

DIRECTORS' STATEMENT IN PERFORMANCE OF THEIR DUTIES UNDER SECTION 172

This statement is made pursuant to Section 172(1) of Companies Act 2006. It outlines the steps taken by the directors of Stena Line (UK) Limited and its subsidiary companies (collectively the "Group") to act in a way that they consider, in good faith, will be most likely to promote the success of the Group for the benefit of its members as a whole and in doing so have regard (amongst other matters) to:

- (a) the likely consequences of any decision in the long-term;
- (b) the interests of the Group's employees;
- (c) the need to foster the Group's business relationships with suppliers, customers and others;
- (d) the impact of the Group's operations on the community and the environment;
- (e) the desirability of the Group maintaining a reputation for high standards of business conduct; and
- (f) the need to act fairly as between members of the Group.

This statement covers the financial year ended 31 December 2023 and the following subsidiaries of Stena Line (UK) Limited:

- Stena Line Limited
- Stena Line Ports Limited
- Stena Line Ports (Loch Ryan) Limited
- Stena Line Manning Services Limited
- Anglesey Land Holdings Limited

The Group sets out below how it has conducted its business, evaluated and made decisions to ensure compliance with the above.

The Stena Line Way

The Group's ambition is to be a leader in sustainable shipping, from both an environmental, social and economical perspective. We put safety first, embrace equality and always seek to reduce our environmental footprint. This is driven from our core values of:

Passion: the dedication to explore, develop and improve. It's about our customers, business, society at large and ourselves.

Sustainability: the long-term responsibility for people, planet and profit. A sustainable business means increasing diversity and inclusion, reducing emissions, and using resources wisely. This is documented within our Carbon roadmap which defines our strategy to ultimately reach net zero for CO2 emissions. Equally, we have a people sustainability road map that defines our people strategic plan linked to UN goals, defining diversity inclusion, health and well-being and other key elements.

Care: a value from our heritage and it has great influence on how we behave. We care for our customers, our company and each other.



The Group conducts its business with honesty and integrity and respect for the interests of those with who it has relationships and is committed to the highest standards of business ethics and corporate social responsibility. This is encompassed with our Code of Conduct and Code of Governance applicable to all companies and employees. The Group prides itself on its reputation for acting fairly and ethically wherever it does business. Responsible business conduct is fundamental to the long-term success of the Group.

Stakeholder Engagement

The Directors believe that engaging with the Group's stakeholders is important to the success of the business and have identified the main stakeholders as the Group's employees, customers, suppliers, government, government bodies and regulators, Group's shareholder and the communities we operate within.

Employees

Our aim is to maximise employee retention through effective engagement and to have a workforce who do their job with genuine interest, and full dedication, while being extremely productive and hitting the Group goals.

Our employees are treated with respect and throughout 2023 we have been building new processes and systems for improving engagement further. Our People Strategy is built considering feedback through our annual survey of employees, "Stena Pulse". All employees are encouraged and empowered to speak out about matters of concern and most especially regarding any potential risks to Health & Safety. If an employee prefers to anonymity, they can use the Group "Whistleblower" function. In addition, our Port & Terminals teams took part in a Safety Climate Survey giving their views on Health & Safety which informed our Health & Safety Roadmap for 2023/24.

The Group has launched a new training platform with an extensive range of mandatory training and personal development courses to which all employees have access. This sits alongside our new communications platform through which all our employees can access Group information as well as Group level news and information at any time that is convenient to them using the new App. The Group has also been building a suite of modernised employment policies which are accessible using the App.

A number of our sustainable employment initiatives are now underway and developing. For example, we have signed the "Women in Maritime" pledge and the Diversity and Inclusion Maritime UK Charter and are proactively "building an employment culture that actively supports and celebrates gender diversity, at all levels, throughout our organisation, and our industry". The series of recruitment events specifically aimed at attracting diversity into the industry in both seafaring and port-based roles were well attended. We also continue to be at the forefront of the industry's measures to protect vulnerable people and prevent modern slavery in our workforce and our supply chain.

Our industrial relations on the Irish Sea are stable and positive and we continue to collectively bargain with our recognised trade unions to try to achieve the best affordable employment terms and conditions. We have also entered agreement with our European Works Council to voluntarily continue to include the UK workforce post-Brexit to ensure that they have access to the same information and can input on transnational issues."

We have worked extensively with Governments to promote a fair wages and minimum standards of employment for seafarers. On 24 July 2023 Stena Line signed the UK and French equivalent of the Seafarer Charter, this is a voluntary agreement between Government and operators defining minimum terms and conditions for seafarers. This is another example of our determination to ensure



that employees, specifically our seafarers, receive the same comparative terms and conditions as employees engaged in shore-based roles.

The Group has primary focus on safety and security for all our employees. Safety and security of our employees is not just a regulatory expectation but a priority of our sustainability journey. All new employees receive a digital identity which automatically enrolls compulsory induction and safety training. Our seafarers will be assigned expected, specific training, in line with role and onboard matrix requirements for induction and knowledge awareness requirements. The Group continues to develop safety leadership and development for all employees with a proactive approach to ensure our people have a total systemic appreciation of our vision and goals.

Customers

Building strong customer relationships has always been a key focus as we are a business to consumer company and we engage in regular dialogue so we can better understand customers' current and future requirements. This ensures that the Group provides a consistent service standard in line with our customer promise, whilst while working to the same core values, care, safety and quality standards. Ongoing dialogue is conducted through our customer satisfaction surveys, which are collated both from our travel & freight customers, by region, route & vessel. The results can be found daily on our customer satisfaction survey platform and circulated for all employees on a weekly basis, including details of key positive comments and areas for improvement. Management reviews the comments and scores to identify areas for improvement to improve our performance and operational delivery. We can also identify excellent performance from employees commented on by our customers and recognise them personally.

Through this continual engagement with our customers, the Group is able to develop the long-term strategy for the Group based on established customer needs.

Suppliers

In dealing with our suppliers, the Group will always act in a legal, ethical and socially responsible manner. The Group sets the same high requirements and standards on its business partners as it places on its own business conduct and operations. The Group has implemented a Supplier Code of Conduct, which was sent to all relevant suppliers, to ensure all business partners adhere to the highest standard of ethics. The standards set out in the Code are based on the International Bill of Human Rights (i.e. the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights), UN Sustainable Development Goals and the eight core ILO conventions as set out in the ILO Declaration of Fundamental Principles and Rights at Work.

The Group has made a commitment in its Sustainability Strategy to procure sustainably and responsibly, and it has been looking at how best to work with its supply chain to ensure they adhere to fair working practices. In particular we have a dedicated resource in the procurement team with a focus on supplier sustainability.

Government, government bodies and regulators

The Group complies with all relevant legislation including ethical issues, anti-bribery legislation, tax legislation and safety regulations.

The Group's Code of Conduct contains rules for how we do business and a framework for establishing standards and expected behaviours. Furthermore, the Group has policies and procedures in place regarding Anti-Bribery and Corruption, tax governance, privacy and risk management amongst others that help us be compliant with specific rules and regulations. The Group also ensures it complies with competition law and to this end has a competition compliance manual and also ensures all relevant



staff undertake regular training and are kept up to date of the law and conduct expected to comply with it.

Shareholder

The Group only has one shareholder and as such it is committed to engaging openly with its shareholder, recognising the importance of continuing effective dialogue.

Communities

The Group continues to support local initiatives principally around its main operating ports in Belfast, Fishguard and Holyhead.

In addition, where possible the Group recruits from the local workforce.

A mapping of stakeholder expectations has been made and the Group has decided on high ambitions to make sure there is an alignment with expectations within five areas, climate, ocean, social, people and customer offers. Within these five areas, targets have been set and a roadmap is developed to assure progress. Within climate area, significant investments have been made and will be made, Stena has recently ordered two new hybrid propulsion vessels that are designed to run on methanol fuel and are due to commence service in 2025 on the Irish Sea. Fuel efficiency measures and other actions are as well implemented on a regular basis.

Throughout the year the Board has considered the wider stakeholder group and Section 172(1) requirements during Board discussions when making decisions and setting the Group's strategic direction, all of which is reflected in the papers presented.

Principal decisions are those that are material to the Group and that are significant to any of the Group's key stakeholders. In making the principal decisions in the year, the Board considered the impact on all stakeholders, the need to act fairly between members of the Group and the desirability of the Group to maintaining a reputation for high standards of business conduct. The principal decisions taken in the year include:

Stena Superfast VII and Stena Superfast VIII Methanol Conversion

The Board approved with the owner of the vessels to convert these to a dual fuel diesel & methanol machinery to future proof the asset and form part of the Group's methanol hub strategy ensuring CII compliance.

Birkenhead contract extension

The Board approved the contract extension at the Port of Birkenhead with Mersey Docks & Harbour Company out until 2100 providing long term security on a strategically important route.

Heysham contract extension

The Board approved the contract extension at the Port of Heysham with Heysham Port Limited out until 2099 providing long term security on a strategically important route.

Dividend

The Board approved a dividend payment of £20,000,000 to Stena Line Holding BV.

Ian J Hampton
Director
23 April 2024