



Principles, convictions and basic values for Stena AB

A handwritten signature in black ink, which reads 'Dan Sten Olsson'.

Dan Sten Olsson

Business idea

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

Mission

- More satisfied customers
- Good contacts with the world around us
- Growing trust
- More and better business

Financial success factors

- Long term profitable ferry services (Stena Line)
- Profitable contracts for drilling and oil-well maintenance (Stena Drilling)
- Profitably employ or sell ships (shipping business)
- Long term profitable tenants (Stena Fastigheter)
- Tangible assets which generate increased value (all business units)
- Profitable investments in liquid financial assets (Stena Finans)
- Profitable embryos for new business area (Stena Adactum)
- Sufficient and cost-effective supply of external capital at acceptable risk levels
- Each unit should make money every year and fear losses
- Secure a positive cash flow in all phases of the business cycle
- The parent company's equity ratio should be sufficient to comfortably weather at least a two-year recession

Customer-related success factors

To be the customer's first choice and best cooperation partner. Consequently, we must be superior in what we do or have superior quality and never squander our resources or those of the world around us.

By being accessible to and in continuous contact with our customers in order to understand their needs and experienced satisfaction with our products and services, we create opportunities for making money in the markets where we are active, even though they are characterised for the most part by relatively low profitability.

Strategic success factors

Survival and the ability to create something enduring require foresight, business acumen and constant attention. All our activities must achieve their economical results and quantifiable goals. Behind each business area there is an overall owner's idea.

Each business unit has its own culture and its own values which must be respected and understood. We are convinced that we will be successful if we follow these values.

Success factors related to cooperation

The business units are guided by Stena AB's principles, convictions and values in that they have been translated into each unit's own operative terminology so that every employee can respect, understand and communicate his/her unit's business idea, success factors and values.

Thanks to delegated responsibility, we can do everything necessary to reach our goals in full freedom, with the exception of the restrictions in our Power Reserved List.

Everybody has the right to be informed and the obligation to inform about everything that can improve cooperation and the individual's work. Truths must be said and accepted in time, otherwise it will be too late to adapt.

Cooperation is also based on the guidelines laid down in Stena's Rules, Power Reserved Lists, Objectives and Stena's Personnel Manual, as applicable.

Success factors related to communication

Only the person who is correctly informed, who listens and understands can expect to make the right decisions.

Truths must be said and accepted in time, otherwise it will be too late to adapt. Everyone has therefore the right to be informed and the obligation to inform about everything that can improve cooperation and the individual's work.

Every employee must know who to ask for own information and who to refer to when information is requested for from the outside.

Every conversation, not only with clients, can create positive feelings. Three positive messages are: "I am glad to hear that", "I am sure we can do something about it", "I hope your inconvenience is limited".

Communication must be fast and easily accessible, above all to employees concerned. To create understanding and dialogue, it must be well formulated. Society on a large scale comprising all employees, media and interested parties should feel confident that the company communication is always accurate, that we take responsibility for our activities and that our activities can stand up to investigations. To safeguard and improve our business we want to increase the positive awareness of how sound and desirable Stena's goals are. Both positive and negative news must therefore be communicated unless they are of evident disadvantage from a competition point of view and limit our communication possibilities. An immediate response is never necessary while reasonably prompt answers prevent unfounded speculations.

We shall not comment on decisions made in other business areas, uncompleted deals, confidentiality agreements, financial information, unless already public, nor our competitors' actions. It is difficult enough to concentrate on our own business.

Values

Customer satisfaction

Keep the clients
Repeat business
Performance benefits
Constant interaction

Quality

Assets
Operations
Management
Decisions (timing and preparation)

Committed people

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

Vision

Always client'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
- A clearly delegated business responsibility with innovations frequently in partnership with the client
- The value of the Group should be doubled every fifth year

Customer satisfaction

– more satisfied clients!

Keep the clients

The customer's lasting impression of his contact with Stena is so positive that he wants to utilise the product or service again and that we are his first choice. That the customer is happy to recommend us to friends and acquaintances.

Repeat business

Customers who utilise our products or services, do so more than once and give us first call if they have several alternatives.

Performance benefits

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

Constant interaction

Superior dialogues with our clients are important and possible by good personal contact, IT communication and IT connectivity. Good behavior and good stories about ourselves can be spread and questions can be answered.

Quality

Operations

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

Operative quality is also based on effective and smoothly functioning collaboration with external players, including distributors, suppliers, ports, authorities and financial institutions.

Management

Management's ability to define customers and customer requirements, clarify these definitions for everybody (all personnel) and generate the energy and resources required to achieve customer satisfaction and profits by means of operative quality.

Assets

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

Our assets should be designed to provide operative quality, not only when the asset is delivered but also during the period it is utilised. This period is at least 25 years for ships and at least 40 years for properties.

The economic life of the asset could differ from its technical life, due to changes in the world around it.

Foresight is thus of the greatest importance.

Decisions

- We should spend our time primarily on what is necessary for us to achieve our objectives
- Time used effectively includes preparation for decisions which will have to be made
- Do not make decisions in matters which do not need decisions
- Do not hesitate if a decision must be made
- Decisions must be made in time

- Truths must be said and accepted in time, otherwise it will be too late to adapt. Only the person who is correctly informed and who understands can expect to make the right decision

Advice, decisions, recommendations, strong recommendations and orders

Advice

The objective with every dialogue is to give each other good pieces of advice to optimise our joint behaviour. Advice need not be followed.

Decision

Decisions must result in concrete action communicated either in the form of a recommendation or an order. Otherwise it is useless to make decisions.

Recommendation

A recommendation reflects an authoritarian knowledge or a policy normally decided by a task force or one or a group of managers. A recommendation does not have to be followed, but if it is not, it must be clearly communicated.

Strong recommendation

A strong recommendation must be followed, unless the reasons against doing so are very strong. If it is not followed it must be reported. It is then up to the person giving the recommendation to get back directly or indirectly through the superior to the person, who received the recommendation but chose to ignore it.

Orders

Orders are normally given by managers to their direct subordinates. Orders by a direct superior must be followed. If given to a second-tier subordinate, the intermediate manager must be informed about it. The intermediate manager then has the right to change the decision made provided he immediately informs his superior about it.

Committed People

Competence

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

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

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

Consequently, 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 and financiers as well as society and other interested parties expect us to keep our promises and satisfy the expectations that we, directly or indirectly, may have given them. The world around us invests in us because we invest in it. In the final analysis, we live in a partnership; our productivity is determined by the confidence we inspire by the way we act in our relations.

Ultimately, each individual is responsible for everything in his area of responsibility, even if he has been unable to exert an influence. Sometimes these are acts of other people, but also to passively or actively follow a superior's order. Consequently, even though we are dependent on others, we must always try to be enthusiastic and persevere, particularly when nothing seems to go right.

It is alright to resign, but if you give up, you let down your group. Accordingly, our objectives must be both clear and desirable.

Clarity

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

Consequently, for cooperation 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, personnel policy, progress reports and safety, environmental and communication policies.

To utilise experiences gained in other units we use "Best practice". To be good at analysing in order to find the underlying complex problems involving several business units we must learn the "Six Sigma" method.

On top of responsibility for yourself everybody has a cross-functional responsibility for the whole or specialist knowledge by participation in project groups or information via intranet.

Care

In our dealings with each other, we should apply the "golden rule" – do to others what you would expect others to do to you. If you hesitate, ask the question "What would the world look 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.

- A continuously safe operation is the best way of showing respect for people.
- Closely related to respect for other people is to always deliver on time, arrive on time and end meetings on time.
- Closely related to respect for capital is to economise with material resources, fear losses and generate profit. (No one will give us new money.)
- Closely related to respect for the world around us is to be aware of our dependence, caring for and attending to our relations and utilise the resources of the world around us with prudence.

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

Bribes lead to misuse of resources. Nobody is therefore allowed to take or give bribes directly or indirectly. To create better business opportunities or add value to our business, it sometimes facilitates or becomes necessary to invite or participate in arrangements at our own or at third party's costs. As long as this does not affect our own or the client's/ supplier's self evident integrity in decisionmaking, this is in line with good ethics.

Innovation

Determination

Necessity is the mother of invention. To be an early adapter and an adaptive explorer is necessary to be able to support oneself successfully. Determination to systematically make work easier to do for oneself and one's colleagues paired with the will to contribute to the expansion and the wellbeing of the company is another key for success.

Energy/creativity

With a high tolerance level, an open mind and curiosity to explore the truth, together we can find solutions to both known and unknown course of events. Those who bring forward new proposals must feel recognised, esteemed and safe both visibly and implicitly, otherwise both their energy and creativity will wither away.

From the centre we must, by system

- assign sponsors for helping with the implementation of new ideas
- formulate and set aside resources to explore the future of both known and unknown scenarios, possibilities and threats
- encourage experiments and make money partly available for them
- educate and set aside time for designated people to explore the unknown (See also back page)

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. It is difficult to love changes. If we together often discuss them as opportunities, our fear of them will gradually diminish.

In order to improve work on change we must be able to identify the consequences and alternatives to change proposals of change in an efficient way. The solutions must then be carried through systematically and effectively. More and more often we must be as good in scaling up these solutions to apply to the whole organisation.

Result

Business acumen

In order to secure our future we must make money every day, otherwise we will not have the resources necessary to satisfy our customers in the form of new investments in the future, thus securing our own long term future.

Result

The purpose of participating and being present at work is to make a difference to not attending. Only by measuring the results of our actions, we know, if our performance is good enough.

With the potential of IT, we have the measurement methods to measure practically anything we set up as an objective or target.

The important results are naturally the ones that show how well we succeed in reaching our important goals, how well we perform to the outside world and in comparison to best practice as performed by our competitors.

The most important objectives are

- safety measured in LTI
- financial results measured in numerous ways
- customer satisfaction measured in satisfaction and repeat business
- employees' motivation measured by Stena voice and other devices

These objectives shall be measured frequently and at least once a year.

Continuance

What we are striving for should preferably be enduring. Consequently, it is important that the objectives we achieve are not only financial. As a vision we work for the next generation.

Business enjoyment

Our wish is that doing business with Stena is enjoyable. Joy normally also accompanies success. So in effect enjoyment for ourselves and for others is our overriding goal.

On successful creativity

- Both EQ and IQ are needed. Artistic and fact education.
- Jump between feelings and facts
- Creativity is privileged
- Don't only say "Why" and "No". Say also "Oh" and "Why not".
- New ideas are seldom finally formulated
- Cooperate with persons who make things happen
- Different skills and different backgrounds create good teams
- Dialogue is to sell your own ideas and to listen and learn from others
- Proudly make use of others' ideas but give them recognition for their contribution
- Dream big, build step by step, be brave, resolute and do your duty
- To learn via data reaches many but personal contact is more efficient
- Products must be transferred into sale. Sale is usually local.
- Values must be the same for both clients and employees
- Delegated responsibility is the key
- To create loyalty, continue development of a solution until all participants see profit both for the whole and for the group he/she represents
- Chase your 18! Ultimate golf performance is to make hole in one from every tee.



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