93%</td>
</tr>
</tbody>
</table>

Stena Voice is conducted every 12 months in this company.

COMMUNITY INVOLVEMENT

Stena is keen to be part of the community and contribute in different ways. One way is to get employees to share their experiences, for example by acting as mentors or giving talks to school groups. Stena is also working with the West Sweden Chamber of Commerce in projects to ensure skills supply in the West of Sweden.

Stena is also involved in a number of organisations in various ways, including:

- The King’s Foundation for Young Leadership
  www.ungtledarskap.se
- Mitt Liv
  www.mittliv.com
- Transfer (West)
  www.transfer.nu
- Tall Ships Youth Trust
  www.tailships.org

SAFETY ON BOARD

For Stena, care is important in all our activities, particularly when they concern employees. A safe and secure workplace is conducive to safer and more efficient operations. A comprehensive safety work is carried out on a daily basis on board Stena’s vessels and drilling rigs.

LTIF

Lost Time Injury Frequency is a measure of workplace safety and is used for the crew on board. The number of LTI (injuries that leave the employee unable to work the following day) are reported per million exposure hours worked.

<table>
<thead>
<tr>
<th>Health &amp; safety, LTIF</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>NMM</td>
<td>0.19</td>
<td>0.35</td>
<td>0.36</td>
</tr>
<tr>
<td>Stena RoRo</td>
<td>0.80</td>
<td>0.00</td>
<td>0.77</td>
</tr>
<tr>
<td>Stena Drilling</td>
<td>0.27</td>
<td>0.51</td>
<td>0.58</td>
</tr>
<tr>
<td>Stena Bulk</td>
<td>0.21</td>
<td>0.20</td>
<td>0.18</td>
</tr>
<tr>
<td>Stena Line*</td>
<td>2.83</td>
<td>2.19</td>
<td></td>
</tr>
</tbody>
</table>

*Including service staff for passengers
COMMON SYSTEMS WILL BENEFIT BOTH THE ENVIRONMENT AND THE SHIPPING INDUSTRY

The environment is one of the most important issues for the shipping industry, and one of the top priorities for the European Community Shipowners’ Associations, ECSA. According to Patrick Verhoeven, Secretary General of ECSA, there are a lot of good initiatives in the environmental area, and the industry now needs to improve the communication of what is done.

PATRICK VERHOEVEN
Secretary General of the European Community Shipowners’ Associations, ECSA.
Shipping is the backbone of international trade. European ship owners control 40 per cent of the world’s merchant fleet and operate shipping services all over the world. So shipping is vital for European trade, but at the same time it is quite invisible. We need to promote ourselves. In order to handle the competition from shipping centres outside Europe we need to establish a sound business climate and get the internal market in Europe working. The latter concerns for example custom issues, but also regulatory issues.

Focus on a competitive business environment

At ECSA we are trying to make sure that policies and regulations provide good conditions for the European shipping industry. The competition for European shipping will continue to grow stronger in the future. Therefore the EU has to simplify for the industry, and contribute to creating a business environment that works.

The environment is an important issue and one of our priorities. The shipping industry is working on several different initiatives in the environmental area, but is not always very good at communicating this.

Reducing emissions

The main challenge here concerns emissions to air. When the Sulphur Directive comes into force in January 2015, it will affect a substantial part of the industry. We fear that some routes may encounter serious implications, with cargo moving to different transportation modes. It is therefore important that all is done to support the sector in adjusting to the requirements of the Directive. There is a real sense of urgency here, which policy-makers should understand.

The next big concern will be how to handle CO₂ emissions as regulations in this area will come in a foreseeable future.

The shipping industry has started to make adjustments to the new conditions following environmental regulations, for example when it comes to ways of minimizing emissions. Stena is thinking ahead in this area and are proactive, and are for example investigating using methanol as an alternative fuel.

Cooperation for a common set of regulations

We cannot ignore the environmental challenges, and it is important to handle these issues and change the mentality of the industry. It is, however, important for all parties to cooperate, in order to establish a working process for regulatory matters. We can learn a lot from the process preceding the Sulphur Directive, where the rules were established without first making a thorough analysis of the consequences. We need to clearly know what the impact will be before we introduce the rules. There also needs to be one international system, not several regional ones.
OUR BUSINESS AREAS

FERRY LINES
Ferry Lines consists of Stena Line, one of the world’s largest ferry operators, focusing on freight and passengers. Stena Line operates 23 routes in northern Europe with 40 vessels. Stena Line also owns five ports.

OFFSHORE DRILLING
Offshore Drilling consists of Stena Drilling, a world leader in the development, construction and global operation of oil rigs and drillships. The company has had an active role in the expansion of its fleet of well-maintained drilling units, and in connection with the construction and conversion of rigs has been a pioneer in several areas of technological development and innovation in the offshore industry.

SHIPPING
Shipping is engaged in tanker shipping, RoRo, technical maintenance, manning and shipbuilding. The business area consists of Stena Bulk and Stena RoRo. Stena Bulk is one of the world’s leading tanker shipping companies. Stena RoRo’s fleet consists of RoRo vessels (mainly intended for trailers) and RoPax vessels (combined RoRo and passenger ferries).

NORTHERN MARINE MANAGEMENT
Northern Marine Management is Stena’s international ship management company with a worldwide customer base. Its head office is in Glasgow in Scotland. The company operates a diversified, high-tech fleet of approx. 100 ships through a global network of offices in Aberdeen, Glasgow, Gothenburg, St. Petersburg, Novorossiysk, Houston, Manila, Mumbai, Perth, Shanghai and Singapore.

STENA TEKNIK
Stena Teknik is a common resource for all maritime activities in the Stena Sphere. The business comprises newbuilding and conversion projects, general marine engineering consultancy, procurement and research & development. Stena Teknik’s employees have leading competence and solid experience in ship design, ship management, project management, shipyard operations, classification societies, procurement and contracting.
PROPERTY

Property consists of Stena Property, one of the largest privately owned real estate companies in Sweden, and Stena Realty BV. The portfolio consists of 2.4 million sqm. This is mainly residential property in Sweden, although 720,000 sqm is commercial property. About 300,000 sqm is managed on behalf of associated companies.

STENA ADACTUM

Stena Adactum makes long-term investments in listed and unlisted companies. The goal is to build strong, profitable companies that can be a platform for new business areas in the Stena Sphere. The company is particularly important in providing financial strength and active ownership. The business area consists of the subsidiaries Stena Renewable, Ballingslöv, Blomsterlandet, Envac and Mediatec, and ownership interests in Gunnebo and Midsona.

FINANCE

Stena Finance’s main objective is to manage the funding requirements of the Stena Group, both short and long term. Stena Finance also manage the operational business units’ financial risks on interest rate, currency and oil markets. In addition, Stena Finance manages the Group’s liquidity and financial investments. Another important role is to act as a resource for the operational units when identifying and analysing new business deals.
Every year, Stena Line’s 40 vessels are subjected to over a hundred inspections by representatives from different maritime safety authorities and classification societies. Most of these inspections are carried out without any major observations. However, in September 2013, Stena Alegra, chartered to operate on the Karlskrona – Gdynia route, was detained in port when certain deficiencies were found. Stena rectified the deficiencies immediately and the ship was back in service the following day.

At the end of August 2013, an automated sobriety checkpoint was opened at the Stena Line terminal in Majnabbe, Gothenburg. Since then, both truck drivers and private motorists travelling on Stena Line ferries have been required to drive through a station equipped with measuring equipment to monitor their breath. If the breath sample gives a negative reading, the barrier is not raised for the vehicle and the relevant authority representative is called to the scene. During the trial period, 8,745 drivers have been tested, with ten of them reported for suspected drunken driving or extreme drunken driving. The trial period was concluded at the end of the year.

The project is led by the Swedish Abstaining Motorists’ Association (MHF) in cooperation with the Coast Guard, Police, Customs, the Swedish Transport Administration, Servotek and Stena Line.

METHANOL AS A MARINE FUEL

Stena Line will continue to work with industry partners to investigate the possibilities of using methanol as a marine fuel. The joint project is part of efforts to further reduce Stena Line’s environmental impact and to meet the new Sulphur Directive, with stricter limits for sulphur content in marine fuels, which comes into force in 2015. In 2013, Stena was awarded a grant from the Trans-European Transport Network (TEN-T) to convert the RoPax ferry Stena Germanica for methanol operation.
In several ports where Stena Line operates, it is possible to connect the vessels to shore-based power when they are berthed. This allows the auxiliary engines on board to be turned off, which saves oil and reduces carbon dioxide (CO₂) emissions.

In 2013, Stena Line also began a joint collaboration with the City of Gothenburg and Göteborg Energi to explore the possibility of connecting Stena Danica to the district heating network. This is the first time that district heating is connected to a vessel in operation.

The district heating will initially replace the diesel-powered boilers that are currently used. The plan is to eventually use district heating also for hot water and keeping the engines warm. Use of district heating is expected to reduce CO₂ emissions by 75 percent, from approx. 800 tonnes to 195 tonnes of CO₂ per year. A reduction in the level of noise from the ship is also expected, which is important in view of Stena Line’s central location in the port of Gothenburg.

In 2013, the total effect of Stena Line’s use of shore-based power resulted in a saving of approx. 4,600 tonnes of oil. Had oil been used instead, it would have generated sulphur dioxide (SO₂) emissions of 9 tonnes and CO₂ emissions of over 14,700 tonnes, which is equivalent to the CO₂ emissions from about 5,400 cars during a year.

During 2013 the work with Stena Line’s Energy Saving Programme (ESP) has continued. The programme was introduced in 2006, with the aim of reducing energy consumption by 2.5 percent each year. A number of different projects connected with the programme are in progress. In 2013, for example, modern new flow meters began to be installed on several vessels, with the aim of monitoring on board fuel consumption in closer detail. The flow meters are connected to a larger system, the Fuel Management System, which also measures parameters such as water depth and water currents. With information about the water depth the ship officers can optimize the speed, as a high speed in shallow passages increases fuel consumption.
It is important that everyone in the crew is familiar with the Stop the Job policy. This means that anyone in the crew has both a right and a responsibility to tell a colleague – whether a superior or a subordinate – to stop the job they are doing if the person believes there is a significant safety risk.

Employees continuously report their observations in the STOP Observation System. The “Stop cards” that are used can be seen as a practical expression of how Stena’s core value of care is lived out at Stena Drilling. Each month, one of the reported stop cards is picked out as an example of a clear way to demonstrate care for colleagues and to spread awareness among other employees about potential safety risks on board.

The system is also used to monitor environmental work on board the vessels and rigs. Since the monitoring of environmental stop cards began in 2011, the number of reports has increased, which is a clear sign of increased awareness and stronger environmental responsibility among the crew. The number of reports increased by 3 percent between 2011 and 2012, and by 27 percent between 2012 and 2013.
Most tasks on board a drillship or an oil rig involve some risk to the individual, their colleagues or the environment in which they operate. Most injuries occur during simple operations, where the crew acts without thinking through the risks. This is why Stena Drilling has developed a proactive approach to increase safety on board. Before each task, the personnel involved must together complete a HAZ IDCARD. Using icons that represent different types of risk or injury, they identify which ones are potential risks for the actual task they will be carrying out.

PROACTIVE SAFETY WORK

Since 2011 the amount of waste recycled on Stena Drilling’s vessels has increased by 20%

For the entire fleet and the offices onshore, the rate of recycling is approx. 70%

AWARD-WINNING SAFETY WORK

In 2013, Stena Drilling once again received the International Association of Drilling Contractors’ annual award for its safety work in the categories of rigs (semi-submersibles) and drillships.

INCREASED KNOWLEDGE OF ENVIRONMENTAL ISSUES

For Stena Drilling, it is important to raise knowledge of environmental issues internally. At present, 62 percent of all shore-based personnel have undergone environmental training.
NEW TECHNOLOGIES AND CHANGED BEHAVIOUR

As part of an energy efficiency project in 2013, Stena Bulk increased the fleet’s fuel efficiency by as much as 14 percent compared with 2012. The aim of the project is to achieve an annual increase of 3 percent in fuel efficiency, measured in transported cargo (tonnes) in relation to fuel consumed (tonnes).

Reduced bunker consumption has brought financial savings of SEK 65 million, and has reduced carbon emissions by over 100,000 tonnes and sulphur dioxide emissions by 1,400 tonnes.

The increased efficiency is partly due to a higher share of eco ships in Stena Bulk’s fleet, but the energy efficiency increase has mainly been achieved through more detailed monitoring of ships’ energy consumption, which in turn has resulted in operational measures such as reduced speed and closer and more frequent monitoring of fuel consumption.

LOWER EMISSIONS THROUGH SMART DESIGN

On the newest Suezmax tankers in Stena Bulk’s and Concordia Maritime’s fleets, changes have been made to increase fuel efficiency compared with older vessels of the same model. The measures include the installation of the Knutsen Volatile Organic Compounds Technology (KVOC) system on board. The system consists of large pipes that help to reduce emissions of volatile organic compounds (VOCs) during cargo loading and transit. Hydrogen sulphide emissions are also reduced.

The KVOC system also consists of a sophisticated valve which regulates the release of gas formed while transporting oil and means that less of the cargo is converted to gas. According to estimates from Det Norske Veritas (DNV), installing KVOC on a Suezmax can save between 85 and 130 tonnes of cargo in transit from the Persian Gulf to the United States. Every tonne of oil that is prevented from being converted to gas during transportation is a win for both freight customers and the environment.
CONTINUING QUALITY ASSURANCE OF NMM’S WORK

Northern Marine Management’s (NMM) operations are certified under various international standards such as ISO9001 (Quality), ISO 14001 (Environment) and ISO50001 (Energy). In August 2013, NMM was also certified to OHSAS 18001 (Occupational Health and Safety System).

VESSEL BULB ADAPTATION PROVIDES INCREASED ENERGY EFFICIENCY

At Stena Teknik, there are many projects in progress aimed at improving vessels’ energy efficiency. One example is a Stena Line project which involves adapting vessels’ bulbs to today’s low speeds. The bulb is the part of the hull which by means of its shape reduces a ship’s wake, thereby decreasing its energy consumption. The project represents an annual fuel saving of 10,000 tonnes of bunker oil, equivalent to the annual energy consumption of 1,600 homes.

FIRST PASSENGER SHIP CERTIFIED TO DNV TRIPLE-E

In 2013, Stena RoRo’s vessel Norman Asturias, currently on charter to LD Lines, achieved a Triple-E rating under DNV’s environmental and energy efficiency rating scheme – a system for helping to continuously improve ships’ energy and environmental impacts.

This is the first passenger vessel in the world to achieve the rating. Stena RoRo has had four of its ships rated Triple-E since 2011.

REDUCED PIRACY OFF THE SOMALI COAST

Piracy attacks continues to be a threat to the safety of seafarers worldwide, although the number of attacks in 2013 fell to the lowest level in six years. One of the worst hit areas in recent years has been the coast of Somalia. Since 2012, Stena has been involved in a UN-led project aimed at strengthening civil society in Somalia and reducing pirate attacks in the area, thereby increasing safety for seafarers. The project continued in 2013, and included dialogue with representatives from the local community to identify participants in training initiatives.

EMERGENCY AID TO THE PHILIPPINES

On November 8, 2013, Typhoon Haiyan swept over large parts of the Philippines. Over 6,000 people are estimated to have been killed as a result of the typhoon and about four million lost their homes. The Philippines is a major shipping nation and there are over 2,000 Filipino seafarers within Stena’s organisation. In order to provide immediate support and ensure the well-being of the Group’s Filipino colleagues, Stena Rederi, Stena Drilling and Northern Marine Management set up an emergency fund. The money was distributed to those in need through the organisation PTCI (Philippine Trans Marine Carriers, Inc.) with which Stena has a long-established partnership.
SUSTAINABLE RESIDENTIAL AND WORKPLACE ENVIRONMENTS

Stena Property works with long-term and sustainable property ownership, of which the company’s own concept Relationship Management® is an important component. In an environmental perspective, the focus is on energy, which is where the main environmental impact is found. A number of measures have been initiated to help achieve a 20 percent reduction in energy consumption by 2020.

Stena Property’s sustainability work is firmly rooted in the business concept of long-term ownership and development of attractive residential and commercial premises in good locations. Through its own Relationship Management® concept, the company develops sustainable residential and workplace environments. The purpose is to create involvement and increased responsibility among the tenants by giving them possibilities to influence their living environment. Increased well-being means fewer tenants moving in the long-term, reduced wear and tear, and higher-quality accommodation.

In concrete terms, Relationship Management® means that Stena Property engages in a number of projects and activities that provide safety, well-being and stability in the residential areas, with a focus on children and young people. The ideas often come from the tenants themselves and are based on cooperation with local organisations. Each property must be connected to at least one Relationship Management® project. At present, there are about 80 such projects and related activities in progress. Examples are summer jobs, homework help, arts and cultural activities, environmental stewards, planting days and “library in the laundrette”. There is a relationship manager in each location, and a comprehensive relationship management strategist was recently appointed to move Relationship Management® a step further.

Stena Property’s biggest environmental impact is the use of energy in the form of electricity, heating and hot water for homes and premises. The target is to reduce energy consumption by 20 percent between 2010 and 2020. To date, energy consumption from heating has been reduced by 7.4 percent, while electricity has fallen by 9.8 percent and water by 4.5 percent. The implemented measures are adapted based on the conditions of each property. Examples include switching to more energy-efficient heating systems, replacing windows, investing in new substations and ventilation systems, balancing and fine-tuning existing heating and ventilation systems, and introducing individual hot water metering in several locations. Stena Property only buys green electricity. It is also environmentally certified and all staff have undergone environmental training.

SMART SOLAR POWER SOLUTIONS

Stena Property has introduced solar power at several locations, and similar measures are planned for more areas. A 17 kW solar power plant has been installed on Fyrklöversgatan in Gothenburg, and will supply electricity to one of the laundrettes in the area. The estimated annual electricity production is 15,000 to 17,000 kWh, which covers or exceeds the existing energy needs. In Stockholm’s Ängby Park, solar panels are used to heat hot water in a newly built property. There is also an electric car charged with solar cells, which is leased to tenants on weekends and evenings, when not being used by the property landlord.
SUSTAINABLE NEW CONSTRUCTION

Stena Property is currently investing in large-scale new construction. The target is 500 new residential units per year, all of which must be certified to silver level under the Swedish Green Building environmental classification system. New construction of commercial properties must also correspond to Green Building requirements. This means that energy consumption must be at least 25 percent lower than the new construction requirements under Swedish building regulations. In 2013 and 2014, two commercial properties were completed in Malmö and Gothenburg, both of them fulfilling these requirements, and others are in progress. Another property is certified under LEED's highest level, Platinum. In Houston in the United States, Stena Property is building two large office buildings that will be certified to LEED Silver.

By installing geothermal heating, it has been possible to cut energy consumption by half in several places, including Stocksund in Stockholm. The installation of geothermal heating there has led to annual savings of over 500,000 kWh. A similar installation that is expected to bring major savings has recently been completed at Djursholms Torg.

SUMMER JOBS FOR YOUNG PEOPLE

Stena Property has previously offered summer jobs for young people on a limited scale. Within the framework of Relationship Management®, an extensive programme now enables more young people to gain useful work experience and helping to care for their neighbourhood. The goal is to provide 300 summer jobs per year for Stena Property’s young residents.
The earth’s population is increasing, and the proportion living in cities is rising. The global population currently stands at approx. 7 billion people, 50 percent of whom live in cities, compared with 30 percent out of a global population of approx. 2.5 billion in the 1950s. With the continuing trend towards urbanisation, it is expected that about 70 percent of the population will live in cities by 2050.

Sustainable solutions for growing cities
One of the most pressing problems in the rapidly growing cities is waste management. The amount of waste in cities is growing in intensity with wealth creation and urbanisation. At the same time, there is a growing need for sustainable waste collection and management to avoid negative impacts on the urban environment such as litter, vermin, noise and air pollution.

Envac, one of Stena Adactum’s subsidiaries, is a global leader in the development and sale of automated waste collection systems. Envac’s mission is to contribute to a better urban environment by leading the development of innovative, rational and sustainable waste collection systems and services.

Envac’s systems are based on storing waste underground and then transporting it by air along a pipe to the periphery of the residential area or quarter. In addition to resolving storage problems, it also reduces heavy waste transportation in the immediate area by approx. 90 percent.

Another of Envac products, Optibag, is based on households sorting their waste into differently coloured bags. Nothing needs to be changed in the waste infrastructure. Envac’s vacuum systems, conventional bins and refuse trucks, and other collection systems can all be used. The mixed bags are run through an optical sorting facility, where the waste bags are sorted by colour in a fully automated process. By using Optibag, municipalities can easily and cost-effectively implement sorting in several fractions without the need to convert buildings or acquire new vessels, trucks etc. The Optibag system, which has been implemented in about twenty cities in Sweden and Norway, is easy to use and highly appreciated by users.
Sweco, a Swedish technical consulting firm, has made a study of the environmental impact of introducing Envac’s waste collection system compared with traditional bin collection. The study was conducted in Stora Ursvik in Northern Stockholm, where 3,488 homes, 135,000 sqm of offices and a school have been built. After introducing the Envac waste collection system, the following reductions were noted:

- 91 percent of heavy waste traffic
- 95 percent of the noise load
- 90 percent of the carbon footprint
CARE

"CARE NURTURES WELLBEING, INNOVATION AND PERFORMANCE AND IS THE FOUNDATION FOR EVERYTHING WE DO"

Dan Sten Olsson