



SEABOURN®



SEABOURN 2020

# SUSTAINABILITY SUMMARY



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SEABOURN®

# LEADERSHIP MEMO

Thank you for your interest in our sustainability efforts. At Seabourn our highest priorities are compliance; environmental protection; and the health, safety and well-being of our guests, the people in the places we visit and our team members. As one of the nine brands within Carnival Corporation & plc, we are proud of our contributions to achieving the 2020 corporate sustainability goals ahead of schedule, and we are committed to doing our part to ensure the completion of the new sustainability goals for 2030 and aspirations for 2050.

Seabourn creates the world's most luxurious travel experiences. We provide opportunities for guests to enjoy meaningful, enriching travel on every continent in more than 400 ports each year. We know that our business impacts various stakeholders and the environments in which we operate; and so we are fully engaged in understanding those impacts, improving our performance wherever possible and maximizing the benefits of our activities where appropriate, with the aim of managing our company for long-term sustainability.

Six key focus areas are outlined in the company's sustainability goals for 2030. In the coming years Seabourn will make significant contributions to each, including

**Climate action:** To lower emissions, we use marine gas oil (MGO) and/or Advanced Air Quality Systems (AAQS), which significantly reduce sulfur compounds and particulate matter — including black carbon — from a ship's engine exhaust. To further lower emissions, we will continue to pursue fuel-efficiency measures through a combination of technology, mileage reduction and optimizing ship speeds.

**Circular economy (waste reduction):** We have made great strides in reducing single-use items — plastic and otherwise — on board, and we will further these efforts through a process of continuous improvement. We have also implemented an innovative food-waste program for the team members aboard our ships that encourages thoughtful consumption at mealtimes.

**Sustainable tourism:** We are committed to honoring and supporting the livability goals and standards of the people in the places we visit through thoughtful itinerary planning, local sourcing, volunteer projects and other measures. We are the official cruise partner of UNESCO, working with them to promote sustainable tourism at World Heritage properties and helping to 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. Our partnership advances this ideal to the benefit of more than 1,100 sites worldwide.

**Health and well-being:** Our uncompromising commitment to safety, health and well-being was only heightened by the global pandemic. As we return to service, we have engaged with top medical experts to ensure our health protocols are effective and in compliance with the local guidelines in the places we sail. This includes a decision to require vaccinations for our guests and crew. Our commitment is reinforced through our actions, regular communication and targeted training and development.

**Diversity, equity and inclusion (DEI):** Our team members come from all over the world, and we are committed to making Seabourn a place where team members have the support and the resources to be everything they can be. Together we're building a culture of inclusion where every team member feels valued. In the past few months we have made specific changes to our operating structure to offer more opportunities for our shipboard team members, and we will continue to seek out ways to ingrain DEI into our everyday operations.

**Biodiversity and conservation:** All of our shipboard team members have environmental responsibilities incorporated into their duties. They receive environmental training during their first day on board and are supported by shoreside employees who develop policies and procedures that are communicated on an ongoing basis. In addition, each ship in our fleet has a full-time Environmental Officer who oversees environmental compliance and implementation of procedures.

All of these measures are explained in depth in the following pages.

The pandemic led to a pause in our global cruise operations, and yet our commitment to our values never wavered. In fact, the past year has sharpened the focus on our responsibilities to the planet and its people. And the future is bright: Our return-to-service plans are consistent with our long-term values and priorities, and we expect to take delivery of our first ultra-luxury, purpose-built expedition ship in 2022, with construction underway on a sister vessel.

Our work in sustainability is ongoing, and we welcome opportunities to do more and move faster with our plans to improve how we operate.

Josh Leibowitz  
President, Seabourn





# INTRODUCTION

At Seabourn we are passionate about travel. We believe that traveling for pleasure has a redemptive power that enriches people's lives. And we believe that people should travel well. Seabourn pioneered small-ship, ultra-luxury cruising and continues to represent the pinnacle of that unique style of travel. Our fleet of intimate, all-suite ships, carrying between 458 and 600 guests each, sails to the world's most desirable destinations at their peak seasons.

## 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 first Corporate Sustainability Summary includes information from fiscal years 2019–2021 and serves as an ongoing conversation with our stakeholders and details our efforts to strengthen management systems and performance.

## Executive Team

On June 25, 2020, Josh Leibowitz was 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.



On December 1, 2020, Stein Kruse, CEO of Holland America Group, moved into a new role as senior advisor to the chairman and to the CEO of Carnival Corporation.

Jan Swartz, president of Princess Cruises, also

changed roles and has been named group president of Holland America Group, responsible for Seabourn,



Princess Cruises, Holland America Line and P&O Australia, as well as Holland America Princess Alaska Tours and inter-group operations.

Read more about [Seabourn's Executive Team](#).

## Organizational Changes

In 2019 we announced that we named our first new ultra-luxury purpose-built expedition ship Seabourn Venture, paying tribute to the remote destinations visited by our highly successful expeditions and Ventures by Seabourn® excursion programs, as well as the fascinating places yet to be explored. *Seabourn Venture* is scheduled to launch in 2022, with a second sister ship, *Seabourn Pursuit*, slated to launch in 2023. Both ships will be designed and built for diverse environments to PC6 Polar Class standards and will include a plethora of modern hardware and technology that will extend their global deployment and capabilities.

The new ships, which are being built by T. Mariotti, will feature a brand-new, innovative design created specifically for the ultra-luxury expedition traveler and will include many features that have made Seabourn ships so successful. A new and exciting offering will be two custom-built submarines carried on board, providing an unforgettable view of the world beneath the ocean's surface. The ships will also be designed to carry a complement of kayaks and 24 Zodiacs that can accommodate all onboard guests at once, allowing for a truly immersive experience. Each ship will feature 132 luxurious oceanfront veranda suites.

## Challenges and Opportunities

While the impacts of the COVID-19 pandemic on the world and our business has changed what we can offer our guests today, we are committed to compliance; environmental protection; and the health, safety and well-being of our guests; the people in the places we visit; and shoreside and shipboard team members.

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# INTRODUCTION

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We maintained our excellent track record for safety and continued improving in critical indicators like fuel efficiency, greenhouse gas emissions and waste reduction and recycling. We continued our strong efforts on achieving our [2020 Corporate Sustainability goals](#) as well as selecting and developing the next set of targets. For more information

about the company's 2030 goals and 2050 aspirations, see [Carnival Corporation & plc 2020 Annual Sustainability Report, pages 13–15](#).

Building upon the insights from our previous reports, this summary 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@HollandAmericaGroup.com](mailto:sustainability@HollandAmericaGroup.com).

Both Seabourn Venture and Seabourn Pursuit will sail to the far corners of the Earth carrying two U-Boat Worx Cruise Sub 7 submarines designed specifically for Seabourn.

Each battery-powered sub will carry six guests as well as one pilot, who will guide the journey up to 300 meters beneath the surface to explore sunken wrecks and reefs and view marine wildlife in its natural habitat. Guests are seated in two clear acrylic spheres flanking the center pilot's station, with an awe-inspiring perspective of the marine world just outside, thanks to undisturbed and undistorted views in virtually all directions. The three passenger seats in each sphere are mounted on a rotating platform that can turn for best sightlines.

"The undersea world is often considered as the last great frontier on Earth, with more than 80 percent of the underwater realm remaining unmapped, unobserved and unexplored, according to the U.S. National Oceanic and Atmospheric Administration," said Robin West, vice president of Expedition Operations for Seabourn.

"With these subs, we're going to take our guests to places that few have ever seen firsthand, leaving them with a perspective on the world around us that is jaw-dropping and will create stories to last a lifetime."

[Read more](#)



U-Boat Worx Cruise Sub 7 submarine designed specifically for Seabourn

# REGULATORY LANDSCAPE

We care for the safety and well-being of people and the planet. Compliance with all applicable standards is vital to preserving and protecting our guests, our employees and the environment. Our commitment to safety and sustainability is never compromised, and we enthusiastically follow every applicable standard and regulation our industry mandates. Our membership in the Cruise Lines International Association (CLIA) means we adhere to stringent standards that keep our guests and team members 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 with 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 2020, limiting the amount of sulphur in fuel oil used onboard ships operating outside designated Emission Control Areas (ECA) to 0.50% m/m (mass by mass) — a significant reduction from the previous limit of 3.5%. 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. 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 is 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 CVSSA 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 2020 Annual Sustainability Report](#) on pages 70–81.

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# REGULATORY LANDSCAPE

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**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

*Seabourn meets or exceeds SOLAS Regulations.*

**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.

*Seabourn meets or exceeds ISM requirements.*

## **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.

*Seabourn meets ISPS requirements.*

## **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

*Seabourn meets STCW requirements.*

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

- 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.

*Seabourn meets MLC 2006 requirements.*

While this chapter discusses how our ships are governed by international, local laws and regulations regarding environmental protection and pollution prevention, we also adhere to health notices issued by the [Centers for Disease Control and Prevention \(CDC\)](#). CDC recently published their technical instructions for operators of cruise ships preparing for restart. The U.S. Centers for Disease Control and Prevention publishes travel advice, warnings and recommendations related to COVID-19, including for travel on cruise ships; you should consult the [CDC's website](#) before confirming a reservation. If a threshold of COVID-19 is detected on board, the voyage will be ended, the ship returned to the port of embarkation and your subsequent travel or return home may be restricted or delayed.

# EMPLOYEES

We are committed to service excellence, and with employees located throughout the world, we are committed to working together and sharing a common goal and vision. The ways in which we trust and care for each other set us apart from our competition. 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<sup>1</sup>

We have more than 1,200 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 the executives of Seabourn.

Our president, Josh Leibowitz, organizes bi-weekly "Virtual Open Office Hours" which provide opportunities for shipboard and shoreside team members to talk directly with him and other company leaders in a casual setting. Often, Josh discusses the brand values and our new Culture Essentials. These Culture Essentials are expected behaviors, and the participants of these meetings get the opportunity to share their thoughts and ideas.

As a truly global company, we embrace cultural diversity and inclusion. We believe a variety of backgrounds and perspectives strengthens every area of our operations, from our engagement in port communities to our interactions with guests. In order to understand our differences better, our shoreside People Team started with a trial program

called Courageous Conversations. The objectives for the program are to

- use Courageous Conversations as a catalyst to transform our culture;
- empower individuals to succeed through difficult diversity, equity and inclusivity matters and increase awareness of cultural sensitivities;
- transform how we engage, behave, and foster an inclusive culture; and
- engage in robust, experience-driven dialogue that appreciates each person's unique perspective and deepens our understanding for creating an environment where everyone may thrive.

## OUR CULTURE ESSENTIALS



## CULTURE ACTION PLAN

- |  |   |
|--|---|
|  <b>1. Develop "Bring Back" Selection Strategy</b>  |  <b>7. Begin Performance Evaluations for Leaders</b>                         |
|  <b>2. Promote Team Wellness</b>  |  <b>8. Conduct Culture Training for People Leaders</b>                       |
|  <b>3. Share Our "Culture Essentials"</b>  |  <b>9. Implement Manager-led Culture Training</b>                           |
|  <b>4. Host Culture Update Sessions for Employees</b>                                   |  <b>10. Develop a Peer "Ambassador" Program</b>                            |
|  <b>5. Provide Culture Training to Board and Executive Team</b>                         |  <b>11. Improve Communications on Culture</b>                              |
|  <b>6. Begin Self-Assessments for Leadership and Ethics &amp; Compliance Department</b> |  <b>12. Share Propel Survey Feedback and Implement Culture Survey Plan</b> |

Josh Leibowitz said, "The culture we create is critical, and it's built through our work, our training, how we treat each other and how we hold each other accountable. The Culture Essentials are clear actions that help us live out our Seabourn Values."

<sup>1</sup> Employee-related data is based on the "Average Number," which was calculated by adding the number of employees at the end of each month and then dividing by 12.

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# EMPLOYEES

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## 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.

During the pause of guest operations, together with our sister brands we developed a Culture Action Plan to strengthen our organizational culture, and we developed a Pause Priorities Plan to ensure a strong, compliant restart.

The Culture Essentials work with our Corporate Vision Statement and our Mission Statement and Core Values.

All Culture Essentials are embedded in our hiring and onboarding processes.

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

The majority of our crew members are hired 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 2006. We also regularly perform audits of our employment agencies we partner with. We monitor

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

### Shoreside Recruitment

Careers in hospitality and tourism are attractive choices

The infographic is titled "SEABOURN CULTURE FRAMEWORK" and features a background image of a Seabourn cruise ship at sea. It is organized into three main columns, each with a header and a corresponding content box. At the bottom of each column is a dark grey bar with white text identifying the content.

- Column 1: OUR CORPORATION'S COMMON GOAL...**
  - Header: ...AND EXPECTED BEHAVIORS...
  - Content: At Carnival Corporation & plc, our highest responsibility and top priorities are to operate safely, to protect the environment and to be in compliance everywhere we operate in the world. On this foundation, we aspire to deliver unmatched joyful vacations for our guests, always exceeding their expectations and in doing so, driving outstanding shareholder value. We are committed to a positive and just corporate culture, based on inclusion and the power of diversity. We operate with integrity, trust and respect for each other — seeking collaboration, candor, openness and transparency at all times. And we intend to be an exemplary corporate citizen leaving the people and the places we touch even better.
  - Bottom Bar: CORPORATION VISION STATEMENT
- Column 2: ...AND EXPECTED BEHAVIORS...**
  - Header: ...DELIVERED IN THE SEABOURN WAY...
  - Content:
    - SPEAK UP
    - RESPECT AND PROTECT
    - IMPROVE
    - COMMUNICATE
    - LISTEN AND LEARN
    - EMPOWER
  - Bottom Bar: CULTURE ESSENTIALS
- Column 3: ...DELIVERED IN THE SEABOURN WAY...**
  - Header: SEABOURN MISSION STATEMENT
  - Content: Through genuine and intuitive service, we consistently deliver exceptional Seabourn Moments that delight our guests and create the world's finest travel experiences.
  - Header: SEABOURN CORE VALUES
  - Content:
    - Uncompromising Commitment to Safety and Sustainability**  
We care for the safety and well-being of people and the planet. Compliance with all applicable standards is vital to preserving and protecting our guests, our employees and the environment.
    - Committed to Service Excellence**  
Striving for and achieving excellence in all aspects of company operations is a key ingredient of our culture and our success.
    - Integrity, Honesty and Ethics**  
We not only do things right, we do the right things. We treat each other openly and honestly and speak up when something does not seem right.
    - Team Together, Team Apart**  
With employees located throughout the world, we are committed to working together and sharing a common goal and vision. The ways in which we trust and care for each other set us apart from our competition.
    - Embrace Change and Improvement**  
We learn and evolve in order to be the best.
    - Maintain Optimism and Perspective**  
We strive to recognize the valuable contribution and full potential of each employee. We embrace diversity and make every effort to strike a positive and healthy balance between personal life and professional goals.
    - Focus on Performance and Results**  
A foundation of our success always has been and continues to be a focus on performance and results.
  - Bottom Bar: SEABOURN MISSION STATEMENT & CORE VALUES

for high school and 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 multidecade 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.

### 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 these 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 our company.

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# EMPLOYEES

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Seabourn prides itself on employee development supported by numerous training courses and programs.

## COMPENSATION, BENEFITS & WELLNESS

We are committed to creating and maintaining a workplace in which all employees have an opportunity to participate in 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.

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.

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.

During the global pandemic we continued to encourage our shipboard and shoreside team members to maintain a healthy mind. Through our Seabourn Signal e-magazine, we shared tips and resources to make the best of the

down time and to improve everyone's mood, concentration and memory.

## 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 2020, collective bargaining agreements covered 99 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, anticorruption 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

# EMPLOYEES

*Continued from page 9*

their evaluations within a reasonable time frame as circumstances and legal complexity allow. However, a thorough investigation may require a substantial amount of time to close some complaints.

## **Carnival Corporation & plc Compliance Reporting Hotline**

**As part of our Culture Essentials, we encourage team members to Speak Up if they observe unlawfulness or unethical behavior. There are several options to make a report. One of those options is our Carnival Corporation & plc Compliance Reporting Hotline. The Compliance Reporting Hotline is available 24 hours a day, seven days a week. In the United States dial 888-290-5105. If international, dial +1-305-406-5863. Online reporting is available at [www.carnivalcompliance.com](http://www.carnivalcompliance.com).**

## **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. We abide by

One of our shipboard ambassadors, Mark Deneil Tagulao, a Third Engineer on board Seabourn Odyssey, reached out to the Ethics & Compliance team to recognize some of his team members. According to Mark, “The reason why I want these four men to be recognized is because they always find a way to get things done — they do it well and in compliance. Their work ethic is admirable, and they continue to impress me with their work, knowing that they cover most parts of the ship when it comes to housekeeping. The four of them are always willing to give a helping hand. I can definitely say that they are some of the most reliable persons here on board the ship.” Thank you, Mark!

the Cruise Lines International Association’s 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 we keep them informed of changes to policies and procedures.

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.

## **Ethics & Compliance Ambassador Program**

In 2019 we started an Ethics & Compliance Ambassador program ashore. The idea is that Ethics & Compliance ambassadors help promote a culture throughout the organization where everyone is committed to doing the right thing. That involves creating a workplace of trust, respect and support where people feel comfortable speaking up, not only to report misconduct but also to seek help or advice by asking questions before something becomes a problem.

During the pause of operations, we took the opportunity to introduce this program on board our ships. We are currently still in the pilot phase, Seabourn Ovation and Odyssey are both participating in the pilot program. but we intend to roll it out across all vessels, as it is one of our Culture Action Plan deliverables.





# HEALTH, SAFETY & SECURITY

**Our highest responsibility and top priorities are to operate safely, to protect the environment and to be in compliance everywhere we operate in the world. We base every decision we make on our uncompromising commitment to health, safety and security. This is our culture, who we are and what we believe.**

Our Health, Safety and Security strategies include hiring the right people, providing and tracking completion of ongoing training, and adhering to rigorous standards. 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, share best practices and share incident reports 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 (CDC) 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.

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.

## Health Operations Center

The Health Operations Center (HOC) focuses on real-time support for ships operating around the globe. The HOC brings team members together from different geographic areas supporting Carnival Corporation's North America brands, including Seabourn, Holland America Line and Carnival Cruise Lines. The HOC team members are to ensure compliance with CDC COVID-19 guidelines for return to service. In addition, this global health organization is expected to result in improved system performance and effectiveness, common operating standards and requirements that drive quality care and improve efficiency regarding staffing, training and clinical expertise.

## WTTC Global Science Summit

In an effort to broadly share accessibility to the most up-to date, science-based knowledge and information available on COVID-19 to the travel industry and the world, Carnival Corporation & plc president and chief executive officer Arnold W. Donald approached the World Travel & Tourism Council (WTTC) with the idea to co-sponsor and moderate a virtual health summit that is free and open to the public. On Tuesday, July 28, 2020, WTTC and Carnival Corporation & plc hosted the WTTC/Carnival Corporation Global Science Summit on COVID-19. More than 17,000 people from around the world signed up to participate in the virtual event.

On April 15, 2021, Carnival Corporation & plc, in conjunction with WTTC, hosted the 2021 Global Science Summit on COVID-19, along with new supporting sponsors Hilton and the U.S. Travel Association. The free, live, virtual forum was again open to the public and brought together top global scientists and health experts. The event focused on the most up-to-date science amassed from the past year of studying COVID-19, including how best to address the many ongoing questions about how the virus will affect society, travel and day-to-day activities moving forward.

*Continued on page 12*

# HEALTH, SAFETY & SECURITY

*Continued from page 11*

## 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](#)

## Sail Safe Code

The Sail Safe Code is a collective set of actions and behaviors that serves as a guideline of best practices. It supports and strengthens our Health, Environmental, Safety, Security and Sustainability culture, more commonly referred to as our HESS Culture.

The Sail Safe Code contains four aspects:

- Sail Safe First
- Sail Safe Together
- Sail Safe Always and
- Speak Up.

In combination with our organization's Culture Essentials, the Sail Safe Code empowers our team members with training, job knowledge and behaviors to safely live and work together on board. It also encourages all team

members to speak up if something doesn't look right, feels unsafe or presents an environmental or security risk.

## Management System

Our Safety Management System (SMS), called Global HESS (Health, Environment, Safety and Security), is core to our company operations. It goes beyond the requirements of the International Safety Management Code to address broader considerations such as compliance with the Maritime Labour Convention 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.

In 2018 we developed and began implementing a fleetwide HESS event-reporting platform called SeaEvent. We need all team members to report HESS and operational events, near-misses and certain external ship inspections, and we share this information also with our sister brands. By identifying and tracking incident rate trends and root causes, as well as sharing lessons learned, we can better identify best practices, reduce risks and improve performance.

As part of our "just culture," we do not punish our team members for making honest mistakes, and we accept error as a natural part of human behavior. Our just culture forms responsible behavior and trust, whereby all involved are encouraged to provide essential safety-related information without fear of retribution.

An important aspect of the platform are the Root Cause Analysis (RCA) frameworks which are used to document and categorize event causation. To support the use of RCA, a Root Cause Analysis Training has been developed for anyone who conducts a HESS investigation or event/audit follow-up. This course provides shoreside and shipboard personnel with a foundation on RCA where learners explore what RCA is and how it is used to improve operations and practice.

*Continued on page 13*

# HEALTH, SAFETY & SECURITY

*Continued from page 12*

*Seabourn Venture* is being built with a PC-6 Polar Class-rated hull. A ship rated to this standard is capable of summer and autumn operation in ice conditions in Antarctica, the Arctic and other exotic destinations around the world.

Visualizing the way ice might behave in relation to the hull is a critical part of the design and build process for ships that will routinely operate in areas of the world where ice is common. During the ice testing series, a scale model mock-up of the ship's hull is connected to a test carriage where maneuvering and operational tests can be conducted while Seabourn and Carnival Corporation team members look on through a series of viewing windows.

## Emergency Preparedness

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.

During our pause in guest operations, we combined our emergency response program with Carnival Cruise Line's emergency response program. The new Fleet Operations Center is available 24/7, 365 days a year and is located in Miami, Florida. 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.



## 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. 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.

### 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; 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 all 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.

### 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.



# ENVIRONMENT

Our uncompromising commitment to safety and 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 ports of call worldwide, in this way we can continue to create fulfilling travel experiences and memories that last a lifetime. We paused our guest operations in 2020 due to the global pandemic, and the data in this section of the summary does not represent our normal operations.

## Environmental Compliance Program

In 2013 an engineer reported an environmental crime on one of Carnival Corporation's ships. Following an investigation by the Department of Justice (DOJ), we learned that the misconduct involved multiple ships over several years. We took responsibility and signed a plea agreement in 2016. We are subject to a court-ordered environmental compliance plan supervised by the U.S. District Court for the Southern District of Florida, which is operative until April 2022 and subjects our operations to additional review and other obligations. Failure to comply with the requirements of this environmental compliance plan or other special conditions of probation could result in fines, which the court has imposed in the past, and restrictions on our operations.

## 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 EMS 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 Global 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 (EO) who oversees environmental compliance and implementation of procedures. The EO 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, monthly phone calls with EOs 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 sustainability goals with a target date of 2020. Seabourn set its own objectives and targets to help Carnival Corporation reach these goals.

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## 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

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**2030 Goal: Achieve 40 percent carbon intensity reduction relative to our 2008 baseline measured in both grams of CO<sub>2</sub>e per ALB-km and grams of CO<sub>2</sub>e per ALBD.**

Addressing climate change is one of our top priorities, and we are committed to continuing to lead the way within the cruise industry. Our entire management team, including our board of directors, is committed to addressing climate change. Our path to decarbonization involves multimillion-dollar investments and a multifaceted strategy. Key components of this strategy include adopting international frameworks and working with industry regulatory bodies to address upcoming regulatory requirements and conditions; maximize efficiency opportunities/gains; implement low-carbon fuels; invest in carbon-efficient technologies; support and accelerate industry-specific research & development projects; establish internal goals supporting the path; and partner with other companies, NGOs and relevant stakeholders. In the coming years we are likely to see an array of emerging technological innovations, as currently there is not a single (nor a combination of technologies) innovation that can move the maritime industry straight into a decarbonization path. As we navigate this journey, we are committed to evaluate options, work with various stakeholders and adjust our path as needed.

**In 2021 Carnival Corporation and plc introduced our sustainability focus areas. There are six areas where we are focusing our sustainability efforts in support of our 2030 goals and 2050 aspirations. Each Focus Area has goals, targets and aspirations that will guide our actions to further strengthen the sustainability performance of our organization. We may choose to revise or augment our 2030 goals and 2050 aspirations by introducing additional ones. For more information about the company's 2030 goals and 2050 aspirations, see [Carnival Corporation & plc 2020 Annual Sustainability Report, pages 13–15](#).**

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# 2020 SUSTAINABILITY GOALS

environmental • safety • labor & social



## CARBON FOOTPRINT

Reduce the intensity of CO<sub>2</sub>e (carbon dioxide equivalent) 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.



## ADVANCED AIR QUALITY SYSTEMS

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

## AWWTS TECHNOLOGY

Increase Advanced Waste Water Treatment System (AWWTS) coverage of our fleetwide capacity by 10 percentage points by 2020 relative to our 2014 baseline.



## COLD IRONING CAPACITY

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



## WASTE REDUCTION\*

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.



## WATER EFFICIENCY

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.

## DIVERSITY & ETHICS



Continue to build a diverse and inclusive workforce and provide all employees with a positive work environment and opportunities to build a rewarding career to further drive employee engagement.



## GUEST AND CREWMEMBER HEALTH, SAFETY & SECURITY

Striving to be free of injuries, we continue to build on our commitment to protect the health, safety and security of our guests, employees and all others working on our behalf.



## BUSINESS PARTNER CODE OF CONDUCT AND ETHICS

Further develop and implement vendor assurance procedures ensuring compliance with Carnival Corporation & plc's Business Partner Code of Conduct and Ethics.



## OUR COMMUNITY

Continue to work on initiatives and partnerships that support and support a broad range of organizations for the benefit of our local and global communities throughout our brand.

\*Based on new waste management accounting practices, the baseline has been revised to 2016



# ENVIRONMENT

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## Operation Oceans Alive

Our Operation Oceans Alive program is an 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 2020 and 2021 we celebrated Global Recycling Day, Earth Day and World Oceans Day both on board and shoreside with events, activities and communications to promote ocean education and conservation.

## 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](#).

## 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;



Global Recycling Day, Earth Day and World Oceans Day events

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 2020 our five-ship fleet used 42,000 metric tonnes of fuel, generating over 1.8 million gigajoules of energy.

We use high-sulphur fuel oil (HSFO) and marine gas oil (MGO) to power our ships. MGO generates fewer sulphur oxide emissions. We use it or Advance Air Quality Systems (AAQS) in emission control areas as required. In 2020 around 23 percent of the fuel we used was HSFO, and around 77 percent of fuel used was MGO.

### Greenhouse Gas Emissions

The greenhouse gas (GHG) emissions generated by our operations are primarily from fuel used by ships. These emissions include greenhouse gases, nitrogen oxides (NOx), sulphur oxides (SOx) and particulate matter (PM). Recognizing that managing GHG emissions is essential to the industry, Carnival Corporation & plc has set and

# ENVIRONMENT

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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 travelled.

In 2020 our operations generated about 139 thousand metric tonnes of carbon dioxide emissions. The vast majority were direct GHG emissions from our ships' fuel consumption.

As a result of our ship fuel efficiency strategies, from 2013 to 2019 we successfully reduced our GHG emissions rate — which is normalized for ship capacity and distance traveled — by about 40 percent. In 2020 our CO<sub>2</sub>/kALBD-NM went up because of fewer miles traveled and fewer revenue days.

## Indirect Energy — Electricity Purchases

We have updated our indirect emissions (scope 2) 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 summary report.

## Advanced Air Quality Systems

Advanced Air Quality Systems (AAQS) significantly reduce sulphur 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 and Use

Our fresh water comes from three different sources: produced water (seawater that is either evaporated and recondensed 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 2020 our fleet consumed over 227 thousand metric tonnes of water. Of that total, 97 percent was produced on board, and 3 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.

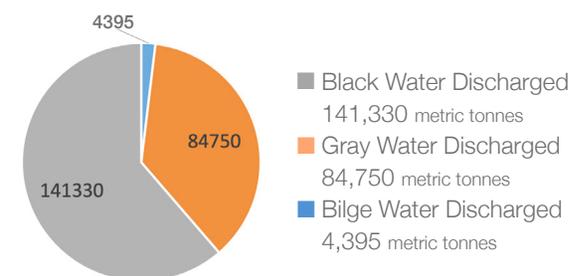
In 2020 our operations used 357 liters of water per person per day, which is in the range of the 302–378 liters used per person per day in the average [U.S. household](#).

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 sharing 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: gray water, black water (permeate, biomass and untreated black water) and bilge water. In 2020 we generated approximately 230,000 metric tonnes of wastewater discharged to sea.

## Distribution of Wastewater



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 2020 we discharged approximately 85,000 metric tonnes of gray water, which accounted for 37 percent of all wastewater discharged to sea from our fleet.

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

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# ENVIRONMENT

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superior in quality to effluent discharged from municipal wastewater treatment plants in most communities.

In 2020 we discharged over 141,000 metric tonnes of permeate, accounting for 61 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 less than 15 parts per million. In 2020 we discharged over 4,000 metric tonnes of treated bilge water, which accounted for less than 2 percent of all wastewater discharged from our fleet.



Crew aboard Seabourn Odyssey show off their Nordaq reusable water bottles.

## 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 time

frame. To further facilitate reporting, we have established a whistleblower system with a range of options for employees and external stakeholders to communicate, which includes a dedicated hotline telephone number and website.

The hotline is monitored by an independent third party and is available 24 hours a day, seven days a week. The hotline can be reached at

- 1-888-290-5105 (toll-free in North America)
- +1-305-406-5863 (from all other locations)
- [www.carnivalcompliance.com](http://www.carnivalcompliance.com)

Our goal is to investigate and respond to reports within a reasonable time frame based on circumstances and legal complexity.

## WASTE

In 2020 our fleet generated approximately 4,000 metric tonnes of solid waste. Excluding recycling, this represents 4.6 kilograms of waste per person per day. We are reducing this amount by identifying high-performing ships to share

## In an effort to eliminate plastic bottles, Seabourn rolls out Nordaq water stations

Seabourn is on track to significantly reduce the use of plastic water bottles by installing Nordaq water filtration stations and providing reusable bottles to all guests and team members.

This initiative is part of our sustainability efforts to reduce or eliminate single-use plastics and other items that are difficult to recycle or separate from food waste.

The fleetwide rollout began in May 2019 with Seabourn Odyssey, and the response from our team members and guests has been incredibly positive.

## Other changes we've made include

- Replacing plastic straws and coffee cup lids with paper alternatives (and offering them upon request only)
- Eliminating plastic cups for both crew and guests
- Replacing plastic cocktail picks and stir sticks with bamboo and wood alternatives
- Replacing plastic ice cream spoons with wood spoons
- Continuing to work with our vendors and partners to further reduce our consumption of plastic items

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# ENVIRONMENT

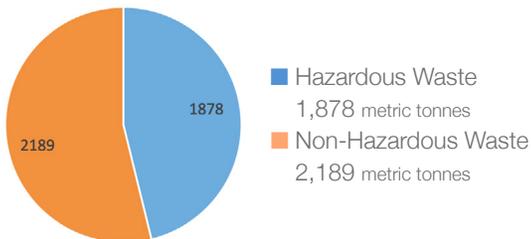
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best practices. We also engage shoreside vendors to find more recycling opportunities.

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

When recycling services aren't available in port communities, we 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.

## Solid Waste Disposal



## 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.

Hull husbandry is one 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

We have ballast water treatment systems aboard *Seabourn Encore*, *Seabourn Ovation*, *Seabourn Quest*, *Seabourn Sojourn* and *Seabourn Odyssey* that meet IMO requirements and U.S. Coast Guard (USCG) requirements.

We record and report all ballast water exchanges and discharges as required by local, national and international laws and regulations. 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.

## 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. 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 International Union for Conservation of Nature Red List, which is the Global Reporting Initiative's designated list for threatened species.



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# ENVIRONMENT

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At Seabourn we understand the importance of operating safely, protecting the environment and being in compliance everywhere we operate in the world. To foster our commitment to sustainability and environmental protection, Holland America Group formed a Sustainability Committee in 2018.

During the group's meeting in April, committee members shared an update on our carbon emissions strategy, discussed current and future technical projects, proposed the launch of a Destination Sustainability program that fits within our greater corporate sustainability efforts, and emphasized the need to focus on engagement with the communities we visit. The committee affirmed that we must continue to take proactive measures to ensure sustainability is ingrained in all aspects of our operations.

The committee's efforts focus on single-use plastics and other single-use items (replacing, reducing or eliminating them where possible), food waste (compliance, reduction and systems), recycling opportunities, sustainability reporting and sustainability goals.

The committee meets every quarter to discuss the sustainability work being done at Holland America Group, in line with our Culture Essentials, to

- improve cross-collaboration,
- move toward meeting our corporate-wide sustainability goals faster and
- identify relevant information to be shared with team members to ensure alignment and prevent duplication of efforts.

Thoughts and ideas can always be shared with the Sustainability Committee by emailing [sustainability@hollandamericagroup.com](mailto:sustainability@hollandamericagroup.com).



# COMMUNITY

We operate with integrity, trust and respect for each other, seeking collaboration, candor, openness and transparency at all times. We also intend to be an exemplary corporate citizen, leaving the people and the places we touch even better than we found them. Our official partnership with UNESCO stems from our shared values and active concern for global cultural and natural heritage preservation. We continue our efforts to support and intimately understand the ports and communities we promote as part of our sustainable tourism programs.

## OUR COMMUNITIES

### Port Communities

In 2019 our ships visited just over 450 ports, and during the first quarter of 2020 our ships

visited over 80 ports across six continents. In 2020 the global pandemic brought our guest operations to a halt. After all guests and most team members were ferried home, Seabourn Ovation, Sojourn, Encore and Quest were positioned in Limassol, Cyprus, while Seabourn Odyssey remained in the Caribbean (St. Maarten).

In June 2021 Josh Leibowitz announced plans for the restart of all ships in the fleet. Seabourn Ovation started sailing in Greece and Seabourn Odyssey in the Caribbean. He said, “As I have said before, as we return to service, everything we do will be consistent with our long-term values and priorities of compliance; environmental

protection; and the health, safety and well-being of our guests, the people in the places we visit and our team members.”

One of the many ways our business can make a positive impact in port communities is by creating jobs in the tourism industry. As per Cruise Lines International Association (CLIA), the cruise industry generated \$138 billion in global economic impact in 2019. This economic activity generated over 1.1 million jobs around the world, paying \$50.5 billion in global wages in 2019. For additional details please refer to CLIA, [The Economic Contribution of the International Cruise Industry Globally in 2019](#).

*Continued on page 22*



## UNESCO Partnership with Seabourn

As the official cruise partner of UNESCO World Heritage, Seabourn has been helping to raise funds that support sustainable tourism at World Heritage sites since 2014. Seabourn visits more than 170 sites around the world each year (except 2020 and most of 2021, due to the global pandemic), from world-famous sites to lesser-known, tucked-away local gems. 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.

## 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, 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 in and relationship with the International Association of Antarctic Tour Operators (IAATO). 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.

# COMMUNITY

*Continued from page 21*

## Ventures by Seabourn® excursions

The award-winning Ventures by Seabourn program is designed to enhance the travel experience through expert team members who lead lectures and spend time on deck talking with guests, helping them appreciate the local wildlife and environment around them, and extending the travel experience through Zodiac, kayak and trekking adventures.

From spotting sloths along the Amazon River to paddling among wave-sculpted icebergs in Antarctica, guests experience nature up close in a way that is nothing short of unforgettable. To get a taste of what it's like to be among picturesque fjords, glaciers and wildlife, use the Ventures by Seabourn voyage trackers.

The Expedition Team blogs each day they are on board, providing fascinating and historical details about the location and the day's adventure and posting photos. For more on Seabourn's Ventures program, watch [Ventures by Seabourn – Overview 2019](#).

## SUPPLY CHAIN

Our recently updated [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.

At Seabourn we employ three procurement streams: technical purchasing (parts and services), consumable purchasing (food and beverage items and housekeeping supplies) and indirect/services purchases (IT, entertainment, HR, marketing, etc.). Whenever feasible, competitive bidding is undertaken at the corporate, HA Group or brand level.

We achieve competitive pricing while ensuring quality and product safety by actively identifying key vendors that we acquire through a vetting process. HA Group, a group of sister cruise lines, 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 vetting process.

We require a 100 percent commitment to improving the quality and accuracy of the deliveries from our vendors. Regarding inbound transportation, we work together with our sister brands and consolidate department shipments to reduce our impact on the environment. For outbound transportation, shipments are destination- and itinerary-specific, and are arranged per brand. We are trying to reduce our footprint by buying more locally, reducing the need to transport goods while supporting the local economy.

## Modern Slavery Statement

The United Kingdom's Modern Slavery Act 2015 and Australia's Modern Slavery Act 2018 require companies like ours to disclose information regarding their efforts to combat slavery and human trafficking in their supply chain and within their business. We take this responsibility very seriously and are proud of the measures we have taken in this regard. In 2020 and again in the beginning of 2021, our statement was revised and approved by our boards of directors. [In 2021 the statement was further revised](#). The statement sets out the steps that we have taken to combat slavery and human trafficking within the internal operations of our company or the suppliers, vendors and other companies we partner with around the world.

# PERFORMANCE SUMMARY

ENVIRONMENTAL DATA – TOTAL SHIPS		5	5	5
	Units	2018	2019	2020
<b>Greenhouse Gas Emissions (GHGs)<sup>1</sup></b>				
Total GHG Emissions - Location Based	Metric Tonnes CO <sub>2</sub> e	181,807	197,728	138,724
Total GHG Emissions - Market Based	Metric Tonnes CO <sub>2</sub> e	181,807	197,728	138,724
Direct GHG Emissions	Metric Tonnes CO <sub>2</sub> e	181,807	197,728	138,724
Ship Direct GHG Emissions	Metric Tonnes CO <sub>2</sub> e	181,807	197,728	138,724
Ship Fuel GHG Emissions	Metric Tonnes CO <sub>2</sub> e	178,506	195,556	135,860
Ship Refrigerant GHG Emissions <sup>2</sup>	Metric Tonnes CO <sub>2</sub> e	3,301	2,171	2,864
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	598	590	721
<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>1,3</sup>	Kg CFC-11e	0	0	0
<b>Energy &amp; Electricity</b>				
Total Direct Energy Consumption <sup>4</sup>	Gigajoules	2,353,844	2,577,847	1,819,094
Ship Direct Energy Consumption	Gigajoules	2,353,844	2,577,847	1,819,094
Total Direct Energy Consumption Rate	Kilojoules/ ALB-Km	7,884	7,784	9,657
Total Ship Fuel Consumption <sup>4</sup>	Metric Tonnes	56,199	61,579	41,124
Ship Fuel Consumption Rate <sup>4</sup>	Grams Fuel/ ALB-Km	188.2	185.9	223.6
<b>Ship Fuel</b>				
High Sulfur Fuel Oil (HSFO)	Percent	64.4	65.1	23.2
Low Sulfur Fuel Oil (LSFO)	Percent	0.0	0.0	0.0
Marine Diesel Oil/Marine Gas Oil (MDO/MGO)	Percent	35.6	34.9	76.7

Due to the pause in guest cruise operations as a result of COVID-19, 2020 data is not comparable to previous year's data.

- 1) Independently verified by Lloyd's Register Quality Assurance (LRQA) in accordance with ISO 14064-3:2006, "Greenhouse gases – Part 3: Specification with guidance for the validation and verification of greenhouse gas assertion."
- 2) Emission factors are in accordance with The Climate Registry Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (AR4).
- 3) The conversion factors to obtain the amount of CFC-equivalent from the various types of refrigerant gases are those given in the Montréal Technical Papers.-
- 4) Independently verified by LRQA



# PERFORMANCE SUMMARY CONTINUED

ENVIRONMENTAL DATA – TOTAL SHIPS		5	5	5
	Units	2018	2019	2020
<b>Potable Water</b>				
Total Water Consumption <sup>4</sup>	Metric Tonnes	488,062	494,894	227,918
Water Produced (From Sea)	Metric Tonnes	434,930	58,943	7,547
Water Purchased (From Shore)	Metric Tonnes	53,132	435,951	220,371
Water Consumption Rate	Liters/Person-Day	349	315	357
<b>Wastewater</b>				
Bilge Water Discharge to Sea <sup>4</sup>	Metric Tonnes	7,351	6,105	4,395
Bilge Water Sea Discharge Rate <sup>4</sup>	Liters/NM	23.13	17.65	22.32
Gray Water Discharged to Sea <sup>5</sup>	Metric Tonnes	221,516	200,773	84,750
Gray Water Sea Discharge Rate <sup>5</sup>	Liters/Person-Day	158.33	127.93	132.61
Black Water Discharged to Sea	Metric Tonnes	256,238	275,489	141,330
Black Water Sea Discharge Rate	Liters/Person-Day	186.6	175.5	221.2
<b>Waste Disposal</b>				
Total Waste	Metric Tonnes	7,191	8,168	4,067
Hazardous Waste <sup>6</sup>	Metric Tonnes	2,174	2,809	1,878
Non-Hazardous Waste	Metric Tonnes	5,017	5,359	2,189
Waste Recycled	Percent	30.6	28.0	21.1
Waste Rate (Excluding Recycling)	Kilograms/Person-Day	4	4	5

Due to the pause in guest cruise operations as a result of COVID-19, 2020 data is not comparable to previous year's data.

- 1) Independently verified by Lloyd's Register Quality Assurance (LRQA) in accordance with ISO 14064-3:2006, "Greenhouse gases – Part 3: Specification with guidance for the validation and verification of greenhouse gas assertion."
- 2) Emission factors are in accordance with The Climate Registry Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (AR4).
- 3) The conversion factors to obtain the amount of CFC-equivalent from the various types of refrigerant gases are those given in the Montréal Technical Papers.-
- 4) Independently verified by LRQA
- 5) Wastewater discharges for gray water values have been revised for FY2018. During the internal data verification process a quality control step was completed for this reporting cycle.
- 6) 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>2018</b>	<b>2019</b>	<b>2020</b>
<b>Workforce<sup>1</sup></b>				
Average Crew	Number	1,712	1,900	1,208
<b>Diversity</b>				
Labor Sourcing Region:				
> Africa	Percent	12.1	11.6	9.5
> Asia	Percent	42.2	45.7	48.3
> Australia	Percent	0.4	0.6	0.6
> Europe	Percent	35.5	32.8	34.2
> North & Central America	Percent	3.7	4.1	3.5
> South America	Percent	6.1	5.3	3.9
Gender Distribution - Female	Percent	23.6	18.4	14.6
Gender Distribution - Male	Percent	76.4	81.6	85.4
<b>Injuries &amp; Fatalities</b>				
Total Injuries	Number	60	97	53
> Minor Injuries	Number	38	62	21
> Serious Injuries	Number	8	10	2
> Major Injuries	Number	14	25	11
Accidental Deaths	Number	0	0	0
<b>Other Statistics</b>				
Employee Turnover	Percent	28.1	30.9	15.4
Employees Covered by Collective Bargaining Agreements (CBA)	Percent	97.7	97.3	93.5
Employees Represented by Health and Safety (H&S) Committees	Percent	100	100.0	100

1) All Seabourn employees are paid through Holland America Line N.V. These employees are shoreside employees dedicated to work for Seabourn. The numbers listed in Holland America Line' Sustainability Report include employees that support Seabourn as well. Data as of December 1 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>2018</b>	<b>2019</b>	<b>2020</b>
<b>Workforce<sup>1,2</sup></b>				
Average Number of Full Time Employees	Number	235	42	29
Average Number of Part Time/Seasonal Employees	Number	3	0	0
Shoreside Employee Status - Full Time	Percent	98.7	100	100
Shoreside Employee Status - Part Time	Percent	1.3	0	0
<b>Diversity</b>				
Gender Distribution - Female	Percent	61.8	55.4	43.0
Gender Distribution - Male	Percent	38.2	44.6	57.0
<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	15.1	9.5	55.2
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	83.2	100	100

1) All Seabourn employees are paid through Holland America Line N.V. These employees are shoreside employees dedicated to work for Seabourn. The numbers listed in Holland America Line' Sustainability Report include employees that support Seabourn as well. Data as of December 1 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 Summary 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 Summary 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, guest capacity and the international pandemic.

This summary 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) 2020 (December 1, 2019–November 30, 2020).

All references to currency are in USD unless otherwise noted.

## Reporting History & Cadence

This summary is our first Sustainability Summary, focusing on FY 2020 (December 1, 2019–November 30, 2020) but including information from fiscal years 2019–2021.

## Terminology

In this summary 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. For more information see [Carnival Corporation & plc 2020 Annual Sustainability Report, pages 124–127](#).

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

Key: Economic Environmental Social Economic, Environmental & Social

# GLOSSARY

## **Advanced Air Quality System (AAQS)**

Commonly referred to as exhaust gas cleaning systems or “scrubbers,” this significant technological innovation is designed to improve air emissions, meet and exceed environmental regulatory standards and support sustainable operations in the global shipping industry.

## **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

## **Advanced Wastewater Treatment Systems (AWWTS)**

Remove contaminants from black and gray water and convert it into an effluent that can be returned to the water cycle with minimum impact on the environment or directly reused

## **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

## **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,” they are 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.

## **Circular Economy**

The circular economy is an economic model that aims to avoid waste and to preserve the value of resources (raw materials, energy and water) and keep them in a closed loop for as long as possible. Products and materials are continuously (re)circulated — as opposed to a linear model in which they are discarded as waste after use.

## **CO<sub>2</sub> (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.

## **Cold Ironing**

Cold ironing is the process of providing shoreside electrical power to a ship at berth while its main and auxiliary engines are turned off. The term came into existence during the time when ships were coal-fired. Once the coal-fired ship was in port and attached to a shore-based power source, the engines no longer needed to be stoked by coal, and the fires would die down until the large iron engines grew cold. Hence, cold iron became “cold ironing.”

## **CO<sub>2</sub>e (Carbon Dioxide Equivalent)**

A measure used to compare the emissions from various greenhouse gases based on their global warming potential (GWP). The CO<sub>2</sub> 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.

## **Footprint**

The amount of environmental impact related to a specific resource

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# GLOSSARY

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## 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

## Greenhouse Gas (GHG)

A gas in the atmosphere that absorbs and emits radiation within the thermal infrared range. This process is the fundamental cause of the greenhouse effect, which many believe is the cause of global warming. The primary greenhouse gases in the Earth's atmosphere are water vapor, carbon dioxide, methane, nitrous oxide and ozone.

Greenhouse gases greatly affect the temperature of the Earth; without them, Earth's surface would be on average about 33 degrees C (59 degrees F) colder than at present. The greenhouse gases thought to be major contributors to global warming are carbon dioxide (CO<sub>2</sub>), methane and biomethane emissions (CH<sub>4</sub>), nitrogen oxide (N<sub>2</sub>O) and chlorofluorocarbons (CFC).

## Greenhouse Gas (GHG) Protocol Initiative

The Greenhouse Gas Protocol Initiative's vision is to harmonize greenhouse gas emission accounting and reporting standards internationally. It aims to provide a multi-stakeholder framework ensuring that different trading schemes and other climate-related initiatives adopt consistent approaches to GHG accounting.

## Heating, Ventilation and Air-Conditioning (HVAC) System

The technology used for indoor environmental climate control

## Heavy Fuel Oil (HFO)

A type of blended oil used in a ship's engines made from the residues from various refinery distillation and cracking processes

## Indicator

A means used to measure the effects of sustainability management initiatives or the condition of environmental, social or governance issues

## Indirect Emissions (Scope 2 Emissions)

Emissions that result from the activities of the reporting organization but that are generated at sources owned or controlled by another organization. In the context of this indicator, indirect emissions refer to greenhouse gas emissions from the generation of electricity, heat or steam that is imported and consumed by the reporting organization.

## Indirect Energy

Energy produced outside the reporting organization's boundary that is consumed to supply energy for the organization's energy needs (e.g., electricity, or for heating

and cooling). The most common example is fuel consumed outside the reporting organization's boundary in order to generate electricity to be used inside the organization's boundary.

## Injury Severity Levels

Work-related crew member and contractor injuries are classified as major, serious or minor, based on the following criteria:

- Major injury: Any fracture, loss of any body part, loss of vision (temporary or permanent), dislocation of a joint or a ruptured ligament or tendon, hypothermia or hyperthermia secondary to environmental exposure that requires medical treatment, an injury resulting in trauma that requires advanced life support or any other injury requiring hospitalization on board or on shore for more than 24 hours following the injury
- Serious injury: Any injury, other than a major injury, which results in time off work for more than three consecutive days following the injury, or that results in disembarkation without return on board
- Minor injury: Any injury that is not a serious or major injury and that results in time off work of 24 hours or more following the injury

## International Labour Organization (ILO)

The United Nations agency that seeks the promotion of social justice and internationally recognized human and labor rights

## International Maritime Organization (IMO)

The United Nations agency responsible for improving maritime safety and preventing pollution from ships

Glossary continued on page 30

# GLOSSARY

Continued from page 29

## **International Organization for Standardization (ISO)**

An international standard-setting body composed of representatives from various national standards organizations. An ISO Standard is an international specification that establishes a common framework of reference or a common technical language between suppliers and customers, thus facilitating trade and the transfer of technology.

## **International Safety Management (ISM) Code**

International code for the safe management and operation of ships and for pollution prevention

## **ISO 14001**

Global standards for Environmental Management System developed by the ISO

## **International Ship and Port Security (ISPS) Code**

A part of SOLAS that prescribes responsibilities of governments, shipping companies, shipboard personnel and port/facility personnel to “detect security threats and take preventative measures against security incidents affecting ships or port facilities used in international trade”

## **Liquefied Natural Gas (LNG)**

Liquefied natural gas (LNG) is natural gas (predominantly methane, CH<sub>4</sub>) that has been converted to liquid form for ease of storage or transport.

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

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

## **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 is one of the most important marine environmental conventions which was designed to minimize pollution of the seas.

## **Metric Tonne**

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

## **Net Promoter Score**

Net Promoter or Net Promoter Score (NPS) is a management tool that is used to gauge the loyalty of a firm’s customer relationships. NPS can be as low as –100 (everybody is a detractor) or as high as +100 (everybody is a promoter). The Net Promoter Score is calculated as the difference between the percentage of Promoters and Detractors. The NPS is not expressed as a percentage but as an absolute number lying between -100 and +100.

## **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 HVAC systems on board

## **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

*Glossary continued on page 31*

# GLOSSARY

*Continued from page 30*

## **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

## **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

## **Sustainable Development Goals (SDG) - added**

The Sustainable Development Goals (SDGs) are a collection of 17 global goals set by the United Nations. The broad goals are interrelated, though each has its own targets to achieve. The total number of targets is 169. The SDGs cover a broad range of social and economic development issues. These include poverty, hunger, health, education, climate change, gender equality, water, sanitation, energy, environment and social justice.

## **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





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