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CALMAC FERRIES LIMITED (“CFL”)
MINUTES of the BOARD MEETING
held on Wednesday 3 December 2025 at 10.00 a.m.
in Hope Room, The Studio, 67 Hope Street, Glasgow, G2 6AE

[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: Andy Robinson (AR) – Assessor, Transport Scotland
Janine Ward (JW) – Finance Director
Diane Burke (DBu) – Chief Operating Officer
Jane Dolan (JD) – Head of IOCC (part)
Darrell Broom (DBr) – Project Manager (part)
Pauline Blackshaw (PB) – Planning & Performance Director (part)
Stephanie Griffin (SRG) – Company Secretary

Item	Action
1. <u>GOVERNANCE</u>	
1.1 APPOINTMENT OF NEW DIRECTORS	
It was noted that the Scottish Ministers had appointed John Nolan and Lucy Conway as Non-Executive Directors of David MacBrayne Limited and CalMac Ferries Limited and E Ostergaard welcomed them both to the Board.	
1.2 SAFETY & ENVIRONMENT MOMENT	
D Beaton reported that a passenger on a recent flight had had to be ordered to remove their headphones and listen to the safety briefing for the emergency row in which they were seated. Then leaving the plane the same passenger had failed to listen to advice to secure their clothing due to windy conditions outside meaning that when their scarf had blown off, they had run after it in a potentially dangerous way. This highlighted the importance of passengers listening to safety briefings from crew.	
E Ostergaard reported that a recent accident investigation had found that a loose electrical cable had been the cause of the collision of a barge into a bridge in Baltimore which had resulted in the fatalities of six road-workers on the bridge. An incorrectly marked cable had been wrongly connected and caused a series of problems within the electrical system resulting in a loss of power to the ship so the crew could not take action to avoid the collision with the bridge.	
1.3 APOLOGIES FOR ABSENCE	
There were no apologies for absence.	
1.4 DECLARATIONS OF INTEREST	
The following new Declarations of Interest were noted:	

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Tim Ingram: new roles as Senior Safety Strategist for Arinite Ltd and Health & Safety Expert for HKA Global Ltd.

John Nolan: role as Principal & Sole Shareholder of TechTalkType Limited.

Lucy Conway: roles at the Bothy Project and SSEN Transmission as well as being a Trustee/Volunteer Director for the Isle of Eigg Heritage Trust.

1.5 **MINUTES FROM BOARD MEETING OF 17 OCTOBER 2025**

The Minutes of the Board meeting held on 17 October 2025 were **APPROVED** and the Chair was **AUTHORISED** to sign the minutes.

1.6 **ACTION LOG**

It was noted that all actions were either complete or would be covered under Agenda items.

At this point J Dolan and D Broom joined the meeting.

2. **STRATEGIC ITEMS**

2.1 **IOCC – FUTURE PLAN**

J Dolan outlined the current role of the IOCC to the Board and presented on the redesign of the IOCC.

She detailed the vision for a future Integrated Operations Control Centre and how this would align with CHFS3 priorities to provide reliable and resilient operations, improvements in accessibility and integration of data & systems currently managed across different departments to facilitate quicker decision-making and communication to customers.

[FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs)].

At this point J Dolan & D Broom left and P Blackshaw joined the meeting.

2.2 **BUSINESS PLAN 2026-27 – CP2**

The Board noted the Business Plan 2026-27 covering Contract Period 2 and P Blackshaw reported that the high level plan (including high level figures) had been approved by the Board and submitted to Transport Scotland in June 2025 and would continue to be refreshed to include, for example, changes to new vessel delivery dates. She reported that the Plan would be further refreshed and submitted with the detailed financial plan to the Board in March 2026 for approval. She reported that this Plan, which covered the early stages of CHFS3, was building on existing work but transformation would take place over a long period.

[FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs)]

Decision

The Board **APPROVED** the updated Annual Business Plan – CP2 April 2026-March 2027 and authorised its submission to Transport Scotland plus publication of those parts appropriate for publication.

J Ward reported that a high level funding estimate had been submitted in June 2025 and the Finance Team were now monitoring this with Transport Scotland Finance.

Action: J Ward reported that she would submit a high level funding update to the Board in February after which the detailed Annual Business Plan 2026-27 would come to the March Board for approval.

JW

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At this point P Blackshaw left the meeting.

3. **CFL REPORTING**

3.1 **CFL OPERATIONS REPORT**

The report from D Mackison was noted and he reported as follows.

Fleet & Harbour Availability

- MV Isle of Islay – the CalMac team were ready for delivery of this vessel on 19 December **[FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs)]**.
- MV Glen Sannox – this vessel was undergoing overhaul **[FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs)]**.

3.2 **CHIEF OPERATING OFFICER REPORT**

The Board noted the report from D Burke and she reported as follows.

Programme & Project Landscape

The Customer Digital Journey and Operational Transformation parts of the CalMac vision were noted.

Long Serving Colleague Event

Action: The long serving colleague videos would be uploaded to the Board portal.

SRG

Capacity Management Presentation

D Burke reported that, following feedback from the Ferries Community Board, an analysis of booking capacity had been carried out and reported to the Board in October. **[FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs)]**.

Block Bookings

Previous ineffective control of no shows and late cancellations had had a negative impact on capacity available for booking by customers and deck space utilisation, therefore enforcement of the terms & conditions would allow better capacity management. Now block booking no shows would be charged at 100% of the fare (in line with other customers). Late cancellations (within 24 hours of departure) would be tracked and monitored for follow up actions.

The First Month

Positive

- Islay Ferry Committee had formally communicated the positive trend of greater available capacity for booking being noticed by local ferry users
- Closer utilisation management

Ongoing

- Proactive engagement with block booking customers to verify if spaces required
- Monitoring of late cancellations to identify any patterns

Data is evidencing improvement in November

- Winter 2025/26 requested vs actual – the list of capacity released by a variety of block booking customers and thus made available for booking by other customers was noted. D Burke reported that whereas some industries had a highly predictable booking need, others, e.g. the seafood industry, had a much less predictable need.

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eBooking Vessel Capacities

Vessel capacities had been reviewed to improve utilisation, as reported in detail to the Board in October.

[FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs)].

Waitlist Pilot

D Burke reported that CalMac were preparing to pilot a waitlist feature within eBooking which would also provide the ability to review unmet demand. The waitlist pilot would take place on the Islay and Little Minch routes in January 2026 and would be governed by a clear set of rules and supported by port staff discretion for lifeline/exceptional local cases.

In summary management had listened to the FCB, carried out an analysis (which found that there was not one single underlying cause of the issues experienced with capacity), made changes and then improvements had been experienced by customers. This update on the initiatives introduced to improve capacity management would be reported to the Ferries Community Board meeting later in the week.

4. ANNUAL REPORT & ACCOUNTS

4.1 FINANCE DIRECTOR OVERVIEW

The Board noted the report from J Ward **[FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs)]**.

4.2 KPMG AUDIT REPORT

The KPMG Audit Report was noted **[FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs)]**.

4.3 CALMAC FERRIES LIMITED ANNUAL REPORT & ACCOUNTS 2024/25

The CalMac Ferries Limited Annual Report & Financial Statements to 31 March 2025, including the Auditor's Report, were noted. It was noted that the Audit & Risk Committee had undertaken a detailed review of the Annual Report & Accounts, including the report on the audit from the External Auditor, and recommended the CFL Accounts for Board approval.

Decision

The Board **APPROVED** the CFL Annual Report & Accounts as at the date of finalisation of the external audit process, subject to no material changes being made, and **AUTHORISED** them to be signed at that point on behalf of the Board.

4.4 CALMAC FERRIES LIMITED LETTER OF REPRESENTATION

The Board noted that the Audit & Risk Committee had reviewed the Letter of Representation and had recommended its approval by the Board.

Decision

The Board **APPROVED** the Letter of Representation and **AUTHORISED** it to be signed on behalf of the Board.

4.5 ACCOUNTS PRESS RELEASE

The press release was noted.

5. GROUP REPORTING

5.1 GROUP FINANCE UPDATE – October 2025

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

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5.1.1 **P&L – October Financial Performance**

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

5.1.2 **P&L – 2025/26 Financial Forecast**

J Ward reported [FOISA Status – Exemption under Section 33 (Commercial interests)].

5.1.3 **DML Group Balance Sheet**

J Ward reported [FOISA Status – Exemption under Section 33 (Commercial interests)].

5.1.4 **Group Cashflow Statement**

J Ward reported [FOISA Status – Exemption under Section 33 (Commercial interests)].

5.2 **TRANSPORT SCOTLAND UPDATE**

A Robinson reported as follows.

[FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs)]

5.3 **RISK REPORT**

The Board noted the Risk Report.

5.4 **POLICY APPROVALS**

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

- Car Allowance – new policy
- Menopause – new policy
- Operational Technology – new policy

Decision

The Board **APPROVED** the Car Allowance, Menopause and Operational Technology Policies.

5.5 **ANNUAL ENVIRONMENT REPORT**

The Board noted the Annual Environmental Report which had been reviewed by the HSEQ Committee and recommended for Board approval. T Ingram reported that these reports were required under CHFS2 and there was work underway to assess the reporting requirements and approvals required under CHFS3.

Decision

The Board **APPROVED** the Annual Environmental Report.

5.6 **ANNUAL SAFETY REPORT**

The Board noted the Annual Safety Report which had been reviewed by the HSEQ Committee and recommended for Board approval. [FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs)].

Decision

The Board **APPROVED** the Annual Safety Report.

6. **GROUP BOARD COMMITTEES**

6.1 **PROPOSED COMPOSITION OF COMMITTEES**

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The report from E Ostergaard was noted and the Board discussed the proposed changes to the composition of the Board Committees to following the appointment of two new Non-Executive Directors. It was agreed that T Ingram should stay on the Audit & Risk Committee, meaning that the Committee composition would be as below:-

Audit & Risk Committee (ARC) – 5 members

Grant Macrae – Chair – no change

Tim Ingram – member – no change

David Beaton – member – no change

Kay Ryan – member – no change

John Nolan appointed to ARC from 3 December

Health, Safety, Environment & Quality Committee (HSEQCo, formerly SafetyCo) – 4 members

Tim Ingram – Chair – no change

David Beaton – member – no change

Kay Ryan – leaves as member from 3 December

Lucy Conway appointed to HSEQCo from 3 December

John Nolan appointed to HSEQCo from 3 December

Remuneration Committee (RemCo) – 4 members

Grant Macrae – Acting Chair– steps down as Chair & remains a member from 3 December

Kay Ryan – member – appointed to Chair from 3 December

Erik Ostergaard – member – no change

Lucy Conway appointed to RemCo from 3 December

Decision

The Board **APPROVED** the updated composition of the Board Committees as listed above.

6.2 AUDIT & RISK COMMITTEE

The draft minutes of 12 November 2025 were noted. **[FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs)]**.

6.3 HEALTH, SAFETY, ENVIRONMENT & QUALITY COMMITTEE

The draft minutes of 19 November 2025 were noted. T Ingram reported that on the recent network visit to Islay the HSEQCo had visited the ports at Kennacraig, Port Askaig and Port Ellen and been briefed on the issues, as well as meeting **[FOISA Status – Exemptions under Section 38 (Personal data)]** of the Islay Ferry Committee and RNLI.

T Ingram reported that the HSEQCo had also agreed to carry out a deep dive into a particular topic relevant to their remit at each meeting in 2026 as follows:-

- Traffic Management (February)
- Environment (May)
- Near Misses (August)
- Works at Ports including interfaces with CMAL & 3rd party port operators (November)

6.4 REMUNERATION COMMITTEE

The draft minutes of 12 November 2025, which had been circulated separately were noted.

7. ANY OTHER BUSINESS

7.1 [FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs)]

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8. **DATE OF NEXT MEETING**
Wednesday 4 February 2026 at 9.00 am in Gourock.

Signed:
E Ostergaard, Chair

Date: