



SEABOURN 2018  
SUSTAINABILITY  
REPORT

## TABLE OF CONTENTS

|    |                           |
|----|---------------------------|
| 2  | Leadership Memo           |
| 3  | Introduction              |
| 5  | Regulatory Landscape      |
| 6  | Employees                 |
| II | Health, Safety & Security |
| 19 | Environment               |
| 26 | Community                 |
| 29 | Performance Summary       |
| 33 | Report Parameters         |
| 34 | Glossary                  |
| 36 | GRI Table                 |



SEABOURN®



# LEADERSHIP MEMO

At Seabourn we are a team dedicated to providing the very best service and travel experience. We take genuine joy in adding that extra touch that surprises and delights our guests – what we call a Seabourn Moment. As we sail to the world’s most desirable locations, including hidden harbors where larger vessels cannot follow, we believe we have a great responsibility to protect our oceans.

As a leader in the ultra-luxury cruise market, our most important values are our uncompromising commitment to sustainability and the safety of our guests and crew. We maintain the highest standards through ongoing training and adherence to rigorous environmental and safety requirements.

The past few years have yielded some remarkable results for our company. In 2018 we launched Seabourn Ovation and ended the year as winners of 35 top travel awards. For 2019 we’ve renewed our official cruise partnership with UNESCO for another five years, bolstering our commitment to their efforts to preserve and protect World Heritage sites around the globe. Our team is also well on its way to reducing single-use plastics and single-use packaging across our fleet in an effort to improve sustainable operations.

We are committed to doing our part to implement best practices and new technologies to reduce our environmental footprint. In this report, we review the progress we’ve made toward meeting our 2020 sustainability goals, focusing on our strategy, achievements, major initiatives and areas for further opportunity.

We consider our work in sustainability ongoing, so we welcome opportunities to do more and move faster with our plans to improve how we operate. This is becoming increasingly important with our current five ship fleet and two more on the way when our new ultra-luxury expedition ships launch in 2021 and 2022 respectively.

Thank you for taking the time to learn more about Seabourn’s sustainability programs.

Josh Leibowitz  
President, Seabourn



SEABOURN®



# INTRODUCTION

Seabourn’s corporate responsibility story began in 1986 when a small cadre of luxury hospitality and cruising executives, including Norwegian industrialist Atle Brynstad and veteran cruise line executive Warren S. Titus, re-invented luxury cruising. Due to trademark issues, the brand first known as Signet Oil was renamed that same year Seabourn Cruise Line. Seabourn’s first ship, 10,000 gross register tonnage (GRT) *Seabourn Pride*, was launched in 1988, followed by an identical sister, *Seabourn Spirit*. In 1991 Carnival Corporation & plc bought a 25 percent stake in Seabourn and upped its stake to 50 percent in 1996, allowing Seabourn to purchase the *Queen Odyssey*, renamed *Seabourn Legend*.

In 2001 Carnival Corporation & plc bought out the Norwegian shareholders and Seabourn became a wholly owned subsidiary of Carnival Corporation & plc. Between 2009 and 2011 we introduced three 32,000 GRT vessels: *Seabourn Odyssey*, *Seabourn Sojourn* and *Seabourn Quest*. Our highly acclaimed Odyssey-class ships carry just 458 guests to some of the most desirable destinations on Earth in consummate comfort and sophisticated ease. *Seabourn Odyssey*, *Seabourn Sojourn* and *Seabourn Quest* maintain a high ratio of space-per-guest, enabling highly personalized service by close to one staff member for each guest on board.

On March 31, 2011, we transferred operations from Miami to the Holland America Line headquarters in Seattle, Washington. In 2014 we sold *Seabourn Pride*, and in 2015 we sold *Seabourn Spirit* and *Seabourn Legend*. Our first 600-passenger ship, *Seabourn Encore*, was delivered in 2016, and a second 600-passenger ship, *Seabourn Ovation*, was delivered spring 2018. Both were built as an evolution to the three Odyssey-class ships.

## Corporate Responsibility Story:

In collaboration with our parent company, [Carnival Corporation & plc](#), we established a working framework for performance tracking and sought material areas for improvement. Seabourn’s first Corporate Sustainability Report was completed in 2010. Our second Corporate Sustainability Report includes information from fiscal years 2017–2018 and serves as the beginning of an ongoing conversation with our stakeholders. This Sustainability Report and reports following will detail our efforts to strengthen management systems and performance.

## Executive Team:

Stein Kruse is [Chief Executive Officer](#) of Holland America Group and Carnival UK, divisions of Carnival Corporation & plc. Holland America Group includes Princess Cruises, Holland America Line and Seabourn, as well as Holland America-Princess Alaska land operations. Kruse is also chairman of the board of MANCO, a U.K.-based entity that oversees the operations of Carnival Australia, including P&O Cruises Australia. Carnival UK encompasses the UK-based brands of Cunard Line and P&O Cruises.

Richard Meadows was president of Seabourn during Fiscal years 2017-2019. Starting June 25, 2020, Josh Leibowitz has been appointed president of Seabourn. His responsibilities include oversight of all aspects of the ultra-luxury brand’s operations, including revenue management; deployment and itinerary planning; hotel operations; and sales and marketing.

## Organizational changes

In 2017 we moved into a new Seattle headquarters. The building is an open-office environment encouraging collaboration in a space resembling the inside of a cruise ship. The most unique feature of the new space is the five story atrium, featuring abstracted portholes that frame

*Continued on page 4*



# INTRODUCTION

*Continued from page 3*

views of Elliott Bay, nautical light fixtures, and a video display showing the locations of our ships. Water cascades down to the lobby, and the top floor Lido cafe and rooftop deck afford a prime view of Elliott Bay and the Space Needle.

**Opportunities:**

As our company has grown, we've made operational adjustments to accommodate the shifting business climate. The fluctuating global economy and fuel prices, political volatility in some of the regions where we operate and regulatory changes continued to pose challenges during this reporting period. We're proud to have addressed these challenges while continuing to drive improvement. Namely, we maintained our already excellent track record for safety and continued improving in critical indicators like fuel efficiency, greenhouse gas emissions and waste recycling. In addition, we've found new ways to expand the impact of our employee development, community giving and volunteerism efforts.

Over the next year we will be focused on achieving our [2020 Corporate Sustainability goals](#) as well as selecting and developing the next set of targets.

In 2013 an environmental crime was reported by an engineer on one of Carnival Corporation's ships. Following an investigation by the Department of Justice, we learned that the misconduct involved multiple ships over several years. We took responsibility and signed a plea agreement in 2016. Our probation includes a five-year Environmental Compliance Plan (ECP) that began on April 19, 2017. The ECP requires independent audits as well as oversight by a Court Appointed Monitor. In 2019 the company agreed to revised terms of probation to resolve a petition for revocation of probation. In the years ahead, we are strengthening our commitment to being leaders in environmental stewardship.

Building upon the insights from our previous reports, this report will continue to help us measure against existing goals and position us for continued success. We appreciate your interest in our efforts. If you have any questions or ideas you'd like to share with us, please contact us at [sustainability@seabourn.com](mailto:sustainability@seabourn.com).

## DR. ANDREW WEIL

Seabourn's "Spa & Wellness with Dr. Andrew Weil" program, the first of its kind available at sea, offers guests a holistic spa and wellness experience that integrates physical, social, environmental and spiritual well-being. A world-renowned leader and pioneer in the field of integrative medicine, Harvard-educated Weil is Director of the Arizona Center for Integrative Medicine at the University of Arizona and the author of 15 books. Dr. Weil co-created Seabourn's new Mindful Living Program in conjunction with The Onboard Spa by Steiner. The program is a popular offering on every ship in the Seabourn fleet



# REGULATORY LANDSCAPE

**Without exception, the entire Seabourn fleet enthusiastically follows every applicable standard and regulation our industry mandates and expects carriers to observe. Our membership in the Cruise Lines International Association (CLIA) means we adhere to stringent standards that keep our guests and employees safe.**

At the international level, regulation of our industry begins with the International Maritime Organization (IMO), a United Nations agency focused on the safety and security of shipping that is comprised of almost all of the countries in the world that have ships operating under their flags. IMO, through its many assemblies, committees, boards and administrative offices, sets international standards to which all passenger and cargo ships must comply.

IMO's Convention for the Safety of Life at Sea (SOLAS) specifies minimum standards for the construction, equipment and operation of ships. Under SOLAS, the International Safety Management (ISM) Code requires that all companies and their ships implement a safety management system (SMS), and the International Ship and Port Facility Security (ISPS) Code prescribes measures to enhance the security of ships and port facilities.

IMO also introduced the Convention for the Prevention of Pollution from Ships, more commonly known as MARPOL, to protect the maritime environment from pollution that is

either accidental or the result of routine operations. IMO amended MARPOL in 2010, designating the North American Emission Control Area (ECA) to reduce emissions from ships. In compliance with ECA guidelines, we've invested in new initiatives that will help minimize our air quality impacts.

Other core international conventions include IMO's Convention on Standards of Training, Certification, and Watchkeeping for Seafarers (STCW), which establishes consistent minimum requirements across borders, and ILO's Maritime Labour Convention 2006 (MLC 2006), which aims to protect seafarers' rights and to secure economic interests through fair competition. Entered into force in 2013, MLC 2006 was designed to become the fourth pillar of the international regulatory regime for quality shipping alongside SOLAS, STCW and MARPOL. MLC 2006 establishes standards for seafarers' rights to decent conditions of work and helps to create conditions of fair competition for ship owners. Seabourn complied with all MLC 2006 requirements prior to the convention's enforcement.

In addition to IMO requirements, every ship operates under the maritime laws of a specific country, referred to as the ship's flag state. Seabourn ships all fly the flag of the Bahamas and meet the standards established by that country for its vessels. Dating back to its time as part of the United Kingdom, the Bahamas has developed one of the most extensive and respected maritime regulatory programs in the world and, as a result, has thousands of cargo and passenger ships operating under its flag. To ensure that both IMO and flag state rules are complied with, every ship is also required to be registered with one of the internationally

recognized classification societies; in the case of Seabourn, it is Lloyd's Register. The classification society has its own rules and regulations and carries out surveys of important safety and other ship equipment on a set schedule that ensures this equipment is regularly examined and tested. Additionally, governments in all of the port locations we visit have the authority to inspect our ships, including the U.S. Coast Guard when our ships call at U.S. ports.

As a long-standing member of the Cruise Lines International Association (CLIA), we adhere to a corresponding set of stringent standards that are designed to keep our guests and employees safe, secure and healthy while protecting the environment and providing an industry-leading workplace. CLIA exists to promote all measures that foster a safe, secure and healthy cruise ship environment; educate and train its travel agent members; and promote and explain the value, desirability and affordability of the cruise vacation experience.

All ships that carry more than 250 passengers and have onboard sleeping facilities that call at U.S. ports are also subject to the Cruise Vessel Security and Safety Act (CVSSA). The Act promotes the safety and security of cruise vessel passengers and crew.

Further information about the maritime regulatory landscape can be found in the [Carnival Corporation & plc 2018 Annual Sustainability Report](#) on pages 115–129.

**SOLAS** contains safety requirements for design, construction, equipment, operations, safety management and security. It includes 12 chapters, seven of which apply to Seabourn operations:

- Chapter I – General Provisions
- Chapter II-1 – Construction – Subdivision and stability, machinery and electrical installations
- Chapter II-2 – Fire protection, fire detection and fire extinction
- Chapter III – Life-saving appliances and arrangements
- Chapter IV – Radio communications
- Chapter V – Safety of navigation
- Chapter IX – Management for the safe operation of ships
- Chapter XI-1 – Special measures to enhance maritime safety
- Chapter XI-2 – Special measures to enhance maritime security

The **ISM Code** is an international standard for the safe management and operation of ships and for pollution prevention. It requires all ship-operating companies and ships to develop, implement and obtain certification of their Safety Management System ("SMS"). The SMS covers both shipboard and shore-based activities and must include

- a company safety and environmental protection policy;
- instructions and procedures to ensure the safe operation of ships and protection of the environment;
- procedures for preparing for and responding to emergencies;
- defined levels of authority and lines of communication between shore and shipboard personnel, and identification of a designated person ashore responsible for ISM Code compliance;
- procedures for reporting accidents and ISM Code nonconformities; and
- procedures for internal and external audits and management reviews.

The **ISPS Code**:

- defines security standards, requirements, arrangements and procedures for ships, ports and governments; and
- prescribes responsibilities for governments, shipping companies, shipboard personnel and port/facility personnel, among others, to develop security plans, detect security threats and take preventative measures against potential security incidents affecting ships or port facilities.

**STCW** requirements include:

- standards for the training, qualification and certification of seafarers;
- specific standards of competency of crew members; and
- methods for demonstrating competency. All eight chapters of STCW apply to Carnival Corporation & plc's operations:
- Chapter I: General provisions
- Chapter II: Master and Deck Department
- Chapter III: Engine Department
- Chapter IV: Radio-communication and radio personnel
- Chapter V: Special training requirements for personnel on certain types of ships
- Chapter VI: Emergency, occupational safety, medical care and survival functions
- Chapter VII: Alternative certification
- Chapter VIII: Watchkeeping

**MLC 2006**, ratified in August 2012 and entered into force August 2013, consolidates and updates the International Labor Organization standards into a single document. It

- provides comprehensive rights and protection at work for seafarers on a global basis;
- aims to be globally applicable, easily understandable, readily updatable and uniformly enforced; and
- was designed to become the "fourth pillar" of the international regulatory regime for quality shipping (SOLAS, MARPOL and STCW).

The MLC establishes standards regarding the working conditions of seafarers including:

- minimum requirements for seafarers to work on a ship;
- conditions of employment;
- accommodation, recreational facilities, food and catering;
- health protection, medical care, welfare; and
- social security protection.

# EMPLOYEES

**Working at Seabourn means launching a fun and exciting career with the best possible team in the upscale cruising industry. We're much like a family dedicated to each other's development and advancement. Seabourn Academy ensures our people exceed their goals by providing comprehensive training, including a competitive salary and benefits package. Our adherence to high ethical standards mandates that we also abide by all applicable employment laws and regulations.**

## WORKFORCE SNAPSHOT

We have more than 1,900 skilled employees around the world who are dedicated to providing genuine and intuitive service, consistently delivering exceptional Seabourn Moments for our guests. We're committed to working together toward our common mission. We conduct regular town hall sessions where employees have the chance to hear top executives discuss the state of the business and plans for the future. These sessions are intended to keep everyone informed and provide employees an opportunity to connect with our executives. We also hold small-scale Coffee Connection sessions with executives, which allow shoreside employees to talk directly with one or more of our company's leaders in a casual setting.

A majority of our employees work on board our ships, and approximately 12 percent are based in our shoreside offices.

Each of our shipboard employees works within one of three departments, all of which are ultimately under the supervision of the ship's Captain:

- Our Deck department is comprised of 194 officers and crew who ensure the safe conduct of our ships, provide security, respond to health needs and manage exterior maintenance.
- Our Engine department employs 205 officers and crew who are responsible for the Engine Room and the technical and interior maintenance of our ships — from power, propulsion, and environmental systems to heating, ventilation, and air-conditioning.
- Our Hotel department consists of 1,312 employees who manage guest accommodations, restaurants, and entertainment.

Our 235 shoreside employees work in our offices in Seattle, Washington, and are in full-time positions. Some of our shoreside employees are responsible for selling cruises and tours, making reservations, and completing the financial

and accounting transactions required for internal and external controls. Others are involved with the operations of the vessels or our Expeditions and Ventures by Seabourn, or directly with the crew through Learning and Development or Fleet Human Resources.

## RECRUITMENT & RETENTION

We maintain high standards for the recruitment of our shipboard and shoreside employees and often partner with intermediaries to help us find the best talent.

### Shipboard Recruitment:

The recruitment of officers for our shipboard positions is particularly challenging due to intense competition for skilled labor in the maritime industry. To recruit strong candidates, we've built relationships with top naval schools and merchant marine academies in the United Kingdom and the Philippines.

Our hotel officers, top-level hotel, and restaurant employees are recruited from hospitality schools in Europe, North America, and Asia.

*Continued on page 7*



# EMPLOYEES

*Continued from page 6*

We hire the majority of our crew members through our Global Talent Partners who act on our behalf. Our company has worked with the same primary employment agencies in the Philippines and the United Kingdom for several years. We require our employment agencies to be certified in line with the Maritime Labour Convention (MLC) 2006. We also regularly perform our audits of our employment agencies we partner with. We monitor:

- Job assignment processes
- Recordkeeping
- Pre-employment screening
- Post-employment follow-up.

Detailed crew employment records are maintained in the local recruiting offices and our Seattle headquarters. Cadets and hotel trainees are eligible for hire after reaching age 18. Seafarers who have completed the company's cadetship or training program successfully may be eligible for hire before reaching age 21. Applicants for all other roles are eligible for hire after turning 21 years old.

## **Shoreside Recruitment:**

The recruitment of shoreside team members has been impacted by the historically low unemployment rates in the Seattle marketplace as well as in many of the states where we find candidates. Efforts to source candidates for our higher-volume positions have led to evaluating states with higher unemployment levels to secure the necessary staff for those entry-level career positions. Careers in hospitality and tourism are attractive choices for high school, travel school students, and university graduates. We support development programs at the high school and travel school levels, while actively recruiting at universities for internships and full-time positions.

## **Retention:**

We strive to promote from within and offer opportunities for advancement to retain our best performers. Many of our

employees stay with us for more than 10 years, and we proudly celebrate multi-decade employment anniversaries regularly.

We improve our employees' experience and contribute to employee retention with strong communication, recognition, our commitment to an ethical corporate culture, opportunities to give back, and reduced-rate continuing education. Our employee orientation program is designed to help guide our newest team members throughout their career at Seabourn. Additionally, we connect with newly hired crew after 30 days on board to ensure they are receiving the tools, training, and resources to succeed. We seek feedback from our crew after each assignment to ensure we stay current on the employees needs and identify any areas of opportunity to enhance the crew experience.

One way we recognize exemplary service is with our Presidents' Leadership Award. It includes a monetary bonus and is granted to one Seabourn shipboard employee and one shoreside employee each year. One shoreside employee will be given The Presidents' Team Work Award on an annual basis. Both the Presidents' Leadership and Teamwork award winners are nominated by their peers. Employees can also show appreciation for their co-workers or celebrate a birthday or anniversary by sending eCards.

## **TRAINING & DEVELOPMENT**

From the first day on board our ships, officers and crew members are introduced to a variety of opportunities to enhance their careers. These include skills training, performance appraisals, and other professional development opportunities. All of which prepare the crew for success, designed to shape career direction, and elevate job performance.

Our training efforts leverage classroom sessions, e-learning programming, and toolbox discussions to ensure employees are informed and prepared. Trainings are augmented by frequent drills that enhance skills and assess readiness this is a requirement by our flag state and company requirements. Seabourn prides itself on employee development supported by numerous training courses

and programs. A combination of instructor-led and online courses are available and include:

- Performance Success Series — Supervisors and Managers: This program is designed specifically for shipboard supervisors and managers, and teaches the skills necessary to lead their teams with greater accountability. These highly interactive, instructor-led courses last from one to two hours.
- I Am Seabourn Series— Crew Members and Management: This suite of courses includes: New Joiner Experience, Living the Brand, and Creating the Culture. These courses provide participants with the knowledge and skills to deliver the Seabourn product, all while supporting and developing a shipboard culture aligned to company values. These highly interactive, instructor-led courses last from one to two hours.
- Seabourn Etiquette – Crew Members: This program educates our crew on the finer points of guest interaction. Focusing on key verbal and social interactions with our clientele, these workshops strengthen our teams' skills and enable them to provide exceptional guest experiences that are true to the brand.
- Seabourn College – New Hires: Once on board, newly hired crew in the Restaurant, Bar, Housekeeping, and Culinary departments go through a comprehensive three-week Seabourn College training program. The training is centered on both practical and theoretical elements. The first week covers compulsory safety, environmental and health training as well as an introduction to the Seabourn culture on board. In the second week, trainees are introduced to Seabourn standards in their relevant department. Each trainee shadows experienced crew members, supervisors, and managers on his or her respective team. In the third week, trainees gradually take part in all activities as a team member. Trainees' performance is assessed weekly by the head of their department and the Learning & Development Manager. By the end of the program, trainees graduate and commence their journey within the Seabourn family.

*Continued on page 8*



# EMPLOYEES

*Continued from page 7*

- Seabourn Spotlights – Crew Members: These manager-led toolbox training discussions provide training on a variety of topics, including guest service, communication, and product knowledge.
- Seabourn also offers online training, providing staff with a variety of courses that focus on safety, company policies, and professional development through our learning management systems.

As graduates of merchant marine academies, our deck and engine officers are knowledgeable about all aspects of maritime safety and crisis management. They participate in our training programs at approved vendors to stay up-to-date on internationally required competencies and take part in annual training at CSMART, the state-of-the-art Carnival Corporation training facility in Almere, Netherlands. Hotel employees are trained regularly at approved facilities globally and receive onboard training with company trainers. This keeps our employees current with policies and procedures, which are regularly updated. Updates are made based on enhancements to our vessels and changes in regulatory requirements.

Our learning management systems help ensure training consistency across our large, mobile workforce for both shipboard and shoreside employees. Leveraging scenarios, games, and visuals, the systems provide standardized training courses in personal and professional development for every employee at every location and skill level. Education assistance is available for shipboard and shoreside employees.

Employees have formal performance appraisals with their supervisor to discuss accomplishments, contributions, strengths, goals achieved, improvement areas, and opportunities for growth during the performance review process, utilizing our electronic performance appraisal system - STAR.

## COMPENSATION, BENEFITS & WELLNESS

We are committed to creating and maintaining a workplace in which all employees have an opportunity to participate and contribute to the success of the business and are valued for their skills, experience, and unique perspectives. Employees receive a competitive pay and benefits package. We focus on performance and results while providing a Total Rewards Package to all of our employees. We staff Seabourn ships with a team of human resources professionals, including an HR Manager, Learning & Development Manager and Crew Concierge. Together this team develops social and enrichment programs to meet the needs of our crew while they work on board.

For both our shoreside employees and some of our shipboard employees, merit pay increases are tied to performance discussions. Performance discussions for shoreside employees take place each November, and for shipboard employees, discussions are conducted at the end of each contract or year of service, respectively. Wages for most of our shipboard employees are negotiated through their unions, and we strive to pay competitive wages that are often higher than many employees would otherwise earn in shoreside jobs abroad or in their home countries.

Our benefits program is designed to be an integral part of our employees' overall compensation. We offer a combination of company provided and voluntary benefits for all employees.

Another important aspect of our compensation package is the opportunity we offer employees to invest in their future. For eligible shoreside employees, we provide a company contribution equal to a percentage of participating base salaries made to the company profit-sharing plan. For eligible shoreside and shipboard employees, we also provide a 401(k) savings opportunity with a company match. Depending upon the employee's role and contract with the company, some employees also have the option of purchasing Carnival Corporation stock at a discounted price.

*Continued on page 9*





# EMPLOYEES

*Continued from page 8*

We believe employees should experience our cruise offerings from the guest's perspective, so we encourage all employees to take advantage of our Employee Space Available (ESA) program. ESA uses unsold suites to provide a cost-reduced opportunity to promote learning and awareness of our ships' products and services. Employees qualify for different types of staterooms depending on the class of ship (upgrades may be available at a reduced cost; taxes and port fees apply). Employees may apply to sail anywhere when space is available for up to 14 days per year. Employees may also apply for a reduced-fare cruises program, called Friends & Family, where employees, their family or close friends may also receive a reduced price on select cruises. In addition, our Cruise Privilege program allows shipboard officers to bring family and friends on board as guests at no charge. These guests stay with the officers in their rooms and enjoy all of the officers' privileges.

Shoreside employees are eligible to participate in our tuition assistance program, which offers opportunities to expand job-related knowledge and skills by providing reimbursement up to \$3,000 per year. Additionally, our shipboard officers are eligible to participate in our seagoing study leave program, which covers 100 percent of the cost of maritime courses to advance their licenses.

We have formal systems on board that track and record work and rest hours to ensure we provide employees adequate rest and ability for recreation. We also make every effort to help them strike a positive work-life balance by providing comfortable living quarters, nutritious meals, transportation, onboard recreation facilities, shore leave, and shore excursion opportunities. We also promote events and activities to cultivate personal development, sense of community, health, spirituality and other aspects of wellness.

## LABOR RELATIONS & FAIR EMPLOYMENT

In keeping with our commitment to integrity, honesty, and high ethical standards, we follow the complex employment laws and regulations that apply to our global operations. This includes all of the provisions of the International Maritime Organization Conventions (IMO and ILO) and Flag Administration regulations in effect for seafarers. We also recognize our employees' rights to freedom of association and participation in collective bargaining. As of 2018 collective bargaining agreements covered 98 percent of our shipboard employees.

Our longstanding policy is to afford equal opportunity for employment to all individuals regardless of race, creed, color, religion, national origin, gender, sexual orientation, gender identity or expression, age, marital status, veteran status, or mental, sensory or physical disability.

We provide a fair and ethical workplace to all employees. We require all of our employees to complete our Code of Business Conduct and Ethics training, which serves as a guide to ethical business conduct and covers a wide range of business practices and procedures, including employee responsibilities, anti-corruption, and conflict of interest. Our employees also receive training on how to recognize and report misconduct. We also encourage all employees to report concerns immediately to their direct supervisor, the Human Resources department, or the Legal department. We follow a policy of "See something, Say something". Our policy safeguards employees from retaliation when they make a report in good faith. Employees may make a report anonymously online or by phone. We thoroughly investigate and resolve all reports of misconduct.

We occasionally receive grievances about labor practices, human rights, impacts on society (climate impacts), the environment, guest privacy, and guest relations, among others. We evaluate them all and strive to complete their evaluations within a reasonable timeframe as circumstances and legal complexity allow. However, a thorough investigation may require a substantial amount of time to close some complaints.

*Continued on page 10*

# EMPLOYEES

*Continued from page 9*

## ETHICS

Our training program includes e-learning and instructor-led courses on ethical conduct as well as topics related to human rights, labor relations, customer privacy, and social issues such as fraud and corruption, among others. We abide by the [Cruise Lines International Association's \(CLIA\) anti-corruption principles](#). We have adopted and implemented policies and procedures to prevent bribery and corruption. Our officers, crew members, and employees receive appropriate training and are kept informed of changes to policies and procedures through our communication methods.

To continue fostering a company culture of integrity, honesty, and ethics, we formed an Ethics & Compliance Steering Committee. Comprised of mid-level management from all departments, the committee meets monthly to discuss current issues as well as the implementation of the committee's goals and objectives. Additionally, each

November we celebrate Ethics & Compliance Week across the organization to raise awareness of our Ethics & Compliance Program for shoreside and shipboard employees. This offers them the opportunity to talk with each other and the leaders in the Ethics & Compliance department.

We are proud to hold the Ethisphere® Institute's Ethics Inside® Certification seal which is valid for two years. This highly regarded seal is the only independent verification of a company's ethics and compliance program and practices. The seal is awarded exclusively to companies that can demonstrate a superior employee and leadership culture that promotes ethical business practices and that have adequate compliance systems and programs in place to reasonably prevent compliance failures.





# HEALTH, SAFETY & SECURITY PILLAR

**At the most fundamental level, we base every decision we make for our ships and for our Seattle, WA headquarters on our uncompromising commitment to health, safety and security. This is our culture, who we are and what we believe.**

In 2018 the Corporate Health, Environment, Safety and Security “HESS” Policy Statement was updated and approved by the Health, Environment, Safety and Security “HESS” Committee. This policy describes Carnival Corporation & plc’s commitments to Health, Environment, Safety and Security. The policy is signed by Carnival Corporate’s Chief Maritime Officer, President and CEO and Chairman of the Board and demonstrates the company’s accountability to safeguard the well-being of our guests and crew members.

Hiring the right people, providing and tracking completion of ongoing training, and adhering to rigorous standards are vital components of our health, safety, and security strategies. As is the case in all areas of our operations, we closely monitor our performance and continuously strive for improvement, aiming to exceed regulatory requirements. In collaboration with our parent company and sister companies, we update our policies and procedures on an ongoing basis to leverage new insights and innovations. We encourage near-miss reporting and share best practices among our shipboard and shoreside employees, our peers and other stakeholders to strengthen the impact of our efforts.

## HEALTH

Our onboard medical facilities meet or surpass standards established by the American College of Emergency Physicians. We are inspected regularly by the U.S. Centers for Disease Control and Prevention as part of its Vessel Sanitation Program.

Our public health program is built around worldwide public health and sanitation regulations and best practices. The program and its implementation are monitored internally by public health specialists and externally by national and port health authorities.

Health emergencies and communicable disease outbreaks can affect guests’ vacations and disrupt onboard services. Therefore, the capability to manage evidence-based health interventions is essential. The need for robust health programs at sea is further highlighted by the ever-increasing complexity of the cruise industry business model. Ships have become larger and now carry populations that equal the size of small cities. Itineraries have become more remote, which can decrease access to well-equipped shoreside health facilities. Markets have expanded, potentially exposing guests and crew to new illnesses.

Furthermore, guests and crew have become increasingly sophisticated in terms of their expectations for evidence-based, patient-centered and culturally sensitive health services and facilities. Responding to these new challenges requires highly qualified onboard health practitioners as well as shoreside professionals with expertise in multiple health disciplines.

With regards to public health, our certified and well-trained subject matter experts focus on continually improving disease surveillance, outbreak reporting and data analytics, and on promoting high public health standards on board our vessels. This team responds to disease activity and is also prepared for other public health threats. The public health team has standardized all aspects of the public health services including disease prevention and control activities, internal public health inspections and public health training across all ships. Continuous improvement is an ongoing effort.

*Continued on page 12*



# HEALTH, SAFETY & SECURITY PILLAR

*Continued from page 11*

## Vessel Sanitation:

All of our ships that call on U.S. ports voluntarily participate in unannounced, twice-yearly inspections by the Centers for Disease Control and Prevention (CDC) Vessel Sanitation Program (VSP), which aims to prevent and control the introduction, transmission and spread of illnesses on cruise ships. We proactively share our experience and expertise in this area by contributing to the CDC's periodic VSP operations manual updates, the most recent of which concluded in 2018. Areas of inspection include medical facilities, potable water systems, recreational water facilities, galleys and dining rooms, child activity centers, hotel accommodations, ventilation systems and common spaces. To pass an inspection, ships must score a minimum of 86 out of 100 points.

|                                      | FY2016 | FY2017 | FY2018 |
|--------------------------------------|--------|--------|--------|
| Number of inspections scoring 100%   | 0      | 1      | 2      |
| Number of inspections scoring 86-99% | 4      | 4      | 1      |
| Number of inspections scoring < 86%  | 0      | 0      | 0      |

In 2018 three inspections were conducted on our ships, with two scoring a perfect score, one across all ships scoring 86–99 points and none scoring less than 86 points. We take immediate corrective action on any items identified during a public health inspection.

## SAFETY

An uncompromising commitment to safety is core to our company values. It applies to all areas of our operations, from ship design and maintenance to employee training programs and emergency preparedness. We're proud to maintain an excellent safety record.

## Regulatory Framework:

Cruise ship safety is governed by numerous international, federal, state, provincial and local laws and regulations. At the international level, regulation of our industry begins with the International Maritime Organization (IMO), a United Nations agency focused on the safety and security of shipping that is comprised of almost all of the countries in the world that have ships operating under their flags. The IMO, through its many assemblies, committees, boards and administrative offices, sets international standards with which all passenger and cargo ships must comply. Learn more about the regulatory framework in our [regulatory landscape](#)

*Continued on page 13*

| Key Regulations/Codes   | Purpose  |
|---|--|
| Safety of Life at Sea (SOLAS)   | Governs the construction and operation of cruise ships   |
| International Regulations for Preventing Collisions at Sea (COLREG)         | Sets the rules to be followed by ships and other vessels at sea.   |
| International Ship and Port Facility Security Code                          | Governs the creation of ship security plans, personnel and equipment   |
| U.S. Maritime Transportation Security Act                                   | Governs the development of vulnerability assessments and security plans; security patrols; establishing restricted areas; personnel identification procedures; access control measures; and/or installation of surveillance equipment. |
| Port State Control  | Allows domestic maritime authorities such as coast guards to inspect foreign flagged ships calling at the domestic country's ports.  |
| Standards of Safety, Training, Certification and Watchkeeping (STCW)        | Governs the training that mariners must have to work aboard cruise ships   |
| Carnival Corporate Health, Environmental, Safety and Security (HESS) policy | Describes our commitment to protecting our employees' and passengers' health, safety and security.   |

Our Safety Vision is **Safety First, Together and Always** and our Sail Safe Code (below) is the foundation our safety values are built upon.



**Our Vision:**  
Safety First, Together and Always

**Sail Safe First:** Begin each day fit, rested and ready to work. Before you start any task, stop and think, look for hazards and assess the risks.

**Sail Safe Together:** We are all one team working for the same goal. Be sure to stay alert, protect others and work together. Create an inclusive environment where everyone feels respected, safe and supported.

**Sail Safe Always:** No matter what task, there is a right way to do it. Make sure you understand, follow the policies and procedures, and only attempt the tasks you are trained to do.

**Speak Up:** Say something if you hear or see something that is not in compliance, seems suspicious or is not right. If you are involved in an accident or near miss, it's important that you report it.

# HEALTH, SAFETY & SECURITY PILLAR

*Continued from page 12*

## Management System:

Our Safety Management System (SMS) is core to our company operations. It goes beyond the requirements of the International Safety Management (ISM) Code to address broader considerations such as compliance with the Maritime Labour Convention 2006 (MLC 2006), workplace safety, resource conservation and our dedication to high quality and performance. It's also subject to ongoing internal and external audits and inspections to ensure the effectiveness of our policies, procedures and continuous improvement initiatives.

We updated a significant number of our SMS policies and procedures (P&P) after going through a diligent review process led by our parent company, Carnival Corporation & plc., which included all sister companies. This was done not only to standardize a significant number of key procedures but also to allow each sister company to benefit from the others' best practices. The compilation of all revised P&P is called the Health, Environment, Safety and Security (HESS) management system (MS), which aims to ensure the consistent application of best practices across all sister companies.

As the Global HESS evolves, P&P are constantly reviewed and updated. It is a set of living documents and subject to ongoing updates as we strive for continuous improvement. In 2018 we developed and began implementing a fleetwide health, environment, safety and security (HESS) event-reporting platform called SeaEvent. This platform will standardize HESS event reporting and analysis capabilities across our entire fleet, with the end goal of streamlining reporting processes and improving incident communications and follow-up.

## Near-Miss Reporting

Holland America Group received the 2018 Lloyd's List Americas Cruise Safety Innovation Award for its near-miss incident reporting program.

We have a Near-Miss Reporting Program in which we require officers and crew members on board our ships to report any sequence of events and/or conditions that could have resulted in an accident and/or loss. The information is used for analysis and trending, and recommendations are made to prevent near-misses from becoming accidents.

If our crew see a near miss, they first determine whether work should be stopped to prevent an actual incident from occurring. Crew members are instructed to report near misses to their supervisor or any officer, who then reports it to their department head, who completes a near-miss incident reporting form. Every reported near miss is reviewed by a Shoreside near-miss review team and the top five near misses and notations are shared every week with the fleet. These near misses are discussed in the shipboard safety committees, and action is taken on board as needed.

Holland America Group's near-miss incident reporting program supports an atmosphere of responsible behavior where employees are encouraged to identify and report near misses while operating under a "just culture" that focuses on reducing human error while understanding that humans do make mistakes.

*Continued on page 14*

# HEALTH, SAFETY & SECURITY PILLAR

*Continued from page 13*

## Ship Design:

All of our ships comply with and in many cases exceed the applicable International Convention for the Safety of Life at Sea (SOLAS) requirements. Each Seabourn ship is constructed with a collision bulkhead located near the bow of the ship to withstand significant impact. Our ships are subdivided into multiple watertight compartments separated by watertight doors that can all be closed from the ship's bridge as well as at the door itself. The ships can sustain flooding in up to two adjacent compartments and still remain afloat. Seabourn Quest's hull was built to an Ice Class 1C.

All Seabourn ships are equipped with a Safety Management and Control System (SMCS). The system integrates the ship's safety systems and allows effective monitoring, system control and emergency response.

To maximize fire safety, our ships have sprinkler systems throughout guest and crew areas together with enhanced fire suppression systems in machinery spaces. In addition, every ship is divided into fire zones that are separated by fire screen doors that can be operated from the ship's bridge and fire-rated bulkheads in order to minimize the risk of fire spreading.

Each ship has several fire teams that drill together so they are prepared to respond to a fire. In these drills our teams are trained to be assembled, suited up and in place to enter a fire area within minutes of an alarm being sounded. During these drills the firefighting teams practice scenarios fighting fires in the different parts of a ship. We also conduct live fire drills at training facilities around the world and have full-time expert trainers who visit all of our ships several times during the year.

Every ship has a stand-by emergency diesel generator located on one of the top decks that is automatically connected in the event of a main Engine Room failure. The emergency diesel generator is tested regularly and ensures that critical safety systems and lighting can be maintained in the event of a power loss.

Every ship is equipped with damage control equipment that enables the ship to effectively respond to a hull breach should that occur.

Seabourn ships contain the latest safety technology and safety systems, including but not limited to

- Structural stability software programs which ensure the weight of fuel, potable water, wastewater and other onboard supplies is properly distributed to maintain structural integrity
- State-of-the-art navigational systems:
  - o Global Positioning Systems (GPS) to precisely locate our position on the sea
  - o Radar to precisely locate other vessels along our path
  - o Automatic Identification Systems (AIS) that enable our ships to be located and identified should there be a communications failure
  - o Echo sounders for measuring the depth of water
- Fire safety systems:
  - o Safety Management and Control System
  - o Automated fire detection systems
  - o Sprinkler systems throughout the ships
  - o Hi-Fog or Flexi-Fog fire suppression systems in the Engine Room and incinerators
  - o Fuel system shut-off valves in the Engine Control Room
  - o Audible smoke alarms in all staterooms and public areas
  - o Kitchen exhaust fire-suppression systems

Lloyd's Register (LR), our maritime Classification Society, or Flag State Representative establish and maintain guidelines for the construction and maintenance of our ships. Adherence to these guidelines is monitored in part through the implementation of regulatory surveys such as the Passenger Ship Safety Survey, which is administered by LR on an annual basis.

*Continued on page 15*



# HEALTH, SAFETY & SECURITY PILLAR

*Continued from page 14*

## **Employees:**

All nautical and engineering officers on our ships have a government license either issued or approved by our flag state in the Bahamas that confirms they have met the requirements for their position on the size of ships that we operate. These requirements vary by position and, as would be expected, are particularly rigorous for our senior officers. To obtain a license, they must have graduated from an accredited maritime college/academy.

We try, to the maximum extent possible, to grow people within our company. We operate a comprehensive nautical and engineering cadet program whereby young women and men who are enrolled in maritime colleges are able to spend over a year on our ships supplementing their classroom education with onboard training. People who successfully complete their cadetship are offered positions as junior officers and, so long as they continue to demonstrate their proficiency and upgrade their licenses, are promoted through the ranks.

All of our crew are appraised by a senior officer at the end of each sailing assignment. These appraisals form the basis for promotion decisions.

Shoreside, many of our people either have spent years first working on our ships or have other maritime experience. Several members of our management teams have joined us after first serving more than 20 years with the U.S. Coast Guard or U.S. Navy. For more information, view the [Employee Training & Development](#) section.

A significant portion of our employee training program content is dedicated to the prevention of shipboard accidents. Any injury sustained by a shipboard employee or contractor must be reported according to our guidelines, whether it occurs during working or rest hours, on board the ship or during shore excursions. In 2018 less than 1 percent of our shipboard workforce was impacted by incidents. We

continue to strive for improvement in this area, and we won't be satisfied until incidents are reduced to none.

## **Passenger Emergency Drills and Emergency Preparedness:**

Passenger Emergency Drills take place in the port of embarkation before the ship leaves the dock so that guests know where to go and what to do if an alarm is sounded. During this drill, guests will be provided clear instructions to be followed in the event of an emergency, including how to find their muster station, the essential actions they must take in an emergency and the method of donning life jackets. These drills are mandatory for all guests, and noncompliance may result in disembarkation. Upon boarding our ships, guests also receive written safety instructions in their preferred language. If more than 30 percent of our guests primarily speak a language other than English, we conduct the live safety briefings in multiple languages. We provide written safety information and a copy of the lifeboat drill safety speech to our guests who are deaf or hard of hearing. A passenger safety video is available for viewing on the guest channel.

Our contingency plans are designed to handle shipboard emergencies with immediate and effective support. In case of an actual emergency, our ships are equipped with life jackets, lifeboats and emergency supplies for every guest and every crew member on board. And all of our ships are equipped with emergency location lighting and broadcast communication equipment, including the Global Maritime Distress Safety System (GMDSS).

We built a state-of-the-art emergency response center at our headquarters office in Seattle, Washington. Periodic announced and unannounced drills are conducted at the center to ensure shoreside teams are fully prepared to assist ships in cases of severe weather or emergency. To continuously improve communication during an emergency, we invested in a system that is also used by U.S. government agencies, public utilities, universities, corporations and sister cruise lines. This system allows shipboard and shoreside users to communicate and have a common understanding during incidents.

*Continued on page 16*



# HEALTH, SAFETY & SECURITY PILLAR

*Continued from page 15*

## SECURITY

As is the case with our safety programs, we've developed security standards that go beyond regulatory requirements to protect our guests and employees. We will not go to a port where our guests or crew would be presented with an unreasonable risk to their safety and security. Nonetheless, we are operating in a changing world which can at times present situations where we will be compelled to cancel a port call or reroute a ship. This is done only after careful consideration and in an abundance of caution to ensure the continued safety and security of our guests, crew and vessels.

Our security efforts focus both on protecting our guests and crew from external security threats as well as maintaining an orderly environment on board our ships. This is accomplished through planning, proper equipment and trained staff.

Every person on board, including guests and crew members, is placed on an official manifest and may leave or enter the ship only after passing through strict security measures, such as

- All crew members must have photo identification badges.
- All guests are required to carry ship-issued identification cards which they must have scanned whenever they board or leave the ship.
- Visitors are not permitted on board unless they were previously placed on a visitors' list that has been submitted to regulatory authorities.
- All guests, crew and visitors and their belongings are screened before being allowed on the ship.

## Shipboard Security Teams:

Our ships are staffed with dedicated security teams responsible for managing systems and enforcing policies around the clock. Led by officers who have extensive experience in law enforcement and maritime security as well as specialized training in investigations and emergency planning, our shipboard security teams are fully certified in accordance with the provisions of the Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW), the Maritime Transportation Security Act (MTSA), the International Ship and Port Facility Security (ISPS) Code and the Cruise Vessel Security and Safety Act (CVSSA).

In addition to the specialized training we provide for security teams, we require each and every shipboard employee to participate in security training in accordance with the provisions of STCW and ISPS, which includes human rights training. We also conduct regular security drills and exercises in coordination with government agencies.

## Technology & Tools:

We regularly upgrade our shipboard screening and surveillance systems to leverage technology advancements. These systems enable us to effectively monitor and control ship access and screen guests, crew members and luggage.

We also ensure all ships are equipped with the necessary tools for internal and external communication in the event of a security incident. Our ships are equipped with detection equipment similar to that used in airports so we are able to properly monitor both persons and property brought onto the ships. We also maintain special equipment for identifying explosives. Closed-circuit television cameras are located in various areas of the ships. Finally, those ships operating in certain parts of the world are equipped with appropriate equipment to enable the crew to respond to external threats.

## Inspections and Reporting Requirements:

Our ships are subject to regular inspections by governmental and law enforcement authorities throughout the world, including the U.S. Coast Guard. These inspections ensure that our ships fully comply with the International Ship and Port Facility Security (ISPS) Code and other applicable regulations. Furthermore, we conduct regular security audits on our ships to ensure that designated security systems and procedures are in place and being used effectively.

In the unlikely event that a crime does occur on one of our vessels, it is promptly reported to appropriate law enforcement authorities. This reporting is done in full compliance applicable laws, including the Cruise Vessel Security and Safety Act (CVSSA) of 2010. Incidents that fall under the CVSSA include certain onboard felonies, tampering with the vessel and missing U.S. nationals and must be reported to the Federal Bureau of Investigation (FBI) and the U.S. Coast Guard.

## Privacy:

We respect the privacy of our guests and crew, and we have implemented policies and procedures designed to safeguard their personal information. We keep privacy matters top of mind by requiring employees to complete our data privacy training and communicating regularly about how to safeguard information.

We are compliant with U.S. and European Union requirements, including standards for protecting information related to the acceptance of credit and debit cards for payment. We also take steps to ensure the privacy of our company website users. Our [online privacy policy](#) discloses how we collect, protect, use and share information gathered on our website.



# CSMART

Carnival Corporation, Seabourn's parent company, owns and operates the Arison Maritime Center, home of the Center for Simulator Maritime Training Academy (CSMART Academy). The CSMART Academy is a world-class training center for safety and excellence in maritime operations in Almere, Netherlands, outside Amsterdam. It features advanced simulator equipment, technology, instructional tools and curriculum, which provide participants with a superior maritime training experience that emphasizes team-based critical thinking, problem solving and decision-making.

CSMART also provides rigorous safety training for bridge and engineering officers responsible for the navigation and operation of the world's largest fleet of cruise ships. In 2017 CSMART launched an environmental officer training program and began offering additional environmental courses for bridge and engineering officers to further enhance our training on social responsibility and environmental protection. During 2018 Carnival Corporation provided CSMART training to nearly 6,800 bridge and engineering officers. For more information please visit <https://www.csmartalmere.com/>.



# FLEET OPERATIONS CENTER

Fleet Operations Centers (FOCs) are an essential component of our health, environment, safety and security (HESS) strategy. Of Carnival Corporation's three FOCs, one is in Holland America Group's Seattle headquarters. Since Carnival Corporation staffs its FOCs 24/7, this allows communications between ship and shore whenever we need, and provides immediate and continuous support to our ships.

The FOCs feature custom-built tools such as the proprietary

software application Neptune. This state-of-the-art tracking and data analysis platform helps make cruising more safe, efficient and sustainable by providing real-time information sharing between ships and shoreside teams.

## NAUTICAL SAFETY

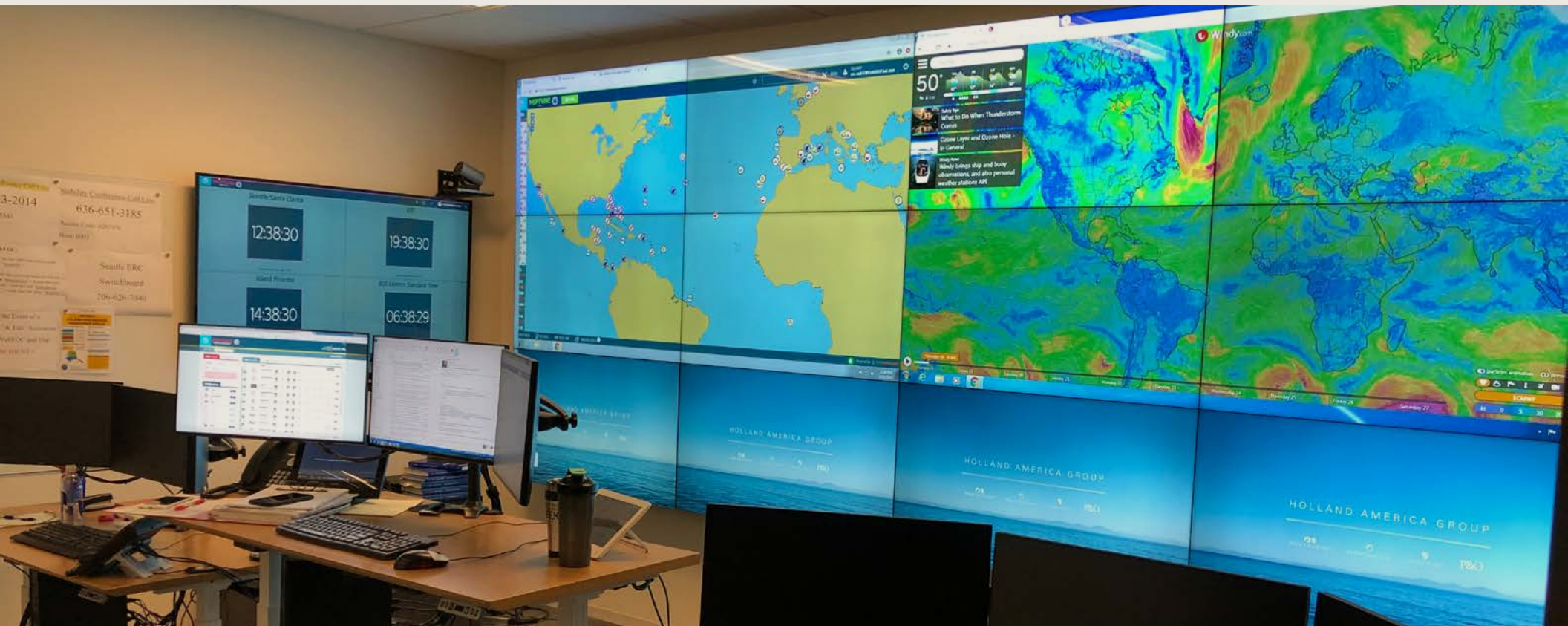
- Neptune constantly monitors the ships and tracks their position, speed and direction. The platform also provides visual routing and information on the traffic and weather at the ships' location.
- As Neptune sends real-time notifications in case a vessel deviates from defined standards, the FOCs can provide immediate support.

## ENVIRONMENT

- Neptune monitors the Advanced Air Quality Systems and their emissions, as well as the system usage in controlled areas. Neptune reports any deviation from targeted values.

## ENERGY MANAGEMENT

- For each ship, Neptune collects and downloads almost two million data points daily. Immediate and subsequent data analyses identify trends and optimize forecast models. It supports operations to improve fleet engine performance and optimize resources.





# ENVIRONMENT

**At Seabourn, sustainability of the planet’s natural resources motivates every aspect of our promise to our guests, the seven seas, and their mutual well being and safety. From our new environmental initiatives in the boardroom to our colorful ports of call worldwide, in this way we can continue to create fulfilling travel experiences and memories that last a lifetime.**

## MANAGEMENT SYSTEMS

We manage the environmental aspects of our operations through our ISO 14001:2015-certified Environmental Management System (EMS). The EMS provides a framework for the fleet’s interactions with the environment, and the Environmental Management System illustrates how we meet the requirements of ISO 14001 and provides a road map to all required procedures.

In 2018 our Environmental Management System was certified at the corporate level versus at the individual brand level for the first time. Therefore, we have aligned our EMS with the comprehensive management system established by our parent company, Carnival Corporation & plc. This system, known internally as the Health, Environmental, Safety and Security (HESS) Management System (MS), aims to ensure the consistent application of best practices across all corporate lines.

All of our shipboard employees have environmental responsibilities incorporated into their duties. They receive environmental training during their first day on board and are supported by our shoreside employees who develop policies and procedures and facilitate communication on an ongoing basis across the fleet.

In addition, each ship in our fleet has a full-time Environmental Officer who oversees environmental compliance and implementation of procedures. The Environmental Officer reports to the ship’s Captain and has a direct line of communication to our shoreside environmental management team. We share common goals and we embrace opportunities for continuous improvement through corporate conferences and annual training at the

Center for Simulator Maritime Training (CSMART), senior management meetings, our quarterly HESS & Sustainability Newsletter, monthly phone calls with environmental officers and numerous informal communications.

We’re working to integrate sustainable solutions into all areas of our business, with a strategic focus on optimizing our operations to maximize efficiency; reducing waste; exploring new ideas and technology to improve performance; and strengthening our data collection, analysis and management processes.

Our parent company, Carnival Corporation & plc., established the following environmental goals with a target date of 2020. Seabourn set its own objectives and targets to help Carnival Corporation reach these environmental goals.

*Continued on page 18*

### Carnival Corporation & plc Sustainability Goals

Reduce the intensity of CO<sub>2</sub>e (equivalent carbon dioxide) emissions from our operations by 25% by 2020 relative to our 2005 baseline, measured in grams of CO<sub>2</sub>e per ALB-km.

Continue to reduce waste generated by our shipboard operations by 5% by 2020 relative to our 2016 baseline,\* as measured by kilograms of non-recycled waste per person per day.

Continue to improve water use efficiency of our shipboard operations by 5% by 2020 relative to our 2010 baseline, as measured by liters per person per day.

Continue to improve the quality of our emissions into the air by developing, deploying and operating Advanced Air Quality Systems (AAQS) across the fleet capable of reducing sulfur compounds and particulate matter from our ship’s engine exhaust.

Increase cold ironing coverage of our fleet wide capacity in relation to future port capabilities.

Increase Advance Waste Water Purification System (AW-WPS) coverage of our fleet wide capacity by 10 percentage points by 2020 relative to our 2014 baseline.

\*Based on the 2016 change to waste management accounting practices, the baseline has been revised from 2010 to 2016.

# ENVIRONMENT

Continued from page 19

## Operation Oceans Alive

In 2018 our parent company, Carnival Corporation & plc, launched Operation Oceans Alive, a new environmental compliance and stewardship program. Operation Oceans Alive is a call to action for all employees to care about and protect our oceans, seas and waterways from environmental harm, ensuring their ecosystems, plant life and aquatic animals thrive both now and in the future.

In 2018 we celebrated Earth Day and World Oceans Day both on board and shoreside with events, activities and communications to promote ocean education and conservation. In honor of Global Recycling Day 2019, we renamed the garbage rooms the “recycling rooms” and held competitions for the best celebrations. The *Encore* created ship models out of recycled materials, the *Sojourn* provided a fun environmental quiz, and the *Ovation* held a recycling fashion show with items they found onboard.



## Environmental Regulations

We adhere to local, national and international environmental laws and regulations in the jurisdictions where our ships sail. Our environmental practices comply with or exceed the requirements of the International Maritime Organization (IMO). The Convention for the Prevention of Pollution from Ships — also known as MARPOL — establishes regulations to protect the maritime environment from pollution that is either accidental or the result of routine operations.

Learn about our [regulatory landscape](#).

*Continued on page 21*

## SINGLE-USE PLASTICS

**We are joining the global movement to reduce plastic consumption.** Single-use plastic takes anywhere from 20 to 1,000 years to break down. During this process, the plastic can hurt marine animals. Some 700 species of marine animals have been reported so far to have eaten or become entangled in plastic.<sup>1</sup>

In 2018 we initiated an evaluation of our collective use of single-use plastics and alternative options. We established a dedicated cross-functional team to identify how we can replace those plastic items with reusable non-plastic or biodegradable alternatives. We expect to significantly reduce single use plastics by the end of 2021 whenever feasible. The effort to drastically reduce single-use plastics is part of an expansion of our environmental compliance and stewardship program.

You can see our progress as Seabourn has:

- Made straws and cup lids available only when guests request them, and switched to paper-based options;
- Eliminated plastic cups for both crew and guests;
- Replaced plastic cocktail picks and stir sticks with bamboo and wood alternatives;
- And provided high quality, filtered still and sparkling water in all food and beverage venues.

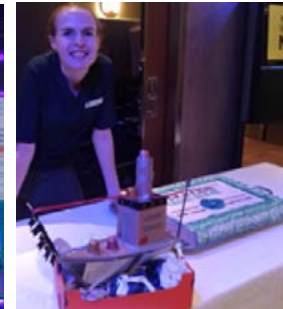
By the end of 2019, Seabourn will have provided high quality filtered water in reusable bottles, replacing single-use bottled water for guests and crew, and replaced plastic ice cream spoons with wooden ones.



Seabourn *Sojourn*



Seabourn *Ovation*



Seabourn *Encore*

1. Gall, S. C., & Thompson, R. C. (2015). The impact of debris on marine life. *Marine Pollution Bulletin*, 92(1-2), pp. 170-179.

# ENVIRONMENT

Continued from page 20

## ENERGY & EMISSIONS

Responsible energy management is an important component of our sustainability strategy — it's one of the most powerful levers we have to reduce our environmental footprint while supporting the bottom line. We're making progress in this area by ensuring our ships are designed as efficiently as possible while identifying opportunities to reduce emissions through efficient operations and the use of new technology.

### Direct Energy — Fuel Use:

We strive to save fuel — the primary source of energy used by our fleet — by purchasing new, more fuel-efficient ships; investing in fuel efficiency technology; traveling fewer miles; selecting itineraries that allow optimum ship speed; circulating monthly fuel use data to support awareness across ships; and sharing fuel conservation best practices.

Our ships are propelled by diesel electric generators which are inherently more efficient than traditional marine

propulsion systems because we can optimize the load between propulsion and other operational needs. A majority of the electricity we generate on board our ships is used to operate our propulsion system, while the remainder is used to power our lighting, heating, ventilation, air conditioning and refrigeration systems.

In 2018 our 5-ship fleet used 56,199 metric tonnes of fuel, generating over 2.3 million gigajoules of energy. As a result of our successful fuel efficiency initiatives, our 2018 ship fuel consumption rate- normalized for ship capacity and distance traveled- decreased by 15 percent against our 2013 performance.

We use high-sulfur fuel oil (HSFO) and marine gas oil (MGO) to power our ships. MGO generates fewer sulfur oxide emissions. We use it or Advance Air Quality Systems (AAQS) in emission control areas as required. In 2018 around 64 percent of the fuel we used was HFO, and around 36 percent of fuel used was MGO.

### Greenhouse Gas (GHG) Emissions:

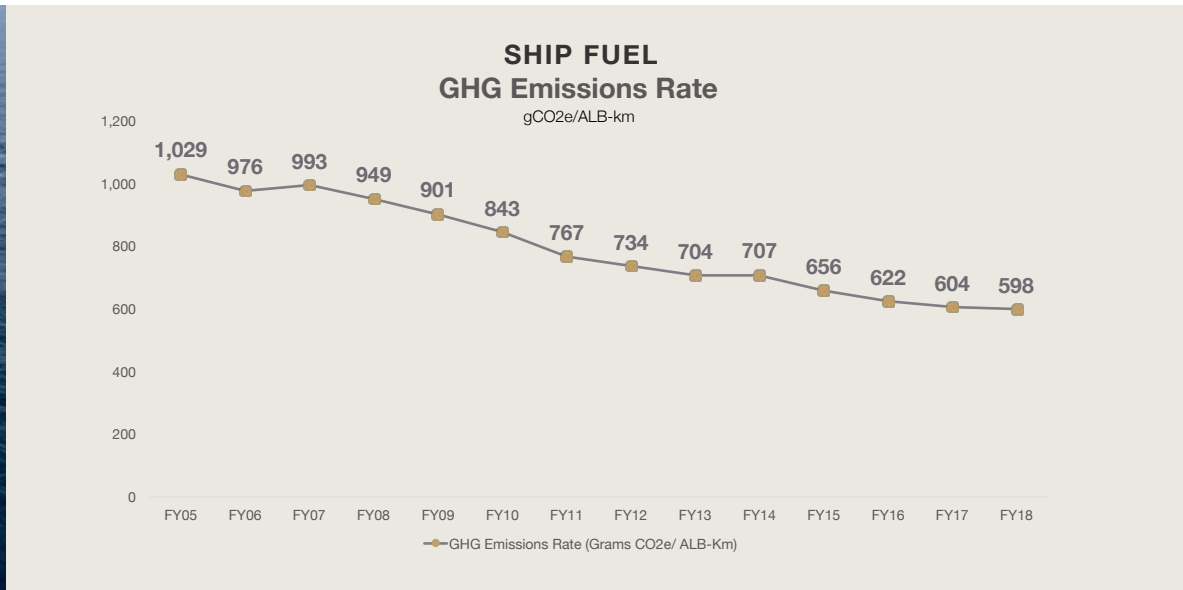
The greenhouse gas (GHG) emissions generated by our operations are primarily from fuel burned by ships. These emissions include greenhouse gases, nitrogen oxides

(NOx), sulfur oxides (SOx) and particulate matter (PM). Recognizing that managing GHG emissions is essential to the industry, Carnival Corporation & plc has set and surpassed its greenhouse gas emissions intensity goals. Carnival Corporation & plc has adopted the goal of the Cruise Lines International Association (CLIA) **to reduce by 40 percent the rate of carbon emissions across its fleet by 2030**. Progress toward the 40 percent target will be measured against a 2008 fleet baseline, and emissions rates will be calculated based on the fleet's total carbon emissions, total ship berths and total distance traveled.

In 2018 our operations generated about 182 thousand metric tonnes of carbon dioxide emissions. The vast majority were direct GHG emissions from our ships' fuel compensation.

As a result of our ship fuel efficiency strategies, from 2013 to 2018 we successfully reduced our GHG emissions rate, which is normalized for ship capacity and distance travelled, by about 15 percent. Over the same time period we increased our normalized rate of emissions of nitrogen oxides and sulfur oxides while reducing the normalized rate of particulate matter by 40 percent.

Continued on page 22



# ENVIRONMENT

Continued from page 21

## Indirect Energy — Electricity Purchases

We have updated our Scope 2, or GHG emissions from energy purchases, reporting to reflect The Greenhouse Gas Protocol's recently released amended Scope 2 guidance, which requires the reporting of location-based emissions and market-based emissions. We have historically reported location-based emissions, which reflect grid-average emission factors. The market-based method requires an emission factor that characterizes the emission rate of untracked or unclaimed energy to prevent double counting of GHG emission rates among electricity consumers. We now also include market-based emissions, which reflect residual mixed emissions or emissions from electricity purchases, where available.

Electricity purchased for office use is included in Holland America Line's sustainability report.

## Advanced Air Quality Systems

Advanced Air Quality Systems (AAQS) significantly reduce sulfur compounds and particulate matter, including black carbon, from our ship's engine exhaust. Seabourn *Encore* and Seabourn *Ovation* are equipped with certified and operational AAQS. See [Carnival AAQS](#) for additional information on AAQS.

## WATER

Fresh water is vital to our shipboard operations. It allows guests and crew to bathe and stay hydrated, and it's used to prepare food, sanitize kitchen tools and surfaces, wash linens and clothes and clean engine room equipment as well as staterooms and public areas.

### Sources & Use:

Our fresh water comes from three different sources: produced water (seawater that is either evaporated and re-condensed or produced by a reverse osmosis plant and treated with minerals and chlorine); bunkered water,

which is purchased from port communities and stored in designated potable water holding tanks; and condensate, which on some ships is collected from our air-conditioning units and used for technical cleaning purposes. We bunker water from ports where we know water is plentiful and high in quality.

In 2018 our fleet consumed over 488 thousand metric tonnes of water. Ninety percent was produced on board, and ten percent was bunkered or purchased from shore. Because the quantity of condensate generated can't be measured for all ships in the fleet, it is not reflected in our data.

In 2018 our operations used 349 liters of water per person per day, which is in the range of the 302-378 liters used per person per day in the average [U.S. household](#).

We continue to strive for future improvement by leveraging water-saving technologies and educating our guests and crew members about water conservation. We are also identifying high-performing ships and share best practices.

### Wastewater from Ships:

All water that is produced or loaded onto our ships is used for its intended purpose and then either discharged in accordance with — or often exceeding — local, national and international laws and regulations or offloaded to a shoreside facility for disposal. This wastewater is separated into three broad categories named gray water, black water (permeate, biomass, and untreated black water) and bilge water. In 2018 we generated approximately 424,000 metric tonnes of wastewater, of which approximately 416,000 metric tonnes was discharged to sea.

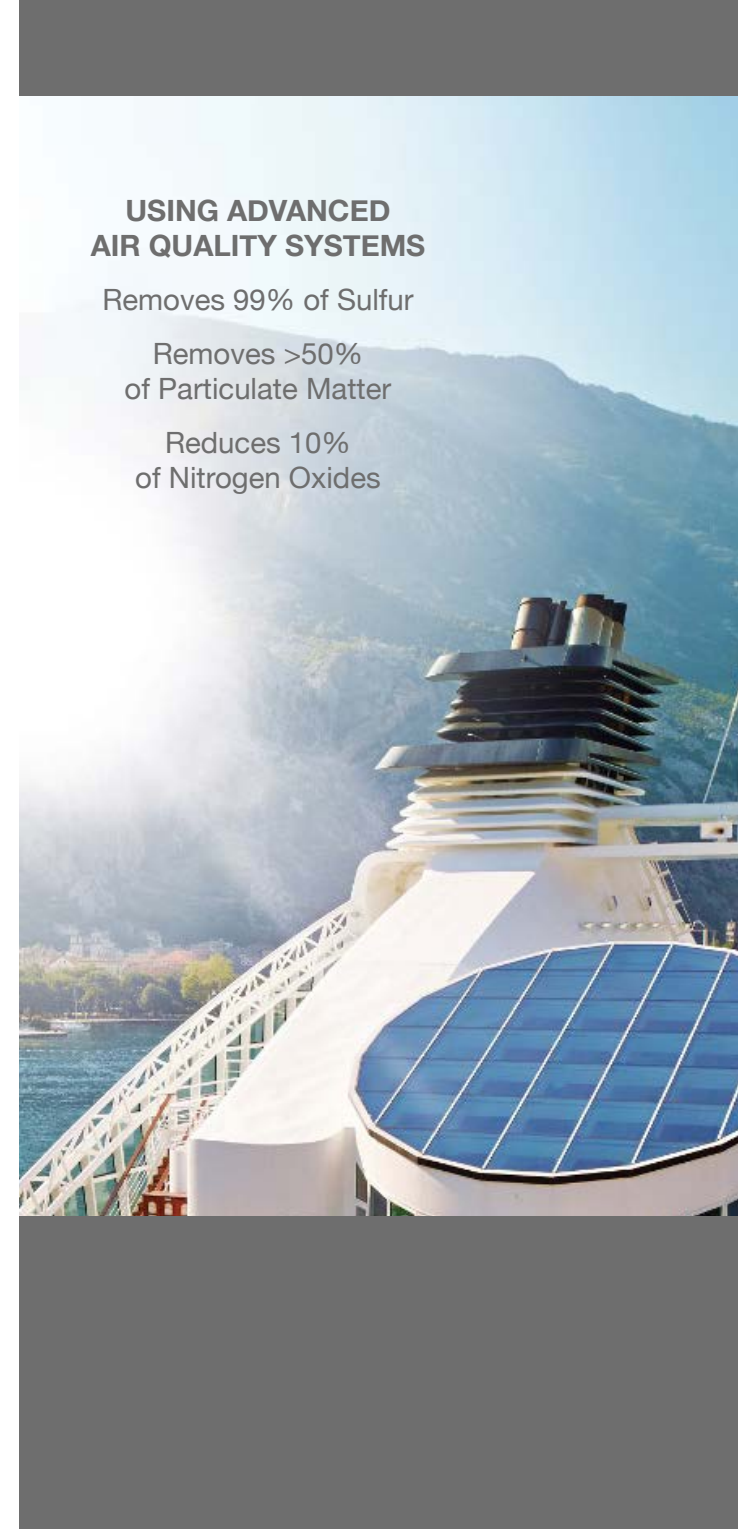
Gray water is wastewater drained from cabin sinks and showers, galleys, salons and laundry facilities. It may be treated or untreated prior to discharge, depending upon ship capabilities. It is discharged in full compliance with applicable laws and regulations. In 2018 we discharged approximately 142,600 metric tonnes of untreated gray water, which accounted for 34.87 percent of all wastewater discharged to sea from our fleet.

## USING ADVANCED AIR QUALITY SYSTEMS

Removes 99% of Sulfur

Removes >50% of Particulate Matter

Reduces 10% of Nitrogen Oxides



# ENVIRONMENT

*Continued from page 22*

Black water is waste from toilets and medical facility sinks. All of our ships are equipped with advanced wastewater purification systems that treat black water (as well as some gray water). These systems use primary filtration, bio digestion, ultrafiltration and ultraviolet light technology to produce discharge- called permeate- that is superior in quality to effluent discharged from municipal wastewater treatment plants in most communities. In 2018, we discharged over 256,000 metric tonnes of permeate, accounting for 62.7 percent of all wastewater discharged from our fleet.

Bilge water is wastewater collected in the lower part of the ship, known as the bilge. This water contains oils released from equipment in engine compartments. To treat bilge water we use a cascade bilge water treatment system, which circulates and recirculates fluid through increasingly efficient oil-water separators until the oil content is reduced to below 15 parts per million. In 2018 we discharged over 7,000 metric tonnes of treated bilge water, which accounted for less than 2 percent of all wastewater discharged from our fleet.

## Accidental Releases:

We work hard to protect water quality and prevent accidental spills. When they do occur, they most often contain water, fuel, hydraulic fluid or lubricating oil. These materials enable the operation of shipboard mechanical systems which our employees inspect, monitor and maintain. If leaks occur, they typically range from a few drops to a few pints. We require our crew to report all incidents in which they see a sheen on the water's surface.

For internal reporting purposes, corporate standards require us to report any release of any fluid discharged into the sea. A spill that causes oil sheen is also reported and included in the total number of spills recorded, even though the volume may be only a few drops.

## Grievances

We occasionally receive grievances about labor practices, human rights, impacts on society, environment, guest privacy and guest relations, among others. We evaluate and manage all grievances we receive within a reasonable timeframe.

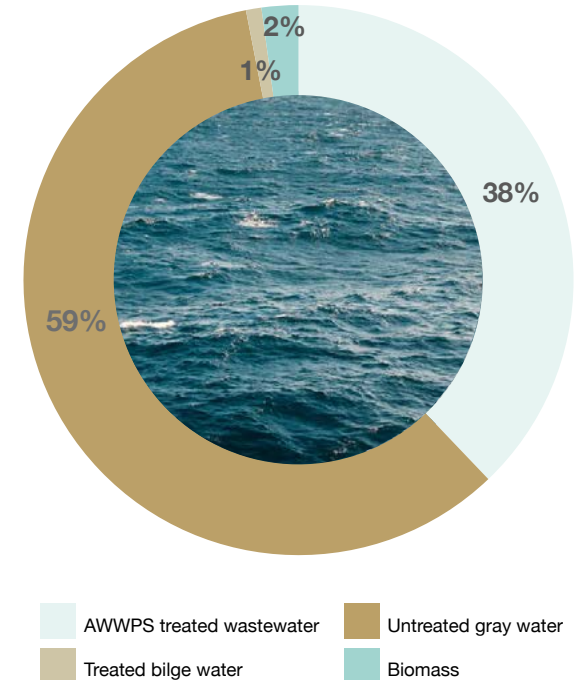
## WASTE

In 2018 our fleet generated approximately 7,200 metric tonnes of solid waste. Excluding recycling, this represents 3.6 kilograms of waste per person per day. We are reducing this amount by identifying high-performing ships to share best practices. We also engage shoreside vendors to find more recycling opportunities.

We conducted an evaluation of our waste in 2017 with our parent company, Carnival Corporation & plc. As a result we reclassified our categories for hazardous waste so that we use the most inclusive definition, which standardizes waste reporting quantities independent of how the wastes are classified when landed ashore. This potentially results in higher reported aggregate quantities of hazardous waste but allows for more consistent trend analysis. The largest change to our classification system can be seen in our oily waste offloads. Under our old reporting framework through the Environmental Protection Agency's RCRA guidelines, oily waste is not considered hazardous except in California. Under the new framework adopted by our parent company in 2017, the EU Waste Classification, oily waste is considered hazardous. Because of this change in reporting framework, of the solid waste generated by our fleet in 2018, 30 percent was considered hazardous waste. However, Seabourn is still recognized as a small-quantity hazardous waste generator under U.S. Environmental Protection Agency guidelines.

Our waste management approach focuses on reducing the volume and toxicity of waste we generate. Whenever possible, we reuse existing materials and equipment, and we recycle where recycling infrastructure is available at our ports of call. We collaborate with stakeholders on these efforts, donating reusable goods from our ships to nonprofit

## 2018 Wastewater Discharged to Sea



*Continued on page 24*

# ENVIRONMENT

*Continued from page 23*

organizations and working with port authorities to identify additional vendors who are capable of recycling, reusing or donating cruise ship waste themselves.

Solid waste generated by our shipboard operations is hand-separated and either recycled, disposed of on shore or incinerated on board. Recyclable materials are separated from trash and collected on all of the ships in our fleet.

When recycling services aren't available in port communities, we incinerate solid waste on board our ships, dispose of it at local landfills, or safely store it until we reach a port that does have recycling services. Shipboard incinerators and shredders substantially reduce the volume of materials such as paper and cardboard. With the introduction of shredders, we are incinerating less waste and creating a safer, more maintenance-free alternative to incineration.

## BIODIVERSITY

As an extension of our commitment to sustainability, we strive to protect the earth's biodiversity. Below are a few examples of our other major initiatives to protect biodiversity.

### Biofouling:

Biofouling occurs when marine organisms such as mussels, barnacles, algae or other living organisms attach to ships. Preventing biofouling minimizes the potential of transporting non-native species to other locations where they could overwhelm native populations. Biofouling prevention thus preserves biodiversity in the places we sail.

The very nature of our itineraries mitigate the potential for hull biofouling. Our ships are rarely in port for more than 12 hours at a time, limiting the time marine species have to

attach to the hull. Additionally, sailing speeds between ports are typically fast enough to 'scrub' the hull of any marine species.

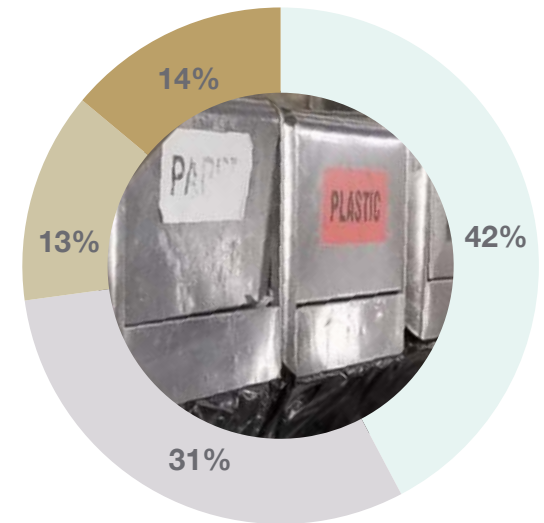
Hull husbandry is another way that Seabourn prevents biofouling. Hull husbandry includes application of antifouling hull coatings, hull cleaning, maintenance and the use of active Marine Growth Prevention Systems. Special silicon-based underwater coatings are designed to maintain a smooth surface which inhibits marine growth attachment. Periodic hull cleaning removes the incidental growth that does occur, and periodic maintenance of internal seawater pipes and systems removes any accumulated biofouling in our internal seawater systems. Active Marine Growth Prevention Systems employ cathodic or ultrasonic systems that also inhibit marine growth in those internal surfaces. These methods reduce the risk of introducing non-native species to sensitive marine areas and have the added benefit of reducing fuel consumption, with the consequent reduction in engine emissions.

### Ballast Water:

Ballast water is seawater that is pumped into dedicated tanks on a ship to provide weight- or ballast- at the bottom of the ship, enhancing stability. It has the potential to impact biodiversity with the risk of introducing non-indigenous invasive species when discharged.

We are adding ballast water treatment systems to our ships. For those ships without ballast water treatment, our current practice is to hold ballast water while in port whenever possible. If a discharge is anticipated, ballast water from one location is exchanged in deep waters in transit, prior to arriving in another location. This avoids the transfer of non-indigenous species between two different nearshore marine environments and has been shown to minimize potential impacts. We record and report all ballast water exchanges and discharges as required by local, national and international laws and regulations.

## 2018 Solid Waste Distribution



- Waste Disposed to Shore
- Waste Recycled
- Food Waste Discharged to Sea
- Total Waste Incinerated Shipboard

*Continued on page 25*



# ENVIRONMENT

*Continued from page 24*

## **Marine Mammal Protection:**

Seabourn has clear guidelines to avoid marine mammal strikes, and we follow established procedures if marine mammals are sighted nearby, including altering course, reducing speed, utilizing additional bridge lookouts and notifying appropriate authorities and shoreside personnel. Our nautical officers also participate in whale protection training in conjunction with the U.S. National Oceanic and Atmospheric Administration (NOAA).

In order to protect particularly sensitive species, we require designated personnel to know the operational and reporting requirements of potentially sensitive and protected areas prior to entering, especially those in the northern and southern Atlantic and Pacific oceans.

An example is seal protection. During seal-pupping season (early May to mid-June) our policy is that our ships do not approach any closer than 500 yards from ice flows where seals reside. At all other times our ships do not approach any closer than 100 yards.

We have developed a comprehensive whale strike prevention training program for our deck officers and follow reporting requirements prior to entering the Right whale sensitive and protected areas for North Atlantic and North Pacific Right whales. These species are listed in the IUCN's (International Union for Conservation of Nature) Red List, which is the Global Reporting Initiative's designated list for threatened species.

## **Alaska:**

Each season Seabourn reviews its operations in sensitive areas in which it operates. As one of the largest cruise operators in Alaska, we are committed to employing a wide range of programs to help protect this pristine environment.

Prior to each Alaska season, Shore Operations reviews each ship's operational plan. In addition, at the start of each season the technical teams on board our ships check the engines to make sure they are operating at the highest level of efficiency to reduce air emissions during the season.

Active measures are taken to prevent or remove marine species (mosses, barnacles and other marine species) attached to the hull of the ship before arriving in Alaska. Ships are cleaned from stem to stern one to two times per year. Propellers are polished to remove growth. Each ship employs active Marine Growth Prevention Systems (MPGS) to prevent biofouling in the numerous cooling water and cross-over systems. These may include anodic water treatment or ultrasonic systems each designed to prevent attachment to the internal pipe surfaces through which engine cooling or HVAC (Heating, Ventilation and Air Conditioning) process water flows.



# COMMUNITY

**Our official partnership with UNESCO stems from our shared values and active concern for global cultural and natural heritage preservation. To that end, we diligently continue our efforts to support and intimately understand the ports and communities we promote as part of our sustainable tourism programs. Together, we expect to reach our goals to create a better future socially, economically, and environmentally for each port we visit.**

## OUR COMMUNITIES

### Port Communities:

In 2018 our ships visited just over 450 ports across six continents. We explore potential new ports of call on an ongoing basis as we strive to create unique experiences for our guests. We sail to the world's most desirable destinations.

We visit ports of call with varying frequency and adjust itineraries based on consumer demand and our ability to ensure the safety, security and health of our guests and employees.

A significant way our business can make a positive impact in port communities is by creating jobs in the tourism industry. In 2018 we brought 73,556 guests to developed and emerging destinations, supporting demand for hotels, taxicabs, restaurants, shopping and entertainment. As per the Cruise Lines International Association (CLIA), the cruise industry generated \$134 billion in global economic impact in 2017. This economic activity generated over 1 million jobs around the world, paying \$45.6 billion in global wages in 2017. For additional details please refer to [CLIA, 2017 Cruise Industry Outlook](#).

We recognize that in order to be truly valuable, the economic and social benefits we provide port communities must be accompanied by measures to protect the environment. Our business also involves protecting, transporting, accommodating, feeding and entertaining

guests, as well as providing opportunities for them to enjoy meaningful, enriching travel experiences in our ports of call around the world. Each of these activities has impacts on our various stakeholders and on the environments in which we operate. We try to better understand those impacts, to improve our performance wherever possible, and to maximize the benefits of our activities where appropriate, with the aim of managing our company for long-term sustainability. Our shipboard and shoreside environmental priorities are to conserve energy and water, reduce carbon emissions and waste, and protect biodiversity.

### Antarctica:

Seabourn Quest sails to Antarctica. Preparation for the Antarctic cruises begins with the environmental permitting process. The United States is signatory to the Antarctic Treaty, an international agreement that regulates all activity in Antarctica. The treaty sets aside Antarctica as a scientific preserve and states that no nation can claim the territory as its own. Further, the treaty requires that any private activity in Antarctica be vetted for potential damage to the wildlife,

*Continued on page 27*



# COMMUNITY

Continued from page 26

fragile ecosystems and historic structures and locations found there. This vetting is done by each signatory nation; in the United States, the evaluation is led by the U.S. Environmental Protection Agency (EPA).

A key element of our successful Antarctic voyages is our membership and relationship with IAATO – the International Association of Antarctic Tour Operators. IAATO is an international member organization founded to promote the practice of safe and environmentally responsible private-sector travel to the Antarctic. It publishes extensive guidelines for Antarctic tour operations, including emergency response, safe operation, guidelines for visits to specific sites (to ensure environmental protection and preservation of historic objects) and wildlife-watching guidelines. We put significant planning effort into ensuring the safe and successful completion of our Antarctic voyages.

## SUPPLY CHAIN

Our Business Partner Code of Conduct and Ethics is intended to help our business partners within our supply chain more fully understand and comply with our expectations for legal compliance and ethical behavior, as this is a fundamental aspect of our core values.

We interact with thousands of suppliers every year globally. Before we engage with vendors, we complete all documentation, perform reputational research and complete a vetting process. We regularly conduct supplier visits as required.

At Seabourn we employ two procurement streams: technical purchasing (parts and services) and consumable purchasing (food and beverage items and housekeeping supplies). Whenever feasible, competitive bidding is undertaken at the corporate, Holland America Group or brand level. We achieve competitive pricing while ensuring quality and product safety by actively identifying key vendors that we partner with through a vigorous vetting

process. Holland America Group actively participates in all global bids through AllBrands Global Sourcing, a department within Carnival Corporation & plc. By consolidating information through AllBrands Global Sourcing, we are better able to manage and control our supply chain processes since we are collectively working together with our sister brands. AllBrands Global Sourcing identifies key vendors through a vigorous vetting process.

We require a 100 percent commitment to improving the quality and accuracy of the deliveries from our vendors. We continuously work with our vendors to improve the use of carton and pallet manifesting and documentation. As a group we consolidate department shipments to reduce our impact on the environment rather than utilizing individual transports for each department. Holland America Group Supply Chain has been at the forefront of introducing reusable and recyclable plastic pallets to the cruise industry supply chain, and we look forward to working with the rest of the industry on this important initiative.

## GIVING & VOLUNTEERING

We are proud to give back to the communities where we live, work and sail by supporting nonprofits in various ways through cruise donations, disaster giving and engaging employees in helping others. **Working in tandem, Seabourn and Holland America Line collectively contributed more than \$4.9 million in cash and in-kind gifts to charitable organizations around the globe in 2018.**

### Cruise Donations:

We're able to play a meaningful role in nonprofit fundraising efforts by offering free and reduced-fare cruise certificates for charity events such as auctions and raffles. In 2018 Seabourn offered just under 40 free or reduced-fare cruises at a total value of \$362,143.

### Employee-Driven Efforts:

We gratefully acknowledge the contributions of our employees, who play a significant role in our philanthropic efforts.

Continued on page 28



## UNESCO Partnership:

We are the official cruise partner of UNESCO, and we are the only cruise line that can claim this position.

We partner with UNESCO to promote sustainable tourism at World Heritage properties. Through our support of UNESCO we help engender a wider understanding of and commitment to the UNESCO World Heritage Convention's mission to identify, safeguard and promote unique cultural and natural heritage around the world deemed to possess outstanding universal value for all humankind. Since 2014, **Seabourn and its guests have contributed more than \$1.5 million USD to UNESCO**, providing a significant level of support to the organization and its mission. For FY18, UNESCO donations totaled \$254,728.

Seabourn's partnership with UNESCO further enhances our guests' travels through deeper insight and information about these fascinating destinations — whether on board or on shore. We provide our guests opportunities to experience one-of-a-kind treasures such as the temple complex of Borobudur on Java; the excavated ruins of Pompeii and Herculaneum in Italy; and the Taj Mahal in Agra, India. As completely different as these places are, they share a common attribute: They are all designated UNESCO World Heritage sites. We offer more than 420 optional tours in 70 countries at more than 170 sites around the world. A portion of the tour fee is donated to UNESCO to help the organization promote and preserve these precious and important global resources for future generations.

# COMMUNITY

Continued from page 27



For more than a decade, Holland America Group employees have donated their volunteer time and efforts at Northwest Harvest. We continued that tradition in 2018 as nearly 100 employees turned out to sort through donated food and package it for distribution to families. Employees processed 9,200 pounds of rice; 3,300 pounds of oats; and 14,000 pounds of fruit. In addition, Holland America Group's Chief Ethics Officer and General Counsel presented Northwest Harvest with a check for \$5,000 to help further fund the organization.

Employees from Holland America Group take part in Seattle's annual Pride Parade. In June of 2018 more than 75 employees, family members and friends decked out in colorful T-shirts and beads walked the full 1.5-mile parade route representing HA Group. Employees also carried flags representing each ship in the Seabourn fleet along with brand banners.

Seabourn and its charity partner, the Taverners, presented a new 16-seat, wheelchair-accessible minibus to staff and students at Park School in Kilmarnock, Scotland, in

December 2018. The school serves students aged 5 to 18 who have moderate learning difficulties and autistic spectrum conditions. The minibus will allow the Taverners to provide trips, outdoor learning opportunities and other activities which are an integral part of the school's curriculum. The arrival of this minibus was the culmination of more than two years of joint fundraising which included a concert at a West End Theatre in London, featuring some of the stars of stage and screen, and most recently a charity dinner at Blenheim Palace, a UNESCO World Heritage Site. Throughout the fleet, volunteerism can happen on any given day. Crew members donate clothing, books from

the crew library, school supplies and other items to benefit local schools and other organizations all around the world. They invite local youth organizations and housing groups on board for lunches.

## Executive Leadership:

We encourage senior-level leaders throughout our company to serve on nonprofit and community advisory boards as part of our Executive Community Leadership program. To date, our executives have shared their professional guidance with Fifth Avenue Theater.



# PERFORMANCE SUMMARY

| ENVIRONMENTAL DATA – TOTAL SHIPS                                     |                                 | 4         | 4         | 5         |
|--|---------------------------------|-----------|-----------|-----------|
|  | Units                           | 2016      | 2017      | 2018      |
| <b>Greenhouse Gas Emissions (GHGs)</b>                               |                                 |           |           |           |
| Total GHG Emissions - Location Based                                 | Metric Tonnes CO <sub>2</sub> e | 117,296   | 162,689   | 181,807   |
| Total GHG Emissions - Market Based                                   | Metric Tonnes CO <sub>2</sub> e | 117,296   | 162,689   | 181,807   |
| Direct GHG Emissions   | Metric Tonnes CO <sub>2</sub> e | 117,296   | 162,689   | 181,807   |
| Ship Direct GHG Emissions  | Metric Tonnes CO <sub>2</sub> e | 117,296   | 162,689   | 181,807   |
| Ship Fuel GHG Emissions  | Metric Tonnes CO <sub>2</sub> e | 113,112   | 159,426   | 178,506   |
| Ship Refrigerant GHG Emissions <sup>1</sup>                          | Metric Tonnes CO <sub>2</sub> e | 4,184     | 3,264     | 3,301     |
| Shore Direct GHG Emissions   | Metric Tonnes CO <sub>2</sub> e | 0         | 0         | 0         |
| Ship Fuel Greenhouse Gas Emission Rate                               | Grams CO <sub>2</sub> e/ ALB-Km | 622       | 604       | 598       |
| <b>Air Emissions</b>   |                                 |           |           |           |
| Ship Fugitive Refrigerant Releases <sup>1</sup>                      | Kilograms                       | 1,233     | 1,118     | 1,018     |
| Ship Ozone Depleting Substances (ODS) Emissions <sup>2</sup>         | Kg CFC-11e                      | 0         | 0         | 0         |
| Total SOx Emissions <sup>3</sup>                                     | Metric Tonnes                   | 1,056     | 1,335     | 1,816     |
| SOx Emissions Rate   | Kg SOx/NM                       | 4.9       | 4.6       | 5.7       |
| Total NOx Emissions <sup>4</sup>                                     | Metric Tonnes                   | 2,803     | 3,951     | 4,424     |
| NOx Emissions Rate   | Kg NOx/NM                       | 13.1      | 13.6      | 13.9      |
| Total Particulate Matter (PM <sub>2.5</sub> ) Emissions <sup>5</sup> | Metric Tonnes                   | 22        | 30        | 33        |
| Particulate Matter (PM <sub>2.5</sub> ) Emission Rate                | Kg PM/NM                        | 0.10      | 0.10      | 0.10      |
| <b>Energy &amp; Electricity</b>                                      |                                 |           |           |           |
| Total Energy Consumption   | Gigajoules                      | 1,489,123 | 2,101,024 | 2,353,844 |
| Ship Energy Consumption  | Gigajoules                      | 1,489,123 | 2,101,024 | 2,353,844 |
| Shore Energy Consumption   | Gigajoules                      | 0         | 0         | 0         |
| Total Direct Energy Consumption Rate                                 | Kilojoules/ ALB-Km              | 8,186     | 7,954     | 7,884     |
| Total Ship Fuel Consumption  | Metric Tonnes                   | 35,647    | 50,210    | 56,199    |
| Ship Fuel Consumption Rate   | Grams Fuel/ ALB-Km              | 196.0     | 190.1     | 188.2     |
| <b>Ship Fuel<sup>1</sup></b>   |                                 |           |           |           |
| High Sulfur Fuel Oil (HSFO)  | Percent                         | 67.9      | 65.6      | 64.4      |
| Low Sulfur Fuel Oil (LSFO)   | Percent                         | 0.0       | 0.0       | 0.0       |
| Marine Diesel Oil/Marine Gas Oil (MDO/MGO)                           | Percent                         | 32.1      | 34.4      | 35.6      |

# PERFORMANCE SUMMARY CONTINUED

| ENVIRONMENTAL DATA – TOTAL SHIPS            |                      | 4          | 4          | 5          |
|---|----------------------|------------|------------|------------|
|   | Units                | 2016       | 2017       | 2018       |
| <b>Wastewater</b>                           |                      |            |            |            |
| Total Water Consumption <sup>6</sup>        | Metric Tonnes        | 279,108    | 384,805    | 488,062    |
| Water Purchased (From Shore)                | Metric Tonnes        | 39,768     | 40,454     | 53,132     |
| Water Produced (From Sea)                   | Metric Tonnes        | 239,340    | 344,351    | 434,930    |
| Water Consumption Rate                      | Liters/Person-Day    | 329        | 323        | 349        |
| <b>Wastewater</b>                           |                      |            |            |            |
| Bilge Water Discharge to Sea                | Metric Tonnes        | 4,143      | 5,901      | 7,351      |
| Bilge Water Sea Discharge Rate              | Liters/NM            | 19.32      | 20.30      | 23.13      |
| Gray Water Discharged to Sea                | Metric Tonnes        | 91,197.00  | 115,185.75 | 142,633.00 |
| Gray Water Sea Discharge Rate               | Liters/Person-Day    | 107.91     | 98.48      | 103.77     |
| Black Water Discharged to Sea <sup>6</sup>  | Metric Tonnes        | 185,509.00 | 224,684.36 | 256,237.95 |
| Black Water Sea Discharge Rate <sup>6</sup> | Liters/Person-Day    | 221.5      | 191.1      | 186.6      |
| <b>Waste Disposal</b>                       |                      |            |            |            |
| Total Waste                                 | Metric Tonnes        | 3,874      | 5,829      | 7,191      |
| Hazardous Waste <sup>7</sup>                | Metric Tonnes        | 1,197      | 1,939      | 2,174      |
| Non-Hazardous Waste                         | Metric Tonnes        | 2,677      | 3,890      | 5,017      |
| Waste Rate (Excluding Recycling)            | Kilograms/Person-Day | 3.9        | 3.5        | 3.6        |
| Waste Recycled                              | Percent              | 14.5       | 27.8       | 30.6       |

1) FY2017 and FY2018 emission factors are in accordance with The Climate Registry Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (AR4).

2) The conversion factors to obtain the amount of CFC-equivalent from the various types of refrigerant gasses are those given in the Montreal Technical Papers. FY2016 high value was due to accidental releases of a gas which a high ODS value into the environment.

3) The SO<sub>x</sub> weight calculations take into account the weighted-average sulfur content of the fuel consumed and the default emission factors. The default emission factor used for calculating SO<sub>x</sub> value is %S x 20 x 0.96, where S is the fuel sulfur content.

4) The NO<sub>x</sub> weight is calculated based on default emission factors. The default emission factor used for calculating NO<sub>x</sub> value for HFO/LFO is 78 kg, MGO is 80 kg, and LNG is 7 kg of NO<sub>x</sub> per tonne of fuel consumed.

5) PM<sub>2.5</sub> refers to particles with diameters between 2.5 and 10 micrometers. The PM<sub>2.5</sub> weight is calculated based on default emission factors. The default emission factor used for calculating PM<sub>2.5</sub> value for HFO is 0.82 kg, LFO is 0.75 kg, MGO is 0.15 kg, and LNG negligible kilograms of PM<sub>2.5</sub> per tonne of fuel consumed. This calculation has not been adjusted to account for EGCS use.

6) Treated black water discharges include treated black wastewater, treated gray wastewater and black and gray wastewater mixtures.

7) Carnival Corporation & plc's definition of hazardous waste is in accordance with most recognized waste management practices worldwide, though some countries may have somewhat different definitions. For regulatory purposes, Carnival Corporation & plc complies with the requirements of the particular country where waste is landed. Carnival Corporation & plc uses the most inclusive definition of hazardous waste for sustainability reporting purposes, which standardizes waste reporting quantities independent of how the wastes are classified when landed ashore, thus potentially resulting in higher reported aggregate quantities of hazardous waste but allowing for more consistent trend analysis.

# PERFORMANCE SUMMARY

| <b>SOCIAL DATA (SHIPBOARD)</b>                              |              |             |             |             |
|---|--------------|-------------|-------------|-------------|
|   | <b>Units</b> | <b>2016</b> | <b>2017</b> | <b>2018</b> |
| <b>Workforce<sup>1</sup></b>                                |              |             |             |             |
| Average Crew  | Number       | 1,082       | 1,494       | 1,712       |
| <b>Diversity</b>  |              |             |             |             |
| Labor Sourcing Region:                                      |              |             |             |             |
| > Africa  | Percent      | 8.9         | 10.4        | 12.1        |
| > Asia  | Percent      | 41.9        | 42.5        | 42.2        |
| > Australia   | Percent      | 0.7         | 0.3         | 0.4         |
| > Europe  | Percent      | 40.1        | 38.1        | 35.5        |
| > North & Central America                                   | Percent      | 3.8         | 3.7         | 3.7         |
| > South America   | Percent      | 4.6         | 4.8         | 6.1         |
| Gender Distribution - Female                                | Percent      | -           | 22.8        | 23.6        |
| Gender Distribution - Male                                  | Percent      | -           | 77.2        | 76.4        |
| <b>Injuries &amp; Fatalities</b>                            |              |             |             |             |
| Total Injuries  | Number       | 63          | 67          | 60          |
| > Minor Injuries  | Number       | 43          | 37          | 38          |
| > Serious Injuries  | Number       | 8           | 12          | 8           |
| > Major Injuries  | Number       | 12          | 18          | 14          |
| Accidental Deaths   | Number       | 0           | 0           | 0           |
| <b>Health &amp; Safety</b>                                  |              |             |             |             |
| Total CDC VSP Inspections                                   | Number       | 4           | 5           | 3           |
| > CDC VSP Inspections - Ships scoring 100%                  | Number       | 0           | 1           | 2           |
| > CDC VSP Inspections - Ships scoring 86-99%                | Number       | 4           | 4           | 1           |
| > CDC VSP Inspections - Ships scoring <86%                  | Number       | 0           | 0           | 0           |
| <b>Other Statistics</b>                                     |              |             |             |             |
| Employee Turnover   | Percent      | 50.5        | 36.1        | 28.1        |
| Employees Covered by Collective Bargaining Agreements (CBA) | Percent      | 99.1        | 94.2        | 97.7        |
| Employees Represented by Health and Safety (H&S) Committees | Percent      | 100.0       | 100.0       | 100         |

1) Data as of August 31 for the trailing 12 months is calculated by adding the number of employees at the end of each month divided by 12.

# PERFORMANCE SUMMARY

| <b>SOCIAL DATA (SHORESIDE)</b>   |              |             |             |             |
|--|--------------|-------------|-------------|-------------|
|  | <b>Units</b> | <b>2016</b> | <b>2017</b> | <b>2018</b> |
| <b>Workforce<sup>1</sup></b>   |              |             |             |             |
| Average Number of Full Time Employees                                    | Number       | 215         | 229         | 235         |
| Average Number of Part Time/Seasonal Employees                           | Number       | -           | 1           | 3           |
| Shoreside Employee Status - Full Time                                    | Percent      | -           | 99.6        | 98.7        |
| Shoreside Employee Status - Part Time                                    | Percent      | -           | 0.4         | 1.3         |
| <b>Diversity</b>   |              |             |             |             |
| Gender Distribution - Female   | Percent      | 59.1        | 58.5        | 61.8        |
| Gender Distribution - Male   | Percent      | 40.9        | 41.5        | 38.2        |
| <b>Employees by Brand Headquarter Region<sup>2</sup></b>                 |              |             |             |             |
| Australia  | Percent      | 0           | 0           | 0           |
| Europe   | Percent      | 0           | 0           | 0           |
| North America  | Percent      | 100         | 100         | 100         |
| <b>Other Statistics</b>  |              |             |             |             |
| Employee Turnover <sup>3,4</sup>   | Percent      | 15.6        | 22.7        | 15.1        |
| Employees Covered by Collective Bargaining Agreements (CBA) <sup>4</sup> | Percent      | 0           | 0           | 0           |
| Employees Represented by Health and Safety (H&S) Committees <sup>4</sup> | Percent      | -           | 83.5        | 83.2        |

1) Data as of August 31 for the trailing 12 months is calculated by adding the number of employees at the end of each month divided by 12.

2) In addition to our headquarters locations, other offices are located worldwide. Due to varying legal requirements worldwide, further detail on employee base is limited.

3) This number does not include shoreside employees on unpaid leave.

4) Represents data from Holland America Line and Seabourn.



# REPORT PARAMETERS

We work closely with all other operating lines under Carnival Corporation & plc. Together with key stakeholders, we address sustainability issues in the cruise industry, in the broader maritime industry and with companies in other industries.

This Sustainability Report covers and prioritizes information on the basis of materiality, sustainability context and stakeholder inclusiveness. It includes entities that meet the criteria of being subject to our operational control. The information in this Sustainability Report includes significant actions or events in the reporting period, and it does not intentionally exclude relevant information that would influence or inform stakeholder assessments or decisions or that would reflect significant economic, environmental or social impacts.

As greenhouse gas (GHG) emissions represent one of our main operational impacts, we include purchases of shipboard and shoreside energy (fuel and electricity). We have normalized the majority of our indicators to take into account changes in fleet size as well as changes in itineraries and guest capacity.

This report is part of our initiative to better understand our impacts, to improve our performance wherever possible and to maximize the benefits of our activities where appropriate, with the aim of managing our company for long-term sustainability. It specifically focuses on fiscal year (FY) 2018 (December 1, 2017–November 30, 2018) unless otherwise noted.

All references to currency are in USD unless otherwise noted.

This report was developed in accordance with the core level of the Global Reporting Initiative's (GRI) Standards. We've shared performance information related to indicators that we selected in collaboration with our parent company, Carnival Corporation & plc.

## Reporting History & Cadence

This report is our second Sustainability Report, focusing on fiscal year (FY) 2018 (December 1, 2017–November 30, 2018).

Beginning with 2018, our goal is to report on our sustainability performance on a biennial basis.

## Information Integrity

Information provided in this report was compiled in management systems, extracted from databases and verified by our management for accuracy. We believe this information fairly represents our corporate responsibility activities and performance results for the reporting period. Lloyd's Register Quality Assurance, Inc. (LRQA), an affiliate of Lloyd's Register North America, Inc., was commissioned by Carnival Corporation & plc to assure its Greenhouse Gas (GHG) Emissions Inventory and GHG Assertion for the fiscal year 2018 (December 1, 2017– November 30, 2018). Seabourn's data was verified as part of this process. [Carnival Corporation & plc 2018 Annual Sustainability Report](#).

Throughout the report we've included links to helpful information that is available on Seabourn and Carnival Corporation & plc websites, as well as third-party websites.

## Terminology

In this report we attempt to avoid the use of industry jargon and provide definitions for terms that aren't commonly used outside of our industry. Select definitions can be found in the Glossary.

## Materiality Assessment & Matrix

Seabourn adopted the [materiality assessment](#) of our parent company, Carnival Corporation & plc. This assessment is conducted every two years by Carnival Corporation & plc. During this evaluation process, Carnival Corporation & plc analyzed issues that are important to the company and stakeholders. The materiality assessment helps determine areas of focus for this report and our sustainability work.

|                                      |        | Current or Potential Impact on the Company   |   |   |
|--------------------------------------|--------|--|---|---|
|                                      |        | Low  | Medium  | High  |
| Relative Concern to our Stakeholders | High   |  |   | Local Communities, Ethics & Compliance, Occupational Health & Safety, Emissions, Economic Performance, Energy, Customer Health & Safety, Guest Satisfaction, Grievances, Human Capital, Security Practices, Customer Privacy, Anti-Corruption, and Innovation |
|                                      | Medium |  | Indirect Economic Impacts, Supplier Assessments, Human Rights, Products & Services, Public Policy, and Investment | Labor Rights, Product & Service Labeling, Training and Education, Biodiversity, Stakeholder Engagement, Animal Welfare, Risk Management, Diversity & Inclusion, and Water   |
|                                      | Low    | Marketing Communications, Market Presence, Indigenous Rights, Materials, and Transport | Anti-Competitive Behavior, Equal Remuneration, and Economic   | Environmental, Social, and Economic, Environmental & Social   |

# GLOSSARY

## **Audit**

Systematic, documented, periodic and objective assessment of an organization's performance, management systems and processes.

## **Available Lower Berth (ALB)**

Guest beds available on a cruise ship, assuming two people occupy a stateroom.

## **Ballast Water**

Seawater that is taken on board a ship and stored in tanks to control draft, list, trim and stability.

## **Bilge Water**

Water from equipment maintenance and minor leaks that collects in the lowest part of the ship.

## **Bionomics**

The science of the relationships between organisms and their environments.

## **Black Water**

Wastewater from toilets, urinals and medical sinks.

## **Bunkered Water**

Potable water that is purchased from a municipal or private system at a port and stored on board in tanks.

## **CFC-11 Equivalent**

A measure used to compare various substances based on their relative ozone depletion potential. The reference level of 1 is the potential of CFC-11 and CFC-12 to cause ozone depletion.

## **Chlorofluorocarbons (CFCs)**

Commonly known by the trade name "freon," used primarily as a refrigerant in air-conditioning and refrigeration systems and equipment. CFCs are known to have destructive effects on the ozone layer. For this reason their use has now been banned by legislation.

## **CO2 (Carbon Dioxide)**

A naturally occurring chemical compound composed of two oxygen atoms covalently bonded to a single carbon atom. It is a gas at standard temperature and pressure, and it exists in Earth's atmosphere in this state, as a trace gas at a concentration of 0.39 percent by volume.

## **CO2e (Carbon Dioxide Equivalent)**

A measure used to compare the emissions from various greenhouse gases based on their global warming potential (GWP). The CO2 equivalent for a gas is derived by multiplying the tonnes of the gas by the associated GWP.

## **Direct Emissions (Scope 1 Emissions)**

Emissions from sources that are owned or controlled by the reporting organization. For example, direct emissions related to combustion would arise from burning fuel for energy within the reporting organization's boundaries.

## **Energy Saved**

The reduced amount of energy needed to carry out the same processes or tasks. The term does not include overall reduction in energy consumption from reduced organizational activities.

## **Environmental Aspect**

Element of Company activities that may have a significant impact on the environment directly and/or indirectly.

## **Environmental Impact**

How an environmental aspect may affect the environment.

## **Environmental Management System (EMS)**

An EMS refers to the management of an organization's environmental programs in a comprehensive, systematic, planned and documented manner. It includes the organizational structure, planning and resources for developing, implementing and maintaining policy for environmental protection.

## **Exhaust Gas Cleaning System (EGCS)**

Abatement technology used to reduce the concentration of air pollutants in engine exhaust gauges.

## **Footprint**

The amount of environmental impact related to a specific resource.

## **Global Reporting Initiative (GRI)**

A network-based organization that produces a comprehensive sustainability reporting framework that is widely used around the world. GRI is committed to the framework's continuous improvement and application worldwide. GRI's core goals include the mainstreaming of disclosure on environmental, social and governance performance.

## **Global Warming Potential (GWP)**

A relative measure of how much heat a greenhouse gas traps in the atmosphere. It compares the amount of heat trapped by a certain mass of the gas in question to the amount of heat trapped by a similar mass of carbon dioxide. A GWP is calculated over a specific time interval, commonly 20, 100 or 500 years.

## **Governance**

The set of rules (laws and corporate regulations), organizational structures, processes and relationships that affect the way a company is directed and administered. The concept of governance also embraces the structure used to decide corporate objectives and the means to achieve and measure results.

## **Gray Water**

Wastewater that is generated from activities such as laundry, bathing, cooking and dishwashing.

## **Marine Sanitation Devices (MSD)**

A system that employs filtration, maceration and chlorination technologies to treat black water.

*Glossary continued on page 35*

# GLOSSARY

## Maritime Labour Convention 2006 (MLC 2006)

An international treaty that provides comprehensive rights and protection at work for the world's seafarers. The convention sets out seafarers' rights to decent conditions of work on a wide range of subjects and aims to be globally applicable, easily understandable, readily updatable and uniformly enforced.

## MARPOL

The International Convention for the Prevention of Pollution from Ships. MARPOL was designed to minimize pollution of the seas.

## Metric Tonne

1 metric tonne = 2,204.62 pounds (lbs.) = 1,000 kilograms.

## NO<sub>x</sub>

Oxides of nitrogen that are a family of gases released from the combustion of fuel.

## Ozone-Depleting Potential (ODP)

The relative potential of various gases to deplete the ozone in the atmosphere.

## Ozone-Depleting Substance (ODS)

Any substance with an ozone depletion potential greater than zero that can deplete the stratospheric ozone layer. Most ozone-depleting substances are regulated under the Montréal Protocol and its amendments and include CFCs, HCFCs, halons and methyl bromide.

## Primary Source

The initial form of energy consumed to satisfy the reporting organization's energy demand. This energy is used either to provide final energy services (e.g., space heating, transport) or to produce intermediate forms of energy, such as electricity and heat.

## Protected Area

A geographically defined area that is designated, regulated or managed to achieve specific conservation objectives.

## Refrigerants

Gases that are used in Heating, Ventilation and Air Conditioning systems on board the ships

## Renewable Energy

Renewable energy is derived from natural processes that are replenished constantly. This includes electricity and heat generated from solar, wind, ocean currents, hydropower, biomass, geothermal resources or biofuels, as well as hydrogen derived from renewable resources.

## Safety Management System (SMS)

ISM code-certified system that informs employees how to perform their duties in accordance with all safety and environmental laws.

## Safety of Life at Sea (SOLAS) Convention

The most important and comprehensive international treaty governing the safety of merchant ships.

## Significant Air Emissions

Air emissions that are regulated under international conventions and/or national laws or regulations, including those listed on environmental permits for the reporting organization's operations.

## Significant Spills

A significant spill is defined as a spill for which the monetary sanctions are \$100,000 or greater and which is reportable in the Annual Report on Form 10-K.

## Solid Waste

All used and discarded solid material produced on board during ship operations.

## SO<sub>x</sub>

Oxides of sulfur are a family of gases produced by the combustion of fuel which contains sulfur. The quantity of oxides of sulfur is proportional to the quantity of sulfur in the fuel.

## Stakeholder

Any individual or group, within or outside a company, that has an interest in or may be impacted by that company and that, accordingly, has expectations, requires information or holds legitimate economic interests.

## STCW

The International Convention on Standards of Training, Certification and Watchkeeping for Seafarers which sets qualification standards for masters, officers and watch personnel on seagoing merchant ships.

## Total Water Withdrawal

The sum of all water drawn into the boundaries of the reporting organization from all sources (including surface water, ground water, rainwater and municipal water supply) for any use over the course of the reporting period.

## Turnover

The ratio of the number of terminations to the average employee count during the reporting period.

# GRI TABLE

| GRI Standard Disclosure            |   | Seabourn Sustainability Report Reference Page | Carnival Corporation Sustainability Report Reference Page | Additional Detail & Omissions   | SDG  |
|------------------------------------|---|---|---|---|--|
| <b>GRI-102: General Disclosure</b> |   |   |   |   |  |
| <b>Organizational Profile</b>      |   |   |   |   |  |
| 102-1                              | Name of the organization  | 3   | 16  | <a href="#">Form 10-K (Page 4)</a><br><a href="#">Carnival Corporation &amp; PLC 2019 Notice of Annual Meetings and Proxy Statement (Page 2)</a>  |  |
| 102-2                              | Activities, brands, products, and services                            | 3   | 17, 26-29   | <a href="#">Form 10-K (Page 10 - 15)</a><br><a href="#">Carnival Corporation &amp; PLC 2019 Notice of Annual Meetings and Proxy Statement (Annex A - A8)</a>  |  |
| 102-3                              | Location of headquarters  | 3   | 150   | <a href="#">Form 10-K (Cover page)</a><br><a href="#">Carnival Corporation &amp; PLC 2019 Notice of Annual Meetings and Proxy Statement (Page 3)</a>  |  |
| 102-4                              | Location of operations  | 2-3   | 26-27   | <a href="#">Form 10-K (Page 10 - 15)</a>  |  |
| 102-5                              | Ownership and legal form  | 3   | 16  | <a href="#">Form 10-K (Cover page)</a><br><a href="#">Carnival Corporation &amp; PLC 2019 Notice of Annual Meetings and Proxy Statement (Page 32-35)</a>  |  |
| 102-6                              | Markets served  | 3   | 17, 26-27   | <a href="#">Form 10-K (Page 10 - 15)</a><br><a href="#">Carnival Corporation &amp; PLC - Our Brands</a>   |  |
| 102-7                              | Scale of the organization   | 6   | 16-29   | <a href="#">Form 10-K (Page 4 - 15)</a>   |  |
| 102-8                              | Information on employees and other workers                            | 6, 31-32                                      | 104-105   | <a href="#">Form 10-K (Page 19)</a><br><a href="#">Carnival Corporation &amp; PLC 2019 Notice of Annual Meetings and Proxy Statement (Annex A - A8)</a>   |  |
| 102-9                              | Supply chain  | 27  | 59, 84  | <a href="#">Carnival Corporation &amp; PLC - Business Partner Code of Conduct and Ethics</a>  | SDG 16   |
| 102-10                             | Significant changes to the organization and its supply chain          | 3-4   | 17  | <a href="#">Form 10-K (Page 33 &amp; F-30)</a>  |  |
| 102-11                             | Precautionary principle or approach                                   | 19  | 41  |   |  |
| 102-12                             | External initiatives  | 19  | 13, 34, 116-130   | <a href="#">Carnival Corporation &amp; PLC - Community Relations</a>  | SDG 3, SDG 6, SDG 10, SDG 11, SDG 12, SDG 13, SDG 16 |
| 102-13                             | Membership of associations  | 5, 10   | 133-135   | <a href="#">Carnival Corporation &amp; PLC - Community Relations</a>  |  |
| <b>Strategy</b>                    |   |   |   |   |  |
| 102-14                             | Statement from senior decision-maker                                  | 2   | 6-7   |   |  |
| 102-15                             | Key impacts, risks, and opportunities                                 | 4   | 39-42   | <a href="#">Form 10-K (Page 31 - 33)</a>  |  |
| <b>Ethics and Integrity</b>        |   |   |   |   |  |
| 102-16                             | Values, principles, standards, and norms of behavior                  | 10  | 30-35, 90-93  | <a href="#">Carnival Corporation &amp; PLC - Statement Pursuant to Modern Slavery Act 2015</a><br><a href="#">Carnival Corporation &amp; PLC - Governance - Executive Bios</a>  | SDG 16   |
| <b>Governance</b>                  |   |   |   |   |  |
| 102-18                             | Governance structure  | 3   | 30-35   | <a href="#">Form 10-K (Page 38)</a><br><a href="#">Carnival Corporation &amp; PLC 2019 Notice of Annual Meetings and Proxy Statement (Page 13 - 30)</a><br><a href="#">Carnival Corporation &amp; PLC - Governance - Executive Bios</a> | SDG 16   |
| 102-21                             | Consulting stakeholders on economic, environmental, and social topics | 33  | 33  |   |  |
| 102-22                             | Composition of the highest governance body and its committees         |   | 33  | <a href="#">Carnival Corporation &amp; PLC - Governance - Committee Composition</a>   |  |
| 102-23                             | Chair of the highest governance body                                  |   | 33  | <a href="#">Carnival Corporation &amp; PLC - Governance - Committee Composition</a>   | SDG 16   |
| 102-24                             | Nominating and selecting the highest governance body                  |   | 33  | <a href="#">Carnival Corporation &amp; PLC - Nominating &amp; Governance Committees Charter</a>   |  |
| 102-25                             | Conflicts of interest   |   | 33  | <a href="#">Carnival Corporation &amp; PLC - Business Partner Code of Conduct and Ethics</a>  | SDG 16   |
| 102-28                             | Evaluating the highest governance body's performance                  |   | 33  | <a href="#">Carnival &amp; PLC - Corporate Governance Guidelines</a>  |  |
| 102-29                             | Identifying and managing economic, environmental, and social impacts  |   | 30-35, 41   | <a href="#">Form 10-K (Page 18-19)</a><br><a href="#">Carnival Corporation &amp; PLC 2019 Notice of Annual Meetings and Proxy Statement (Annex A - A5)</a>  |  |
| 102-31                             | Review of economic, environmental, and social topics                  |   | 30-35, 41   | <a href="#">Form 10-K (Page 18-19)</a><br><a href="#">Carnival Corporation &amp; PLC 2019 Notice of Annual Meetings and Proxy Statement (Annex A - A5)</a>  |  |

Continued on page 37

# GRI TABLE *Continued from page 36*

| GRI Standard Disclosure                   |  | Seabourn Sustainability Report Reference Page | Carnival Corporation Sustainability Report Reference Page | Additional Detail & Omissions   | SDG            |
|---|--|---|---|---|----------------|
| <b>GRI-102: General Disclosure</b>        |  |   |   |   |                |
| <b>Stakeholder Engagement</b>             |  |   |   |   |                |
| 102-40                                    | List of stakeholder groups   |   | 106   |   |                |
| 102-41                                    | Collective bargaining agreements   | 9, 31, 32                                     | 104-105   | <a href="#">Form 10-K (Page 19)</a>   |                |
| 102-42                                    | Identifying and selecting stakeholders   |   | 106   | <a href="#">Carnival Corporation &amp; PLC - Stakeholder Engagement</a>   |                |
| 102-43                                    | Approach to stakeholder engagement   |   | 106   | <a href="#">Carnival Corporation &amp; PLC - Stakeholder Engagement</a>   |                |
| 102-44                                    | Key topics and concerns raised   | 33  | 106   |   |                |
| <b>Reporting Practices</b>                |  |   |   |   |                |
| 102-45                                    | Entities included in the consolidated financial statements                     |   | 16-17   | <a href="#">Form 10-K (Page 10-15)</a>  |                |
| 102-46                                    | Defining report content and topic Boundaries                                   | 33  | 106-109   |   |                |
| 102-47                                    | List of material topics  | 33  | 106-109   | <a href="#">Form 10-K (Page 18 - 19)</a>  |                |
| 102-48                                    | Restatements of information  |   | 107   |   |                |
| 102-49                                    | Changes in reporting   |   | 107   |   |                |
| 102-50                                    | Reporting period   | 33  | 107   |   |                |
| 102-51                                    | Date of most recent report   | 33  | 107   | <a href="#">Carnival Corporation &amp; PLC - Transparency &amp; Reporting</a>   |                |
| 102-52                                    | Reporting cycle  | 33  | 107   | <a href="#">Carnival Corporation &amp; PLC - Transparency &amp; Reporting</a>   |                |
| 102-53                                    | Contact point for questions regarding the report                               | 4   | 24,150  |   |                |
| 102-54                                    | Claims of reporting in accordance with the GRI Standards                       | 33  | 107   |   |                |
| 102-55                                    | GRI Content Index  | 36-39   | 143-147   |   |                |
| 102-56                                    | External assurance   | 33  | 134   | A selection of the data in this report has been independently assured by Lloyd's Register   |                |
| <b>GRI-103: Management Approach</b>       |  |   |   |   |                |
| 103-1                                     | Explanation of the material topic and its boundary                             | 19  | 107-109   |   |                |
| 103-2                                     | The management approach and its components                                     | 19-20   | 107-110   |   | SDG 16         |
| 103-3                                     | Evaluation of the management approach  | 19-20   | 107-111   |   |                |
| <b>GRI 201: Economic Performance</b>      |  |   |   |   |                |
| 201-1                                     | Direct economic value generated and distributed                                | 26-28   | 24-25   | <a href="#">Form 10-K</a>   |                |
| 201-2                                     | Financial implications and other risks and opportunities due to climate change | 21-22   | 38-41   | <a href="#">Form 10-K (Page 31)</a><br><a href="#">Carnival Corporation &amp; PLC - Business Partner Code of Conduct and Ethics</a> |                |
| <b>GRI 203: Indirect Economic Impacts</b> |  |   |   |   |                |
| 203-1                                     | Infrastructure investments and services supported                              | 26-28   | 90-93   |   | SDG 11         |
| 203-2                                     | Significant indirect economic impacts  | 26-28   | 90-94   |   | SDG 10         |
| <b>GRI 205: Anti-Corruption</b>           |  |   |   |   |                |
| 205-1                                     | Operations assessed for risks related to corruption                            |   | 32-33   | <a href="#">Carnival Corporation &amp; PLC - Business Partner Code of Conduct and Ethics</a>  |                |
| 205-2                                     | Communication and training about anti-corruption policies and procedures       | 9-10  | 32-33   | <a href="#">Carnival Corporation &amp; PLC - Business Partner Code of Conduct and Ethics</a>  |                |
| <b>GRI 302: Energy</b>                    |  |   |   |   |                |
| 302-1                                     | Energy consumption within the organization                                     | 21-22, 29                                     | 62-70, 102  | <a href="#">Form 10-K (Page 25-26)</a><br><a href="#">Carnival Corporation - CDP Climate Change 2018 (C7.3c; C8.2a)</a>             | SDG 12         |
| 302-2                                     | Energy consumption outside of the organization                                 | 21-22, 29                                     | 62-70, 102  | <a href="#">Carnival Corporation - CDP Climate Change 2018 (C7.5)</a>   | SDG 12, SDG 13 |
| 302-3                                     | Energy intensity   | 21-22, 29                                     | 62-70, 102  |   | SDG 12, SDG 13 |
| 302-4                                     | Reduction of energy consumption  | 21-22, 29                                     | 62-70, 102, 115   |   | SDG 12, SDG 13 |
| 302-5                                     | Reductions in energy requirements of products and services                     | 21-22, 29                                     | 62-70, 102, 115   | <a href="#">Carnival Corporation - CDP Climate Change 2018 (C3.1c; C1.3a)</a>   | SDG 12, SDG 13 |
| <b>GRI 303: Water</b>                     |  |   |   |   |                |
| 303-1                                     | Water withdrawal by source   | 18-19, 30                                     | 72-73, 103  | <a href="#">Carnival Corporation - CDP Water 2018 (W1.2h)</a>   | SDG 6          |
| 303-2                                     | Water sources significantly affected by withdrawal of water                    | 18-19, 30                                     | 72-73, 103  | <a href="#">Carnival Corporation - CDP Water 2018 (W3.3b)</a>   | SDG 6          |
| 303-3                                     | Water recycled and reused  | 18-19, 30                                     | 72-73, 103  | <a href="#">Carnival Corporation - CDP Water 2018 (W1.1)</a>  | SDG 6          |

# GRI TABLE *Continued from page 37*

| GRI Standard Disclosure  |   | Seabourn Sustainability Report Reference Page | Carnival Corporation Sustainability Report Reference Page | Additional Detail & Omissions   | SDG                          |
|--|---|---|---|---|------------------------------|
| <b>GRI 304: Biodiversity</b>                                     |   |   |   |   |                              |
| 304-3  | Habitats protected or restored  | 24-25   | 78-80   |   |                              |
| 304-4  | IUCN Red List species and national conservation list species with habitats in areas affected by operations                    | 25  | 80  |   |                              |
| <b>GRI 305: Emissions</b>  |   |   |   |   |                              |
| 305-1  | Direct (Scope 1) GHG emissions  | 21-22, 29                                     | 62-70, 102  | <a href="#">Carnival Corporation - CDP Climate Change 2018 (C4.1b, C7.1a, C7.2, C7.3c)</a>  | SDG 3, SDG 12, SDG 13        |
| 305-2  | Energy indirect (Scope 2) GHG emissions   | 21-22, 29                                     | 62-70, 102  | <a href="#">Carnival Corporation - CDP Climate Change 2018 (C7.5, C7.6c)</a>  | SDG 3, SDG 12, SDG 13        |
| 305-3  | Other indirect (Scope 3) GHG emissions  | 21-22, 29                                     | 64  | <a href="#">Carnival Corporation - CDP Climate Change 2018 (C6.5)</a>   | SDG 3, SDG 12, SDG 13        |
| 305-4  | GHG emissions intensity   | 21-22, 29                                     | 12-13, 62, 102  |   | SDG 13                       |
| 305-5  | Reduction of GHG emissions  | 21-22, 29                                     | 12-13, 62-70, 102, 115                                    | <a href="#">Carnival Corporation - CDP Climate Change 2018 (C10.2a)</a>   | SDG 3, SDG 13                |
| 305-6  | Emissions of ozone-depleting substances (ODS)   | 29  | 64-65, 102  |   | SDG 12                       |
| 305-7  | Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions   | 22, 29  | 62-70, 102  | <a href="#">Carnival Corporation - CDP Climate Change 2018 (C4.2)</a>   | SDG 3, SDG 12, SDG 13        |
| <b>GRI 306: Effluents and Waste</b>                              |   |   |   |   |                              |
| 306-1  | Water discharge by quality and destination  | 22-23, 30                                     | 72-73, 103  |   | SDG 3, SDG 6, SDG 12, SDG 13 |
| 306-2  | Waste by type and disposal method   | 22-23, 30                                     | 74-75, 103  |   | SDG 3, SDG 6                 |
| 306-3  | Significant spills  | 4   | 31, 57  | <a href="#">Form 10-K Legal Proceedings (Page 34)</a>   | SDG 3                        |
| <b>GRI 307: Environmental Compliance</b>                         |   |   |   |   |                              |
| 307-1  | Non-compliance with environmental laws and regulations  | 4   | 31, 39  | <a href="#">Form 10-K (Page F-25)</a>   | SDG 16                       |
|  |   |   |   | <a href="#">Carnival Corporation &amp; plc 2019 Notice of Annual Meetings and Proxy Statement (Annex C - C6)</a>  |                              |
| <b>GRI 308: Supplier Environmental Assessment</b>                |   |   |   |   |                              |
| 308-1  | New suppliers that were screened using environmental criteria   | 27  | 30-34, 95   |   | SDG 12, SDG 13               |
| <b>GRI 401: Employment</b>                                       |   |   |   |   |                              |
| 401-1  | New employee hires and employee turnover  | 31-32   | 104-105   |   |                              |
| <b>GRI 402: Labor/Management Relations</b>                       |   |   |   |   |                              |
| 402-1  | Minimum notice periods regarding operational changes  |   | 92  |   |                              |
| <b>GRI 403: Occupational Health and Safety</b>                   |   |   |   |   |                              |
| 403-1  | Workers representation in formal joint management – worker health and safety committees                                       | 31  | 104-105   |   | SDG 3                        |
| 403-2  | Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities | 31  | 104-105   |   |                              |
| <b>GRI 404: Training and Education</b>                           |   |   |   |   |                              |
| 404-1  | Average hours of training per year per employee   |   | 90-97   | Across our brands, shipboard and shoreside employees are required to complete dedicated training programs based on their position. We recognize that a key to our success is providing our employees with the learning tools to perform their jobs well and grow their career within our company. |                              |
| 404-2  | Programs for upgrading employee skills and transition assistance programs   | 7-8   | 91-93   |   |                              |
| 404-3  | Percentage of employees receiving regular performance and career development reviews  | 8   | 93-95   |   |                              |
| <b>GRI 405: Diversity and equal opportunity</b>                  |   |   |   |   |                              |
| 405-1  | Diversity of governance bodies and employees  | 31-32   | 31, 90-93, 104-105  | <a href="#">Carnival Corporation &amp; plc 2019 Notice of Annual Meetings and Proxy Statement (Page 15 - 23, A-8)</a>   | SDG 10                       |
| <b>GRI 406: Non-discrimination</b>                               |   |   |   |   |                              |
| 406-1  | Incidents of discrimination and corrective actions taken  | 9   | 30-34, 90-93  |   |                              |
| <b>GRI 407: Freedom of Association and Collective Bargaining</b> |   |   |   |   |                              |
| 407-1  | Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk                | 9   | 104-105   |   |                              |

*Continued on page 39*

# GRI TABLE *Continued from page 38*

| GRI Standard Disclosure   |   | Seabourn Sustainability Report Reference Page | Carnival Corporation Sustainability Report Reference Page | Additional Detail & Omissions       | SDG            |
|---|---|---|---|-------------------------------------|----------------|
| <b>GRI 408: Child Labour</b>  |   |   |   |                                     |                |
| 408-1   | Operations and suppliers at significant risk for incidents of child labor                     |   | 30-34   |                                     | SDG 16         |
| <b>GRI 409: Forced or Compulsory Labor</b>                          |   |   |   |                                     |                |
| 409-1   | Operations and suppliers at significant risk for incidents of forced or compulsory labor      |   | 122   |                                     |                |
| <b>GRI 410: Security Practices</b>                                  |   |   |   |                                     |                |
| 410-1   | Security personnel trained in human rights policies or procedures                             |   | 30-34, 52-55, 90-93                                       |                                     |                |
| <b>GRI 412: Human Rights Assessment</b>                             |   |   |   |                                     |                |
| 412-2   | Employee training on human rights policies or procedures                                      |   | 30-34, 90-93  |                                     |                |
| <b>GRI 413: Local Communities</b>                                   |   |   |   |                                     |                |
| 413-1   | Operations with local community engagement, impact assessments, and development programs      | 26-28   | 84-89   |                                     |                |
| 413-2   | Operations with significant actual and potential negative impacts on local communities        | 26-28   | 84-89   |                                     |                |
| <b>GRI 416: Customer Health and Safety</b>                          |   |   |   |                                     |                |
| 416-1   | Assessment of the health and safety impacts of product and service categories                 | 11-12   | 42-47   |                                     |                |
| 416-2   | Incidents of non-compliance concerning the health and safety impacts of products and services |   | 42-47   |                                     | SDG 3, SDG 16  |
| <b>GRI 417: Marketing and Labeling Product and Service Labeling</b> |   |   |   |                                     |                |
| 417-1   | Requirements for product and service information and labeling                                 |   | 30-35, 98-101   |                                     | SDG 12, SDG 16 |
| 417-2   | Incidents of non-compliance concerning product and service information and labeling           |   | 30-35, 52-55, 116-130                                     |                                     | SDG 16         |
| <b>GRI 418: Customer Privacy</b>                                    |   |   |   |                                     |                |
| 418-1   | Substantiated complaints concerning breaches of customer privacy and losses of customer data  | 16  | 98-101  |                                     | SDG 16         |
| <b>GRI 419: Socioeconomic Compliance</b>                            |   |   |   |                                     |                |
| 419-1   | Non-compliance with laws and regulations in the social and economic area                      |   | 31  | <a href="#">Form 10-K (Page 31)</a> | SDG 16         |



SEABOURN®

