

Natalie Feeley
TSSA,
2nd Floor, Newminster House, 27-29 Baldwin Street,
Bristol,
BS1 1LT

20th January 2023

Dear Natalie,

2023 Pay Negotiations – TSSA

I refer to our ongoing negotiations surrounding pay and conditions for the TSSA bargaining group in the Irish Sea Region at Stena Line. Representatives of the Company met with you and TSSA Representatives on 18th January 2023 to improve on an offer sent to your Union on 13th December 2022.

Following these discussions, the Company is now in a position to put forward a revised pay offer to the TSSA. Effective on acceptance of this offer and backdated to 1st January 2023, the Company will apply;

- A 2% consolidated uplift in basic salary as per the agreed 3 year pay deal which has already been applied to January 2023 pay
- A further 3% consolidated pay uplift to basic pay
- A £1000 gross, non-consolidated, one off and non-contractual payment to be paid in the next available payroll after notification of acceptance of the offer

The below table illustrates the total percentage value of the proposed wage award against indicative salaries;

Annual Salary - Pre Award	Pay Award of 5% + £1000
£22,500	9.44%
£29,000	8.45%
£35,000	7.86%
£40,000	7.50%

I reference the letter sent to your Union on 13th December 2022, detailing that effective from 1st January 2023, operational TSSA Shoreside staff and new entrants, will receive a day in lieu for working on any of the 8 recognised UK Bank Holidays. A list of the regional Public Holidays is pending distribution, however for the purposes of Bank Holidays that have occurred in January 2023, the recognised dates by the Company are New Years Day on 2nd January across all locations and 3rd January for Scotland (Loch Ryan Port).



There was discussion surrounding the application of retrospective payments for lieu days, similar to those given to another bargaining group at Stena Line in the Irish Sea. The Company has taken the decision to apply similar payments of £300 for each full year of service and £150 for each part year of service, backdated to 2015 and totalling a maximum of £2100.

Retrospective payments applied to another bargaining group at Stena Line were given under specific conditions relating to the wording of a number of contracts and covering/offer letters. This was mainly, but not exclusively, in relation to letters issued by the Company between the years 2015-2021. For the avoidance of doubt, the application of a retrospective payment may not relate to all TSSA bargaining group employees.

The process to identify those employees who are eligible for retrospective payments will require individual review of contracts and offer letters. Any applicable payment will be made in or around the March 2023 payroll date.

The Industrial Relations Manager for the Irish Sea will make contact with you on receipt of this offer letter to further these discussions and clarify the conditions under which these payments were made.

Similarly, a request was given by the TSSA to consider “unsociable hours” payments. At the meeting on 18th January 2023, we informed you and TSSA representatives that this would not form part of the 2023 Pay Offer. However, a commitment is given to the TSSA to meet at least once formally with Union representatives and conclude this issue, no later than the end of April 2023.

In continuation of additional Bank Holidays in 2022, additional Bank Holidays as recognised by the UK Government, most notably Monday 8th June after the King’s Coronation, will accrue a day of additional pay for all operational staff.

In addition, there remains a formal commitment from the business to enhance Company Maternity Pay and Paternity Leave benefits from 2023. Specifically, the Company has agreed internally to enhancing Maternity Pay to 16 weeks of full pay.

Paternity Leave will, at a minimum, be doubled in duration from current Statutory provisions and at full pay.

These benefits will be effective after the Company has agreed a Policy and Procedure with the TSSA and other Unions across the Company.

The Company will formally commit to financially supporting those employees who receive a diagnosis of a critical illness by a medical practitioner, by offering up to 12 months of 100% Company Sick Pay. By “critical illness” the Company, will regard an illness on the attached appendix, or similar as attracting the enhanced level of Company Sick Pay. This appendix is not intended to be an exhaustive list, but indicative of what constitutes critical illness.

Stena Line faces a challenging 2023 as economic pressures continue to affect the business. While the indications are that inflation figures are expected to ease throughout the year, operating costs continue to be high and our market is becoming more competitive. Personnel costs have



increased substantially versus 2019 and our pay awards amounting to 6% in 2022 reflect our willingness to reward our people financially during periods of success.

Our CEO, Niclas Mårtensson met with your representatives to explain these challenges and tempered expectations on pay awards to not expect offers of more than 5%. We have been able to facilitate an additional £1000 non-consolidated amount, however the business cannot afford any further additional personnel cost in a period of challenging commercial conditions and increased competition in the market. We trust that your Union will be cognisant of the challenges we face this year.

Stena Line continues to commit to investing in it's people. Therefore, the Company thanks the TSSA for bringing their feedback to the negotiation table and trusts this offer will be welcomed by members and your union.

Best Regards,

A handwritten signature in black ink, appearing to read 'Andrew Shaw', written over a white background.

Andrew Shaw

Group Head of Industrial Relations and Employee Relations

pp. David Tinkler

Industrial Relations Manager – Irish Sea



Appendix 1

The below list is intended to be indicative but not exhaustive

- Alzheimer's disease or other forms of dementia** – resulting in permanent symptoms
- 2 Aorta graft surgery** – for disease or traumatic injury
- 3 Bacterial meningitis** – resulting in permanent symptoms
- 4 Benign brain tumour** – resulting in permanent symptoms or specified treatment
- 5 Benign spinal cord tumour** – resulting in permanent symptoms
- 6 Blindness** – permanent and irreversible
- 7 Brain abscess** – undergoing specified treatments
- 8 Brain injury due to trauma, anoxia or hypoxia** – resulting in permanent symptoms
- 9 Cancer** – excluding less advanced cases and including aplastic anaemia
- 10 Cardiac arrest**
- 11 Cardiomyopathy** – of specified severity
- 12 Coma** – with associated permanent symptoms
- 13 Coronary artery bypass grafts**
- 14 Creutzfeldt-Jakob disease**
- 15 Crohn's disease** – treated with two intestinal resections
- 16 Deafness** – permanent and irreversible
- 17 Encephalitis** – resulting in permanent symptoms
- 18 Heart attack** – of specified severity
- 19 Heart failure** – of specified severity
- 20 Heart valve replacement or repair**
- 21 HIV infection** – caught in a specified list of countries from a blood transfusion, a physical assault or at work
- 22 Idiopathic pulmonary arterial hypertension** – of specified severity
- 23 Kidney failure** – requiring permanent dialysis
- 24 Liver failure**
- 25 Loss of hand or foot** – permanent physical severance
- 26 Loss of independent existence** – unable to look after yourself ever again
- 27 Loss of speech** – permanent and irreversible
- 28 Major organ transplant** – from another donor
- 29 Motor neurone disease and specified diseases of the motor neurones** – resulting in permanent symptoms
- 30 Multiple sclerosis** – with persisting symptoms
- 31 Neuromyelitis optica (Devic's disease)** – with persisting symptoms
- 32 Open heart surgery** – with surgery to divide the breastbone
- 33 Paralysis of limb** – total and irreversible



- 34 Parkinson's disease** – resulting in permanent symptoms
- 35 Parkinson plus syndromes** – resulting in permanent symptoms
- 36 Pneumonectomy** – removal of an entire lung
- 37 Pulmonary artery surgery** – for disease only
- 38 Severe lung disease**
- 39 Severe mental illness** – of specified severity
- 40 Severe sepsis** – resulting in admission to a critical care unit for 3 days or more
- 41 Spinal stroke** – resulting in permanent symptoms

- 42 Stroke** – of specified severity
- 43 Syringomyelia or syringobulbia** – treated by surgery
- 44 Surgical removal of an eyeball**
- 45 Systemic lupus erythematosus**
- 46 Terminal illness** – where death is expected within 12 months
- 47 Third degree burns** – covering 20% of the body's surface area or affecting 20% of the area of the face or head
- 48 Ulcerative colitis** – with operation to remove the entire large bowel
- 49 Total permanent disability** – of specified severity

