NO. 80, OCTOBER 2017 TO ALL EMPLOYEES IN THE STENA SPHERE

NORTHERN MARINE'S NEW FACILITIES IN SINGAPORE

OPEN FOR BUSINESS

FULL CONTROL AND BETTER PROFITABILITY WITH THE PLATFORM STENA ORBIT

SPHERE FORUM 2017
COLLABORATION &
DIGITAL TRANSFORMATION



The marketer's dilemma WE HAVE NEVER BEEN AS SICK OF ADVERTISEMENTS AS NOW!

A survey published last August concerning Swedes' attitudes towards advertising showed quite clearly that we are incredibly sick of advertisements. Or rather avoiding advertisements. So what do you do as a marketer to reach an audience that wants nothing to do with us?

According to the survey Svenska Folkets Reklamvanor (The Swedish People's Advertising Habits) carried out by The Association of Swedish Advertisers, more than 50% of the respondents say that they don't want to see any advertising at all in social media. 90% find retargeting (i.e. making contact

with the customers or prospects who have visited your website without reaching a decision) irritating. We zap when commercials are shown on TV and we have stuck "No Advertising Material" stickers on our mailboxes and use adblockers when surfing on the Internet. Anything to avoid seeing advertisements. And it is probably more or less the same in other European countries.

At the same time, we are still interested in good offers. Offers that are relevant to us, our interests, based on the season, topicality and so on. In addition, we marketers have never had better tools and opportunities to do just that – be relevant to our customers, right down to the individual level.

We are successful in our communication when we are:

- relevant
- entertaining
- helpful



Glua Vitorouic Social Media Manager, Group Marketing & Omni Channel



The summer season 2016 we turned to YouTubers to help dispel the myth that a motoring holiday is boring. The result: We reached 5.5 million persons in Sweden, Germany and Poland and received more than 100,000 interactions (likes, comments, sharing) thanks to relevant, entertaining and helpful posts. This is not the type of attention and interactivity we get in our own channels.

Scan the QR code to see the trailer on YouTube.



STENA VALUES

CUSTOMER SATISFACTION

Keep the clients Repeat business Performance benefits

Constant interaction

OUALITY

Assets Operations Management Decisions (timing and preparation)

COMMITTED PEOPLE

Competence Consistency Clarity Care

INNOVATION

Determination Energy/Creativity Initiative

RESULTS / BUSINESS ACUMEN

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

Please contact the editorial staff if you have an article idea or editorial material for SfärNytt. **DEADLINE:** 10 November **PUBLISHING:** 11 December **PUBLISHER AND EDITOR** Linda Mickelson, phone: +46 31 85 51 05, e-mail: linda.mickelson@stena.com **EDITORIAL BOARD** Victoria Edström Bartley, Annica Nordqvist, Maria Stahre Krupa

LAYOUT AND PRODUCTION BORDON Pellambyrå AB. TRANSLATION Alex de Cource: COVER Andrew Gibson, NMC PRINT Göteborgs Tryckeriet







STENA IMPERATOR AND STENA IMPRIMIS

IN DOUBLE NAMING CEREMONY IN GUANGZHOU

The Stena Imperator side by side with her sister the Stena Imprimis were named on a hot summer day at the end of August. A hundred or so guests gathered on the quayside for the solemn double naming ceremony. The two proud godmothers – for the Stena Imperator, Ylva Syrén Carlsson and for the Stena Imprimis, Denise Baum – as tradition dictates, wished the vessels, their captains and crews fortune and prosperity on the seven seas and swung the bottles of champagne against the tankers' bows as the confetti rained down.

Text Birgitta Plyhm Photo Silverbullet

he naming ceremony took place at the Chinese shipyard GSI (Guangzhou Shipbuilding International) in Guangzhou in southeast China. The two vessels are nos. 11 and 12, in a series of 13 identical IMOIIMAX tankers, both ordered and owned by Stena Bulk. The 13th and last IMOIIMAX tanker will be delivered in January next year.

"It was a spectacular sight with the two sister tankers beside each other, and the somewhat unusual situation as such made the naming ceremony a bit special and extra festive. We are now approaching the final delivery of our large order consisting of 13 IMOIIMAX tankers. We are very proud of and satisfied with our fleet, which now consists of ten IMOIIMAX units in operation. Both the technical and the commercial concept have proved to be very successful", says Erik Hånell, President & CEO, Stena Bulk.

The captain on board the Stena Imperator is Mikhail Kutuzov and Alexei Vaganov will serve as captain on board the Stena Imprimis. The Stena Imperator has been delivered and the delivery of the Stena Imprimis is expected to take place in about six weeks. On her maiden voyage, the Stena Imperator sailed with a cargo of vegetable oil to Papa New Guinea and then to Rotterdam. The two tankers will be operated by Stena Bulk's Product and Chemical Operation and will sail in its global logistics system, which currently employs some 60 vessels.

Traditionally, the shipowner, in conjunction with the naming ceremony, makes a donation to the shipyard to be used in a suitable project. In this case, USD 15,000 were donated to GSI's shipyard workers together with another USD 15,000, half of which was donated to a nursing home and half to a nursing school, both related to GSI. \odot

THE IMOIIMAX CONCEPT Lenght: 183 metres, beam: 32 metres, DWT: 50.000.

IMOIIMAX is a further development of an already well-established concept and the innovative technical design was developed by Stena Teknik together with the Chinese shipyard GSI. It offers several advantages such as extra large cargo flexibility, a high level of safety and economical fuel consumption – 10-20% lower than that of equivalent vessels when sailing at service speed.







Middle: Confetti rains down on the Stena Imperator's godmother Ylva Syrén Carlsson

Below: Stena Imprimis' godmother, Denise Baum, about to cut the ribbon.



INAUGURATION OF BRUNKEBERGSTORG AND DOWNTOWN CAMPER BY SCANDIC

The new Brunkebergstorg, which has been transformed into an attractive meeting place in the middle of Stockholm City with restaurants, shopping, culture and offices, was inaugurated on 31 August. At the same time, the new lifestyle hotel Downtown Camper by Scandic opened in Stena Fastigheter's property Skansen.

Text Sara Bergqvist Photo Stena Fastigheter

In the middle of Stockholm City, a new and exciting city block is emerging – Urban Escape. The area consists of five properties, one of which – Skansen at Brunkebergstorg – is owned by Stena Fastigheter – and four streets, another square and a shopping mall. These are now being linked to form an exciting, modern and varied city block.

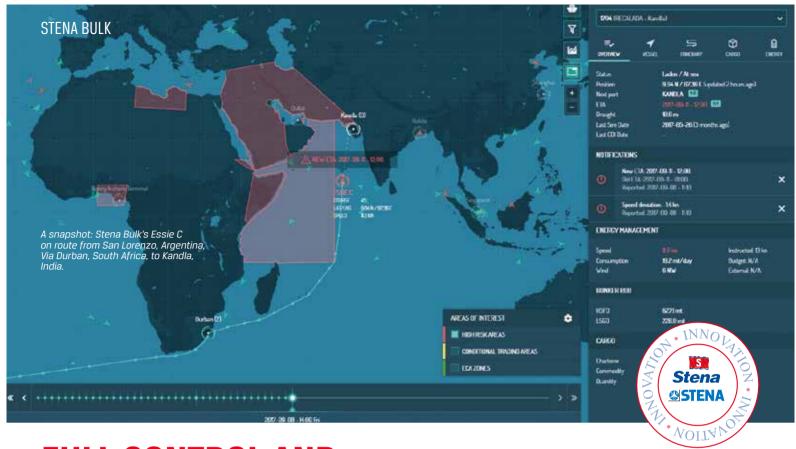
Here, Stena Fastigheter has both modernised its own property Skansen with the new signature hotel Downtown Camper, restaurants and boutiques and contributed to the development and financing of the new Brunkebergstorg in collaboration with the City of Stockholm and other property owners in the square.

"We are convinced that the square, the new hotels and the streets will be a new hub for food, drink, nightlife and a variety of activities", says PG Sabel, MD, Stena Fastigheter Stockholm.

During the inauguration, a festival with a packed program was held and the gates were opened to a completely new hotel concept in Stockholm – Downtown Camper. The idea is to link the spontaneous way we spend time together in nature with the pulse of the city. The hotel aims to appeal to the curious traveller who wants to discover Stockholm. Here, visitors and Stockholmers will be able to take part in numerous activities both inside and outside the hotel, for example, borrowing clothes and equipment for outdoor activities and joining running groups and participating in relaxing activities in the hotel's wellness area.

"Downtown Camper is our third signature hotel and is unique in the Stockholm market. We are very happy to be able, together with Stena Fastigheter, to inject fresh life into a forgotten square and give both visitors and Stockholmers a new social meeting place", says Peter Jangbratt, MD, Scandic Sverige.

The boutique section facing Drottninggatan will open later this autumn/winter. Doos Architects and Stylt have been the architects and designers, respectively, involved in the conversion. ⊙



FULL CONTROL AND BETTER PROFITABILITY

with the platform Stena Orbit

Stena Bulk's in-house developed platform Stena Orbit is now in operation and is proving very useful for both charterers and operators.

Text Peter Björkborg, Therese Jällbrink and Birgitta Plyhm Photo Peter Björkborg

"We are very satisfied with the Stena Orbit platform. We can now offer our customers a more well-developed service and faster information, which is completely new for the industry. Our fleet will be optimised for greater profitability and sustainability. Additionally, in our practical everyday work it will be possible to make decisions based on the latest and most correct information", says a satisfied Erik Hånell, President & CEO, Stena Bulk.

STENA ORBIT AND THE CHARTERER

Peter Björkborg and Therese Jällbrink from Stena Bulk talk about how Stena Orbit functions in practice:

A charterer at Stena Bulk uses Stena Orbit to see where the vessels – in this case, Essie C – are geographically, but also on the market in relation their competitors. By having all the informa-

tion visualized, easily available and continuously updated, we have the best possible basis for decisions and negotiations for each new cargo. At the same time, this means that we are less dependent on brokers and other external sources of information. We can also look at historical trading patterns so as to be fully aware of what our competitors are doing.

When a new cargo becomes available, Stena Orbit can, wherever the charterer may be, immediately provide a snapshot of the situation. If, for example, it is a question of a cargo of soya bean oil in the Argentine port San Lorenzo, we can easily see where our competitors' ships are located in the region, where they are headed and whether they are possible competitors for the cargo in question. Stena Orbit's position list can then be used to calculate which of Stena Bulk's ships has the potential to transport the cargo, based on its current voyage, planned future activity and distance to the port. The charterer can then easily choose which ships should be marketed and have the best possible basis for negotiations with the broker and the cargo owner.

STENA ORBIT AND THE OPERATOR

An operator uses Stena Orbit to follow his ships

live. If something deviates from what is normal, the operator is notified and can immediately look into the matter in more detail and take suitable measures.

In this case, the Essie C is sailing more slowly than instructed and looks like she will arrive in port 11 hours later than estimated. The operator's task is to find out why and take suitable measures. Since Stena Orbit is cloud-based, the operator can tackle the task immediately wherever in the world he or she may be, via the Internet or mobile phone.

By taking a closer look in Stena Orbit, the operator can quickly see that the deviation is 1.4 knots and that this is due to the weather conditions. Since bunkers consumption is within budget and the ship will still reach the port of Kandla within the agreed timeframe the operator can dismiss the notification. If the deviation is still present the next day, the operator will be notified once again. While the ship is on its way to the port, the operator can, in addition to performance, also follow the ship's earnings and react directly to any deviation. This enables him to continuously focus on the profit.

In this case, the operator can also see that the ship has just passed outside a high-risk area (marked in red) on its way to Kandla. Here, Stena Orbit automatically carries out calculations in order to judge whether a ship will enter such an area and notify the operator if this is the case. Integration with the insurance department's systems ensures that all insurances are in place in good time. \odot

SAFETY HAS THE HIGHEST PRIORITY AT CONCORDIA MARITIME

For Concordia Maritime, 2016 was the third consecutive year without personal injuries, i.e. there were no accidents on board resulting in lost working days on the 13 ships in its fleet. This is the result of work, together with Northern Marine Group (NMG), that has focused on bringing about the safest possible work environment for the seafarers on board.

Text Birgitta Plyhm Photo Concordia Maritime

NMG has zero tolerance as regards lost working hours due to injuries sustained on board the ships, so-called LTI (Lost Time Injury) and has developed and implemented a Behaviour Based Safety (BBS) program. This program has proved to be both very effective and successful.

"On our vessels, every crew member spends time every day on studying how recommended routines and movement patterns are followed. Reporting takes place in the form of a standardised BBS program and risks are eliminated as they are detected. The observations are compiled in reports that are then posted to all the ships in our fleet ", says Kim Ullman, CEO, Concordia Maritime

A dedicated team of nine Fleet Safety Specialists – with collectively very long experience of

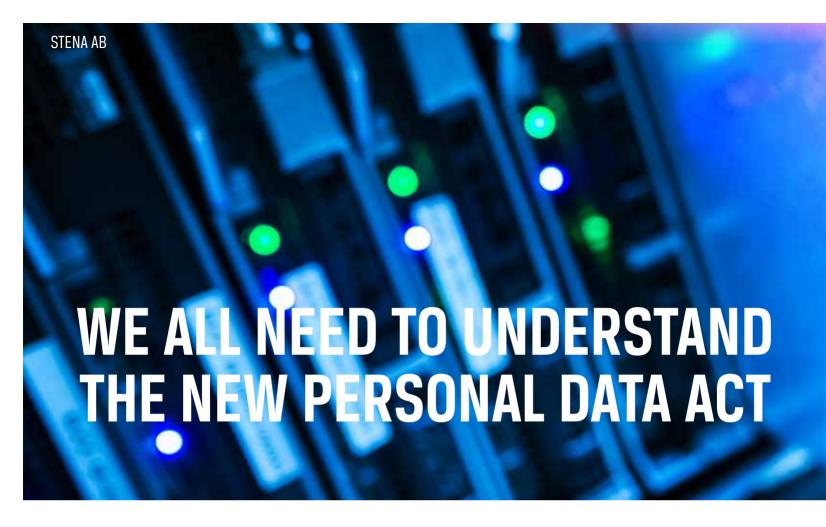
shipping and all the positions on board – complement the system by periodically providing BBS training on board all the ships.

Concordia Maritime's zero LTI can be compared with Intertanko's average LTI frequency (number of LTIs in relation to million of hours worked), which was 0.92 for 2014, 0.97 for 2015 and 0.89 for 2016.

"Our crews' safety, with quality and safety in everything we do, has the highest priority in the company. It is very gratifying that our internal measurements and our customers' checks on our work are showing industry-leading results", says Kim Ullman in conclusion.

Concordia Maritime has been nominated for Lloyd's List Global Awards 2017 in the category Safety Award. ⊙





The new EU General Data Protection Regulation, which comes into force on 25 May 2018, will significantly tighten up the requirements for handling personal data. Companies that do not behave will risk both heavy fines and the loss of their customers' trust in them.

"We don't see it as a problem but rather as an opportunity – by being best in this area we can transform it into a competitive advantage", says Staffan Hultgren, Deputy Chief Executive Officer, Stena AB.

Text Sara Bergqvist Photo shutterstock.com

In the new General Data Protection Regulation (GDPR), which will apply to the whole European Union, several areas will be tightened up. The aim is to protect the EU citizens and prevent information from leaking or being used in an inappropriate manner.

"Now, even clearer demands are being made on consent, reasons for storing the data and a clear link between consent and reasons. For example, if you have employees, there is a reason for storing data in order to be able to pay salaries — on the other hand, you are not allowed to use the data for marketing purposes", says Magnus Carling, CISO at Stena AB.

BE AWARE OF CLOUD SERVICES

The demands on protecting personal data so that it does not leak will also be tightened

up. Nor may personal data simply be transferred to a third country, which means that companies must keep a careful eye on where suppliers and subcontractors store their data.

"What people perhaps don't think about is that the data in a cloud service can be stored on a server in a country outside the EU or that the admins handling the data are based in another country. This is why some suppliers have now begun to tailor their cloud services so that they can be located inside the EU", says Magnus Carling.

MUST REPORT IF DATA HAS LEAKED

If personal data has nevertheless been leaked, companies are obliged to inform the country's regulatory authority and the persons affected – something that was not always necessary earlier. Companies that try to cover up a leak or in some other way

break the new law risk being fined by up to four per cent of the company's global turnover. The risk of losing the trust of one's customers is just as bad.

"For us, this is a really important question. You should be able to trust Stena and know that we keep our house in good order. Almost every company will be hacked at some point but we have several layers of protective mechanisms. Among other things, we encrypt all sensitive data, which means that nobody can use it even if they were able to get hold of it", Magnus Carling points out.

"In addition to following the law, it is important that we are always at the forefront and know what risks the company is exposed to, for example, in the form of a virus. By earmarking resources for this centrally and working across the group in our subsi-



- Consent is required when registering personal data. This must be clearly linked to the purpose and not included or concealed in the long text of an agreement or via a check box already marked.
- Companies handling personal data must keep a register of what personal data is handled.
- Data in, for example, a customer club cannot be saved forever. When you are no longer a customer, you have the right to be "forgotten".
- External suppliers, e.g. of cloud services, must have a data collector agreement. Data may not be transferred to a country outside the EU.
- If data should leak out, this must be reported to the country's regulatory authority (e.g. The Swedish Data Protection Authority in Sweden) within 72 hours.

diaries, we can rectify any deficiencies", says Staffan Hultgren.

THIS IS WHAT IT LOOKS LIKE AT STENA

In the Stena Sphere, there are several hundred registers containing personal data on different levels, everything from large registers such as customer clubs and personnel registers to simpler documents in conjunction with limited customer mailings. What is new is that also even unstructured data in e.g. e-mails are covered by the GDPR.

"We are carrying out a thorough investigation in order to find all the personal data and ensure that we comply with the Regulation in every respect. This includes having a new Data Privacy Policy. We have also appointed people who are responsible for the handling of personal data in each business area. If you have a service or a program that saves personal data and have not already informed the person responsible for the business area, it's important to do so promptly", says Magnus Carling. ⊙

2

WHAT IS COUNTED AS PERSONAL DATA?

Personal data is all information that can be linked to a living, natural person and that makes it possible to identify the person. A name together with a telephone number, postal address, e-mail address or even an IP address is personal data. A name alone is usually not sufficient to be counted as personal data – a unique name, however, is.



Turning the first sod with puzzling children from Sockenvägens Preschool. Minister of Housing and Digital Developement, Peter Eriksson is present.

JUBILEE PROJECT BoStad2021 STARTED UP STENA FASTIGHETER BEGINS CONSTRUCTION ON FYRKLÖVERSGATAN

In September, work began on the jubilee project BoStad 20121, which will add 7,000 new apartments in Gothenburg, with Stena Fastigheter turning the first sod on Fyrklöversgatan. Those present included Peter Eriksson, Minister for Housing and Digital Development.

"The Government is following this project with great interest", said Peter Eriksson.

Text Sara Bergqvist **Photo** Frida Winter
Today, there are about 500 rental apartments on
Fyklövergatan. Stena Fastigheter Göteborg will
now build a further 293 apartments in the form of
rental, tenant-owner and student apartments. All
in all, Stena Fastigheter will build around 1,000
apartments on Fyrklövergatan, Pennygången in
Högsbo and Briljantgatan and Smaragdsgatan in
Tynnered within the framework of BoStad2021.

"We want to actively contribute to the development of the cities where we operate. We do this in the long term by looking after our residential areas, building new apartments and being involved in joint projects such as BoStad2021", says Christel Armstrong Darvik, CEO, Stena Fastigheter.

BoStad2021

Gothenburg is building an additional 7,000 apartments. BoStad2021 is a joint project between the City of Gothenburg and some 30 construction companies in order to produce new apartments more quickly. The apartments will be completed by 2021 as part of Gothenburg's 400th jubilee.



Stena Fastigheter's group-wide conference is held every other year. This year, 265 employees attended the conference, which was held over the course of two days in Båstad.

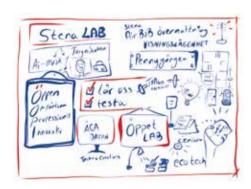
"Stena Fastigheter faces many exciting opportunities. It has been fun showing some of them during the conference. It has also been a good opportunity to meet the many new coworkers we have employed in all our locations as we have grown – and to feel the energy and drive that exist throughout the company", says Christel Armstrong Darvik, CEO, Stena Fastigheter.

An important item on the program was seven stations with interesting projects and current news. The program also included fitness activities, which are an important element at Stena Fastigheter, inspiring lectures on innovation and creativity and enjoyable activities in the evening with prizes awarded to those who did best in Stena Fastigheter's customer survey for apartments.

"We also received a visit from Magnus Carling from Stena who talked about "An uncertain cyber world and how we can handle it" and from our new CEO Cecilia Fasth", says Elise Berggren, Communication Manager, Stena Fastigheter. ⊙



SEVEN STATIONS WITH INTERESTING PROJECTS, NEWS AND INNOVATIONS:



STENA LAB: An apartment that Stena Fastigheter has transformed into an arena for learning, experimenting and looking at new services and for linking smart properties with smart homes.



STENA BYGG: In the next few years, Stena Fastigheter could build 12,000 new apartments. At present, 1,650 apartments are under construction.

TENANT-OWNER APARTMENTS: Some of the new apartments currently being built by Stena Fastigheter will be tenant-owner apartments. Tenants have already moved into the first 21 apartments and a further approx. 350 tenant-owner apartments are under construction.



DRONES: Already used, for example, to quickly, safely and in a cost-effective way inspect roofs and to provide good basis for decision-making and overhead photos prior to new builds and acquisitions.

RELATIONSHIP MANAGEMENT®: Films

showing the breadth of the work on Relationship Management® being done throughout the organisation and the benefits it has for Stena Fastigheter's tenants, areas and the community as a whole.

ENERGY AND ENVIRONMENT: At present.

extensive work is being done on standardising the systems in order to be able to benefit from future digital opportunities. The gains in efficiency Stena Fastigheter has made when it comes to electricity and heating in 2016 are equivalent to all Kiruna's consumption of electricity and heating.

HOM-E: In Stockholm, we have just completed a pilot project to test and develop our digital customer service in the form of a self-learning chatbot based on AI, Artificial Intelligence.









SPHERE FORUM 2017

Past week one hundred-twenty-five of the various leaders from the Stena Sphere gathered to discuss our progress during past year and how to collaborate for further digitalization in particular.

THE MESSAGE PREVAILING FROM LAST YEAR WERE AND STILL ARE:

- Be open to change and adapt as fast as you can.
- What never changes, is actually dead.
- Analyze and act be proactive. Search for true information. Only the well informed can make the right decision. Make decisions, when necessary. Make no decisions when not necessary. Nobody must really wait for uncomplicated decision.
 - Chase your superior for necessary decisions.
 - Use your empowerment to make decisions for reaching your objectives, but principally you always have 24 hours to think.
- Always deliver what we promise.
 Happy customers successfully served by motivated people and reliable partners come back.

 Repetitive business is key unless naïve.
- *No waste Always be effective.*
- Innovation and continuous improvement – success factors long term. It and other things can be enhanced by using digital capabilities. We are not only responsible for what we do; we are also responsible for what we do not do.
- Our cost focus with no excessive spending still prevails. Times are tough and our loans must be repaid by strong cash flows and lower investments.

The digitalized world is automated, intelligent and collaborative. Are we? There are good reasons to be concerned. The new way to work is not through hierarchies, but by networking. New partners are start-up companies and entrepreneurs, universities and science. At the same time we must continue to foster and work with existing suppliers and keep our customers happier than ever.

By building on what we know, and open up for what we don't know, we can start to imagine new opportunities. More or less all of us use IT to measure many things in order to improve our knowledge and to create fast response. Using Artificial Intelligence to respond fast and directly, digitization, is more effective, but does not necessarily lead to a change in behavior. New behaviors and the capacity to facilitate new rational behaviors by digitalization is very demanding and scary. We do not know how that form of digitalization will affect and form us, but we are all sure it will.

New and most cumbersome for us is the speed change is taking place. We are good at continuous improvements, but transformation requires the new agile capacities mentioned above. Stena Digital Transformation Lab, our virtual network organization for collaboration and transformative innovations, is there to help. I hope you will use it.

Many different aspects of our operations are discussed at every sphere forum. We cannot bring everybody to sphere forum, but we can bring sphere forum to everybody. In order to enable everyone to follow, we have created working materials on Care, Result, Quality and now Collaboration. This year we have extended the cascading material. I hope this material will be used in as many groups as possible.

Results for Stena AB in 2017 could most due to our drilling business area be the worst ever. And drilling will continue to have difficulties for a long time. In such cases it is good to be a company with many business areas. Luckily Stena Line, Stena RoRo, Northern Marine, Stena Adactum and Stena Property are doing fine. Our tanker business has its problems, but to a much less degree. Stena Metall AB is catching up. With recent investments put in operation, its future looks great. The scale with which we increase extraction of residue fractions is revolutionary.

The economic development for Sweden and the world in general is doing well. Let us hope we can take advantage of it and generate the necessary cash flow to repay our loans. Being frugal paired with care and being innovative continues to be the most important part of our culture, if we shall succeed.

Dan Sten Usson Gothenburg 28rd of September 2017









Article series about Stena's People Vision: Creating global excellence by making people and opportunities visible. Part 9.

SUCCESSFUL LEADERSHIP COMBINED WITH NEW COLLABORATION AND DIGITAL TRANSFORMATION ARE CREATING NEW BUSINESS OPPORTUNITIES FOR THE FUTURE

To be able to create added value in a rapidly changing world and unlock the potential of the digital transformation currently in progress, we must acquire knowledge from several different sources. At the same time, it is important to focus fully on our current business. An important part of the solution is networking and collaboration – both internally at Stena but above all with external parties.

Text Sara Bergqvist Photo Christina Korn

"The speed of digital development is such that it's almost impossible to imagine what opportunities and possible threats might accompany it. To be able to exploit new business opportunities and assess risks even more accurately, we need to network and share experience within Stena but collaborate with universities, entrepreneurs, customers, suppliers and different experts", says Eva Hansdotter, HR Director, People, Soft Values and Organizational Excellence.

When she began working at Stena four years ago, she early identified three strengths normally found in much smaller entrepreneurial companies – the speed with which decisions are transformed into action, the ability to not complicate matters unnecessarily and the courage to take risks.

"This is something many other large companies struggle to achieve, which translates into a competitive advantage for us. To develop this and be able to move even faster, we need to move up a gear when it comes to new collaboration", says Eva Hansdotter.

As mentioned in previous numbers of Sfär-Nytt, several different initiatives linked to networking and new ways of acquiring knowledge are in progress, e.g. the leadership programs SLP and Grow, Stena Turntable, Stena Challenge and Stena Digital Transformation Lab.

Eva Hansdotter likens the initiatives to "vehicles" that are driven right through the companies as well as being linked to parties outside Stena, which together helps Stena to be one step ahead.

One of the most important "vehicles" for networking and digital transformation is Stena Digital Transformation Lab. Its aim is to inspire, facilitate and drive transformative innovations on Stena's account. The lab is not a department in the traditional sense but rather a virtual network organisation with both internal and external experts that varies over time and areas of development. What happens in the lab does not replace the digital transformation taking place in the companies but is an important complement.

"Our focus is on developing transformative innovations with a clear business value without disrupting our core business. The rapid rate of change means that we need to experiment and learn – sometimes in the form of inspiration and theoretical learning and sometimes in the form of concrete projects", says Annika Elfström, Head of the Digital Transformation Lab.

"Other parts of the Stena Sphere participating in the lab in different ways are Stena Bulk, Stena Line, Stena RoRo, Stena Drilling, Stena IT and Stena Business Administration. We hope that even more companies will be interested in participating and contributing to making Stena stronger and better equipped for the future", says Eva Hansdotter.

"The digital transformation currently in progress is as much about behaviours and leadership

as it is about technology and it makes completely new demands on our leaders. This includes us needing to be curious, to experiment and be prepared for unexpected things to happen. In many cases, it also means that we as leaders dare to let go and move from managing to enabling and facilitating for others", Eva Hansdotter points out.

A new leadership program, "Ready for anything" will be started up later this autumn. This program will focus on just these mechanisms. (More about this in future numbers of Sfär-Nytt.) ①

SOME OF THE LAB'S CURRENT FOCUS AREAS

- Artificial Intelligence: explorative projects concerning Al-based loan agreements in collaboration with Stena Finance.
- Chatbots, virtual assistants: development of the self-learning virtual customer service Hom-E together with Stena Fastigheter. Several projects are in the pipeline. Read more about Hom-E on the next page.
- Blockchain open transaction system for handling value. Exploratory project in collaboration between Stena Bulk and MIT and a project together with Stena Finance and IBM.
- Augmented Reality and Virtual Reality, new technology for creating new offers to our customers and simplifying remote administration and maintenance.
- Smart Sensors, strategic market analysis in order to find smart sensors for collecting data. The more data we have, the better analyses we can carry out as regards our ships, properties and business activities.

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Article series about Stena Digital Transformation Lab. Part 3.

NEW TECHNOLOGY AND WAYS OF WORKING PAVE THE WAY FOR NEW BUSINESS OPPORTUNITIES

Alexa, Siri and Cortana. Probably names you have heard of and in some cases have used. They are all names of Chatbots transforming our way of working and interacting with our customers. A Chatbot is a computer program that simulates human conversation through voice commands or text chats or both. How can we then use this new technology within Stena? Stena Digital Transformation Lab created a proof of concept (PoC) together with Stena Fastigheter, using new technology in a new business through new way of working. This PoC was called Hom-E and was delivered beginning of September.

Text Ida Lööv and Lotta Peterson Illustrations Victoria Edström Bartley

STENA FASTIGHETER'S VISION - TO BE THE TENANTS' FIRST CHOICE

To support that vision Hom-E was created as a PoC to try out and explore new technology, new collaboration and new ways of working to create new business value. Stena Digital Transformation Lab (DTL) had the technology and partners through internal and external network. Stena Fastigheter had the perfect client base, great potential in finding business value and was also positive of running a PoC together with Stena DTL.

Hom-E is a virtual landlord with the possibilities to support the tenants 24/7/365 with all kinds of questions connected to your apartment.

WAY OF WORKING

Stena DTL had through the network collaboration with EBI Solutions, which is a London based company with experience and knowledge within AI and chatbots.

As a start for the PoC everyone within Stena Fastigheter had the opportunity to apply to attend the project group. The project group was put together with representatives with various backgrounds, from different parts of the company but with the common engagement and commitment to drive the business forward. There was nothing else than a starting date and a delivering date given. Lotta Peterson from Stena Fastigheter took on the role as project manager and digital coach for the project was Ida Lööv from Stena DTL

One of the aspect of digital transformation is about creating zero distance to customers, going from product and service to platform. The sucessfactor in this project was to involve the customers, the tenants in the pilot area Ängby Park at an early stage through using the chatbot and in that way developing and extend the knowledgebase for it. Not only asking many questions but also asking the right type of questions in several languages and in different ways to challenge and securing that Hom-E will support the vision for Stena Fastigheter to be the tenants' first choice. The project collected striking 9,000 unique questions in a 2 weeks' time.

Further on the project group didn't have a steering group, instead there was an awesomeness team in place to remove all obstacles for the team and making them as successful as possible. In the awesomeness team there was representatives both from Stena Fastigheter and Stena Digital Transformation Lab.

HOME-E TIMELINE









Lotta Peterson, Market Strategist, Stena Fastigheter

HOM-E is one example of an initiative from Stena DTL using new technologies, new collaborations and new ways of working described in our previous articles in SfärNytt. For the moment there is a large interest for chatbots within Stena and we see big potential for it, not only for Stena Fastigheter but for many companies within our network.

Want to know more about hom-E or want to try it yourself – contact Lotta Peterson at Stena Fastigheter. If you want to know more or if you got inspired to new ideas contact Ida Lööv or Annika Elfström, Stena DTL.

DELIVERABLES

A chatbot is dependent on input of data and frequency of use to build up its intelligence. Through input of all data available internally but former a and first through input from the customers this pilot was successfully delivered at Stena Fastigheter yearly conference in beginning of September. Then Hom-E had been up and running since June and had also been evaluated from the tenants in Ängby Park. Some comments from the tenants are:

"It's great that you always can ask questions and get a response or feedback that personal customer service will get back to you soon!" and "Hom-E can be helpful with most of the questions connected to the accommodation, especially minor things that you otherwise will not take the time to call service center."

FINDINGS AND LEARNINGS

A summon of success factors are:

- Collaboration and insights in internal and external networks
- Collaboration between Stena Fastigheter and Stena DTL
- Brave leadership
- Enablers and supporters
- · engagement
- Selection and composition of project team Finally, this quote from Christel Armstrong Darvik, MD/CEO Stena Fastigheter, summarize the delivery well:





Globally, five billion people have no access to safe surgery. Since 1978, the humanitarian NGO Mercy Ships has been providing life-saving surgeries onboard their floating hospitals. So far they have helped more than 2.5 million people. Stena Line is a proud partner.

Text Carl Mårtensson, Stena Line Photo Stena Line

Imagine that you need a surgery but the closest doctor is five days away and with no money you won't get any help anyway. Globally, five billion people have no access to safe surgery. In some countries, nine out of ten people have no access at all.

Since the founding in 1978, Mercy Ships have been providing life-saving and life-changing healthcare and surgeries to the poorest of the poor. So far their floating hospital has visited 589 ports, helping more than 2.5

million people. In total they have conducted more than 82,000 surgeries treating conditions like tumors, club foot, cleft palate, child-birth injuries and bow-leggedness.

Since 2016 Stena Line is a proud partner to Mercy Ships. The aim is to raise awareness about the charity, promote volunteering and charitable giving both within Stena Line itself as well as amongst its customers and partners.

"We have found a partner with the right

qualifications and commitment who, like us, sees the advantages and flexibility in having the sea and ships as workplace. Care is part of our soul which means that our sustainability work includes more than environmental initiatives. Our partnership with Mercy Ships now becomes an important part of that work and it gives us an exciting opportunity to involve our staff, customers and partners in making a difference." says Niclas Mårtensson, CEO at Stena Line. ⊙



Coffee campaign onboard

Every year Stena Line sells more than 1 million cups of coffee and tea onboard. During September and October Stena Line runs the campaign "Makes your coffee taste even better" onboard all vessels where the customers are being given the opportunity to choose to buy coffee or tea in a special Mercy Ships cup and at the same time donate 20p directly to their life-changing work.

"We are very happy with our Stena Line partnership and the coffee campaign is yet another great creative idea they have offered to help drive interest and awareness in Mercy Ships as well raise funds for our great cause" says Pascal Andréasson, Head of Marketing Mercy Ships Sweden.

Doubles the capacity in 2018

In 2018 Mercy Ships will add another floating hospital to their fleet and at the same time more than double their capacity. Stena RoRo is heading the construction at the shipyard in Tinajin Xingang, China.

While their previous hospital ships have been rebuilt from existing vessels, this is new construction, specifically designed to accommodate the largest floating hospital in the world. A total of 7,000 square metres, with six operating rooms, an intensive care clinic, a laboratory and space for 154 patients and over 600 employees.

"Stena RoRo is a highly-valued partner that not only contributes with the design and ordering of the vessel, but also supports the project with its extensive knowledge and experience throughout the construction process", says Bryce Wagner, Executive Director of Mercy Ships Global.





Volunteer program for employees

Every year more than 1,000 volunteers of different ages, gender and occupation, from more than 40 countries, volunteer onboard the floating hospital Africa Mercy. To ensure that the vessel is fully operational the skilled medical operatives are supported by a total of 150 different positions such as seafarers, teachers, chaplains, accountants, cooks, electricians and many more. In September Stena Line launched a volunteer program where all employees can apply for a position onboard Africa Mercy for a minimum of 2 months or up to 6 months. According to Mercy Ships' values, all volunteers works for free but Stena Line provides for the journey and all required vaccinations. Employees who are recruited for the program is guaranteed leave of absence.

STENA FASTIGHETER'S FIRST NEW-BUILD PROJECT IN GOTHENBURG BEGINS

On 22 August, work began on Stena Fastigheter's first new-build project in Gothenburg – Kallebäcks Torn. Ann-Sofie Hermansson, chairman of the Gothenburg Municipality executive board, and Agneta Kores, MD of Stena Fastigheter Gothenburg, released red balloons 14 storeys up in the air – as high as the new buildings will be.

Text Sara Bergqvist Photo Sofia Sabel

"Kallebäcks Torn is the first of many new-build projects for Stena Fastigheter in Gothenburg. We are very proud and happy to be able to contribute more attractive apartments to our city", says Agneta Kores.

Kallebäcks Torn will consist of two 14-storey buildings containing a total of 168 rental and tenant-owner apartments. The tenants will be able to move in during the winter of 2018.

"We're building more than we have done in the last 40 years here in the city. Kallebäcks Torn will be a very attractive part of the new Gothenburg now emerging. The mix of rental and tenant-owner apartments will create diversity and opportunities for everybody", says Ann-Sofie Hermansson, chairman of the Gothenburg Municipality executive board.



Stena Fastigheter will build more than 2,500 new apartments and 25,000 m² of commercial floor space in Gothenburg in the next few years, beginning with Kallebäcks Torn. Other urban development projects in progress are Masthuggskajen, which is part of Älvstaden, and BoStad2021 where Stena Fastigheter will contribute some 1,000 apartments on Pennygången, Fyrklöversgatan, Briljantgatan and Smaragdgatan. ⊙

STENA LINE SHIP SHAPE FOR THE FUTURE

This summer Stena Line presented some very positive news on how the route network will be developed, to secure the position and profitability for the future.

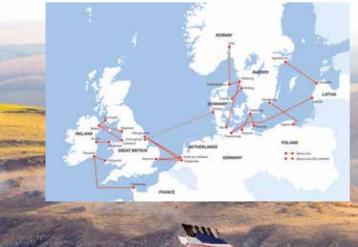
Text Carl Martensson Illustration and photo Stena Line

VIII, two vessels that fits very well on the Northern Corridor on the Irish Sea, both from a freight and passenger perspective. From January Stena Line will strengthen the freight network by adding 20 per cent capacity from Europoort. Three new RoRo vessels will sail next to Stena Scotia on the routes from Rotterdam to Killingholme and Harwich. Since August a fourth vessel, M/V Gute, sail on the Karlskrona-Gdynia route to meet the continuous increasing demand from freight customers. Finally, on August 25 the steel-cutting for Stena's four new vessels took place in China (read more on page 19). Three of the vessels will be taken into operation in Stena Lines route network.

"To work with long-term planning of our fleet is like laying a huge jigsaw puzzle. Our fleet needs to match the requirements on our different

"To work with long-term planning of our fleet is like laying a huge jigsaw puzzle. Our fleet needs to match the requirements on our different routes based on the combination of passengers and freight and also be optimal from a cost perspective. Most importantly we need to secure long-term profitability", says Niclas Mårtensson, CEO Stena Line. ●

In July Stena announced the acquisition of Superfast VII and Superfast



SFÄRNYTT



FOUR NEW ROPAX FERRIES

Stena RoRo is the project leader for the construction of the four RoPax ferries ordered by Stena and now being built by AVIC Weihai Shipyard in northeast China. The ferries will be the most energy efficient in their class. The traditional steel-cutting ceremony was held on Friday 25 August attended by representatives of, among others, the Stena Group and the shipyard. The ceremony marks the start of construction and is an important milestone. The four ferries will be delivered in 2019-2020. There is also an option on a further four ferries.

Text Birgitta Plyhm Photo Weihai Shipyard and Ann-Charlotte Ytterberg

Project Manager Magnus Olsson from Stena RoRo, who is stationed in Gothenburg, attended the ceremony in Weihai. The start of construction means that he will spend one week a month in China. A site office has also been opened at the shipyard, initially manned by four persons, which will rise to about 25 persons within a year.

"In this project, we are combining very large cargo capacity with a modern and efficient

passenger service. I have ten years' experience of building both tankers and platforms in China and South Korea, so I'm very familiar with both management and the culture. This will be a very exciting project", says Magnus Olsson.

"After successful design work, we are now looking forward to the phase when the vessel itself will be put together purely physically. Our collaboration with the shipyard has so far been

very good and we now have an excellent platform on which to build further. Three of the vessels will be operated in Stena Line's system while the fourth has been signed to a long-term charter with the French shipping company Brittany Ferries. This is typical for Stena RoRo: we have modified the vessel by, among other things, doubling the number of cabins in order to satisfy the customer's requirements", says Per West-

Magnus Olsson, Project Manager Stena RoRo.

ling, MD, Stena RoRo, who also attended the ceremony.

THE FERRIES ARE BEING BUILT FULLY IN LINE

WITH STENA LINE'S SUSTAINABILITY STRATEGY

"Our new RoPax ferries will be among the most energy efficient in the world. For example, the CO2 emissions will be substantially lower than previous ferries we have operated. Our goal is to be at the forefront of sustainability developments in shipping and to set a new standard when it comes to emissions, cost effectiveness and performance. The ferries will burn traditional fuel but are designed with the class notation "Gas Ready" and can also be fitted with scrubbers and catalytic converters, which gives us flexibility for the future", says Stena Line's CEO Niclas Mårtensson, who also attended the ceremony at the shipyard in Weihai. •

BACKGROUND FACTS

The new ferries will be about 50% larger than today's average RoPax ferry and will have a capacity in excess of 3,000 lane metres. They will be able to accommodate around 1,000 passengers and will offer a wide range of passenger services.

Length: 214.5 m, Beam: 27.8m, Draft: 6.4 m, Capacity, car deck: 3,100 lane metres + 120 cars, Passenger capacity: 1,000, No. of cabins: 175, Engines: 2 x V12 4-stroke diesel (2 x 12,600 kW), Speed: 22 knots.

STENA STÅL FOCUSES ON TOP-CLASS SERVICE



Stena Stål's employees work close to the customers to be able to offer the best service possible. Here at a construction site in Gothenburg.

To be stronger in an increasingly tough market, Stena Stål has developed a new position that reflects its business activities both today and in the future. It shows that service is what distinguishes Stena Stål from its competitors – and makes more possible for its customers.

Text and photo Stena Metall

"In a highly competitive world where business decisions are often complex, our brand helps us to stand out from the crowd", says Hans Svensson, Marketing and Purchasing Manager at Stena Stål.

"Our brand makes us stronger and more attractive. At the same time, our market position describes how we want to be perceived, what we promise to deliver and how we differ from our competitors in the industry".

There are several reasons why Stena Stål is reviewing its brand and market position. The market has changed and Stena Stål has undergone a major organisational change. For example, two of Stena Stål's units have been

transferred to the company Stena Components and as a result of its offer to its customers having been expanded by the addition of thin and strip sheet, Stena Stål has become more of a dedicated steel supplier than a processor.

"We must develop so as to keep in step with the market and the world around us. We want to present a clear picture of Stena Stål and satisfy our customers' demands on a modern steel supplier", he says.

THE ENABLER

The company's new position is based on solid analytical work. After having listened to customers, employees ad other key persons, as



well as taking the world around us and trends into consideration, the members of the project group were agreed that that the focus should be on the strategy most requested by the customers: to deliver the best customer service and the best customer experience.

According to Hans Svensson, this new position is already part of the company's culture. This fact – and that everybody, both internally and externally, identifies with it – is important for credibility.

IN TUNE WITH TIME

To improve its service and strengthen its brand, the company has built and launched a

The campaign "Make more possible" (Gör mer möjligt), with e.g. advertisements, a new online portal and social media posts, was launched in September. A new film describes what Stena Stål is doing to make more possible for its customers. The film can be viewed at www.stenastal.se.

online ordering portal as well as systematising and streamlining sales work by means of the new sales strategy, StenaWay of Sales.

But a new market position does not mean abandoning previous strategies, notes Hans Svensson.

"We still want to be a partner that works close to our customers, joins the projects at an early stage and helps make choices. We are committed, helpful and reliable. But our focus will be on delivering top-class service". ●



FROM FRIDGES TO HOUSES

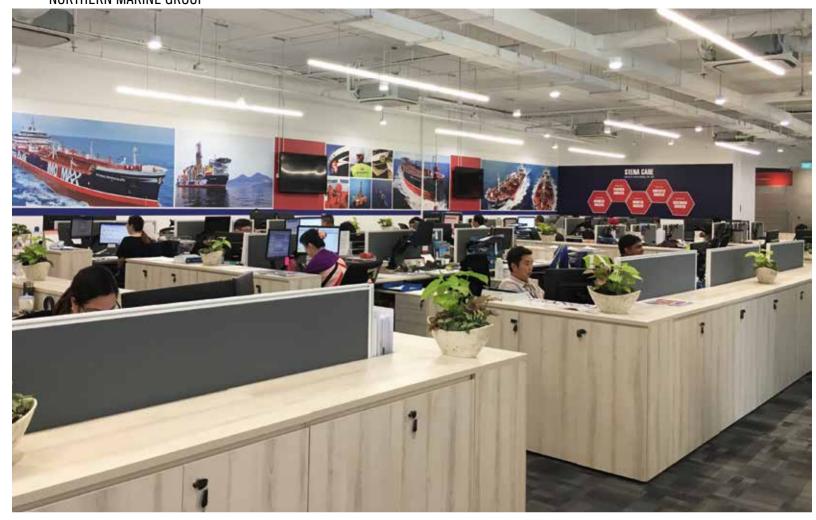
Repur Markskiva, a new and unique product made from recycled Polyurethane from the insulation in discarded refrigerators, will launched during the autumn. The ground board effectively insulates and dehumidifies ground walls and floors and thus contributes to more environmentally friendly buildings, a healthier indoor climate and better overall economy as a result of reduced energy consumption, lower operating costs and better insurance policy conditions.

Repur is an innovation company with 75% of its shares owned by the Stena Metall group. Repur Markskiva is manufactured by Stena Nordic Recycling Center in Halmstad where the Polyurethane is recycled from old refrigerators.

"This is one of the first products we have developed at New Ventures in the Stena Metall group. New Ventures was set up last year with the task of identifying and developing new business areas. It could be existing problems that need to be solved, a customer need that requires a new set-up or an idea that has fallen between the cracks or that we have wanted to but not quite dared to test", says Mats Torring, Head of New Ventures.

"We have a number of other projects in progress with the potential to produce concrete results in the near future".





SINGAPORE FACILITIES OPEN FOR BUSINESS

Northern Marine Group has expanded its marine supplies capability with the opening of a new office and warehouse facility in Singapore. The new facility, located in the Pandan industrial loop of the city, includes 25,500 sqft of 3 storey office space and a 91,000 sqft, 2 storey warehouse.

Text and photo Andrew Gibson, NMG

As head office to Francois Marine and Offshore, Austen Maritime Services and their parent company Stena Marine Singapore, the facilities offer increased storage capacity, particularly for Francois Marine's marine supplies service.

Francois Marine and Offshore sources and procures a wide range of ship stores, marine and oilfield equipment, and general consu-

mables for all types of vessels, semi-submersible rigs, jack-ups and drillships.

Dominic Fernandez, CEO, Stena Marine Singapore, said: "This major project is pivotal in achieving strategic growth of our businesses, in particular for Francois Marine.

"On behalf of all management in Singapore I would like to thank everyone who has contributed to the completion of this



Covering a land area of 100,000 sqft, the new site offers 4 full size loading bays for trailers up to 40ft in length and a 7,000 sqft chiller and freezer facility.

The roof of the new office block has been constructed from steel reinforced concrete to allow additional floors to be built in the future if the need should arise.





Facilities also include meeting and training rooms, a communal canteen, and a gym.

impressive building and the installation of our office systems.

"The professionalism and patience of employees has ensured a smooth transition."

John Ong, Managing Director, Francois Marine and Offshore, added: "This is an exciting move for the business which now offers considerable opportunity for growth and an improved service to our clients.

"The new warehouse allows Francois Marine and Offshore to hold significantly larger stocks of items, gaining a competitive advantage in the market and offering more cost-effective solutions to our clients.

"Procurement opportunities with our sister company Tang Li Marine and Offshore, based in Shanghai, can now also be maximised. ⊙



HUGH FERGUSON 30 YEARS OF DEDICATION TO NORTHERN MARINE

Having dedicated the majority of his career to Stena and Northern Marine, Hugh Ferguson stepped down from his position as Managing Director on 1st July 2017 to enjoy retirement.

Joining Northern Marine Management as a Chief Engineer in 1984 – only one year after the company's formation – Hugh went on to accept an onshore position as Superintendent Engineer two years later, before fulfilling several management roles on his way to the position of Managing Director in January 2010. Taking over the leadership from the much-respected Ken Macleod, Hugh and his senior team oversaw a significant phase of the company's development that included considerable global office and warehouse expansion, successful company acquisitions and the establishment of a business footprint in China. Hugh's leadership has helped both the employees and the company develop during this period. His interest in people and technology has contributed to a holistic approach and his success.

REFLECTING ON HIS CAREER, HUGH SAID:

"I have very mixed thoughts and emotions – the overriding thought is the pride in having worked for the company since 1984. I consider 'the company' to be Stena with Northern Marine as an integral part of Stena, but most importantly the motivation over the years has come from Dan Olsson and his rather unique form of leadership.

You could say that I grew up with Northern Marine for the majority of my career and had the privilege of not only working in various roles as my career developed, but also participating in the development of the company. I and many others grew with the company from a very small ship management company in the beginning to what is now a very well established company within the international marine industry. Many of my colleagues from the early years are still there, which is a great tribute to the enduring stability of the company – a company that people are proud to devote their entire career to.

I would like to thank Northern Marine and Stena for allowing me the privilege of working with the company and enabling me to eventually make the transition from a sea going engineer to the Managing Director. I fully appreciate the support that I have been given over the years from my many colleagues throughout the company. With such continuing support and respect between all colleagues, the company cannot fail to continue to prosper."

Hugh now plans to enjoy more time with his family and his increasing number of grandchildren. If not at home, he may be found on his sailboat, traversing seas on the western coast of Scotland. Hugh will also continue to provide support to Northern Marine and Stena as a director of several Northern Marine Group companies.

"Hugh's measured and cool headed way of balancing operational excellence with growth and development, has been most impressive. Fortunately for the company, he will continue to support us through the Northern Marine Group Board of Directors. We thank Hugh for what he has done for Stena and Northern Marine and wish him many years of good health and happiness", says Carl-Johan Hagman, NMG Chairman. ①







THE STENA SPHERE **Structure & Figures**

Dan Sten Olsson, CEO

Staff

Staffan Hultgren, Structure, Systems & Control Peter Claesson, Finance Eva Hansdotter, People & Soft Values

Sphere coordination group

Dan Sten Olsson, CEO Carl-Johan Hagman, Shipping & Ferry Lines Erik Ronsberg, Offshore Drilling Christel Armstrong Darvik, Property Anders Jansson, Recycling, Environmental Services & Trading Martin Svalstedt, New Businesses Staffan Hultgren, Structure, Systems & Control Peter Claesson, Finance Eva Hansdotter, People & Soft Values

BUSINESS AREAS

SHIPPING & FERRY LINES Carl-Johan Hagman		OFFSHORE DRILLING Erik Ronsberg	STENA PROPERTY Christel Armstrong Darvik	FINANCE Peter Claesson	ADACTUM Martin Svalstedt	RECYCLING, ENVIRONMENTAL SERVICES & TRADING
SHIPPING	FERRY LINES Niclas Mårtensson		Darvik			Anders Jansson
Stena Rederi Stena RoRo Stena Bulk Stena Teknik Northern Marine Group Stena Maritime AG Concordia Maritime	Stena Line	Stena Drilling	Stena Fastigheter Stena Realty BV	Debt financing Treasury Trading / Long term investments Risk management	Blomsterlandet Envac Stena Renewable Ballingslöv Gunnebo 26% Midsona 24% Svedbergs 26%	Ferrous & Non- Ferrous Metals Aluminum Recovered Paper Environmental Services Electronics Recycling Oil Steel Components Trading Finance

OWNERS

STENA AB

STENA SESSAN AB

STENA METALL AB

Beijer Electronics 29,8% Concordia Maritime 52% Mylan 1% Scandic 15%