



Principles, convictions and basic values for Stena AB

A handwritten signature in black ink, which appears to read 'Dan Sten Olsson'.

Dan Sten Olsson

Business Idea

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

Mission

It is our mission to:

- create more satisfied customers
- establish good contacts with the world around us
- nurture a growing trust
- generate more and better business

Financial success factors

We create financial stability and growth by:

- profitable ferry services (Stena Line)
- profitable contracts for drilling and well maintenance (Stena Drilling) in order to cover oil and gas related work.
- profitably employing or selling ships (Shipping)
- long-term, profitable tenants (Stena Property)
- tangible assets that generate increased value (all business units)
- profitable investments in liquid financial assets (Stena Finance)
- building new, strong companies for the Stena Adactum business area
- sufficient and cost-effective supply of external capital at acceptable risk levels
- each unit making money every year and fearing losses
- securing a positive cash flow in all phases of the business cycle
- the parent company's equity ratio being sufficient to comfortably weather a three-year recession

Customer-related success factors

We want to be the customer's first choice and preferred partner. By being a leader in everything we do or by having superior quality and never waste our resources or those of the world around us.

By being accessible to, and in continuous contact with, our customers we can understand their needs and find out how satisfied they are with our products and services. This is how we create opportunities for making money in the markets where we are active, even if they show relatively low profits.

Strategic success factors

Survival and the ability to create something lasting require foresight, business acumen and constant attention. All our activities should achieve our financial goals, which are measurable so we can constantly improve. Behind each business area there is a clear idea of ownership.

Each business unit has its own culture and values, which must be respected and understood. Experience shows that good values create good strategies. We are convinced that we will succeed if we follow our values.

Care transforms mindfulness into action and performance.



Success factors related to collaboration

The business units are guided by Stena AB's principles, convictions and values by translating them into their own operative terms. Every employee should respect, understand and be able to communicate his/her unit's business idea, success factors and values.

With delegated responsibility, we can do our utmost to reach our goals in full freedom, except for the restrictions outlined in our Power Reserved List. Everybody has the right to be informed and the obligation to inform others about everything that can improve collaboration as well as the work of individuals. Truths must be said and accepted in time, otherwise it will be too late to adapt.

The work in each business unit must be based on set systems and processes. A good collaboration is also based on the guidelines laid down in Stena's Power Reserved Lists, Objectives, Code of Conduct and Employee Manual.

Success factors related to communication

Collaboration and development demand good communication. Every employee must know who she or he can turn to in order for this communication to work. We can only expect people to take the right decisions and actions if they are well informed and have an understanding.

We have systems that track and manage information. But we have to invest time in analysing and explaining in order to understand what the information means. Acting in the right way is dependent on having the right information, acceptance of the truth, an understanding and training.

Every conversation, and not just those with customers, should create positive feelings. Three positive messages are: "Thank you for telling me this," "I'm sure there's something we can do," and "I hope we haven't caused you too much inconvenience."

Our communication should be fast and easily accessible, especially to those concerned. To create understanding and dialogue, it must be well formulated. Employees, the media and interested parties should feel confident that our information is always accurate, that we take responsibility for our activities and that our activities can stand up to scrutiny.

To safeguard and improve our business we want to strengthen the positive awareness about how sound and attractive Stena's goals are. We should communicate both positive and negative news items as long as they do not result in obvious competitive disadvantages.

An immediate response is never needed, but prompt answers prevent unfounded speculation. We do not comment on decisions made in other business areas, deals that are still in progress, confidentiality agreements, financial information, unless already public, and we do not comment on the actions of our competitors. It is challenging enough to concentrate on our own business.

Vision

Always the customer's first choice and quality assured partner

- We all safeguard the company's resources and the resources of the world around us
- We all participate in value-creating activities
- We have a clearly delegated business responsibility driven by innovations – often together with our customers
- The value of the Group should double every five years

Values

Customer satisfaction

Deserve your clients trust
Repeat business
Performance benefits
Constant interaction

Quality

Assets
Operations
Management
Decisions (timing and preparation)

Committed employees

Competence
Consistency
Clarity
Care

Innovation

Determination
Energy/Creativity
Initiative

Result/Business Acumen

Make money for the company
Short term and long term objective achievement
Continuance, durability
Business enjoyment

Customer satisfaction

– more satisfied customers!

Deserve your clients trust

The customers' lasting impression of their contact with Stena should be so positive that they want to use our product or service again. We are the customers' first choice and they are happy to recommend us to friends and acquaintances.

Repeat business

Old and new customers enjoy our products or services more than once and give us first call if they have several alternatives.

Performance benefits

The prices customers pay should reflect the total value of our products/services as well as the performance gains we can achieve together.

Ongoing dialogue

First-class dialogue with our customers is important and made possible by good personal contact, local and international communication.

We stand for knowledge and good behaviour, we are happy to share good stories, we are at their service and happy to answer any questions.

Quality

Operations

By operative quality we mean that we always deliver the product or service we have promised without wasting resources and without spending time on worthless activities.

To deliver successfully, our collaboration with external parties, ports, authorities and financial institutions is effective and works well.

Management

Management has the ability, with external and internal help, to define customers and customer requirements, share these definitions with everybody and generate the energy and resources required to achieve customer satisfaction and profits.

Assets

Our assets should be managed and safeguarded in such a way that they can, as long as they are in use, do the job they were developed for. Generally speaking, stoppages should never occur.

Our assets should be designed to provide operative quality for their entire lifecycle. This period is at least 25 years for ships and 40 years for properties.

Foresight is of the greatest importance. The financial lifecycle of an asset could differ from its technical lifecycle, depending on changes in the world around us.

Decisions

- Caring is about using the power you are entrusted with.
- We should spend our time primarily on what is necessary for us to achieve our objectives.
- Time used effectively means we are prepared for decisions that have to be made. It is the well-prepared person who wins.
- We do not make decisions where none are needed.
- We do not hesitate if a decision has to be made – it is a failure not to make a decision on time.
- We can only make the right decision when we have the right information and understand the situation.

- We must dare to say and accept both positive and negative truths in time, otherwise it will be too late to adapt. To change a decision can be costly, whereas not to change can lead to a catastrophe.

Advice, decisions, recommendations and orders

Advice

The aim of every dialogue is to give each other good advice to strengthen the way we work together. Advice does not have to be followed.

Decision

Decisions must result in concrete action communicated either in the form of a recommendation or an order – otherwise the decision means nothing.

Rekommendation

A recommendation reflects a qualified knowledge or a policy. A project group or a group of managers usually decide on recommendations. A recommendation does not have to be followed, but if it is not, it must be reported.

Strong recommendation

A strong recommendation must be followed, unless the reasons against doing so are very strong. If it is not followed, this must be reported promptly. It is then up to the person giving the recommendation to give feedback directly to the person who does not want to follow the recommendation or indirectly through that person's superior.

Order

Orders are normally given by managers to their direct subordinates. Orders from a direct superior must be followed. If given to a second-tier subordinate, the intermediate manager must be told. The intermediate manager then has the right to change the decision provided he or she immediately informs his/her superior. Every policy is in principle an order.

Committed People

Competence

We are at work to produce and find ways to improve our way of working to benefit ourselves, our colleagues and the company. We should therefore ensure that our employees develop the right skills.

We believe that people who are motivated by and interested in their work will take the initiative to seek further training. We should assist them in this.

It is our duty to inform those who do not wish to participate in further training/education that in the long term they risk losing their jobs.

Every employee must be personally responsible for his/her competence development. The company should encourage every ambition to develop so that it benefits both the individual and the company.

Consistency

Every day, our customers, employees, suppliers, sponsors and other interested parties expect us to keep our promises and meet their expectations. The world around us invests in us because we invest in it. How successful our relationships are is shaped by the trust we earn through the way we act.

Ultimately, each and every one of us is responsible for everything in our area of responsibility, even for actions we cannot influence. We are one area of responsibility, one business unit, one company.

Even though we are dependent on others, we should always try to be enthusiastic and perseverant, especially on those days when nothing is going right. Clear and attainable goals and care help us carry on – and every day usually has a bright moment.

It is important that we accept the company's decisions. If we do not follow these decisions with conviction, then this can harm ourselves as well as our group. No matter our position, accepting and following company decisions is a pre-requisite for our jobs.

Clarity

Our business ideas, visions, success factors and values as well as our mission must be approved of and understood by everybody. This means that descriptions and discussions about what they mean and their consequences must be clear and explicit.

For collaboration to function smoothly, we must continuously inform each other of what could be important in order to do a good job. We must regularly discuss the routines and processes which structure and systematise our work. These consist first and foremost of job descriptions, Power Reserved Lists, goals, personal development and appraisal reviews, code of conduct and personnel policy, progress reports and safety, environmental and communication policies.

To benefit from each other's experiences, we use the method of having 'Best Practices'. To improve our analysis work and get at complex, underlying problems involving several business units there are many methods. Many of our business units have developed a 'Stena Way of Production'. These methods are in principle developed from concepts like 'Six Sigma' and 'Lean Production'. Consistent improvements is our mantra.

A clearly stated question should be answered. If no answer is forthcoming or there is no information about when an answer will be given, then we take action ourselves – as long as it does not affect our safety. In more complex situations, where no answer has been given, we should contact our superior's superior.

As well as being responsible for ourselves, everybody has a cross-functional responsibility for the whole or specialist knowledge by participation in project groups or information via the Intranet.

Striving for best practice should not destroy good ideas. Neither should fear of conflict nor convenience make us choose the lowest common denominator instead of the best common denominator. The chair of a project group must therefore possess the right to decide for the group, if nothing else has been agreed upon.

Care

In our dealings with each other, we should apply the golden rule: Treat others the way you want to be treated yourself.

If in doubt, ask the question, “What would the world be like if everyone behaved in the same way?”

If we always do our best and show respect for people, capital and the world around us, the tensions in the company will decrease and justice will be easier to achieve.

- Having a continuously safe operation is the best way of showing respect for people.
- We also show respect by always delivering on time, arriving on time and ending meetings on time.
- We respect our capital by being economical with material resources, fearing losses and generating profit.
- We respect the world around us by being aware of our dependence, caring for our relationships and using the resources of the world around us sustainably and with care.

To be accepted by our customer and sponsors, we must always strive to be efficient. We should be cautious when it comes to increasing our workforce. By consistently being efficient we also avoid laying people off.

Bribes lead to the misuse of resources. That is why no one is allowed to take or give bribes directly or indirectly. To create better business opportunities or add value to our business, it can sometimes help or be necessary to invite or participate in events – as long as this is not unethical and does not affect our own or the customer’s/ supplier’s integrity and impartiality when it comes to decisions.

Our success depends on our attention to details and our care for each other. Our capacity to care is what unites us in everything we do.

Innovation

Determination

Necessity is the mother of invention. New and old competitors are always developing. The general rule is that there is only one first prize and no second prize. To be an early adapter and an adaptive explorer reduces the drama and is necessary so we can support ourselves successfully.

Another key to success is the determination to systematically make work easier for ourselves and our colleagues, together with the desire to contribute to the expansion and well-being of the company.

Energy/creativity

With a high tolerance level, an open mind and the curiosity to explore the truth, together we can find solutions to both known and unknown situations. People with new ideas should feel appreciated, valued and safe, otherwise their energy and creativity will wither away.

We must systematically:

- assign sponsors to help with the implementation of new ideas
- formulate and set aside resources to explore future known and unknown scenarios, possibilities and threats
- encourage experiments and make some money available for them
- educate and set aside time for designated people to explore the unknown

Initiative

Nothing gets done by itself. Each problem contains a potential for improvement and each new initiative is an opportunity to improve our future.

Everybody loves innovations but only a few love change. If we share our experiences and discuss changes as if they were opportunities, our fear of them will gradually diminish.

In order to improve work on change, we must be able to identify and analyse the consequences and alternatives to change proposals – and understand not just the theory, but the practice too. The solutions must then be carried out systematically and effectively.

More and more often we must be prepared to, and manage, to scale up these solutions in order to apply them to the whole organisation. (See the back cover.)

Result

Business acumen – make money every day

In order to ensure our future existence, we need to earn money for the company every day. No one will give us new money, if we lose the money we have.

Our customers need to develop and invest in their business. Correspondingly we need to support them and invest in ours. Thus our available cash in Stena will or will not allow us to continue or not continue the fruitful relations we have with our clients.

Resultat

Our presence and participation make a difference that leads to a better, measurable result. By measuring the results of our actions, we know if our performance is good enough. By using today's information technology, we have the methods to measure almost all our goals or targets.

The important results are those that show us how well we are managing to reach our important goals, how well we are performing in relation to the outside world and in comparison to our best competitors.

The most important objectives are:

- safety measured in LTI - Lost Time Incidents
- financial results measured in numerous ways
- cost effectiveness development of costs and prices of goods and services
- customer satisfaction measured in satisfied and very satisfied clients
- general knowledge and perception of our services and capacities
- employees' motivation measured by Stena Voice and other methods

Our contribution to society measured in sustainability accounts. These objectives are measured frequently – and at least once a year.

Continuance

What we are striving for should preferably be lasting. We are working for the next generation, so it is important that we achieve more than just financial goals.

Digitalization and groundbreaking new technologies is a menace to most of our business units. It will be possible to use these technologies to our advantage, but only by being the first or among the first to implement and put them into practise.

Business enjoyment

We want doing business with Stena to be enjoyable. Joy goes normally hand in hand with success. So sharing the joy with ourselves and others is our main goal resulting in 'Happy clients served by a happy organisation'.

On successful creativity

Our creativity is a powerful tool for success.

- Creativity is a privilege.
- We shall dream big, build step by step, be brave, be determined and do our duty.
- We need both EQ and IQ, artistic and fact-based education, in order to switch between feelings and facts.
- Different skills and different backgrounds create good teams.
- Values must be the same for both customers and employees.
- New ideas are rarely formulated to perfection.
- Don't just say 'Why' and 'No'. Also say 'Aha' and 'Why not'.
- Dialogue is to sell your own ideas and to listen and learn from others.
- We need to learn both by receiving information as well as by creative dialogues. Personal contact facilitates, but contact by digital media can be equally effective.
- Products must become sales and effective sales are often local. E-commerce is increasing though as a more effective way for marketing and sales locally as well as on a national and global scale.
- Proudly make use of other people's ideas, but give them recognition for their contribution.
- Cooperate with people who make things happen.
- Delegated responsibility is the most important key to success.
- To create loyalty and responsibility, all participants should understand the profit both for the whole and for the group he/she represents. We must dare to express the best common denominator instead of the least common denominator.
- Successful clients are happy clients. In consequence we must be the best regarding the most important issues affecting their success and never worse than the mean for their other issues.



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