

# STENA LINE

Today, Stena Line owns five ports and operates 20 routes in northern Europe, with 38 vessels. The company's focus on long-term, sustainable business operations creates value for customers and makes Stena Line an attractive place to work.

2018 was an eventful year for Stena Line, with continued growth. Much of the activity during the year concerned strengthening of the organisation and the fleet, achieving increased profitability and customer satisfaction. As a result, Stena Line is well-prepared for 2019, when the focus will be on continued efficiency improvements and growing the business through digital transformation.

### DIGITALISATION TO INCREASE PROFITABILITY

To be a relevant company also in the future, sustainability and digitalisation is high on Stena Line's agenda. The key priorities include using new technology to work on a more environmentally sound and effective basis. There is also great focus on engaging employees in order to create conditions for long-term growth. The work of digitalising activities to achieve processes that lead to a high service level and efficiency, both in port and onboard, is a key aspect of the company's strategy. There is strong focus on AI and machine learning, in order to achieve the objective to be "The world's first cognitive ferry company". Besides the opportunity to work on a more cost-effective basis, digitalisation also gives Stena Line better opportunities for analysis and automation. This creates the right conditions for increased profitability through improved market predictions and a better understanding of our customers' expectations.

### REVENUE PER ACTIVITY



### INCREASED INTEREST IN BATTERY POWER

In 2018, Stena Line successfully took the first step towards electrical operation with *Stena Jutlandica*, which operates between Göteborg and Frederikshavn, as pilot project. The project will take place in stages and is currently in the initial phase, in which electrical operation is used for manoeuvring with bow thrusters while the vessel is in port. In stage two, the vessel is planned to operate a stretch of around ten Nm on battery, before the main engine is started up in the open sea. In stage three, the aim is to sail 50 Nm on battery power, equivalent to the full route between Göteborg and Frederikshavn.

In recent years, Stena Line has completed more than 320 different projects to reduce fuel consumption.

Since 2015, methanol, for example, has been part of the fuel mix for *Stena Germanica*, which operates between Göteborg and Kiel.

### CAPACITY OPTIMISATION WILL BE KEY IN THE FUTURE

Despite certain challenges in the market as a consequence of a rising oil price, Stena Line achieved strong results for 2018. During the year, the company focused on strengthening the organisation, with changes, among other things, being made to achieve further transparency in port and terminal activities. The company also continued to work on strengthening the fleet, and a total of five vessels are in the order book for delivery from the AVIC Weihai shipyard in China between 2019 and 2022.

### STENA LINE FACTS

**40%**

Share of Group revenue

**5,700**

Employees

**13,800**

MSEK income

**15,500**

MSEK capital employed

**31**

Ropax ferries

**7**

RoRo ferries

**CONNECTING EUROPE  
FOR A SUSTAINABLE FUTURE**

## CONTINUED DEMAND FOR FREIGHT CAPACITY

In 2018, Stena ordered an additional two E-Flexer ferries from the Chinese AVIC Weihai shipyard. The two ferries are planned to be put into service in Stena Line's network, with planned delivery during 2022. "We believe in sustained growth when it comes to demand for freight capacity in northern Europe. We wish to be the leaders when it comes to sustainable shipping, and with the new E-Flexer ferries we will set a new industry standard for operational performance, emissions and cost control," says MD Niclas Mårtensson.



2018 was a year with continued growth and focus on strengthening the organisation and the fleet. Stena Line is now well-prepared for 2019, with focus on continued efficiency improvements and growing the business through digital transformation.

Niclas Mårtensson  
MD



## COOPERATION WITH MERCY SHIPS

Stena Line and Mercy Ships, which operates the world's largest private hospital vessel, have joined forces in working to increase awareness of Mercy Ships and to highlight and encourage volunteering and donations to this activity. In the summer of 2018, the first two Stena Line employees served as volunteers onboard, contributing with their unique technical and nautical expertise.



### USING LESS PLASTIC

Stena Line is working continuously to contribute to sustainable consumption through responsible procurement, waste minimisation and increased recycling. During the year, Stena Line continued to work to reduce consumption of plastic disposable items onboard.

## HIGH AMBITIONS FOR SUSTAINABILITY ACTIVITIES

Stena Line has strong focus on streamlining fuel consumption and assessing the potential for more sustainable fuels. The safety of both personnel and passengers is always high on the agenda, and the focus of onboard activities includes tightening the requirements made of suppliers, reducing food waste and increasing recycling. Stena Line has identified those of the UN Sustainable Development Goals (SDG) that the company strives to achieve.

SDG	Focus areas	Target	2018	2017	2016	
3	Good health & well-being	Safety among seagoing employees	LTI <sup>1</sup> < 1	1.1	0.6	1.58
5	Equality & inclusion	Improve ratio of female leaders	Min 30% share women among new leaders	19%	16.0%	14.4%
7	Clean energy	Reduce the fleet's CO <sub>2</sub> emissions	Decrease 2.5% tonnes/Nm and year	0.478	0.470	0.480
12	Responsible consumption	Increase material recycling	Plus 2.5% per year	33%	30.4%	30.0%
14	Life below water	No oil spills from ships and ports	Zero cases of oil spills	2	5	3

1) Lost Time Injury Frequency (LTIF) is a way of measuring workplace safety for crew onboard. LTIF is measured as number of Lost Time Injuries (LTI) – injuries that leave the employee unable to work the following day/per million exposure hours worked.