

PRINCESS 2019

# SUSTAINABILITY REPORT



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PRINCESS®

## LEADERSHIP MEMO

For 55 years now, Princess has sailed the world, connecting our guests to what matters most: their loved ones, new friends and the world's most beautiful destinations. We are proud to deliver memorable cruise vacations to more than two million guests each year, sailing to all seven continents and visiting over 300 ports of call.

In 2019 we revised our Shared Purpose at Princess to better reflect our commitment to protecting the Earth. It now reads, "To share our world, share our hearts, **protect our Earth**, and create lasting memories."

As a worldwide leader in cruising, we want our ships and our guests to always be welcomed wherever we sail, bringing hope and prosperity to the communities we visit year after year. So every day we strive to live by our Core Values of Respect, Protect and Connect. Our Core Values encapsulate all the lessons we've learned in the past and represent the best of who we are as a team.

Through our Core Value of Protect, we endeavor to consistently do the right thing. We consider it our highest priority to operate in a way that is safe and socially responsible. We understand our responsibility to safeguard our air, waterways and oceans. All of us at Princess Cruises are committed to protecting the health and vitality of our Earth.

In this report we review our company's progress in 2017–2019 toward meeting our 2020 sustainability goals. We are continuously working to improve our business operations and have made great strides in eliminating single-use plastics, reducing our carbon footprint, improving air emissions, reducing waste generation and advancing water efficiency. We remain committed to reaching our sustainability targets through investments in state-of-the-art technologies and extensive training opportunities for our teammates. Thank you for taking the time to learn more about Princess' sustainability programs.

We look forward to continuously improving our impact for many more years to come.

Jan Swartz  
President, Princess



# ABOUT US

One of the best-known names in cruising, Princess first set sail in 1965 with a single ship cruising to Mexico. Today the line has grown to become the third-largest cruise line in the world, renowned for innovative ships, an array of onboard options and a passion for exceptional customer service.

## Princess at a Glance

- **17 ships** across **the fleet** that serve over 1.8 million passengers annually
- Over 380 **destinations** across more than 100 countries on seven continents
- Over 170 unique itineraries ranging from one to 111 days. More than 500 late-night calls ashore across 98 ports and 70 overnight calls across 16 ports
- Access to over 100 UNESCO World Heritage sites
- Princess employs approximately 17,000 employees worldwide.

## History

Princess' story began more than **50 years ago** when company founder Stanley B. McDonald chartered *Princess Patricia* and formed Princess Cruises. *Princess Patricia* set sail to Mexico from Los Angeles, California. In 2019 Princess celebrated 50 years of cruising to Alaska after first launching voyages to the region in 1969 with the chartered 12,000-ton *Princess Italia*.

## Time Line

- 1965 — Founder Stanley McDonald chartered Canadian Pacific Limited's Alaska cruise ship *Princess Patricia*
- 1972 — **Princess Tours** founded
- 1974 — Britain's Peninsular & Oriental Steam Navigation Company (P&O) acquired Princess Cruise Lines
- 1976 — The *Princess* started to play a big role in the TV series *The Love Boat*
- 2000 — P&O Princess Cruises establishes as an independent company
- 2001 — 2001 Princess Cruises headquarters moves to Santa Clarita, California
- 2003 — Princess Cruises was acquired by Carnival Corporation & plc
- 2015 — Princess Cruises celebrates its 50<sup>th</sup> anniversary
- 2016 — Launched *Majestic Princess* in China
- 2019 — Launched *Sky Princess*

## Operating Structure

Princess is part of Holland America Group. Holland America Group manages four brands: Princess, Holland America Line, Seabourn and P&O Australia. The Group also owns Holland America-Princess Alaska Tours, the leading tour company in Alaska and the Yukon. Holland America Group is owned by Carnival Corporation (NYSE: CCL), one of the largest vacation companies in the world.

## Executive Team

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

Jan Swartz has been President of Princess since 2013 and has overall executive responsibility, including leading all business and global operations. Additionally, Swartz is president of the Princess Cruises Community Foundation. In 2018 Jan Swartz was appointed to MGM Resorts International Board of Directors. She was honored as a 2015 Woman of Distinction by the Girl Scouts of Greater Los Angeles. She serves on the board of the Cruise Lines International Association (CLIA).

Considered one of the most recognized cruise lines in the world, Princess is continually evolving. Princess began updating its company purpose and values in 2019 to align with Carnival Corporation's updated values.

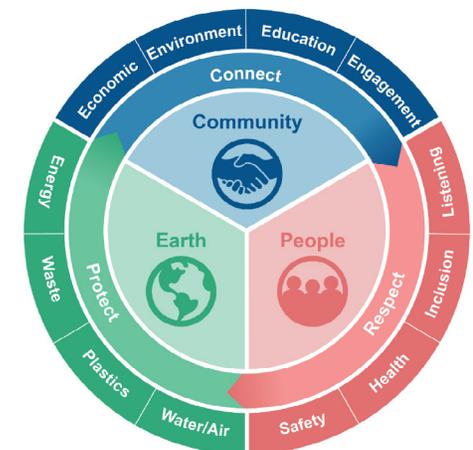
**Purpose: To share our world, share our hearts, protect our Earth and create lasting memories.**

Princess released updated core values as a way to achieve this purpose. We also developed training for individuals in management positions to learn the behaviors expected with the updated values.



## Sustainability Strategy

Building on its core values, Princess has expanded on its sustainability strategy. The key pillars are Community, People and Earth. This report explores each of the pillars in depth.





## Princess' presence in Alaska

Over the past 50 years, we have hosted more than 5 million guests in Alaska. Our guests choose to sail with Princess to Alaska because we offer the best cruise and tour options as well as educational and exciting adventures off and on the shore. Not only do we have numerous ships that sail there, but we also own and operate five wilderness lodges where guests can stay and explore the land. Both the ships and lodges offer a variety of attractions such as high-class restaurants, saloons and bars; scenic tours; national park excursions; and more.

One of the best attractions Princess has to offer is Alaska's Glacier Bay National Park & Preserve, covering 3.3 million acres of beautiful landscape. We have an important partnership with the National Park Service that allows us to sail our guests through this UNESCO World Heritage Site. However, this partnership is only sustained by the company meeting important environmental regulations and standards that aim to minimize negative impacts to the environment. In partnership with the National Park Service, we also offer the Glacier Bay National Park Junior Ranger Program. Designed to bring Glacier Bay and the Alaska wilderness to life for thousands of children, the highly regarded program features interactive games, activity books and presentations by park rangers. Upon completion of the program, each child is designated a Junior Ranger and receives his/her very own ranger's badge and certificate. We know that it is a privilege to be able to take our guests to this beautiful national park, and we work hard to maintain our important partnership with Glacier Bay that allows us to sail through a sacred part of the world.

Princess is dedicated to the preservation of Alaskan wilderness and culture and offers great thanks to the important organizations and people of Alaska. To show its appreciation, Princess hosted a ceremony at the Ketchikan Visitors Bureau to gift a special totem pole to the town created by local carver Kelly White. White actually carved the pole on board various ships to demonstrate Alaskan culture to guests and teach them more about important Alaskan traditions. Princess recognizes the importance of Alaska to our company and guests and will continue to show appreciation for the native land, people and culture.

# ABOUT US

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## Organizational Changes

In 2019 Carnival Corporation instituted a new Ethics & Compliance Department to promote, maintain, oversee and monitor the effectiveness of the overall ethics and compliance functions throughout the organization. Peter Anderson was hired as Chief Ethics & Compliance Officer for Carnival Corporation. Anderson is a former federal prosecutor with more than 20 years' experience in corporate compliance. His team will help create a culture of compliance and integrity and ensure Carnival Corporation adheres to regulations and the highest ethical principles. This includes maintaining a workplace where individuals are not singled out and blamed for shortcomings but rather encouraged to report incidents, near misses and other environmental concerns or the need for additional resources, without fear of dismissal or retaliation.

In 2020 Carnival Corporation appointed Jeffrey J. Gearhart to Boards of Directors. Gearhart retired as executive vice president, Global Governance and Corporate Secretary for Walmart, Inc. In his role at Walmart, Gearhart was responsible for, among others, the global legal, compliance, ethics, global security and investigative organizations. Gearhart is credited with building a globally recognized ethics and compliance program that earned Walmart the New York Stock Exchange Governance Services award for the "Best Governance, Risk, and Compliance Program for Large-Cap Companies" in 2016. He will serve on both the Compliance and the Health, Environmental, Safety & Security (HESS) committees.

## Opportunities

Whether being good stewards of the environment; treating our employees, guests and others with respect; or being a conscientious partner to ports and communities around the world, we recognize that we have the ability — and duty — to make a positive difference in the world in which we work and live. We are focused on achieving our [2020 Corporate Sustainability](#) goals as well as selecting and developing the next set of targets, including food waste. Food waste is disposed overboard outside 12 nautical miles from the baseline when we are not in a special ecological area or marine protected area. We found that some of this food waste was contaminated with

plastic, such as the sticker on fruit. To prevent plastic from going overboard with food waste, we have reduced single-use plastics and other packaging on the ships as well as tightened control over food waste disposal.

In 2020 COVID-19, a global pandemic, brought a pause to cruise operations. Our highest priority is always the health and safety of our guests and team members and protecting the communities around the world where we sail. We are stepping up screenings at embarkation along with many other measures to ensure everyone's safety.

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

In July 2015 Carnival Corporation & plc and the United States Department of Justice reached an agreement about requirements aboard cruise ships for Americans with disabilities. This eight-year agreement requires us to reasonably modify policies, practices and procedures to accommodate individuals with disabilities; properly provide and reserve accessible staterooms for individuals with mobility disabilities; allow individuals with disabilities the same opportunities to participate in programs and services; and provide effective means of communication for persons with disabilities. Princess is dedicated to exceeding the expectations of all guests, with a particularly strong focus on accessibility. We are increasing our commitment with enhancements in staff training, accessibility policies and communications, and additional accessible shipboard design features.

## Contact Us

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).



Princess' Ocean Medallion debuted in 2017 and changed the world of cruising for the better. The Ocean Medallion is a quarter-sized, wearable device that acts as the key to a personalized cruise experience. The Medallion allows keyless access to guest staterooms, the best Wi-Fi at sea and even the ability to pay without a card. There are now seven MedallionClass ships that utilize the Ocean Medallion on board: the *Enchanted Princess*, *Ruby Princess*, *Caribbean Princess*, the *Crown Princess*, the *Regal Princess*, the *Royal Princess*, and the *Sky Princess*, but the Medallion will soon arrive on many other Princess ships.

The Ocean Medallion uses advanced technology to connect guests and workers to ensure the best service possible. Guests can personalize their cruise experience via a special app and enter personal data that will help the crew understand them and their needs better. The MedallionClass Digital Experience is the first of its kind that empowers both guests and crew, ensures exceptional service, and even reduces waste on ship.

# REGULATORY LANDSCAPE

Princess adheres to all international, national and state regulations applicable to our vessel operations. Princess has 17 ships; 12 are registered in Bermuda and five are registered in the United Kingdom. The country of registration holds the ultimate authority to enforce laws and regulations pertaining to our fleet operations. Additionally, governments in all locations that we visit have the authority to inspect our ships, including the U.S. Coast Guard when our ships call on U.S. ports. Our health, environmental, safety and security practices are based in international convention as established through the International Maritime Organization (IMO) and the International Labour Organization (ILO).

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 ships implement a safety management system (SMS), and the International Ship and Port Facility Security (ISPS) Code prescribes measures to enhance the security of ships and port facilities.

IMO also introduced the Convention for the Prevention of Pollution from Ships, more commonly known as MARPOL, to protect the maritime environment from pollution that is either accidental or the result of routine operations. IMO amended MARPOL in 2010, designating the North American Emission Control Area (ECA) to reduce emissions from ships. MARPOL has six annexes, four of which are applicable to Princess Cruises. In compliance with ECA guidelines, we've invested in new initiatives that will help minimize our air quality impacts. See Carnival Corporation & plc 2019 Annual Sustainability Report (pages 95-96).

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. Also see the ILO's Maritime Labour Convention 2006 (MLC 2006), which aims to protect seafarers' rights and secure economic interests through fair competition.

Entered into force in 2013, MLC 2006 was designed to become the fourth pillar of the international regulatory regime for quality shipping, alongside SOLAS, STCW and MARPOL. MLC 2006 establishes standards for seafarers' rights to decent conditions of work and helps to create conditions of fair competition for ship owners. Princess Cruises complied with all MLC 2006 requirements prior to the convention's enforcement.

Princess is based in Santa Clarita, California, and adheres to the state requirement (California Code of Regulations, Title 2, Division 3, Chapter 1, Articles 4.5–4.8) concerning ballast water management. The regulation requires a company to implement ballast water management to reduce potential environmental, economic and public health impacts from invasive aquatic species. The regulation addresses the transfer of harmful aquatic organisms and pathogens in ships' ballast water.

Princess is a standing member of the [Cruise Lines International Association \(CLIA\)](#), [Carnival Corporation & plc 2019 Annual Sustainability Report (page 67)] which supports policies and practices that foster safe, secure, healthy and sustainable cruise ship environments. We send representatives to CLIA committee and subcommittee meetings as industry experts.

All ships that carry more than 13 guests and that call on U.S. ports are also subject to the Cruise Vessel Security and Safety Act (CVSSA), which was passed into law in 2010. We undertook significant efforts to meet CVSSA requirement.

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

Princess 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.

Princess 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.

Princess 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

Princess 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. It

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

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

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

Princess meets MLC 2006 requirements

# EMPLOYEES

Princess' employees are dedicated to providing memorable vacations to our guests through exceptional service.

Princess offers outstanding opportunities for land-based and seagoing cruise industry careers. We recruit top talent, provide comprehensive training, create opportunities for development and advancement and offer a competitive pay and benefits package. We follow the complex employment laws and regulations that apply to our global operations. We understand that to succeed, our company must be profitable. We take responsibility for our own performance and use resources wisely.

In 2019 we employed nearly 20,000 skilled employees around the world who are dedicated to providing guests with a fantastic experience. Despite the many miles that separate our headquarters and our vessels, we're committed to working together toward this common mission.

In 2020 COVID-19, a global pandemic, brought a pause to our cruise operations. While this report reflects our Fiscal Year 2019 performance, Princess is using this pause to strengthen the culture of the organization, focus on strengthening the workforce and enhancing our Diversity & Inclusion programs.

## Workforce

A majority of our employees work aboard our ships, and approximately 10 percent are based in our shoreside offices

in Santa Clarita, California; Fort Lauderdale, Florida; Seattle, Washington; Naples, Italy; Southampton, England; and Sydney, Australia; and our offices in Asia: Singapore, Taiwan, China, South Korea, Japan and Hong Kong. A majority are in full-time positions while approximately 3 percent are in part-time or seasonal positions.

Many of our shoreside employees are responsible for marketing and selling cruises and tours, operations and compliance, taking reservations and completing the financial and accounting transactions required for internal and external controls. Dedicated personnel in the United Kingdom and Australia are employed by our parent company, Carnival Corporation & plc, and provide reservations and sales assistance to support our expanding international presence.

Each of our shipboard employees works in one of three departments under the Captain's supervision:

- Our Deck Department consists of 1,170 officers and crew who ensure our ships' safety, provide security, respond to health needs and manage exterior maintenance.
- Our Engine Department employs 1,983 officers and crew responsible for the Engine Room as well as the technical and interior maintenance of our ships — from power, propulsion and environmental systems to heating, ventilation and air-conditioning.
- Our Hotel Department includes 14,722 employees who manage guest accommodations, restaurants and entertainment.

## Diversity & Inclusion

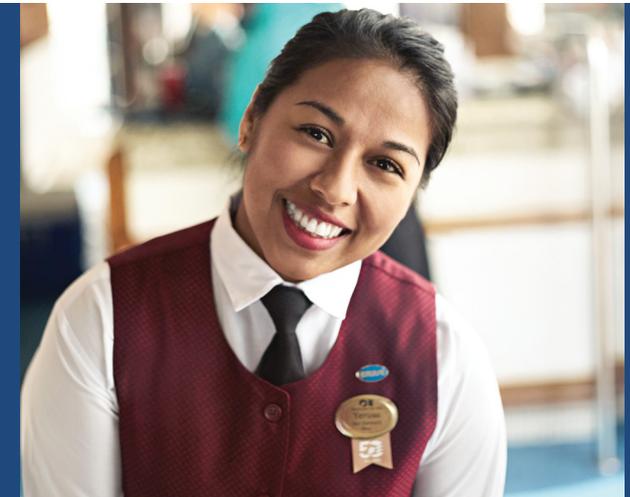
Our goal is to continue to build a diverse and inclusive workforce. As a truly global company, we embrace cultural diversity. We believe a variety of backgrounds and perspectives strengthens every area of our operations, from our engagement in port communities to our interactions with guests.

As an employer that offers equal opportunity to our employees, we hire both men and women for every department on board our ships and in our shoreside offices. A majority of our shipboard employees are men, which reflects a gender imbalance in the applicant pool for officer and crew positions.

More than 65 percent of our shipboard employees are from Asia — specifically Indonesia, India and the Philippines — where we have long-term relationships with local employment agencies. A majority of our shoreside employees are from North America, which aligns with the location of our headquarters in Santa Clarita, California.

Princess has honored women on multiple occasions. In December 2019 Princess Cruises christened its newest ship, *Sky Princess*, in tribute to the pioneering women of the U.S. Space Program who represent crowning achievements in science, research and technology through innovation and their desire to explore the far reaches of the sky. Princess honored two women of NASA for their achievements in the U.S. Space Program as godmothers of *Sky Princess*: Captain Kay Hire and Engineer Poppy Northcutt. Two female officers, Kerry Ann Wright and Susan Morgan, were also recognized for representing the Reach for the Sky theme.

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# EMPLOYEES

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## Employee Engagement

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 all informed and provide employees an opportunity to connect with our executives. We hold small-scale Coffee Connection sessions with executives that allow shoreside employees to talk directly with one or more of our company's leaders in a casual setting.

In 2016 the We Innovate Ideas intranet site was established, giving employees the opportunity to share their ideas with senior management. In 2019 employees were asked to present ideas that will result in efficiency and cost savings while maintaining Princess' commitment to HESS, sustainability, the guest experience and doing the right thing in all areas of the business. The ideas submitted through the site are being reviewed by the We Innovate Committee, which works with department leaders to review these ideas, provide feedback and award cash prizes for implemented ideas.

## RECRUITMENT & RETENTION

### 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, the Philippines and Italy.

We recruit our hotel officers and our top-level hotel and restaurant employees from hospitality schools in Europe, North America and Asia.

We hire most of our crew members through our global talent partners who act on our behalf. Though many nationalities are represented among our crew, our company has worked with the same primary global talent partners in Indonesia and the Philippines for several decades. We require these global talent partners to be certified in line with the Maritime Labour Convention (MLC) 2006. We regularly perform audits of these agencies, monitoring their job assignment processes, recordkeeping, pre-employment screening and post-employment follow-up.

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

### Shoreside Recruitment

Careers in hospitality and tourism are attractive choices for students in high school, travel schools and universities. We source and hire full-time roles through our Shoreside Talent Acquisition teams in Human Resources. The teams have developed partnerships with colleges and universities to recruit high-caliber employees for leading-edge careers with Princess. We also support development programs at the high school and travel school levels. During the summer months we also offer internships in Santa Clarita, California, and Seattle, Washington.

### Retention

We strive to promote from within and offer opportunities for advancement in order to keep our best performers. Many of our employees stay with us for more than 10 years. We proudly celebrate multi-decade employment anniversaries on a regular basis.

Among shipboard employees, our turnover rate fell from 18.2 percent in 2017 to 14 percent in 2019. Our turnover rate for shoreside employees has fluctuated over the past three years between 15 and 16 percent.

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. We conduct employee engagement surveys of all crew members and shoreside employees regularly. The data we collect helps identify and prioritize where to direct funding and resources to improve the employee experience. We designed our employee orientation program to help guide our newest team members throughout their career with us. Additionally, we connect with newly hired crew after 30 days on board to ensure they are receiving the tools, training and resources to succeed.

### Performance Reviews

All shoreside employees are required to set five S.M.A.R.T. goals at the beginning of the year. The process includes detailed comments per set goal and a rating per goal. Our shipboard employees also set goals at the start of their contract. In 2019 all our eligible shipboard and shoreside employees completed a performance review.

One way we recognize exemplary service is with our Cruise Loyalty & Recognition programs. The CRUISE program began on our ships in 1996 as a way of distinguishing our company from other cruise lines through excellent customer service. As a result, our scores in guest satisfaction climbed to new heights, demonstrating our crew members' dedication to providing the highest level of service.

Today the CRUISE program is embraced and exemplified by shipboard and shoreside staff alike and forms the basis for the teamwork and pride that have come to define Princess. Our Shared Purpose and Core Values guide us in our work so we can create memorable vacation experiences for our guests. The CRUISE program rewards, recognizes, educates and supports employees with this ultimate goal in mind.

## TRAINING & DEVELOPMENT

We do not compromise on things that matter, and this is reflected in our training and development programs. Shaped in accordance with the International Maritime Organization's (IMO) Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW), these programs also address security, health and sanitation, ethics, company policies and procedures, regulatory requirements and job-specific skills.

As graduates of merchant marine academies, our deck and engine officers are knowledgeable about all aspects of maritime safety and crisis management. They participate in our training programs at approved vendors to stay up to date on internationally required competencies and take part in annual training at CSMART, the Carnival Corporation & plc training facility in Almere, the Netherlands. Our company trainers work with hotel employees regularly at approved onboard facilities globally to stay current with our policies and procedures, which we regularly update based on enhancements to our vessels and changes in regulatory requirements.

Our training efforts leverage classroom sessions, supervisory guidance, e-learning programming and toolbox discussions to ensure employees are informed and prepared. This training is augmented by frequent drills that enhance skills and assess readiness. Our shoreside Learning Management System, Discover U, and our shipboard Learning Management System, GLADIS, are specifically designed to ensure training consistency across our large workforce. Leveraging scenarios, games and visuals, the system provides standardized training courses in personal and professional development for every employee at every location and skill level.

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# EMPLOYEES

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Carnival Corporation & plc, Princess' parent company, owns and operates the Arison Maritime Center, home of the Center for Simulator Maritime Training Academy (CSMART Academy). Opened in July 2009 and located in Almere, the Netherlands, outside Amsterdam, the CSMART Academy is a world-class training center for safety and excellence in maritime operations. It features the most advanced simulator equipment, technology, instructional tools and curriculum, which provide participants with a superior maritime training experience that emphasizes team-based critical thinking, problem solving and decision-making. The Center provides rigorous safety training for bridge and engineering officers responsible for the navigation and operation of the world's largest fleet of cruise ships. For more information, please visit [www.csmartalmere.com](http://www.csmartalmere.com)

As a benefit, all of our employees are eligible to participate in our education assistance program, offering opportunities to expand job-related knowledge and skills by providing reimbursement of 80 percent of tuition registration, books and lab fees up to \$3,000 per year for full-time employees and up to \$2,000 per year for part-time employees. Additionally, our shipboard officers are eligible to participate in our seagoing study leave program, covering 100 percent of the cost of maritime courses.

## COMPENSATION, BENEFITS & WELLNESS

We provide a competitive pay and benefits package that focuses on performance and results, rewarding employees for meeting specific goals.

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

Our benefits program is designed to be an integral part of our employees' overall compensation. We offer our eligible employees medical, dental, vision, life and disability insurance coverage and also provide the option to add eligible dependents and same-sex domestic partners to plans at discounted rates. We also offer legal

and financial counseling as well as help with personal issues. Princess offers other benefits to employees such as supplementary and extended leave as well as reimbursement of certain visa expenditures.

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

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

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

## LABOR RELATIONS & FAIR EMPLOYMENT

Our longstanding policy is to afford equal opportunity for employment to all individuals regardless of race, color, religion, sex (including pregnancy, gender identity and sexual orientation), national origin, age, disability or genetic information.

In keeping with our commitment to integrity, honesty and high ethical standards, we follow the complex employment laws and

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## EMPLOYEES

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regulations that apply to our global operations, including all of the provisions of the International Maritime Conventions (IMO and ILO) and Flag Administration regulations that are in effect for seafarers. We also recognize our employees' rights to freedom of association and participation in collective bargaining. As of 2019 all our shipboard employees were covered by collective bargaining agreements.

We maintain excellent working relationships with the unions that represent our employees. The employees' trade union organizations, Federazione Italiana Transporti-CISL (FIT-CISL) and Federazione Italiana Lavoratori Transporti – CIGL (FILT-CGIL), represent the majority of our crew. Nautilus International represents our British deck and engine officers and crew.

No shoreside employees participate in collective bargaining agreements. Minimum notice periods regarding operational changes are set according to local rules and regulations and according to standard Collective Bargaining Agreements (CBA) for seafarers, where applicable.

### Ethics

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 encourage all employees to report concerns immediately to their direct supervisor, department head, the Ethics & Compliance Department, the Human Resources Department or the Legal Department. We follow a policy of "See, Say, Do 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.

Employees may call the Carnival Corp. hotline within the United States by calling 888-290-5105 or internationally by calling +1-305-406-5863. If they prefer to make a report online, anyone may do so by going to [www.carnivalcompliance.com](http://www.carnivalcompliance.com). Reports may be made anonymously (without giving your name) where allowed by local law.

What happens after submitting a hotline report? These five steps include the initial report, plan of action, investigation, review and completion. Here is a graphical representation:



### Grievances

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 all grievances that we receive. Our goal is to complete their evaluation within a reasonable timeframe based on circumstances and legal complexity. However, thorough investigation may require an extended period of time to close some complaints.

Discrimination claims filed internally by shipboard or shoreside employees or through an external agency, such as the U.S. Equal Employment Opportunity Commission (EEOC), are investigated thoroughly by the Human Resources Department, assisted by the Legal Department. In fiscal year 2018 there was one employment discrimination charge filed with the EEOC or state/municipal agency and two employment discrimination lawsuits filed. All three matters were resolved in 2019. In fiscal year 2019 there was one employment discrimination charge filed with the EEOC and five employment discrimination lawsuits filed. So far three matters have been resolved and three matters are pending closure.



# HEALTH

At Princess we never compromise on the welfare of our guests and crew. Health, safety and security are some of our most important responsibilities.

The Corporate Health, Environment, Safety and Security (HESS) Policy Statement was updated and approved by the Health, Environment, Safety and Security (HESS) Committee in 2018. This policy describes Carnival Corporation & plc's commitments to Health, Environment, Safety and Security. The policy is signed by Carnival Corporation's chief executive officer and president, chairman of the board and chief maritime officer, demonstrating the company's accountability to safeguard the well-being of our guests and crew members.

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

## 2020 Updates

We are actively working with public health officials and medical experts to do everything possible to prevent illness, including COVID-19, on board our ships. 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.

## Well-being

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

Health emergencies and communicable disease outbreaks affect guests' vacations, disrupt onboard services and shorten shipboard careers. Therefore, the capability to manage evidence-based health interventions is essential. The need for robust health programs at sea is further highlighted by the ever-increasing complexity of the cruise industry business model. Ships have become larger and now

carry populations that equal the size of small cities. Itineraries have become more remote, which can decrease access to well-equipped shoreside health facilities. Markets have expanded, potentially exposing guests and crew to new illnesses.

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

With regard to public health, our certified and well-trained subject matter experts focus on continually improving disease surveillance, outbreak reporting and data analytics, and promoting high public health standards on board our vessels. This team responds to norovirus and influenza activity and is also prepared for other public health threats. As is the case in all other areas of the Health Services Department, the public health team is currently working toward the standardization of disease prevention and control activities. Plans also include standardizing internal vessel inspection programs and public health training.

## Vessel Sanitation

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

## CDC VSP Inspection Results

	FY2017	FY2018	FY2019
Number of inspections scoring 100%	4	5	1
Number of inspections scoring 86-99%	19	15	12
Number of inspections scoring < 86%	1	0	0

Note: These scores are made public by the [CDC](#).

Princess' Group Health Services Department has been awarded both healthcare accreditation and certification to ISO 9001:2015. Princess has held this accreditation since 2006. This accreditation and certification means our health service standards meet all requirements and standards as determined by CHKS, the leading healthcare accreditation organization based in the U.K. The healthcare standards relate to

- Safety of patients (guests, team members and visitors)
- Patients' rights
- Legal and professional requirements
- Acceptance of sound healthcare organizational practices

To maintain our accreditation, annual surveys are carried out to assess compliance, and a full revalidation audit is conducted every three years.

# SAFETY

Safeguarding our guests, our employees, the ships and the environment is not only the right thing to do, but also essential to the success of Princess. We meet and often exceed Flag State, U.S. and international regulations that govern our worldwide operations. Our officers undergo extensive training, including exacting instruction at our corporate parent's Center for Simulator Maritime Training in Almere, the Netherlands.

## 2019 Updates

For Princess, the safety team started new accident prevention programs in 2019, such as installing motion-activated cabin floor lighting on the *Ruby Princess*. Also, a new carpet design was installed in main guest stairwells of the *Grand Princess* to reduce the risk of tripping. These programs are being rolled out to the rest of the fleet.

The safety team made many improvements in 2019 for HA Group. First, the team standardized dry dock safety operations such as induction training, fire watch operations, Permit To Work workflow, pre-work contractor risk assessment and chemical use approvals. Next, the team standardized the drill scheduling and introduced a new drill assessment cycle. Now all ships conduct drills in the same way on a 26-week cycle. This ensures that responses to all areas and types of emergency are practiced on a regular basis. At the same time, we introduced a drill assessment system that allows the ship to objectively assess its standard and, where there are gaps, to target the necessary training and determine whether it is successful.

Significantly, the safety culture program was rolled out to the entire fleet in 2019. We introduced our Safety Vision and its supporting Sail Safe Code. Human Resources, Learning & Development and Occupational Health & Safety delivered new Safety Culture Leadership and Crew workshops to all Princess ships and offices. During the workshops, we shared important information and provided tools to help improve our culture through listening and taking action on safety concerns.

Continued on page 13

## Our Safety Vision is "Safety First, Together and Always." The Sail Safe Code includes instructions and reminders.

Our new Safety Vision is Safety First, Together and Always.

**First** — We consider safety in everything we do, every task and every decision we make — before we start work, during the job and as part of the bigger picture.

**Together** — We are a team working together to achieve the Vision — everyone across the business is involved. We will give everyone the tools to participate.

**Always** — We know that we'll never be finished when it comes to safety. There are risks that we face every day and new risks we will face in the future.

### Speak Up

We encourage everyone to speak up and tell someone if you or someone else is unable to follow the Sail Safe Code. You will be supported by your manager.

Why is it important to speak up when something goes wrong?

- Every accident, incident or near miss reported is a great opportunity for us to learn.
- We can look at the real reasons it happened and do something to prevent it from happening again.
- The experience and learnings can then be shared around the business, creating a safer place for us all to work.

Individuals are not blamed for honest errors but are held accountable if they deliberately break a rule.

- People who do break a rule will receive a fair judgment.
- Everyone is treated the same across the business.



We are a team working together to achieve our vision - everyone across the business is involved. We will give everyone the tools to participate, no matter where they come from or what they do.



# SAFETY

Continued from page 12



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

The compilation of all revised SMS policies and procedures (P&Ps) is called the Global HESS (Health, Environment, Safety and Security), which aims to ensure the consistent application of best practices across all sister companies. As the Global HESS evolves, P&Ps are constantly reviewed and updated. It is a set of living documents and subject to ongoing updates (including suggestions) as we strive for continuous improvement.

In 2018 we developed and began implementing a fleet-wide health, environment, safety and security (HESS) event reporting platform called SeaEvent. This platform will standardize HESS event reporting and analysis capabilities across our entire fleet, with the end goal of streamlining reporting processes and improving incident communications, follow-ups and analysis so we can learn from this information.

## Employees

Accident prevention at our company is built on a solid workplace safety program that uses risk assessments, job safety analysis and job hazard analyses and toolbox discussions to evaluate and manage risk. We foster a strong safety ethos that allows our officers and crew members to learn from accidents when they do occur, reducing the likelihood of recurrences.

Our commitment to safety is reflected throughout our training and development programs. Shaped in accordance with the Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW), these programs also address emergency preparedness, security, health and sanitation, ethics, company policies and procedures, regulatory requirements and job-specific skills. In addition, our employee-led Safety Committee is focused on sharing best practices to drive continuous improvement.

A significant portion of our employee training program content is dedicated to the prevention of shipboard accidents. Any injury sustained by a shipboard employee or contractor must be reported according to our guidelines, whether it occurs during working or rest hours, on board the ship or during shore excursions. We redesigned and implemented a new Workplace Safety Risk Assessment System to help our shipboard staff carry out tasks safely. We continue to strive for improvement in this area, and we will not be satisfied until incidents are reduced to zero.

## Near-miss Reporting

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

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

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

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

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# SAFETY

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## Ship Design

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

To ensure structural integrity, our ships have double bottom tanks and a cofferdam and are constructed with a collision bulkhead near the bow. Subdivided into multiple watertight compartments, our ships can sustain flooding in up to two adjacent compartments and still remain afloat. As part of our everyday operations, we leverage computerized stability systems to support ship safety. We also have contracts with partners who can provide stability expertise from the shore on an as-needed basis.

Our ships are equipped with automated fire detection and suppression systems in all staterooms, galleys, control rooms, mooring decks and public areas. Galley exhaust, water mist and CO2 suppression systems on our ships are specially designed to isolate, contain and extinguish fires. We continue to invest in adding new

fire safety systems and improving existing systems and leveraging proven technologies such as infrared detectors and infrared handheld cameras.

We conducted an initial focus of machinery space fire Prevention, Detection and Suppression (PDS) to prevent flammable liquids from leaking and/or spraying and thereby prevent exposure to any potential ignition sources. We accomplished that by fitting standardized spray shields and tape on flanged flammable oil connections. Our second focus was to eliminate hot spots or potential ignition sources, and we achieved that by fitting hot boxes on all engines and continuously monitoring temperature by means of thermographic cameras and contact probes. Furthermore, enhanced CCTV cameras with advanced smoke detection systems were rolled out to the fleet in addition to a bilge foam flooding system that required a significant company investment. We are constantly researching and implementing further improvements to prevent machinery space fires.

Additionally, advanced navigational, weather monitoring and communication technologies are critical components of our ship design. For example, in the event of inclement weather, our ship performance optimization system enables the Captain to adjust route calculations based on forecast information and the ship's specific characteristics. We have also invested in a fleet-wide satellite phone system to ensure constant global coverage.



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

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# SAFETY

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Carnival Corporation & plc's Center for Simulator Maritime Training (CSMART) Academy has received the SAFETY4SEA EUROPORT Training Award for 2019 for the second year in a row. The Awards celebrate organizations that demonstrate outstanding performance in fostering safety, excellence and sustainable maritime operations. In addition to receiving the recognition in 2018, the CSMART Academy was named the world's first Center of Safety Excellence in June 2018 by DNV GL, a recognized advisor for the maritime industry.

## 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 low location lighting and broadcast communication equipment, including the Global Maritime Distress Safety System (GMDSS).

We hold mandatory shipboard safety briefings for all of our guests prior to the start of each voyage. Upon boarding our ships, guests and crew members also receive written safety instructions in their preferred language. If a significant percentage of our guests primarily speaks a language other than English, we conduct the live safety briefings in multiple languages. We provide written safety information and a copy of the lifeboat drill safety speech to our guests and crew members who are deaf or hard of hearing. With the implementation of Ocean Medallion across the Princess fleet, we are improving our Ocean Safety program by automating tracking and mustering processes. We built a state-of-the-art emergency response center at our headquarters office in Seattle, Washington, that is available 24/7, 365 days a year. 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.

Another example of improvements made is "Neptune," a patented, cloud-based system that has been in use at the Carnival Maritime Fleet Operations Center in Hamburg. Successfully used for European cruise lines, Neptune has been rolled out across the fleet to improve the monitoring ability of ships sailing worldwide.

This advanced system increases safety, efficiency and overall fleet performance across these areas:

- Nautical operations and safety — including the ability to see real-time radar, stability conditions, automation, the Safety Management and Command System, ship webcams, GPS location, routing, ship conditions and weather data
- Procedural optimization and efficiency — including speeds, navigational data and engine conditions
- Sustainability — including fuel and energy usage, emissions levels, water and waste management.



# SECURITY

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

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

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

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

## Shipboard Security Teams

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

In addition to the specialized training we provide for security teams, we require 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.

## Technology & Tools

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

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

## Inspections and Reporting Requirements

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

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



## Privacy

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

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

# CSMART

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

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



# FLEET OPERATIONS CENTER

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

The FOCs feature custom-built tools such as the proprietary software application Neptune. This state-of-the-art tracking and data analysis platform helps make cruising more safe, efficient and sustainable by providing real-time information sharing between ships and shoreside teams.

## NAUTICAL SAFETY

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

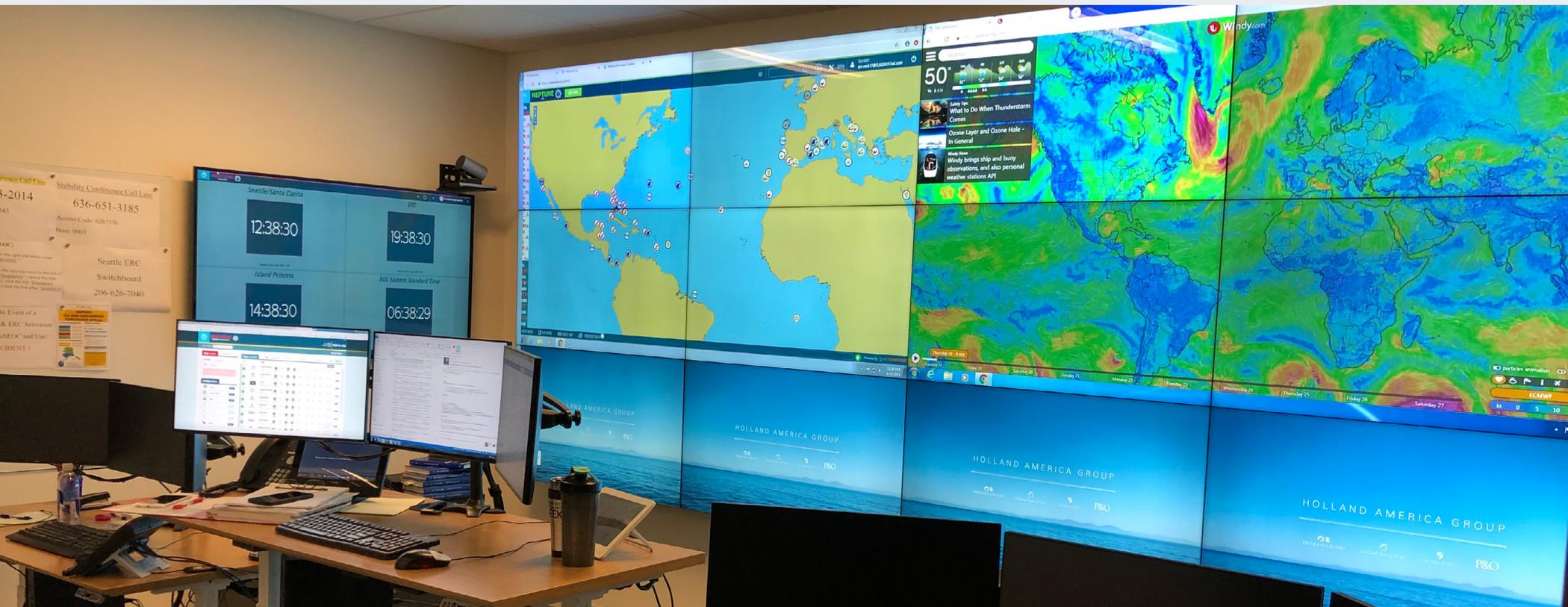
## ENVIRONMENT

- Neptune monitors the Advanced Air Quality Systems

and their emissions, as well as the system usage in controlled areas. Neptune reports any deviation from targeted values.

## ENERGY MANAGEMENT

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





# ENVIRONMENT

At Princess, as stewards of the environment we constantly improve our policies and operations and meet the local, national and international regulations everywhere we sail. The ocean provides our livelihood and serves as the home for more than 17,000 of our employees. We meet environmental requirements and, in many cases, we go beyond what is required by law. We also continuously work to identify ways we can raise the level of our environmental performance.

## MANAGEMENT SYSTEM

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

In addition, each ship in our fleet has a full-time Environmental Officer who oversees environmental compliance and implementation of procedures. The Environmental Officer reports to the ship's Captain and has a direct line of communication to our shoreside environmental management team. We have shared goals despite the many miles that separate our employees, and we embrace opportunities for continuous improvement through annual corporate conferences and training at the Center for Simulator Maritime Training (CSMART), senior management and team meetings, our quarterly *HESS & Sustainability Newsletter*, monthly phone calls with Environmental Officers and numerous informal communications.

We strongly encourage team members to report misconduct. The See, Say, Do Something campaign empowers and requires employees to speak up and report if they see something that is not in compliance, seems suspicious or is just not right. Encouraging employees to speak up can prevent harm caused to the environment.

We manage the environmental aspects of our operations through our ISO 14001:2015-certified Environmental Management System (EMS). The EMS provides a framework for the fleet's interactions with the environment, and the Environmental Management System Manual illustrates how we meet the requirements of ISO 14001 and provides a road map to all required procedures. 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, Environment, Safety and Security (Global HESS) Management System, aims to ensure the consistent application of best practices across the corporation.



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

**We established the following environmental goals with a target date of 2020<sup>1</sup>:**

Targets and Objectives		
Objective	Units of Measure	Results
Meet or beat the planned fuel quantity <sup>2</sup>	Metric tonnes of fuel	Achieved
Reduce nonrecycled waste generated by our shipboard operation by 5 percent below 2016	Liters of nonrecycled waste per person per day	On track
Decrease water consumption by 5 percent below 2010	Liters per person per day	On track
Developing, deploying and operating Advanced Air Quality Systems (AAQS)	Ships with AAQS	On track
Increase cold ironing coverage	Ships with cold ironing	Achieved

<sup>1</sup>The target date is FY2020 for all goals listed above except fuel consumption. That target is set on a year-over-year basis.

<sup>2</sup>The objective changed from Fuel Consumption Rate measured in grams of fuel used/available lower berth (ALB)\* nautical miles traveled (NMT) in 2015 to "Meet or beat the planned fuel quantity" measured in metric tonnes of fuel.

We adhere to local, national and international environmental laws and regulations in the jurisdictions where our ships operate. 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.](#)

Princess has won many environmental awards for its operations on the west coast of the United States for air emission reductions, wastewater treatment, and recycling and disposal programs for solid waste. [Learn more about our Awards and Accolades.](#)

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# ENVIRONMENT

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## 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 and operated as efficiently as possible while identifying opportunities to reduce emissions through 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 in the existing fleet, selecting itineraries that allow optimum ship speed, maintaining equipment in accordance with manufacturers' specifications, circulating monthly fuel use data to support awareness across ships, and sharing fuel conservation best practices.

Our ships use diesel electric propulsion systems 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 2019 our 17-ship fleet used less than 731,000 metric tonnes of fuel, generating over 30 million gigajoules of energy. In recent years international, national, regional and local governments have changed laws and regulations to require that ships operating near shore burn cleaner marine fuels — those that are more highly refined and contain significantly less sulfur than historically allowed. The regions where fuel sulfur content is restricted are often referred to as Emission Control Areas (ECAs). Outside ECAs, ships can burn heavy fuel oil (HFO), which may contain as much as 3.5 percent sulfur. Inside ECAs, ships are allowed to burn marine fuel with a cap of 0.1 percent sulfur.

We use high-sulfur fuel oil (HSFO) and marine gas oil (MGO) to run our ships. MGO generates fewer sulfur oxide emissions, and we use this type of fuel in emission control areas as required. In 2019 76

percent of the fuel we used was HSFO, while 24 percent of fuel used was MGO. Advanced Air Quality Systems (AAQS) are designed to remove sulfur compounds from exhaust before it is emitted into the atmosphere. Princess is fully engaged in installing AAQS throughout our fleet.

### The advantages of AAQS Systems include

- Advanced Air Quality Systems reduce the amount of potentially acid rain-inducing sulfur into the atmosphere, instead returning the sulfur (via the wash water) into the ocean where it naturally occurs and resides. This process bypasses the dangerous air phase of the sulfur cycle, thus avoiding the risks to human health and harmful acid rain.
- Studies have shown that engine exhaust when using open loop Advanced Air Quality Systems + HFO contains proportionally less polycyclic aromatic hydrocarbons (PAH) compared to MGO emissions, which are hazardous to human health.
- Advanced Air Quality Systems reduce particulate matter (PM) in air emissions by 40–90 percent.



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# ENVIRONMENT

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## Greenhouse Gas (GHG) Emissions

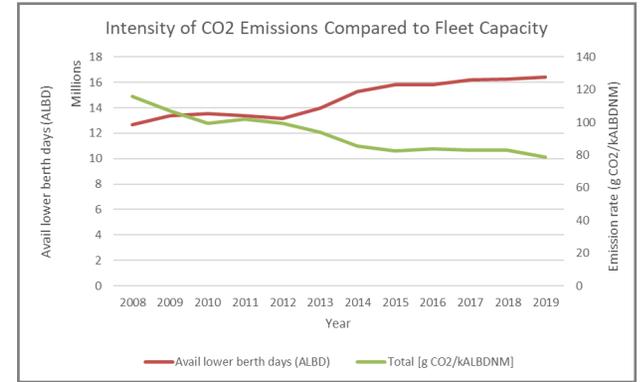
The greenhouse gas (GHG) emissions generated by our operations are primarily from fuel burned by ships. These emissions include greenhouse gases, nitrogen oxides (NO<sub>x</sub>), sulfur oxides (SO<sub>x</sub>) and particulate matter (PM). Recognizing that GHG emissions are a significant threat, in 2015 Carnival Corporation & plc set 2020 targets for Princess and our sister cruise lines to reduce the intensity of emissions from shipboard operations by 25 percent against the 2005 performance. Carnival Corporation & plc met this goal in 2017.

In 2019 our operations generated less than 2.35 million metric tonnes of carbon dioxide emissions. The vast majority were direct GHG emissions from our ships' fuel consumption. Our indirect emissions were generated by electricity purchased for our offices and our ships that have the capacity to hook up to shore electrical power.

The Princess fleet has almost been fully fitted with Advanced Air Quality Systems (AAQS) which enable the continued use of Heavy Fuel Oil (HFO) instead of Marine Gas Oil (MGO) in the emission control areas. The resulting emissions, once passed through the AAQS, result in a more environmentally friendly emissions profile than MGO. The fuel split between MGO and HFO has been maintained over the last years due to the continued usage of AAQS at a high usage rate.

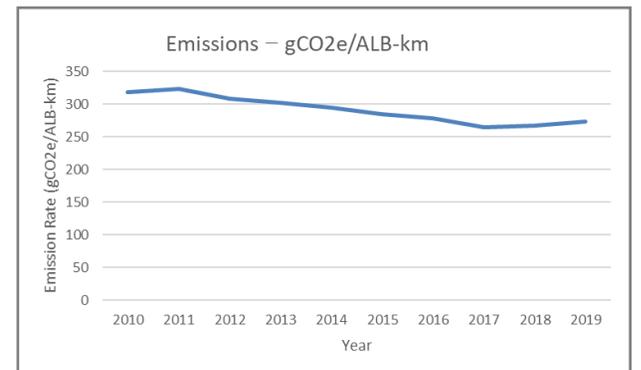
Ship Fuel Breakdown Measure	Units	2017	2018	2019
High-Sulfur Fuel Oil (HSFO)	Percent	75.1	76.3	76.1
Marine Gas Oil (MGO)	Percent	24.9	23.7	23.9

Total CO<sub>2</sub> emissions have decreased 0.4 percent between 2017 and 2019. CO<sub>2</sub> emissions intensity has reduced approximately 5 percent. This is due to fleet changes as newer, efficient ships enter the fleet while older, less efficient ships depart the fleet.



In addition, the company's energy saving strategy is to reduce CO<sub>2</sub> emissions aligned with CLIA and IMO targets for 2030–2050. By 2030 CLIA member companies have committed a 40 percent reduction (relative basis) of 2008 CO<sub>2</sub> emissions. By 2050 IMO has committed a 50 percent absolute CO<sub>2</sub> reduction from 2008 and a 70 percent relative CO<sub>2</sub> reduction from 2008. Princess is committed to these targets and continues investments in newbuild and energy-saving technology.

As a result of our ship fuel efficiency strategies, from 2010 to 2019 we reduced our GHG emissions rate, which is normalized for ship capacity and distance traveled by about 22 percent. Between 2017 to 2019 we increased the total quantity of GHGs emitted from our ship operations by 1 percent primarily due to increasing fleet size, which required more energy for hotel and navigation.



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# ENVIRONMENT

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## Indirect Energy — Electricity Purchases

We pioneered the use of shore power in the cruise industry in 2001 when we helped Juneau, Alaska, become the first city to create a shoreside power connection. This technology allows cruise ships to turn off their diesel engines and literally “plug in” to a power supply in port. To create this system, many of our ships were fitted with a custom-built electrical connection cabinet that automatically connects the ship’s electrical network to the local electrical grid ashore. As a result, shore-based electricity runs all onboard services during the day-long calls. Shore power is currently available in Juneau, Alaska; Seattle, Washington; Vancouver, British Columbia; San Francisco, Los Angeles and San Diego, California; New York; and Halifax, Nova Scotia.

In 2019 we purchased 28,400 megawatt hours of electricity for our offices and fleet. We have updated our Scope 2 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 mix emissions or emissions from electricity purchases, where available.

## Energy Reduction Innovations

Princess energy reduction initiatives are centered around the areas of HVAC systems, hydrodynamics, waste heat recovery and electrical systems, supported by a robust data management strategy called Neptune.

Since 2017 Princess began using the Neptune data management system to track trends in energy use. The system is in continuous development as new features are added and more information about the ships is made available. The system allows the company to focus on the highest-priority ships and areas to optimize energy savings.

HVAC systems on cruise ships use about 30 percent of total hotel energy at full load. Because of this, the implementation of a wide range of HVAC energy efficiency projects has taken priority. Beginning in 2017, we upgraded HVAC systems for demand-based control, replaced chillers with more efficient units on five ships and installed variable-speed drives on chillers and ventilation fans, allowing the plant to be used at partial load. We are also piloting occupancy sensors to further enable reduction in ventilation when spaces are at reduced capacity.

Another priority subject for the fleet is the reduction in boiler fuel consumption while also improving the efficiency of waste heat recovery systems. This has been done via evaporator efficiency upgrades and the installation of a waste heat recovery circuit, allowing heat to be shared between independent systems.

For hydrodynamics, a Hull Air Lubrication System (ALS) was installed on *Diamond Princess* in 2017. This system lubricates the hull of the ship via a stream of air to reduce friction and reduce propulsion power. The pilot was successful, with a net benefit of 5.5 percent reduced propulsion power. Plans are to install the system next on *Sapphire Princess* and several other vessels due to favorable hull form.

In 2016 we started an LED light program on board *Diamond Princess*, where all halogen and most fluorescent lights have been replaced by LEDs. The long lifetime and minimal energy requirements stand out as the primary benefits of LED lights. Additional benefits include less maintenance, resulting in a reduction of potential injury and the reduced energy costs. We plan to extend the program to the remaining 12 ships over the next two years by rolling out LEDs in all public spaces.

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# ENVIRONMENT

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## WATER

Fresh water is vital to our shipboard operations. We use water to prepare food, sanitize kitchen tools and surfaces, wash linens and clothes, and clean Engine Room equipment as well as staterooms and public areas. Additionally, water is available in guestrooms for bathing and hygiene purposes.

### Sources & 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, high in quality and costs less than the fuel needed to produce water on board.

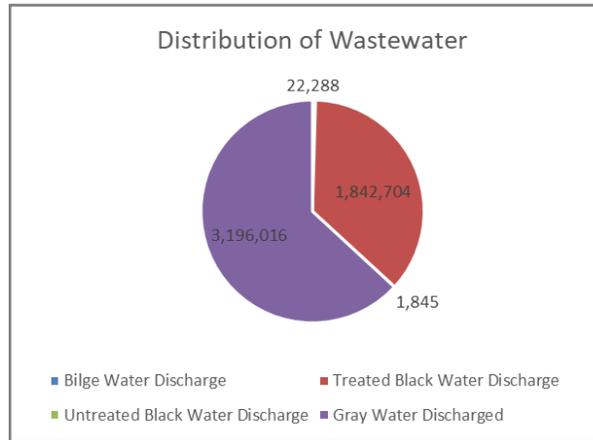
In 2019 our fleet consumed over 5.4 million metric tonnes of water. Of that, 92 percent was produced on board and 8 percent was bunkered or purchased from shore. Because the quantity of condensate generated can't be measured for all ships in the fleet, it is not reflected in our data.

In 2019 our operations used 235 liters of water per person per day, less than the 303 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.

Conservation is a team effort. We actively communicate with our guests and employees about the importance of saving natural resources. We post reminders in our communications that encourage water conservation. Throughout the year we celebrate environmental holidays, such as Earth Day and World Oceans Day, with our guests and team members.

## Wastewater from Ships

All water that is produced or loaded onto our ships is used for its intended purpose and then discharged in accordance with — or often exceeding — local, national and international laws and regulations. This wastewater is separated into three broad categories named gray water, black water (permeate/treated black water, biomass/sewage sludge and untreated black water) and bilge water. In 2019 we generated over 5.1 million metric tonnes of wastewater.



Gray water is wastewater drained from cabin sinks and showers, galleys, salons and laundry facilities. It represents the largest volume of wastewater generated by our ships, and 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 2019 we discharged approximately 3.2 million metric tonnes of untreated gray water, which accounted for 63 percent of all wastewater discharged from our fleet.

Black water is waste from toilets and medical facility sinks. In 2019 we generated just over 1.8 million metric tonnes of black water, accounting for 36 percent of all wastewater discharged from our fleet. Seventeen 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 a discharge — called permeate — that is superior in quality to effluent discharged from municipal wastewater treatment plants in most communities. In 2019 we generated over 1.8 million metric tonnes of permeate.

When ships are not equipped with advanced wastewater purification systems, black water is treated with marine sanitation devices which macerate and chlorinate the wastewater prior to discharge.

On occasion, as a result of equipment malfunction or storage limitations, a ship may need to discharge untreated black water directly overboard where legally permitted to do so (outside 12 miles from shore, traveling at a rate in excess of four knots and not within any protected areas). Except in the case of emergency, our policy requires a ship to first obtain permission from shoreside management before proceeding with a discharge of untreated black water. Such discharges are prescreened to remove plastics and other similar solids.

Bilge water is wastewater collected in the lower part of the ship, known as the bilge. This water contains oils released from equipment in engine compartments. To treat bilge water we use a cascade [bilge water treatment system](#), which circulates and recirculates fluid through increasingly efficient oil-water separators until the oil content is reduced to below 15 parts per million. In 2019 we generated approximately 22,000 metric tonnes of treated bilge water, which accounted for less than 1 percent of all wastewater discharged from our fleet. The total volume of bilge water discharges decreased by 26 percent between 2017 and 2019 as our employees improved maintenance practices and minimized leaks.

### Accidental Releases:

We work hard to protect water quality and prevent accidental spills. When spills occur, they most often contain water, fuel, hydraulic fluid or lubricating oil. These materials are necessary for the operation of shipboard mechanical systems which are inspected, monitored and maintained by our employees. If leaks occur, they typically range from a few drops to a few pints. Our crews are required to report any incident in which a sheen is observed on seawater. For internal reporting purposes, corporate standards require us to report any release of fluid that is in excess of 0.5 liter (500 ml). However, in U.S. waters, a spill that causes oil sheen is also reported and included in the total number of spills recorded, even though the volume may be less than 0.5 liters.

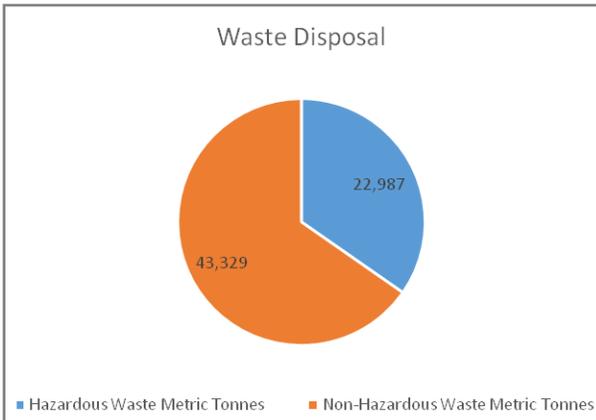
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# ENVIRONMENT

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## SOLID WASTE

In 2019 our fleet generated approximately 66,000 metric tonnes of solid waste. Excluding recycling, this represents 3 kilograms of waste per person per day. We are reducing this amount by identifying high-performing ships to share best practices. We also engage shoreside vendors to find more recycling opportunities. We conducted a waste audit in 2017 with our parent company, Carnival Corporation. As a result, we reclassified our categories for hazardous waste. The largest change to our classification system can be seen in our oily waste offloads. Under our old reporting framework through the Environmental Protection Agency's RCRA guidelines, oily waste is not considered hazardous. Under the new framework adopted by our parent company in 2017, the EU Waste Classification, oily waste is considered hazardous. Because of this change in reporting framework, of the solid waste generated by our fleet in 2019, 34 percent was considered hazardous waste. However, Princess is still recognized as a small-quantity hazardous waste generator under U.S. Environmental Protection Agency guidelines.



Our waste management approach focuses on reducing the volume and toxicity of waste we generate. Whenever possible, we reuse existing materials and equipment, and we recycle where recycling infrastructure is available at our ports of call. We collaborate with stakeholders on these efforts, donating reusable goods from our ships to nonprofit organizations and working with port authorities to identify additional vendors who are capable of recycling, reusing or donating cruise ship waste themselves.

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

At present, when recycling services are not available in port communities, we incinerate solid waste on board our ships, dispose of it at local landfills or safely store it until we reach a port that does have recycling services. Shipboard incinerators and shredding units substantially reduce the volume of materials such as paper and cardboard. In 2019 we incinerated 31 percent of the solid waste generated on board our ships. With the introduction of the shredding units in 2016, we are incinerating less waste and creating a safer, more maintenance-free alternative to incineration. Thirty-five percent of our waste was disposed of in landfills.

To further reduce solid waste volume, we are also trialing gasification systems as an alternative to combustion processes found in incinerators.

The amount of hazardous waste generated slightly decreased between 2017 and 2019.

## Food Waste

In 2019 the only solid waste discharged to sea from our ships was food waste, which accounted for 5 percent of the total solid waste generated by the fleet. Princess, along with Carnival Corporation & plc., is pilot testing food waste bio-digester technology to improve environmental compliance and the food waste disposal process on board its ships and plans to expand the program across its fleet. Carnival Corporation has committed to spending \$20 million to improve food waste management on its ships.

The new innovation in green technology at sea provides a number of benefits, including:

- Separating the small pieces of plastics and other debris that can occasionally find its way into food waste for sustained environmental compliance
- Providing more efficient and centralized onsite food waste operations
- Enhancing onboard public health as well as reducing a ship's carbon footprint by automated and natural processing of food waste

The bio-digesters reduce a ship's carbon footprint by using an aerobic digestion process that takes place within the machines

and efficiently breaks down food particles, releasing a translucent, environmentally safe liquid. This limits the amount of greenhouse gas emitted from conventional food waste processing systems, helping reduce the company's environmental impact.

Food waste bio-digesters are used for successful food waste management at some restaurants, hotels, government facilities, stadiums, theme parks and other locations. The bio-digester systems in Carnival Corporation's pilot test are among the first systems of this kind to be tested on a cruise ship.

Throughout the day, as food scraps are added to the system, a mix of microorganisms, including microbes and enzymes, rapidly and naturally digest the organic waste. The machines operate 24 hours a day, allowing for continuous food "digestion." Food waste bio-digesters are placed in strategic areas such as a ship's galley, allowing for more convenient and efficient food waste processing at the source. Bio-digesters in the pilot feature a screen filter at the bottom of each machine that captures any small plastics and other non-organic debris accidentally mixed with food waste, a feature that improves environmental compliance. The green technology also supports and enhances operations on board, making it more efficient for crew members to manage and control food waste.

## Food Waste Shuffle

To highlight the importance of recycling and separating food waste so it can be sent to a bio-digester or to a compost facility, in September 2019 Arnold Donald, President and CEO of Carnival Corporation, challenged each ship and shoreside location to create its own unique video of a Food Waste Shuffle. Across the Princess fleet, our officers and crew accepted the challenge and delivered a variety of creative, entertaining and informative videos.

## Single-use plastic waste

Plastic waste is a significant problem impacting the world's oceans, with researchers suggesting there are more than five trillion pieces of it polluting the water. Plastic also presents a danger to ocean wildlife; each year approximately one million seabirds and 100,000 marine animals die from ingesting plastic.

In 2018 we initiated an evaluation of our collective use of single-use plastics and other single-use packaging alternative options to prevent this waste from entering the sea. We established a dedicated cross-functional team to identify how we can replace those plastic items with reusable non-plastic or biodegradable alternatives.

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# ENVIRONMENT

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In 2019 we made great strides eliminating single-use plastic and other items. Princess has eliminated or replaced the following items with eco-friendly alternatives:

- Plastic cutlery, straws, cups, lids, stir sticks, cocktail garnish picks, toothpicks, butter foil wraps and condiment sauce packets, as well as plastic bags in our boutiques and retail outlets
- Styrofoam cups
- Paper napkins
- Plastic cutlery on Princess Cays

The goal is to reduce use of single-use plastics by 50 percent by Dec. 31, 2021.

By the end of 2020, Princess has committed to eliminate these single-use items from all ships, and replace them with dispensers or recycling-friendly alternatives:

- Individual servings of packaged items like artificial sweetener and condiment packets like honey
- Individual shampoo bottles and plastic ear swabs (Q-tips)

By the end of 2021, we have committed to reduce or eliminate these single-use items from all ships:

- Plastic trash can liners
- Plastic water bottles

## BIODIVERSITY

As an extension of our commitment to sustainability, we strive to protect the Earth's biodiversity by minimizing water and air pollution and by responsibly disposing of solid waste. Below are a few examples of our other major initiatives to protect biodiversity.

### Biofouling

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

Our ships are rarely in port for more than 12 hours at a time, limiting the time marine species have to attach to the hull. Additionally, sailing speeds between ports are typically fast enough to “scrub” the hull of any marine species. Princess employs several strategies to prevent biofouling or remove marine organisms from the hull such as holding ballast water management/treatment and hull husbandry.

### Ballast water treatment systems

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

Princess was an early adopter of ballast water treatment systems. By the end of FY 2020, we had IMO-approved/USCG-approved ballast water treatment systems aboard five ships. In addition, we had IMO-approved ballast water treatment systems aboard 13 ships and efforts are underway to upgrade these systems to meet the U.S. Coast Guard (USCG) requirements.

### Ballast water management

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

### Hull husbandry

Hull husbandry is another way that Princess 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.

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# ENVIRONMENT

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## Marine Mammal Protection

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

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

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

## Antarctica

After an absence of many years, Princess recently returned with Coral Princess to the most isolated continent on Earth, with four days of scenic cruising through the islands that surround the Antarctic Peninsula. 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 became effective in 1961; it 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).

## Alaska

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

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



# COMMUNITY

As we travel from place to place, we touch communities and individuals from every background. Through our corporate giving and volunteerism programs, we help drive meaningful change to the communities that we visit. We support the efforts of nonprofit organizations and continue to channel the passion and generosity of our shipboard and shoreside employees and guests.

## PORT COMMUNITIES

In 2019 our ships visited more than 380 ports across six continents. After several years, Princess returned to Antarctica with the *Coral Princess*. We explore potential new ports of call on an ongoing basis as we strive to create exceptional experiences for our guests. When new ports are selected, we work closely with port authorities, tour operators and other community stakeholders to ensure alignment and to build lasting relationships.

We visit ports of call with varying frequency and adjust itineraries based on consumer demand; requests; and our ability to ensure the safety, security and health of our guests and employees. One of the most significant ways our business can make a positive impact in port communities is by creating jobs in the tourism industry. In 2019 our ships carried 1.7 million guests to developed and emerging destinations, supporting demand for hotels, taxicabs, restaurants, shopping, entertainment and related services.

## SUPPLY CHAIN

In 2014 we released our [Business Partner Code of Conduct and Ethics](#). This Code gets updated frequently and 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 since this is a fundamental aspect of our values. In 2015 we also released a [statement](#) pursuant to the United Kingdom's Modern Slavery Act 2015. The act requires companies to disclose information regarding their efforts to combat slavery and human trafficking in their supply chain and within their business. At Princess we take this responsibility very seriously and have taken measures in this regard. We interact with thousands of global suppliers every year. Before we engage with vendors, we perform a vetting process to ensure business relationships are documented and compliant with both legal and company standards. At Princess we purchase from several supply chain streams, among them technical purchasing (parts and services) and consumable purchasing (food and beverage items and housekeeping supplies). Due to the significant amount of "on-the-spot" purchasing in the

technical supply chain, we achieve competitive pricing while ensuring quality by actively identifying key vendors that we acquire through a vigorous vetting process. We achieve competitive pricing while maintaining quality in the consumable supply chain by participating in global bids through All Brands Global Sourcing, a department within Carnival Corporation & plc. By consolidating information through All Brands Global Sourcing, we are better able to manage and control our supply chain processes since we are collectively working with our sister brands. All Brands Global Sourcing identifies key vendors through a thorough vetting process. From our vendors we require a 100 percent commitment to improving the quality and accuracy of the deliveries.

## ANTI-CORRUPTION

Corruption is the single biggest obstacle to economic and social development in the world. Princess complies with all applicable international and regional laws, and we maintain clear guidelines on business practices for our globally dispersed employees, regardless of where in the world they're located. We abide by the Cruise Lines International Association's (CLIA) [anti-corruption principles](#). The principles cover, for example, bribery and corruption, facilitation payments, and gifts and entertainment. During [SeaTrade Cruise Global](#), the largest cruise industry gathering and tradeshow, Princess and sister brands participate in training sessions with our third parties on corruption.

## GIVING & VOLUNTEERISM

The Princess Cruises Community Foundation (PCCF), a nonprofit public benefit corporation, was established in 2008 to provide financial and in-kind support to nonprofit organizations. The Foundation's mission is to positively impact the lives of the people in the places we travel through education, preservation of natural and historical global landmarks, responding to disaster relief and supporting global communities' local health and welfare efforts. The overall giving program for Princess includes grants from PCCF, donations from Princess and in-kind donations of cruise vacation packages that organizations can use to raise money at their fundraising events.

To date, the Foundation has provided more than \$3 million in grants to organizations working to improve lives. In 2019 monetary grants paid by PCCF totaled \$220,959.

The grant process focuses on organizations in regions where Princess has bases of operations, where ships visit ports of call and from where we source team members, primarily for human health and welfare efforts and disaster relief.

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Examples of monetary grants by region include:

### **Santa Clarita/Los Angeles:**

American Cancer Society  
American Red Cross of Greater Los Angeles  
APLA Health (Formerly Aids Project Los Angeles)  
Boys & Girls Clubs of Santa Clarita Valley  
Bridge to Home  
Camp Kesem  
Carousel Ranch  
Christopher Street West (Los Angeles Pride)  
Chrysalis  
College of the Canyons Foundation  
Community Foundation of the Virgin Islands  
Family Promise of Santa Clarita Valley  
Girl Scouts of Greater Los Angeles  
HeritX  
Henry Mayo Newhall Hospital Foundation  
Homes 4 Families  
International Bird Rescue  
International Seafarers' Center Long Beach/Los Angeles  
Michael Hoefflin Foundation  
Playing for Change Foundation  
Santa Clarita Valley Committee on Aging  
Single Mothers Outreach  
Susan G. Komen

### **South Florida:**

American Cancer Society Florida Division  
Kids in Distress  
Seafarers' House

### **Seattle:**

Boys & Girls Clubs of King County  
Coast Guard Foundation Pacific Northwest

### **Alaska:**

Alaska Geographic Association

### **Other:**

Otis Redding Foundation

### **International:**

Direct Relief (Hurricane Dorian — Bahamas)  
Homer Foundation (Philippines)  
International Medical Corps (Philippines typhoon response)  
International Seafarers' Welfare and Assistance Network (UK)  
Japanese Red Cross Society (Japan)  
Katariba (Japan)  
Mercy Corps (Indonesia Earthquake and Tsunami response)  
Plan International (Egypt, El Salvador)  
Seafarers UK  
Singapore Red Cross Society  
World Central Kitchen (Hurricane Dorian — Bahamas)

# COMMUNITY

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## Seafarer Support

In addition to supporting various fundraisers to benefit international crew, in honor of the International Maritime Organization's Day of the Seafarer, Princess dedicated the funds raised on board over the period of a month from auctions of the ship's navigational charts to a panel of international seafarers' charities. Grants from this event, comprised of amounts raised by the auctions and matched by PCCF (included in the overall PCCF grant total), were distributed to organizations located in the United States, the United Kingdom and the Philippines which provide care and support of seafarers and their families globally. The shipboard fundraising also serves the purpose of introducing seafarer charities to our guests. PCCF joined Carnival Corporation and our sister brands in a five-year (from 2018 through 2022) commitment to the capital project, A Place of Welcome, to allow Seafarers' House to grow its services as maritime traffic grows in South Florida.

## Disaster Relief

A key element of the PCCF mission is disaster response. In 2019 the state of California suffered through horrific wildfires. Princess, in partnership with the American Red Cross, activated the donation microsite for employees where Princess Cruises Community Foundation matched gifts from our Holland America Group employee donations of up to \$10,000.

Furthermore, in 2019 the Bahamas experienced widespread devastation with Hurricane Dorian. This was the most powerful storm to hit the Bahamas since records began. In response, PCCF launched a special shipboard collection to raise funds for disaster relief for grants to Direct Relief (a humanitarian aid organization with a mission to improve the health and lives of people affected by poverty or emergencies) and to World Central Kitchen (a nonprofit organization founded by chef José Andrés which uses the power of food to heal and strengthen communities in times of crisis and beyond).

## On Deck for the Cure

On many cruises, guests enjoy the opportunity to walk to raise awareness and funds for breast cancer research in the On Deck for the Cure program benefiting Susan G. Komen. This year's walks

generated a donation of \$29,761, which is incorporated into Princess Cruises Community Foundation's ongoing commitment to our guests' passionate concern to find the cure by pledging a guaranteed minimum donation of \$100,000 to Susan G. Komen through March 2020.

## In-kind Donations (Princess Cruises)

Cruise donations are made by Princess in support of many organizations' fundraising efforts. Frequently, where PCCF provides the sponsorship for a charity's fundraising event, a cruise will be donated by Princess as a featured item for auction. Cruise donations in 2019 were provided to:

- Human Rights Campaign (South Florida)
- Single Mothers Outreach (Santa Clarita, California)\*
- Children's Cancer Network (Chandler, Arizona)
- Santa Clarita Valley Committee on Aging (Santa Clarita, California)\*
- Homes4Families (Santa Clarita, California)\*
- United Way (Miami)
- College of the Canyons Foundation (Santa Clarita, California)\*
- Human Rights Campaign (Los Angeles, California)
- Valley Family Center Counseling & Education (San Fernando, California)
- Port Everglades Association (Fort Lauderdale, Florida)
- Child & Family Center (Santa Clarita, California)
- Tierra Del Sol Foundation (Sunland, California)
- Henry Mayo Newhall Hospital Foundation (Santa Clarita, California)\*
- Seafarers' House (Fort Lauderdale, Florida)\*
- Boys & Girls Clubs of Santa Clarita Valley (Santa Clarita, California)\*
- Wildlife Learning Center (Sylmar, California)
- Boys & Girls Clubs of King County (Seattle, Washington)\*
- Kershaw Challenge (Los Angeles, California)
- Florida-Caribbean Cruise Association (Miramar, Florida)
- Carousel Ranch (Santa Clarita, California)\*
- Michael Hoefflin Foundation (Santa Clarita, California)\*
- Alaska Travel Industry Association (Anchorage, Alaska)
- The Achievable Foundation (Los Angeles, California)
- Bellevue LifeSpring (Los Angeles, California)
- SNAP Sport (Santa Clarita, California)

- Bob Hope USO (Palm Springs, California)
- Soroptimist International of Greater Santa Clarita Valley (Santa Clarita, California)
- Guide Dogs of America (Sylmar, California)
- Camillus House (Miami, Florida)

\*Indicates organization was supported by both PCCF and a cruise donation from Princess.

## Princess — Community Relations Donations

Princess also supports a variety of organizations through donations outside of the Foundation. The community relations donations allow our employees to participate in and attend events that raise funds for worthy causes. Contributions include sponsorships, table purchases and tribute ad purchases. The organizations supported include:

- U.S. Coast Guard (Los Angeles, California)
- Santa Clarita Valley Committee on Aging (Santa Clarita, California)
- Santa Clarita Valley Mayor's Committee (Santa Clarita, California)
- Homes4Families (Santa Clarita, California)
- Soroptimist International Valencia (Santa Clarita, California)
- SCV Charity Chili Cook-Off (Santa Clarita, California)
- Santa Clarita Valley Family YMCA (Santa Clarita, California)
- Pleasantview Industries (Santa Clarita, California)
- Seafarers UK (United Kingdom)
- Special Olympics Santa Clarita Valley (Santa Clarita, California)
- SCV Education Foundation (Santa Clarita, California)
- California Institute of the Arts-CalArts (Santa Clarita, California)
- Avenues Supported Living Services, Inc. (Santa Clarita, California)
- Carousel Ranch (Santa Clarita, California)
- SCV Sheriff's Foundation & Search and Rescue (Santa Clarita, California)
- Camp Kesem (Los Angeles, California)
- Bridge to Home (Santa Clarita, California)
- JCI Santa Clarita Valley (Santa Clarita, California)
- Family Holiday Association (United Kingdom)

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# COMMUNITY

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Bridge to Home Soup for the Soul



Camp Kesem Magic Makers Ball

The CRUISE employee engagement program has a shore-based Community Services committee which works closely with PCCF, Human Resources and our Community Relations team in PR/ Communications, to engage employee and executive participation in serving the communities where we work. On board, crew engage in fundraising and direct action to support local community efforts.

Examples include the Single Mothers Outreach Adopt-a-Family program. While PCCF donates \$15,000 for the organization to purchase Target gift cards, it is our employees who put their hearts and time into ensuring happy holidays for local families. Teams of employees are each presented with one family's wish list, complete with ages and genders of each family member. The teams volunteer their own time to shop for the family and often supplement the gift purchasing with personal contributions. On a selected day, these teams reunite to wrap the presents in a wrapping room decorated with all the festive themes of the season so that beautiful gifts of exactly what these families want and need will be ready for them for the holidays. Last year 289 employees spent over 750 hours and participated to share the joy of the holiday season with others.

Additionally, 76 employees also participated in a Homes4Families TEAMBuild day for a local, enriched veterans' community. While PCCF provides a grant to support building homes for local veterans, a team of employee volunteers, with tools in hand, works for day to build homes for families who have served our country. Additionally, employees helped the City of Santa Clarita, California with a Graffiti Clean-up Day. Princess provides paid time off for each employee volunteer.

Carousel Ranch is a unique local organization that provides equine therapy to special needs children. Both PCCF and Princess support their major fundraising event with a monetary grant and cruise donation. Eighteen employee volunteers donate over 80 hours of time to serve the event in roles ranging from guest greeters and check-in to staffing the silent auction and managing the winner funds collection and check-out process.

In addition, 11 employees volunteered their time to work the Michael Hoefflin Foundation annual fundraiser. Moreover, a team of 11 employees also joined forces to volunteer at the 27th Annual Letter Carrier's Stamp Out Hunger Food Drive, aiding in the collection of food for use in the community.

Employees, with friends and family, participated in Los Angeles Gay Pride Parade, AIDSWalk LA, Santa Clarita Marathon and the Michael Hoefflin Walk for Kids with Cancer, some of which were also supported by grants from PCCF and sponsorship funding by Princess Cruises Community Relations.

The employees in Seattle volunteer their time in serving a holiday feast and passing out gifts for the Winter Festival for Boys & Girls Clubs of King County, and our Florida employees conducted a toy drive for local charities.

The Community Service committee conducted multiple donation drives throughout the year, including plush bears for the Henry Mayo Newhall Hospital Foundation to provide to children who visit the Emergency Room, food items for Bridge to Home, the Santa Clarita Valley Food Pantry and Family Promise of SCV to help the homeless and those in need, pet supplies for the Shelter Hope animal rescue, and school supplies for the Boys & Girls Clubs. Our employees embrace the idea of responsibility to community.



The Achievable Foundation Achievers Gala

Continued on page 30

# COMMUNITY

Continued from page 29

## 2019 Board of Director Participation

Our employees are passionate about supporting causes to benefit our communities and in 2019 held board positions at

Alaska Geographic Association

Alaska Hotel & Lodging Association

Camp Kesem, Los Angeles

Carousel Ranch

Coalition of Asian Pacifics in Entertainment

Coast Guard Foundation

Girl Scouts of America – Greater Los Angeles Chapter

Henry Mayo Newhall Hospital Foundation

Junior Chamber International (Jaycees)

Michigan State University – College of Communications Arts and Sciences

Santa Clarita Valley Chamber of Commerce

Santa Clarita Valley Economic Development Corporation

Visakha Alumnae Association of Southern California

## Alaska Community Support

Alaska is an important region for Princess Cruises. Supporting the communities that make Alaska such a desirable cruise location is important to us. Princess, as part of Holland America Group, has joined with Holland America Line and Holland America Princess (the land-based hotel, rail and motorcoach operation) to support a large number of organizations that impact community life. In 2019 Princess, either alone or along with Holland America Line, supported more than 100 organizations in a combination of monetary donations, cruise certificates, onboard luncheons and contributions of hotel nights and rail packages to support local fundraising efforts.

2019 Donations	Amount	No. of Organizations
PCCF Monetary Grants	\$220,959	27
Princess Cruises Monetary Donations	\$ 27,286	19
Cruise Donations	\$ 93,300	29
	\$341,545	

NOTE: The dollar amounts in this report exclude Alaska Giving, which is a coordinated giving program between Holland America Line, Princess and Alaska Hotel Properties.



AIDS Walk LA

# PERFORMANCE SUMMARY

ENVIRONMENTAL DATA – TOTAL SHIPS		17	17	18
	Units	2017	2018	2019
Total GHG Emissions - Location Based	Metric Tonnes CO2e	2,356,880	2,313,553	2,344,624
Total GHG Emissions - Market Based	Metric Tonnes CO2e	2,357,900	2,314,746	2,345,790
Direct GHG Emissions	Metric Tonnes CO2e	2,347,863	2,302,436	2,334,294
Ship Direct GHG Emissions	Metric Tonnes CO2e	2,347,108	2,301,423	2,334,022
Ship Fuel GHG Emissions	Metric Tonnes CO2e	2,324,243	2,282,454	2,313,892
Ship Refrigerant GHG Emissions	Metric Tonnes CO2e	22,865	18,968	20,130
Shore Direct GHG Emissions	Metric Tonnes CO2e	755	1,013	272
Indirect GHG Emissions - Location Based	Metric Tonnes CO2e	9,017	11,117	10,330
Shore Indirect GHG Emissions - Location Based	Metric Tonnes CO2e	3,348	3,938	3,552
Ship Indirect GHG Emissions - Location Based	Metric Tonnes CO2e	5,669	7,179	6,778
Indirect GHG Emissions - Market Based	Metric Tonnes CO2e	10,037	12,310	11,496
Shore Indirect GHG Emissions - Market Based	Metric Tonnes CO2e	4,296	4,479	4,467
Ship Indirect GHG Emissions - Market Based	Metric Tonnes CO2e	5,741	7,831	7,029
Ship Fuel Greenhouse Gas Emission Rate	Grams CO2e/ ALB-Km	265	267	273
<b>Air Emissions</b>				
Ship Fugitive Refrigerant Releases	Kilograms	9,211	7,550	7,650
Ship Ozone Depleting Substances (ODS) Emissions	Kg CFC-11e	248	91	13
Total SOx Emissions	Metric Tonnes	23,783	24,869	24,479
SOx Emissions Rate	Kg SOx/NM	13.2	14.3	14.3
Total NOx Emissions	Metric Tonnes	57,618	56,585	57,364
NOx Emissions Rate	Kg NOx/NM	31.9	32.6	33.4
Total Particulate Matter (PM) Emissions	Metric Tonnes	479	477	482
Particulate Matter (PM) Emission Rate	Kg PM/NM	0.27	0.27	0.28
<b>Energy &amp; Electricity</b>				
Total Direct Energy Consumption	Gigajoules	30,506,271	29,945,062	30,349,889
Ship Direct Energy Consumption	Gigajoules	30,495,570	29,930,614	30,345,983
Shore Direct Energy Consumption	Gigajoules	10,701	14,448	3,906
Total Direct Energy Consumption Rate	Kilojoules/ ALB-Km	3,484	3,502	3,578
Total Ship Fuel Consumption	Metric Tonnes	734,006	721,056	730,942
Ship Fuel Consumption Rate	Grams Fuel/ ALB-Km	83.8	84	86
Total Purchased Electricity	MWh	25,040	31,142	28,412
Shore Purchased Electricity	MWh	10,316	11,419	10,611
Ship Purchased Electricity	MWh	14,724	19,723	17,801
<b>Ship Fuel</b>				
High Sulfur Fuel Oil (HSFO)	Percent	75.1	76.3	76.1
Low Sulfur Fuel Oil (LSFO)	Percent	0	0	0
Marine Diesel Oil/ Marine Gas Oil (MDO/MGO)	Percent	24.9	23.7	23.9

Continued on page 32

# PERFORMANCE SUMMARY

Continued from page 31

ENVIRONMENTAL DATA – TOTAL SHIPS		17	17	18
	Units	2017	2018	2019
Total Water Consumption	Metric Tonnes	5,482,422	5,595,409	5,426,015
Water Produced (From Sea)	Metric Tonnes	455,461	5,107,599	4,977,338
Water Purchased (From Shore)	Metric Tonnes	5,026,962	487,810	448,677
Water Consumption Rate	Liters/Person-Day	239	242	235
<b>Waste Water</b>				
Bilge Water Discharge to Sea	Metric Tonnes	30,171	25,208	22,288
Bilge Water Discharge to Rate	Liters/ NM	17	15	13
Total Gray Water Discharged	Metric Tonnes	3,081,012	3,282,864	3,196,016
Gray Water Discharged to Sea	Metric Tonnes	3,009,343	3,204,596	3,109,899
Gray Water Discharged to Shore	Metric Tonnes	71,668	78,268	86,117
Gray Water Discharge Rate	Liters/ Person-Day	134	142	139
Total Black Water Discharged	Metric Tonnes	2,000,967	1,943,236	1,910,680
Treated Black Water Discharged to Sea	Metric Tonnes	1,912,683	1,865,367	1,826,225
Treated Black Water Discharged to Shore	Metric Tonnes	17,197	6,293	16,479
Untreated Black Water Discharged to Sea	Metric Tonnes	227	14	1,845
Untreated Black Water Discharged to Shore	Metric Tonnes	0	0	0
Biomass to Sea	Metric Tonnes	70,858	71,482	65,745
Biomass to Shore	Metric Tonnes	2	80	386
Black Water Discharge Rate	Liters/Person-Day	87.3	84.1	82.9
<b>Waste Disposal</b>				
Total Waste	Metric Tonnes	68,346	70,001	66,316
Hazardous Waste	Metric Tonnes	23,539	22,451	22,987
Non-Hazardous Waste	Metric Tonnes	44,807	47,550	43,329
Waste Recycled	Percent	12	23	26
Waste Rate (Excl. Recycling)	Kilograms/ Person-Day	3	2	3

# REPORT PARAMETERS

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

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

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

This report is part of our initiative to better understand our impacts, to improve our performance wherever possible and to maximize the benefits of our activities where appropriate, with the aim of managing our company for long-term sustainability. It specifically focuses on fiscal year (FY) 2019 (December 1, 2018–November 30, 2019), unless otherwise noted.

All references to currency are in US unless otherwise noted.

This report was developed in accordance with the core level of the Global Reporting Initiative's (GRI) Standards. We've shared performance information related to indicators that we selected in collaboration with our parent company, Carnival Corporation & plc. Reporting History & Cadence. This report is our third Sustainability Report, focusing on fiscal year (FY) 2019 (December 1, 2018–November 30, 2019). Beginning with 2017, our goal has been to report on our sustainability performance on a biennial basis.

## Information Integrity

Information provided in this report was compiled in management systems, extracted from databases and verified by our management for accuracy. We believe this information fairly represents our corporate responsibility activities and performance results for the reporting period. Lloyd's Register Quality Assurance, Inc. (LRQA), an affiliate of Lloyd's Register North America, Inc., was commissioned by Carnival Corporation & plc to assure its Greenhouse Gas (GHG) Emissions Inventory and GHG Assertion for the fiscal year 2019 (December 1, 2018–November 30, 2019). Princess Cruises' data was verified as part of this process. [Carnival Corporation & plc 2019 Annual Sustainability Report](#) (pages 172-174).

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

## Terminology

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

## Materiality Assessment & Matrix

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

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

# GLOSSARY

## **Audit**

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

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

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

## **Ballast Water**

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

## **Bilge Water**

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

## **Bionomics**

The science of the relationships between organisms and their environments.

## **Black Water**

Wastewater from toilets, urinals and medical sinks.

## **Bunkered Water**

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

## **By-catch**

This term is usually used for fish caught unintentionally in a fishery while intending to catch other fish. By-catch consists of a different species, undersized individuals of the target species or juveniles of the target species.

## **CFC-11 Equivalent**

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

## **Chlorofluorocarbons (CFCs)**

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

## **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.

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

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

## **Footprint**

The amount of environmental impact related to a specific resource.

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

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

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

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

## **Governance**

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

## **Gray Water**

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

## **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.

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# GLOSSARY

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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 ships' 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.

## **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 the 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 or 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 was designed to minimize pollution of the seas.

## **Metric Tonne**

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

## **NO<sub>x</sub>**

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

## **Ozone-depleting Potential (ODP)**

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

## **Ozone-depleting Substance (ODS)**

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

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# GLOSSARY

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## **Planet Princess**

An environmental program to encourage and inspire crew members and passengers to be good stewards of the environment and the oceans.



## **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.

## **Safety of Life at Sea (SOLAS) Convention**

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

## **Significant Air Emissions**

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

## **Significant Spills**

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

## **Solid Waste**

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

## **SOx**

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

## **Stakeholder**

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

## **STCW**

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

## **Total Water Withdrawal**

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

## **Turnover**

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

# GRI TABLE

GRI Standard Disclosure		GRI Disclosure	Additional Details & Omissions
GRI-102: General Standard Disclosures			
102-1	Name of the organization	Full	Introduction; About us <a href="https://www.princess.com/aboutus/home/index.jsp">https://www.princess.com/aboutus/home/index.jsp</a>
102-2	Activities, brands, products and services	Full	Introduction; About us <a href="https://www.princess.com/aboutus/home/index.jsp">https://www.princess.com/aboutus/home/index.jsp</a>
102-3	Location of headquarters	Full	Santa Clarita, California
102-4	Location of operations	Full	Plan a cruise <a href="https://www.princess.com/find/search.do">https://www.princess.com/find/search.do</a>
102-5	Ownership and legal form	Full	Introduction; Carnival Corporation & plc 2019 Annual Sustainability Report (page 15)
102-6	Markets served	Full	About Princess <a href="https://www.princess.com/careers/about-princess/">https://www.princess.com/careers/about-princess/</a> ; Plan a cruise <a href="https://www.princess.com/find/search.do">https://www.princess.com/find/search.do</a>
102-7	Scale of the organization	Full	Performance Summary – Social; Carnival Corporation & plc 2019 Annual Sustainability Report (page 16)
102-8	Information on employees and other workers	Full	Employees; Performance Summary – Social; Carnival Corporation & plc 2019 Annual Sustainability Report (Pages 156–157)
102-9	Supply chain	Full	Community; Carnival Corporation & plc 2019 Annual Sustainability Report (pages 81, 133)
102-10	Significant changes to the organization and its supply chain	Full	Introduction; Carnival Corporation & plc 2019 Annual Sustainability Report (pages 16–17)
102-11	Precautionary Principle or approach	Full	Report Parameters; Carnival Corporation & plc 2019 Annual Sustainability Report (page 49–50)
102-12	External initiatives	Full	Regulatory Landscape; Safety, Security & Health; Environment; Employees; Carnival Corporation & plc 2019 Annual Sustainability Report (pages 10, 11, 133–137)
102-13	Membership of associations	Full	Carnival Corporation & plc 2019 Annual Sustainability Report (pages 176–179)
102-14	Statement from senior decision-maker	Full	Leadership Memo
102-15	Key impacts, risks and opportunities	Full	Introduction; Regulatory Landscape; Carnival Corporation & plc 2019 Annual Sustainability Report (pages 45–50)
102-16	Values, principles, standards and norms of behavior	Full	Introduction; Community: Supply Chain; Mission & Values; Carnival Corporation & plc 2019 Annual Sustainability Report (pages 30–40)
102-18	Governance structure	Full	Carnival Corporation & plc Corporate Governance <a href="http://phx.corporate-ir.net/phoenix.zhtml?c=140690&amp;p=irol-govhighlights">http://phx.corporate-ir.net/phoenix.zhtml?c=140690&amp;p=irol-govhighlights</a> ; Carnival Corporation & plc 2019 Annual Sustainability Report (pages 30-40,164-165)
102-25	Conflict of interest	Full	Employees
102-40	List of stakeholder groups	Full	Carnival Corporation & plc 2019 Annual Sustainability Report (pages 158–159)
102-41	Collective bargaining agreements	Full	Performance Summary – social shipboard
102-42	Identifying and selecting stakeholders	Full	Carnival Corporation & plc 2019 Annual Sustainability Report (pages 158–159)
102-43	Approach to stakeholder engagement	Full	Carnival Corporation & plc 2019 Annual Sustainability Report (pages 158–159)
102-44	Key topics and concerns raised	Full	Carnival Corporation & plc 2019 Annual Sustainability Report (pages 158–159)
102-45	Entities included in the consolidated financial statements	Full	Carnival Corporation & plc 2019 10K <a href="https://www.carnivalcorp.com/financial-information/annual-reporting">https://www.carnivalcorp.com/financial-information/annual-reporting</a>
102-46	Defining report content and topic boundaries	Full	Report Parameters; Carnival Corporation & plc 2019 Annual Sustainability Report (pages 158, 160)
102-47	List of material topics	Full	Report Parameters; Carnival Corporation & plc 2019 Annual Sustainability Report (page 161)
102-48	Restatements of information	Full	Report Parameters; Carnival Corporation & plc 2019 Annual Sustainability Report (page 160)
102-49	Changes in reporting	Full	Report Parameters; Carnival Corporation & plc 2019 Annual Sustainability Report (page 160)
102-50	Reporting period	Full	FY2019 (December 1, 2018–November 30, 2019)
102-51	Date of most recent report	Full	Report Parameters; FY2017
102-52	Reporting cycle	Full	Biennial
102-53	Contact point for questions regarding the report	Full	<a href="mailto:Sustainability@HollandAmericaGroup.com">Sustainability@HollandAmericaGroup.com</a>
102-54	Claims of reporting in accordance with the GRI Standards	Full	Core
102-55	GRI content index	Full	GRI Standards
102-56	External assurance	Full	Carnival Corporation & plc 2019 Annual Sustainability Report (pages 172–174)

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GRI Standard Disclosure		GRI Disclosure	Additional Details & Omissions
<b>Management Approach</b>			
103-1	Explanation of the material topic and its boundary	Full	Report Parameters; Carnival Corporation & plc 2019 Annual Sustainability Report (pages 160–161)
103-2	The management approach and its components	Full	Report Parameters, Environment: Management System, Safety, Security & Health: Management System; Carnival Corporation & plc 2019 Annual Sustainability Report (pages 162–165)
103-3	Evaluation of the management approach	Full	Report Parameters; Carnival Corporation & plc 2019 Annual Sustainability Report (pages 159–165)
<b>Economic Performance (direct and indirect)</b>			
201-1	Direct economic value generated and distributed	Full	Carnival Corporation & plc 2019 10K <a href="https://www.carnivalcorp.com/financial-information/annual-reporting">https://www.carnivalcorp.com/financial-information/annual-reporting</a> ; Carnival Corporation & plc 2019 Annual Sustainability Report (pages 24–25)
201-2	Financial implications and other risks and opportunities due to climate change	Full	Safety, Security & Health: Management System; Carnival Corporation & plc 2019 Annual Sustainability Report (pages 46–50)
203-1	Infrastructure investments and services supported	Full	Community; Carnival Corporation & plc 2019 Annual Sustainability Report (pages 144–152)
203-2	Significant indirect economic impacts	Full	Community; Environment; Carnival Corporation & plc 2019 Annual Sustainability Report (pages 144–152)
<b>Anti-corruption</b>			
205-1	Operations assessed for risks related to corruption	Full	Community
205-2	Communication and training about anti-corruption policies and procedures	Full	Community; Employees
<b>ENVIRONMENTAL PERFORMANCE</b>			
<b>Energy</b>			
302-1	Energy consumption within the organization	Full	Environment: Energy & Emissions; Performance Summary – Environmental
302-2	Energy consumption outside of the organization	Full	Environment: Energy & Emissions; Performance Summary – Environmental
302-3	Energy intensity	Full	Environment: Energy & Emissions; Performance Summary – Environmental
302-4	Reduction of energy consumption	Full	Environment: Energy & Emissions; Performance Summary – Environmental
302-5	Reductions in energy requirements of products and services	Full	Environment: Energy & Emissions; Performance Summary – Environmental
<b>Water</b>			
303-1	Water withdrawal by source	Full	Environment: Water; Performance Summary – Environmental
303-2	Water sources significantly affected by withdrawal of water	Full	Environment: Water; Performance Summary – Environmental
303-3	Water recycled and reused	Full	Environment: Water; Performance Summary - Environmental
<b>Biodiversity</b>			
304-1	Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	Full	Community: Giving and Volunteerism; Environment: Biodiversity
304-2	Significant impacts of activities, products and services on biodiversity	Full	Community: Giving and Volunteerism; Environment: Biodiversity
304-3	Habitats protected or restored		Community: Giving and Volunteerism; Environment: Biodiversity
<b>Emissions</b>			
305-1	Direct (Scope 1) GHG emissions	Full	Environment: Energy & Emissions; Performance Summary – Environmental
305-2	Energy indirect (Scope 2) GHG emissions	Full	Environment: Energy & Emissions; Performance Summary – Environmental
305-3	Other indirect (Scope 3) GHG emissions	Full	Environment: Energy & Emissions; Performance Summary – Environmental
305-4	GHG emissions intensity	Full	Environment: Energy & Emissions; Performance Summary – Environmental
305-5	Reduction of GHG emissions	Full	Environment: Energy & Emissions; Performance Summary – Environmental
305-6	Emissions of ozone-depleting substances (ODS)	Full	Environment: Energy & Emissions; Performance Summary – Environmental
305-7	Nitrogen oxides (NO <sub>x</sub> ), sulfur oxides (SO <sub>x</sub> ) and other significant air emissions	Full	Environment: Energy & Emissions; Performance Summary – Environmental

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GRI Standard Disclosure		GRI Disclosure	Additional Details & Omissions
<b>Effluents and Waste</b>			
306-1	Water discharge by quality and destination	Full	Environment: Water; Performance Summary – Environmental
306-2	Waste by type and disposal method	Full	Environment: Solid Waste; Performance Summary – Environmental
306-3	Significant spills	Full	Environment: Accidental Releases; Performance Summary – Environmental
<b>Environmental Compliance</b>			
307-1	Non-compliance with environmental laws and regulations	Full	Introduction; Environment: Water
<b>SOCIAL PERFORMANCE</b>			
<b>Employment</b>			
401-1	New employee hires and employee turnover	Full	Employees: Retention; Performance Summary – Social
<b>Labor/Management Relations</b>			
402-1	Minimum notice periods regarding operational changes	Full	Employees: Labor Relations & Fair Employment
<b>Occupational Health and Safety</b>			
403-1	Workers representation in formal joint management–worker health and safety committees	Half	Safety, Security & Health: Employee Training; Performance Summary – Social
403-2	Types of injury and rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities	Half	Safety, Security & Health: Employee Training; Performance Summary – Social
<b>Training and Education</b>			
404-1	Average hours of training per year per employee	Full	Employees: Training & Development; Performance Summary – Social
404-2	Programs for upgrading employee skills and transition assistance programs	Full	Employees: Training & Development
404-3	Percentage of employees receiving regular performance and career development reviews	Full	Employees: Recruitment & Retention
<b>Diversity and Equal opportunity</b>			
405-1	Diversity of governance bodies and employees	Full	Employees; Performance Summary – Social
<b>Non-Discrimination</b>			
406-1	Incidents of discrimination and corrective actions taken	Full	Employees: Ethics
<b>Freedom of Association and Collective Bargaining</b>			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Half	Employees: Labor Relations & Fair Employment; Performance Summary – Social; Carnival Corporation & plc 2017 Annual Sustainability Report (pages 98–101, 114–115)
<b>Child Labor</b>			
408-1	Operations and suppliers at significant risk for incidents of child labor	Half	Community: Supply Chain
<b>Forced or Compulsory Labor</b>			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Half	Community: Supply Chain
<b>Security Practices</b>			
410-1	Security personnel trained in human rights policies or procedures	Full	Safety, Security & Health: Security
<b>Human Rights Assessment</b>			
412-2	Employee training on human rights policies or procedures	Full	Employees: Ethics
<b>Local Communities</b>			
413-1	Operations with local community engagement, impact assessments and development programs	Half	Community: Our Communities & Giving and Volunteerism; Environment

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GRI Standard Disclosure		GRI Disclosure	Additional Details & Omissions
205-2	Communication and training about anti-corruption policies and procedures	Full	Employees: Training & Development
205-3	Confirmed incidents of corruption and actions taken	Full	Employees: Ethics
Customer Health and Safety			
416-1	Assessment of the health and safety impacts of product and service categories	Full	Carnival Corporation & plc 2019 Annual Sustainability Report (pages 52–68, 167, 170)
416-2	Incidents of noncompliance concerning the health and safety impacts of products and services	Full	Carnival Corporation & plc 2019 Annual Sustainability Report (pages 44–50)
Customer Privacy			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Half	Safety, Security & Health: Security; Carnival Corporation & plc 2019 Annual Sustainability Report (pages 44–50)
Socioeconomic Compliance			
419-1	Noncompliance with laws and regulations in the social and economic area	Half	Carnival Corporation & plc 2019 Annual Sustainability Report (pages 30–40)



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