

Public

DAVID MACBRAYNE FERRIES LIMITED (“DML”)
MINUTES of the BOARD MEETING
held on Wednesday 4 February 2026 at 9.00 a.m.
in the Lewis Meeting Room, Gourrock, PA19 1QP and by audio/video conference

[FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs) Section 33 (Commercial interests) and Section 36 (Confidentiality)]

Present: Erik Ostergaard (EO) – Chair
David Beaton (DB)
Lucy Conway (LC)
Tim Ingram (TI)
Duncan Mackison (DM)
Grant Macrae (GMac)
John Nolan (JN)
Kay Ryan (KR)

In attendance: Chris Wilcock (CW) – Assessor, Transport Scotland
Janine Ward (JW) – Finance Director
Diane Burke (DBu) – Chief Operating Officer
Alex Cross (AC) – Interim Standards & Performance Director (part)
Nicola Hurrell (NH) – Head of HSQE (part)
Stephanie Griffin (SRG) – Company Secretary

Item

Action

1. **GOVERNANCE**

1.1 **SAFETY & ENVIRONMENT MOMENT**

J Nolan reported that the recent rail fatal accident inquiry had found that staff had not been properly trained in the company’s safety system and that having a system was not sufficient to ensure safety; staff must be adequately trained in its use. He noted that it was important for CalMac that staff were trained to use the systems provided and that it was recognised that systems were designed to help staff make decisions with the ultimate action being taken by staff.

D Mackison reported that the MV Isle of Islay, which was waiting for a weather window to travel up to and across the Bay of Biscay, had rescued a man in the water off the Moroccan coast and he was currently on board. CalMac had received support from the MCA as this rescue had occurred in international waters which made it difficult to establish responsibility for the rescued person.

1.2 **APOLOGIES FOR ABSENCE**

There were no apologies for absence.

1.3 **DECLARATIONS OF INTEREST**

There were no new declarations of interest.

1.4 **MINUTES FROM BOARD MEETING OF 3 DECEMBER 2025**

The Minutes of the Board meeting held on 3 December 2025 were **APPROVED** and the Chair was **AUTHORISED** to sign the minutes.

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1.5 **ACTION LOG**

It was noted that all actions were complete.

At this point A Cross joined the meeting.

2. **STRATEGIC ITEMS**

2.1 **PROPOSED TRANSFER OF MV ALI CAT AND MV ARGYLL FLYER**

The Board noted the report from A Cross and he reported that for legacy reasons DML owned two of the vessels within the fleet, the rest being owned by CMAL (apart from the MV Chieftain which was chartered from a third party) and that the aim was, therefore, to transfer ownership of these vessels to CMAL to streamline the CHFS3 fleet ownership and remove the complexity regarding funding for resilience work on these vessels.

This transfer had been agreed in principle by the CMAL Board and if the CalMac Board was also in agreement then the process proposed to effect the transfer was:-

- Obtain an independent valuation of the two vessels
- Sale & transfer at the valuation price and charterparty agreement negotiated
- Approval of the sale & transfer process & documentation by the CMAL and CalMac Boards
- Transfer ownership as at 31 March (if feasible)

C Wilcock confirmed that Transport Scotland were happy with this course of action providing that no additional public money was required. It was noted that Transport Scotland approval for this type of transaction was now required under CHFS3 and J Ward would seek formal approval as part of the process.

Decision

The Board **APPROVED**, in principle, the sale of the MV Ali Cat & MV Argyll Flyer to CMAL.

At this point N Hurrell joined the meeting.

2.2 **ENTERPRISE RISK FRAMEWORK IMPLEMENTATION UPDATE**

The Board noted the report from N Hurrell and she reported that CalMac was moving away from siloed risk management to an enterprise risk management framework and that there was now specialist risk management resource within the team to support this change.

She reported that it was early in the process but benefits already being seen were decision-making aligning with the strategic/corporate plan, business plan and risk appetite. Another benefit would be the biennial horizon-scanning workshop which had not previously been carried out and ERM would allow a dynamic view of risk within the business. The risk team were currently working with risk owners to align the risk register to business priorities.

N Hurrell suggested that a producing video for staff on ERM featuring the Committee Chair would assist with implementation across the business.

At this point A Cross and N Hurrell left the meeting.

3. **GROUP REPORTING**

3.1 **GROUP FINANCE UPDATE – December 2025**

The Board noted the report from J Ward and she reported as below.

3.1.1 **P&L – December Financial Performance**

2025/26 financial performance to end December was **[FOISA Status – Exemption under Section 33 (Commercial interests)]**

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3.1.2 P&L – 2025/26 Financial Forecast

J Ward reported that the funding forecast was lower than budget due to vessel delivery delays and updated funding forecasts were being shared with Transport Scotland Finance.

3.1.3 DML Group Balance Sheet

J Ward reported that the Group net asset balance as at 31 December 2025 was **[FOISA Status – Exemption under Section 33 (Commercial interests)]**

3.1.4 Group Cashflow Statement

This was noted.

3.2 TRANSPORT SCOTLAND UPDATE

C Wilcock reported as follows.

Vessel & Ports Update

- MV Lord of the Isles procurement had started
- Port Ellen port works had now been approved internally at Transport Scotland
- Ardrossan port – work continued on this.

3.3 POLICY APPROVALS

The following Policy, which had been reviewed by the ExCo and submitted for Board approval, was noted:

- Asset Disposal – new policy

Decision

The Board **APPROVED** the Asset Disposal Policy subject to the addition of wording to clarify that this Policy did not apply to a transfer or sale.

4. GROUP BOARD COMMITTEES

It was noted that the new Board members had completed their inductions with the Chairs of the Committees they had joined.

4.1 AUDIT & RISK COMMITTEE

G Macrae reported that, following the issues with the external audit faced in 2024/25, he wanted to ensure that KPMG could deliver to the agreed timetable this year.

4.2 HEALTH, SAFETY, ENVIRONMENT & QUALITY COMMITTEE

There was no update from this Committee.

4.3 REMUNERATION COMMITTEE

There was no update from this Committee.

5. ANY OTHER BUSINESS

5.1 ANNUAL AGENDA SCHEDULE/PLAN OF WORK 2026

The Board noted the report and the 2026 Annual Agenda Schedule/Plan of Work and S R Griffin reported that the updates to the previous schedule were outlined in the Executive Summary.

Decision

The Board **APPROVED** the Annual Agenda Schedule/Plan of Work 2026.

5.2 DML-FCB JOINT MEETING

E Ostergaard asked that the May DML-FCB be re-scheduled, perhaps to the afternoon before.

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Action: S R Griffin to re-schedule the DML-FCB Joint meeting in May.

SRG

5.3 **MV ISLE OF ISLAY**

D Mackison reported that the First Minister had sent his thanks to the crew of the MV Isle of Islay for their rescue of a man in the water off Morocco.

5.4 **NORTHLINK FERRIES LIMITED - DISSOLVED**

S R Griffin reported that Northlink Ferries Limited had been dissolved with effect from 3 February 2026 and this completed the project to strike off all the dormant or non-trading DML Group companies.

5.5 **NETWORK VISIT – 10-12 MARCH 2026**

The Board noted that the Board Network Visit to Arran would take place early next month.

Action: The Board asked to be sent the itinerary and information in good time.

DM/DBu

6. **DATE OF NEXT MEETING**

Tuesday 10-Thursday 12 March – Network Visit to Arran.

Monday 30 March 2026 at 9.00 am in Gourrock.

Signed:

E Ostergaard, Chair

Date: