

NCLH

NORWEGIAN CRUISE LINE
HOLDINGS LTD.

SAIL SUSTAIN

2020 ENVIRONMENTAL, SOCIAL AND GOVERNANCE
(ESG) REPORT



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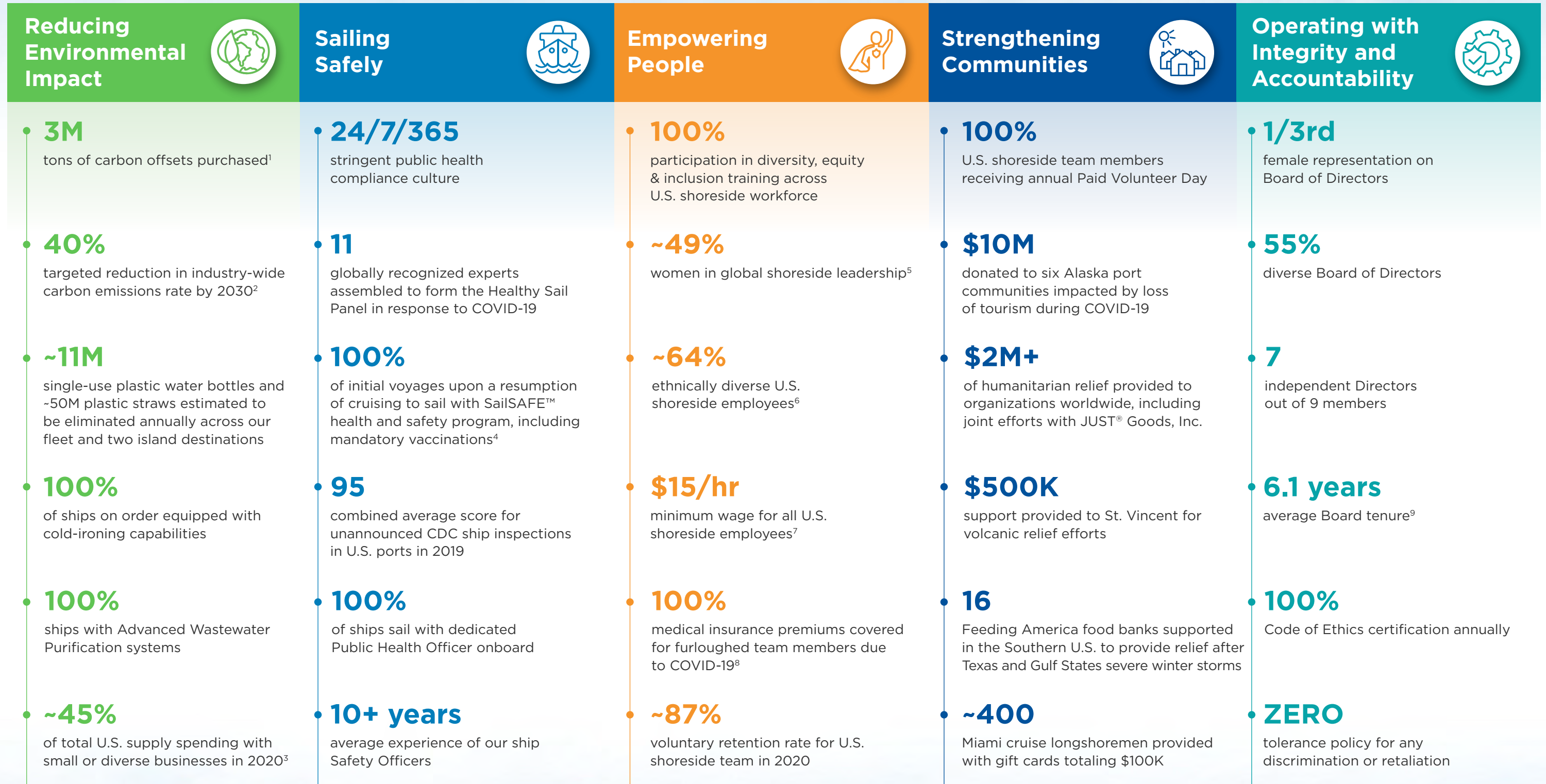
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ABOUT THIS REPORT

This report contains information about Norwegian Cruise Line Holdings Ltd.'s Environmental, Social and Governance (ESG) initiatives and performance on factors that we believe are most important to our stakeholders. This report is the first time we have integrated Sustainability Accounting Standards Board (SASB) standards into our ESG reporting. In addition to the information in this report, we externally report on our Sail & Sustain strategy on our [website](#), [Form 10-K](#), [Annual Report](#) and [Proxy Statement](#). We also obtain third-party verification over selected data disclosed in this report. The scope of this report and associated SASB Index includes information for fiscal year 2020 (January 1, 2020 – December 31, 2020) for Norwegian Cruise Line Holdings Ltd. and its subsidiaries globally, unless otherwise stated. All financial figures indicated in this report are in U.S. dollars, unless otherwise noted. Please read an important disclaimer regarding forward-looking statements in this report on [page 147](#) and [here](#).

KEY HIGHLIGHTS



¹ Commitment to purchase over three-year period, 2021-2023.

² Cruise Line International Association (CLIA) industry-wide commitment against 2008 fleet baseline.

³ Total U.S. supply spending with small businesses or businesses with minority, veteran or economically disadvantaged qualifications.

⁴ Limited exceptions may be made pursuant to valid medical or religious exemptions.

⁵ Global shoreside manager and above leadership.

⁶ Percentage based on team members who have self-identified.

⁷ Certain positions have a lower base wage but have a combined higher incentive.

⁸ Shoreside team members who are temporarily furloughed.

⁹ As of 4/7/21.

A MESSAGE FROM OUR PRESIDENT AND CEO



To say that 2020 was challenging would be an incredible understatement, as it was without a doubt the most difficult year in our Company's 50-plus-year history. In March 2020, we suspended operations bringing our entire 28-ship fleet to a halt literally overnight to help combat the global public health emergency brought on by the COVID-19 pandemic. Over a year later, our ships remain moored or anchored in ports around the world waiting to set sail again. Throughout this crisis, I have been incredibly proud and grateful for the dedication and perseverance demonstrated by our team members around the globe who continue to adapt, innovate and flawlessly execute while faced with unprecedented personal and professional challenges.

Despite the pandemic's unprecedented headwinds, we have never wavered on our commitment to drive a positive impact on society and the environment through our global sustainability program, Sail & Sustain. This program is structured around five pillars: Reducing Environmental Impact, Sailing Safely, Empowering

People, Strengthening our Communities and Operating with Integrity and Accountability. As part of our efforts to enhance our disclosure and transparency, this year we are pleased to present our first all-encompassing Environmental, Social and Governance (ESG) report, which highlights several initiatives that support our key ESG pillars.

While there were many important initiatives in 2020, one of our key highlights for the year was the co-formation of the Healthy Sail Panel (HSP), comprised of 11 globally recognized public health experts, who informed us on the development of a science-backed plan for a safe and healthy return to cruising. To protect our guests, crew and communities we visit, we enhanced our commitment to health and safety with our SailSAFE™ health and safety program, which was developed with guidance from our team of expert advisors including the HSP. The robust and comprehensive SailSAFE program includes new and enhanced protocols, including mandatory vaccinations on all initial voyages,¹ to create multiple layers of protection against COVID-19.

We also strived to help our local communities and the destinations we visit, as the impacts of the global crisis reached every corner of the world. We provided approximately \$10 million of cash support to six Alaska port communities to benefit communities, small business and families who were impacted by the loss of tourism due to COVID-19. In addition, we also provided more than \$2 million of in-kind humanitarian relief to support various community organizations worldwide throughout 2020 and 2021, including Feeding America food banks. In the spirit of giving back, beginning in 2021 we are also providing a Paid Volunteer Day to all U.S. shoreside team members to encourage community involvement.

¹ Limited exceptions may be made pursuant to valid medical or religious exemptions.

Our team members continue to be our most important asset, and we remain committed to maintaining a safe, diverse and inclusive culture which supports and empowers them all. We were incredibly pleased to be recognized for this commitment and named by Forbes to the list of America's Best Large Employers, even as our Company operates in one of the hardest hit industries by the pandemic. To support our diversity, equity and inclusion (DE&I) efforts, we continue to partner with the Florida Diversity Council and in 2020 launched online DE&I training, including unconscious bias training. We also recognize the value and importance of a diverse supplier base and approximately 45% of our total U.S. supply chain spending in 2020 was with small businesses or businesses with minority, veteran or economically disadvantaged qualifications.

Offering our guests the opportunity to explore incredible destinations around the world is at the heart of what we do, and the preservation and protection of our planet is critical to our success. While the ultimate goal of our long-term climate action strategy is to reduce our absolute GHG emissions, we implemented a strategy to purchase carbon offsets to address current gaps in our decarbonization efforts until new technology becomes available. In June 2021, we committed to voluntarily offset at least 3 million metric tons of our emissions through 2023. We plan to increase our voluntary offset purchases in future years until we achieve full carbon neutrality, while simultaneously exploring additional ways to reduce our overall footprint.

As we look forward, we are committed to making a lasting impact on the world as responsible corporate citizens and ESG leaders. We are proud of our accomplishments to date and invite you to join us on our "Sail & Sustain" journey as we continue to build on this foundation for years to come.

Thank you for your continued support,

Frank J. Del Rio
President and Chief Executive Officer
Norwegian Cruise Line Holdings Ltd.

"Offering our guests the opportunity to explore incredible destinations around the world is at the heart of what we do, and the preservation and protection of our planet is critical to our success."

INTERVIEW WITH OUR HEAD OF ESG

Andrea DeMarco

Senior Vice President,
ESG, Investor Relations &
Corporate Communications

What drove the Company's decision to not only create a dedicated ESG department, but structure it how you did?

Sustainability has always been integrated into our day-to-day operations. As these topics became more material, it was important to the Company to create a dedicated ESG department in early 2020 and develop a comprehensive corporate ESG strategy to chart a path forward on our ESG journey. Historically, we had not been vocal in telling our ESG story and highlighting all of the great progress we are making, and we are committed to changing this going forward. To best do so, we created a unique structure which combines ESG, Investor Relations and Corporate Communications under one umbrella. This structure works beautifully as it creates a platform for consistent two-way communication with many of our key stakeholders which allows us to tell our story and provides valuable insights that we can use to continually improve our strategy and disclosure.

How has COVID-19 changed your Company's perspective on ESG?

Despite operating in one of the hardest hit industries by this pandemic, our focus on ESG has been unwavering. In fact, the pandemic only reinforced how important the effective management of ESG opportunities and risks are to our Company's success. One of the changes we have seen in this environment is that the 'S' in ESG has come to the forefront. Not only have we been proactive on the health and safety front to help mitigate the risk of COVID-19, but the far-reaching impact of the pandemic has also strengthened our dedication to family and community. Throughout our broad cruise ecosystem, we have supported severely impacted families and communities by providing donations and in-kind humanitarian relief.

How do you see stakeholder interest in ESG evolving?

Interest in ESG has broadly increased across all of our key stakeholders and we expect this trend to continue. This is not a passing phenomenon, it is here to stay, and it is being actively integrated in business models across the world. The overarching ESG priorities including addressing climate change and protecting shared resources are global, with common goals for all stakeholders to strive toward. Across the board, we have seen more and more stakeholders take an active interest in our Company's ESG journey. In addition, the stakes have risen, and we have seen an increasing willingness to hold companies accountable who are not working towards a more sustainable future for all.

What are your top ESG priorities for the next year?

We are pleased to have published our first ever comprehensive ESG report this year, but we don't plan to stop here. We will continue to focus on enhancing our transparency and are working toward providing additional climate-related disclosure in line with the Task Force on Climate-related Financial Disclosures (TCFD) framework. In addition, we will be focused on developing clear targets for ESG metrics to demonstrate our commitment and facilitate easier tracking and alignment on our key priorities. Through our Sail & Sustain Executive Leadership Council and Sail & Sustain Task Force we also hope to encourage additional cross-functional collaboration and sharing of best sustainability practices throughout our global organization.



OUR COMPANY

Norwegian Cruise Line Holdings Ltd. (the Company or Norwegian) is a leading global cruise company which operates the Norwegian Cruise Line, Oceania Cruises and Regent Seven Seas Cruises brands. With a combined fleet of 28 ships with nearly 60,000 berths, our brands offer itineraries to more than 490 destinations worldwide. The Company also has nine additional ships scheduled for delivery through 2027, comprising approximately 24,000 berths.



NCL
NORWEGIAN
CRUISE LINE®

NORWEGIAN CRUISE LINE

As the innovator in global cruise travel, Norwegian Cruise Line has been breaking the boundaries of traditional cruising for 54 years. Most notably, the cruise line revolutionized the industry by offering guests the freedom and flexibility to design their ideal vacation on their preferred schedule, with no assigned dining and entertainment times and no formal dress codes. Today, its fleet of 17 contemporary ships sails to over 300 of the world's most desirable destinations, including Great Stirrup Cay, the Company's private island in the Bahamas and its resort destination Harvest Caye in Belize.



OCEANIA CRUISES®
Your World. Your Way.®

OCEANIA CRUISES

Oceania Cruises is the world's leading culinary- and destination-focused cruise line. The line's six small, luxurious ships carry only 684 or 1,250 guests featuring the finest cuisine at sea and destination-rich itineraries that span the globe. Expertly curated travel experiences aboard the designer-inspired, small ships call on more than 450 marquee and boutique ports across Europe, Alaska, Asia, Africa, Australia, New Zealand, New England-Canada, Bermuda, the Caribbean, the Panama Canal, Tahiti and the South Pacific, in addition to the epic 180-day Around the World Voyages. The brand has two 1,200-guest Allura-class ships on order.



Regent
SEVEN SEAS CRUISES®

REGENT SEVEN SEAS CRUISES

Regent Seven Seas Cruises offers an unrivaled experience to luxury travelers, visiting more than 450 iconic and immersive destinations around the world. The cruise line's modern fleet recently expanded with Seven Seas Splendor™ in 2020 as the fleet's fifth ship, and has an additional ship on order. All luxuries are included in Regent Seven Seas Cruises voyages, such as all-suite accommodations, round-trip business-class air on intercontinental flights from the U.S. and Canada, the largest collection of unlimited shore excursions, unlimited internet access, highly personalized service, exquisite cuisine, fine wines and spirits, gratuities and ground transfers.

NCLH

NORWEGIAN CRUISE LINE
HOLDINGS LTD.

 **1966**
Year founded

 **~2.7**
Million guests
carried in 2019


 **28**
Ships
in fleet

 **9**
Ships
on order

 **~34,000**
Team members

 **120**
Nations represented

 **13**
Global offices

 **490+**
Global destinations
visited

+  **6**
Continents

+  **2**
Island
destinations

VISION

To be the vacation of choice for everyone around the world.

MISSION

Provide exceptional vacation experiences, delivered by passionate team members committed to world-class hospitality and innovation.

VALUES

Flawless Execution
Dedication to Family & Community
Spirit of Entrepreneurship
Financial Excellence
Environmental Stewardship.

SAIL & SUSTAIN



STRATEGY

Our global sustainability program, Sail & Sustain, is centered around our commitment to drive a positive impact on society and the environment while delivering on our vision to be the vacation of choice for everyone around the world. We visit nearly 500 destinations globally, allowing our guests to travel and explore the world, and our business is inextricably linked to the preservation of our planet and the protection of our shared resources. We recognize our ethical, social and environmental responsibilities and are committed to maintaining our high standards of operational excellence, achieving results the right way and creating value for all of our stakeholders.

Our environmental, social and governance (ESG) strategy is focused on five pillars and was developed through cross-functional collaboration with key internal and external stakeholders. As we continue our ESG journey, we look forward to building upon this foundation and meaningfully contributing to the UN Sustainable Development Goals (SDGs) as we collectively chart a path towards a more sustainable future.

WE ASPIRE TO...

Reducing Environmental Impact

- Combat climate change
- Protect our oceans
- Minimize waste to landfills
- Conserve fresh water
- Increase our sustainable sourcing
- Reduce, reuse and recycle

Sailing Safely

- Protect health and safety
- Provide a clean and safe environment

Empowering People

- Promote diversity, equity & inclusion
- Recruit, retain and develop talent
- Engage team members
- Support employee well-being

Strengthening Our Communities

- Support and invest in local communities
- Provide disaster relief

Operating with Integrity and Accountability

- Practice good governance
- Get results the right way
- Respect human rights
- Protect personal data and respect privacy

ESG OVERSIGHT

We have integrated our environmental, social and governance principles throughout our Company with oversight at various levels of the organization. The Company's Board of Directors is actively engaged in overseeing the ESG strategy and implementation. In 2019, the Technology, Environmental, Safety and Security (TESS) Committee of our Board of Directors was established to oversee matters related to corporate social responsibility and sustainability. In early 2020, we also created a dedicated ESG department to further enhance the overall ESG strategy while coordinating closely with departments across the organization. The ESG department is led by the Senior Vice President of ESG, Investor Relations and Corporate Communications and reports directly to the Chief Financial Officer.

To further integrate ESG oversight, in early 2021 we established two additional layers of oversight, the Sail & Sustain Executive Leadership Council (Sail & Sustain Council) and the Sail & Sustain Task Force (Task Force).

Sail & Sustain Executive Leadership Council — The Sail & Sustain Council is comprised of senior executives across the organization including the Chief Executive Officer, Chief Financial Officer, President and CEOs of our three cruise lines, Chief Talent Officer, General Counsel and the heads of our Vessel Operations, Supply Chain and Logistics and Onboard Revenue and Destination Services functions. The Council meets at least quarterly to drive decision making, accountability and oversight of ESG initiatives.

Sail & Sustain Task Force — The cross-functional Task Force includes representatives from various departments across the organization including Health, Medical, Safety and Environmental Operations, Human Resources, Legal, Ports and Destinations, Investor Relations, Public Relations, Marketing and Supply Chain. The Task Force was created to engage leadership at all levels with the goal of proactively innovating new ways to integrate sustainability into our everyday operations, share and implement best practices and execute on the day-to-day strategy within their respective areas of responsibility. The Task Force tracks the progress on ESG goals and meets at least quarterly to report on progress of relevant initiatives.



BOARD OF DIRECTORS

Provides oversight on ESG strategy



TECHNOLOGY, ENVIRONMENTAL, SAFETY AND SECURITY (TESS) COMMITTEE

Standing Board of Directors Committee that oversees ESG strategy and implementation and provides regular updates to the full Board



SAIL & SUSTAIN EXECUTIVE LEADERSHIP COUNCIL

Comprised of CEO and senior executives across the organization. Provides executive support and helps drive ESG decision-making and integration of ESG priorities into company-wide culture.



SENIOR VICE PRESIDENT, ESG, INVESTOR RELATIONS & CORPORATE COMMUNICATIONS

Reports to Chief Financial Officer and leads Company's ESG strategy and department. Also leads communication efforts with external stakeholders including investors, Wall Street analysts and global business and financial media.











SAIL & SUSTAIN TASK FORCE

Cross-functional team with representatives from various departments across the Company. Assists in the day-to-day implementation of the Company's ESG goals within their areas of responsibility. Proactively implements best practices and develops innovative solutions.

ENGAGING STAKEHOLDERS

An important element of our ESG initiatives is proactive and consistent engagement with both internal and external stakeholders to help inform our programs and strategic priorities. We engage with global stakeholders through various channels in order to have continuous meaningful dialogue on expectations and feedback. Some of the departments at our Company that engage stakeholders on a regular basis include sales, marketing, investor relations, human resources, ports and destinations and supply and purchasing.

STAKEHOLDERS	TYPES OF ENGAGEMENT	WHY IT IS IMPORTANT
 <p>Guests</p>	<ul style="list-style-type: none"> • Consumer insights • Electronic and onboard surveys • Customer hotlines • Websites • Social media • Public relations • Loyalty programs 	<p>We strive to maximize guest satisfaction and address guest feedback, which leads to increased customer loyalty and aids in the long-term sustainability of our Company in a competitive and changing marketplace.</p>
 <p>Investors, Analysts, Financial Institutions, Rating Agencies</p>	<ul style="list-style-type: none"> • Meetings • Participation in ESG ratings surveys and questionnaires (i.e. CDP Climate Change) • Quarterly earnings releases and calls • Annual report • Annual ESG report integrating recommendations from the Sustainability Accounting Standards Board (SASB) • Annual shareholder meetings • Investor calls and forums • Conferences • Participation in Poseidon Principles 	<p>Investors, analysts, financial institutions (banks, insurance companies, etc.) and rating agencies are increasingly interested in greater disclosure and transparency on ESG topics and performance, which they link to long-term value.</p>

STAKEHOLDERS	TYPES OF ENGAGEMENT	WHY IT IS IMPORTANT
 <p>Employees</p>	<ul style="list-style-type: none"> • Town hall meetings • Employee resource groups • Email communications, including weekly CEO and Human Resources emails during COVID-19 • Performance and career development reviews • Mandatory training • Anonymous hotline 	<p>We seek to attract and retain top talent to ensure the continued success of our organization.</p>
 <p>Suppliers</p>	<ul style="list-style-type: none"> • Face-to-face meetings • Supplier diversity program • Surveys • Responsible sourcing • Assessments and audits 	<p>We maintain strong and collaborative relations with our global suppliers to continuously find new ways to source responsibly and make our supply chain more diverse and sustainable.</p>
 <p>Travel Partners</p>	<ul style="list-style-type: none"> • Dedicated Travel Partner teams • Travel partner meetings and presentations • Travel Partner portal and websites • Regional events 	<p>Travel partners are often the first line of engagement with our guests, and we rely on them heavily for direct communication and promotion to our guests.</p>
 <p>Communities</p>	<ul style="list-style-type: none"> • Direct relationships shoreside and at visited destinations • Corporate and employee giving • Networking and philanthropy events • Partnerships • Employee volunteer opportunities 	<p>We are committed to improving lives in the communities where our employees live and work, our private destinations (Great Stirrup Cay and Harvest Caye) and the nearly 500 destinations our ships visit globally.</p>
 <p>Governments and Policy Makers</p>	<ul style="list-style-type: none"> • Direct engagement on important issues • Advocacy • Monitoring of regulatory activities • Industry trade associations, including CLIA 	<p>We work with domestic and international government representatives at all levels to provide information about our cruise operations, positively impact public policy and regulation and contribute to local economies.</p>
 <p>Non-Government Organizations</p>	<ul style="list-style-type: none"> • Organizational memberships • Direct engagement and partnerships • Social media • Website and ESG report 	<p>We collaborate with organizations and have strategic partnerships to address issues of concern for our industry and our stakeholders. NGOs have the power to influence public opinion and can help provide us with insight and guidance on emerging issues.</p>

MATERIALITY ASSESSMENT



In 2021, we worked with a third-party sustainability consultant to conduct a comprehensive materiality assessment to ensure we were aligning our ESG program with the most material topics for our key stakeholders. Through interviews and a survey, we engaged internal and external stakeholders to help prioritize 14 of our most material environmental, social, and governance topics. Once the ESG topics were prioritized, we conducted a workshop with our Sail & Sustain Executive Leadership Council to discuss and validate the findings. We will use these findings to inform our ESG strategy and reporting going forward.



Reducing Environmental Impact



Sailing Safely



Empowering People



Strengthening Communities




Operating with Integrity and Accountability

SUSTAINABLE DEVELOPMENT GOALS

We are proud to contribute to the UN Sustainable Development Goals (SDGs) which provide a shared blueprint for peace and prosperity for people and the planet to achieve a more sustainable future. The plan, first outlined and adopted by all United Nations Member States in 2015, focuses on 17 areas in which nations, governments, businesses and citizens can work to make progress towards the global 2030 agenda. Our Company touches nearly all 17 SDGs through our day-to-day operations, partnerships and social and community initiatives, both locally and at the destinations we visit around the globe. However, we have identified 10 goals where we believe we can make the greatest contribution:


3 GOOD HEALTH AND WELL-BEING



GOOD HEALTH AND WELL-BEING

- Health and safety are our number one priority and we are committed to protecting our guests, crew, shoreside team members and the communities we visit.
- We have a stringent 24/7/365 Public Health program in place which works closely with public health agencies including the U.S. Centers for Disease Control and Prevention and the World Health Organization.
- We co-formed the Healthy Sail Panel, a group of 11 globally recognized experts, to inform the development of new and enhanced health and safety standards in response to the COVID-19 pandemic. The panel's work was widely shared and open to any other industry that could benefit from the scientific and medical insights.
- We enhanced our commitment to health and safety with our robust SailSAFE™ health and safety program with protocols to create multiple layers of protection against COVID-19. We were the first major cruise operator to commit to mandatory COVID-19 vaccination requirements¹ for all guests and crew upon an initial return to service, in addition to the multi-layered SailSAFE preventative protocols.


5 GENDER EQUALITY



GENDER EQUALITY

- Our Company is committed to fostering an inclusive and equitable workforce, where women are represented, engaged and empowered to generate and execute on innovative ideas.
- Our commitment is reflected across the organization, from our Board of Directors which is comprised of one-third women to our shoreside manager and above leadership team which is approximately 50% female.


6 CLEAN WATER AND SANITATION



CLEAN WATER AND SANITATION

- We have increased onboard water production with evaporators and reverse osmosis plants that use seawater as the source, which reduces the need for the bunkering of fresh water. In 2020, -83% of our water was produced on board.
- Our fleetwide average water consumption has decreased approximately 4.5% between 2015-2019. One of our water conservation efforts include installing water flow reducers on all sink taps and shower heads.
- 100% of our ships have Advanced Wastewater Purification systems onboard.

7 AFFORDABLE AND CLEAN ENERGY



AFFORDABLE AND CLEAN ENERGY

- We have ship-specific plans that focus on improving energy efficiency through improving voyage planning, speed optimization, operating engines on their most economic loads, optimization of HVAC systems, improving our ships' hydrodynamic capabilities by upgrading the propulsion systems with more efficient propellers, applying low-friction hull coating and using energy-saving LED lights.
- Our Waste Heat Recovery program works by recovering heat from the engines and transferring it to freshwater piping, allowing us to utilize a free source of energy for improving water production and saving fuel.

¹ Limited exceptions may be made pursuant to valid medical or religious exemptions.

8 DECENT WORK AND ECONOMIC GROWTH



DECENT WORK AND ECONOMIC GROWTH

- We directly employ over 34,000 team members internationally representing over 120 countries across the globe. We also have a significant indirect economic impact at our homeports and the nearly 500 destinations we visit worldwide.
- To further support our employees, we committed to a \$15/hr minimum wage for all U.S. shoreside employees beginning in May 2019, except for certain teams that have a lower hourly wage combined with a higher incentive.

11 SUSTAINABLE CITIES AND COMMUNITIES



SUSTAINABLE CITIES AND COMMUNITIES

- We remain committed to having a positive impact on our local communities, the communities we visit and the local ecosystems through which we cruise.
- We provide significant disaster relief to communities in need, including both supplies and funding. For example, we provided \$3 million of aid to rebuild the Bahamas after Hurricane Dorian, approximately \$500,000 to St. Vincent after the volcanic eruption, nearly \$275,000 for rebuilding efforts in Colombia after Hurricane Iota and A\$250,000 for Australia bushfire relief efforts.
- We promote responsible tourism by providing a variety of shore excursions for guests, including our "Go Local" tours designed to immerse our guests in the local communities and support local artisans, businesses and markets.


12 RESPONSIBLE CONSUMPTION AND PRODUCTION



RESPONSIBLE CONSUMPTION AND PRODUCTION

- We are committed to working with diverse partners across the supply chain to source safe, high quality, ethically-responsible and sustainable products for our guests.
- We have a strong focus on reducing single-use plastics through a multitude of initiatives. Most notably, Norwegian Cruise Line became the first major global cruise company to be plastic water bottle-free through its partnership with JUST® Goods, Inc.


13 CLIMATE ACTION



CLIMATE ACTION

- We are continually seeking opportunities to reduce our overall carbon footprint. In 2018, we joined a historic industry commitment to reduce the carbon emissions rate industry-wide by 40% by 2030 compared to 2008 levels.
- We have proposed a collaborative R&D fund with the cruise industry and other maritime associations that aims to generate approximately \$5 billion over a ten-year period to pursue new environmental solutions, including zero carbon technologies to achieve GHG reduction targets.
- We voluntarily committed to offset CO₂ emissions with a goal of increasing offset purchases each year and eventually reaching carbon neutrality.


14 LIFE BELOW WATER



LIFE BELOW WATER

- Our industry is inextricably linked to our oceans and as such, continual improvement is one of our core responsibilities.
- We partner with various organizations to support ocean conservation including Ocean Conservancy and the Guy Harvey Ocean Foundation. We also have a coral reef restoration project in the Bahamas in conjunction with Nova Southeastern University.

15 LIFE ON LAND



LIFE ON LAND

- Harvest Caye, the Company's private destination in Belize, is home to a wildlife sanctuary and is also one of the few nesting sites for endangered hawksbill turtles. We established the Harvest Caye Conservation Foundation (HCCF) in partnership with Belize Island Holdings Ltd. as a non-governmental organization whose primary goal is to promote wildlife conservation in Belize. HCCF is dedicated to working with other organizations in Belize and undertaking advocacy and outreach work with schools and communities to promote conservation and awareness of threatened species.

REDUCING ENVIRONMENTAL IMPACT

Reducing our environmental impact is an essential part of our Company's mission and culture. We are committed to addressing climate change and doing our part to protect and preserve the environment. This commitment extends from our Board of Directors and executive management team to each of our ships and offices worldwide. We regularly evaluate environmental risks and have a company-wide emphasis on environmental leadership. We also continuously seek and invest in new technologies and innovations that will allow us to improve our environmental performance.

The future of our business is closely intertwined with the health of our oceans and the destinations we visit, and environmentally friendly practices allow our business to thrive.

WE ASPIRE TO...



COMBAT CLIMATE
CHANGE



PROTECT
OUR OCEANS



MINIMIZE WASTE
TO LANDFILLS



CONSERVE
FRESH WATER



REDUCE, REUSE
AND RECYCLE



INCREASE OUR
SUSTAINABLE
SOURCING

AT A GLANCE

3M

tons of carbon offsets
purchased to help
bridge the gap in
decarbonization efforts¹

40%

targeted reduction in
industry-wide carbon
emissions rate by 2030
compared to 2008

~11M

single use plastic water
bottles and ~50M plastic
straws estimated to
be eliminated annually
across our fleet and two
island destinations

100%

ships on order equipped
with cold-ironing
capabilities

~45%

total U.S. supply spending
with small or diverse
businesses in 2020

~70%

operational capacity or
13 ships equipped with
Exhaust Gas Cleaning
Systems by the end of 2021²

100%

ships with Advanced
Wastewater Purification
systems

Over 80%

self-produced water
used onboard

LEED Gold

new PortMiami terminal
constructed to LEED
Gold standards

¹ Commitment to purchase over three-year period, 2021-2023.
² Operational capacity based on lower berths.

ADDRESSING CLIMATE CHANGE

As leaders in the cruise industry, we believe it is our responsibility to take an active role in addressing climate change. We have a long-term climate action strategy with a goal to reach carbon neutrality through reducing carbon intensity, investing in technology including exploring alternative fuels and implementing a voluntary carbon offset program. We comply with applicable regulations, quantify and report our greenhouse gas emissions (GHG) and continuously seek new cost-effective ways to reduce or minimize our carbon footprint. We recognize climate change is a real business risk and partner with other companies, our cruise association, Cruise Lines International Association (CLIA), domestic and international governments and NGOs to contribute to global efforts to combat climate change.

In 2018, we signed the Cruise Lines International Association (CLIA) historic commitment to reduce the carbon emissions rate industry-wide by 40% by 2030. This CLIA commitment was created as a first step to contribute to the International Maritime Organization's (IMO) vision of a carbon-free shipping industry by the end of the century.



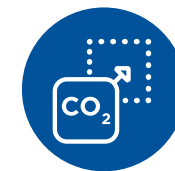
REDUCE CARBON INTENSITY

We continually seek opportunities to reduce our overall footprint by minimizing fuel consumption and increasing energy efficiency. Our ongoing investments in systems and technologies have allowed us to reduce our fuel consumption per capacity day by approximately 17% from 2008 to 2019 for our entire 28-ship fleet and approximately 25% for the Norwegian Cruise Line fleet. In addition, we achieved an estimated 14% reduction in CO₂ emissions per capacity day across our fleet between 2015-2019. As nine new and more fuel-efficient vessels are introduced to the fleet through 2027, this rate is expected to further decrease.



INVEST IN TECHNOLOGY AND EXPLORE ALTERNATIVE FUELS

We have partnered with CLIA and other maritime organizations to propose the establishment of a \$5 billion collaborative shipping research & development fund dedicated to the ultimate goal of eliminating CO₂ emissions from international shipping. If approved, funds will be used to finance the accelerated development of zero and near-zero GHG fuels and propulsion technologies. As new alternative fuel sources become available at sufficient scale in the future, we will evaluate how these can accelerate our long-term carbon reduction strategy.



IMPLEMENT VOLUNTARY CARBON OFFSET PROGRAM

In June 2021, we committed to purchase verified carbon credits to offset three million metric tons of carbon dioxide equivalent (MTCO₂e) over a three-year period beginning 2021. While our ultimate goal is to reduce our absolute emissions, we are purchasing carbon offsets to address gaps in our decarbonization efforts until new technology becomes available. This initiative further demonstrates our commitment to addressing climate change, even while our Company faces the unprecedented impact on profitability due to the COVID-19 related global voyage suspension. We plan to gradually increase our voluntary offset purchases in future years until we achieve full carbon neutrality,¹ while simultaneously exploring additional ways to reduce our overall footprint.

~17%

reduction in fuel consumption per capacity day from 2008-2019



¹ Based on Scope 1 emissions which typically account for ~95% of our footprint.

GHG EMISSIONS REPORTING

In 2018, we developed a GHG inventory management strategy that enables us to quantify, report and verify our GHG emissions.¹

We currently quantify our Scope 1, Scope 2 and limited Scope 3 emissions. Beginning in 2019, we began calculating Scope 3 emissions related to employee commuting. Our emissions have received independent third-party verification and external assurance from our classification society, DNV. In a typical year, the vast majority of our footprint, approximately 95%, comes from emissions generated by our ships' fuel consumption.

On an absolute basis, our 2020 GHG emissions were significantly lower than the prior year at approximately 1.4 million MTCO₂e, down approximately 46% from 2019 driven by the global suspension of cruise voyages beginning in mid-March 2020 and continuing through year-end. During the voyage suspension period, our vessels have been docked or anchored around the globe at reduced manning levels, significantly reducing our overall fuel consumption. 2021 GHG emissions are also expected to be below historical levels due to the ongoing suspension of cruises but will increase in the future as we initiate a phased return to service.

On a per capacity day basis, we have made significant strides in reducing our CO₂ emissions rate across our fleet. We achieved an estimated 14% reduction in CO₂ emissions per capacity day across our fleet between 2015-2019. As we introduce nine new and more efficient vessels to our fleet through 2027, we expect this rate to further decrease.

We also use carbon offsets to counterbalance the impact of our emissions and address gaps in our decarbonization efforts until technology improves. We have committed to voluntarily offset at least 3 million MTCO₂e in 2021-2023.

Since 2019, we have also disclosed carbon emissions data to CDP (formerly known as the Carbon Disclosure Project). In our most [recent submission](#), we improved our climate change score to a 'B' in 2020, higher than the Marine Transport Sector, North America and Global average.

MTCO ₂ e	2017	2018	2019	2020
Scope 1 Emissions	2,504,436	2,615,864	2,687,980	1,442,306
Scope 2 Emissions ²	5,073	4,514	4,971	3,931
Scope 3 Emissions (Employee Commuting Only)	N/A ³	N/A ³	4,465	1,287
Total	2,509,509	2,620,378	2,697,416	1,447,524

¹ Emissions are calculated following the Greenhouse Gas Protocol Corporate Standard.
² Scope 2 Emissions are calculated using the Market-Based method.
³ Company began calculating Scope 3 emissions related to employee commuting in 2019.



DID YOU KNOW?

On our path to carbon neutrality, we are investing in voluntary carbon offsets and supporting projects around the world including a solar project in the Philippines, where a large portion of our crew call home.

CO₂ EMISSIONS MONITORING

In 2015, the European Union (EU) established the EU Monitoring, Reporting & Verification (MRV) regulation to record and assess the shipping industry's CO₂ emissions. Beginning January 1, 2018, vessels sailing in the EU and European Free Trade Association (EFTA) jurisdiction were required to collect fuel usage and emissions data for every voyage during the year.

We partnered with a third-party company to create a reporting portal to provide quick reports and data on fuel usage and CO₂ emissions throughout the year. This data is being reported to and published by the European Commission. The reports include information on the fuel consumed, distance traveled and time underway for the year for each of our ships sailing in the EU. Similar to the EU MRV, the IMO Data Collection System (DCS) focuses on accurate reporting of fuel consumption. Collection and reporting methods are included within the vessel's Shipboard Energy Efficiency Management Plan (SEEMP). The reports and emissions are then verified and reported to the IMO database by the ship's flag state.

The DCS data was first captured for 2019 and reported in 2020. Each ship receives a Statement of Compliance for fuel oil consumption reporting that is valid for one year, to provide evidence that the vessel's data was reported according to IMO requirements.

POSEIDON PRINCIPLES



We also support the [Poseidon Principles](#), a framework for assessing and disclosing the climate alignment of ship finance portfolios. This initiative aims to support financial institutions in integrating climate considerations into lending decisions in line with the climate-related goals of the IMO. The ultimate goal is to help promote responsible environmental behavior and incentivize international shipping's decarbonization.

The Poseidon Principles was developed in an effort spearheaded by global shipping banks – Citi, Societe Generale and DNB – in collaboration with leading industry players – A.P. Møller Mærsk, Cargill, Euronav, Gram Car Carriers, Lloyd's Register and Watson Farley & Williams – with expert support provided by the Global Maritime Forum, Rocky Mountain Institute and University College London Energy Institute/UMAS. To date, 20 financial institutions have joined the initiative, representing over \$150 billion in loans to international shipping or more than 1/3 of the global shipping finance portfolio.

As of the date of issuance of this report, we have already provided data to six signatory banks as part of their alignment with the Poseidon Principles.

CLIMATE RISKS AND SCENARIO PLANNING

We plan to undertake carbon risk scenario planning that will focus on priority climate change risks. The first priority is transition risks from potential future policies that would create a cost of carbon, which in turn would affect direct costs and pricing to customers. The second priority is physical risks from increased storm frequency and severity, leading to business interruption in ship ports of call. We will evaluate the financial impact of the risks and determine which risks may have a financial impact, develop models to quantify the financial impact of the inherent risks and mitigation strategies. The results of the scenario analysis will be integrated into our ESG strategy. We also plan to increase our transparency and align our climate-related disclosures according to the Task Force on Climate-related Financial Disclosures (TCFD) framework.

EMISSIONS REGULATION

Our vessels' emissions, like many of our operations, are subject to multiple levels of regulation. The vessel must adhere to all applicable international, state and local requirements, as well as company specific procedures.

Beginning in January 2020, the IMO convention entitled Prevention of Pollution from Ships (MARPOL) set a new global limit on fuel sulfur content of 0.5%, reduced from 3.5%. To comply with this regulation, we are using marine gas oil (MGO) and exhaust gas cleaning systems (EGCS). EGCS reduce fuel emissions with a sulfur content greater than 0.5% to an equivalent amount of sulfur emissions as compliant fuel.

MARPOL also requires stricter limitations on sulfur emissions within designated Emission Control Areas (ECA), which include the Baltic Sea, the North Sea/English Channel, North American waters and the U.S. Caribbean Sea. Ships operating in these waters are required to use fuel with a sulfur content of no more than 0.1% or use approved alternative emission reduction methods. MARPOL Annex VI also sets limits for nitrogen oxide (NO_x) emissions. Unlike sulfur oxide (SO_x) emissions, which relate to the fuel burned, the NO_x emissions are related to the engines onboard the vessel. While the SO_x regulations are retroactive and apply to ships that were in service prior to the regulation, the global NO_x requirements are based on the keel lay date of the vessel.

EXHAUST GAS CLEANING SYSTEMS

To decrease exhaust emissions, we have invested approximately \$170 million to install EGCS on many of our ships. This innovative technology reduces the levels of SO_x and particulate matter emitted from the ship by cleaning or scrubbing the emissions before they are released from the stack.

On occasion, a white plume may be visible from the funnel of the vessel when an EGCS is in use, which is a result of vapor/steam mixing with the regulatory compliant emissions.

~70%

of operational capacity or
13 ships will be equipped
with EGCS by the end
of 2021¹

¹ Operational capacity based on lower berths.

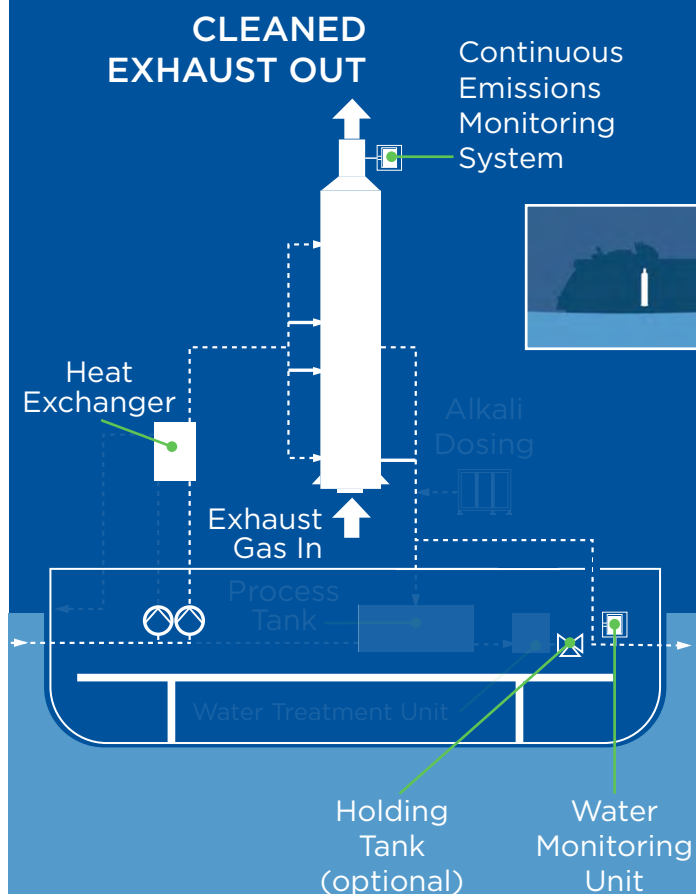
Ships equipped with this technology can reduce SOx emissions by up to 98%. Ninety-two percent of systems installed on our ships can operate in open or closed loop, which is known as a hybrid system. This allows the ships to operate the systems within compliance in expanded areas of the world.

During the voyage suspension, we took the opportunity to accelerate EGCS installations on Norwegian Breakaway and Norwegian Getaway, which were originally scheduled to be installed in 2023. Once completed in summer 2021, 13 of our 17 Norwegian Cruise Line vessels will have scrubbers installed. Vessels across our fleet that do not have EGCS installed use compliant MGO.

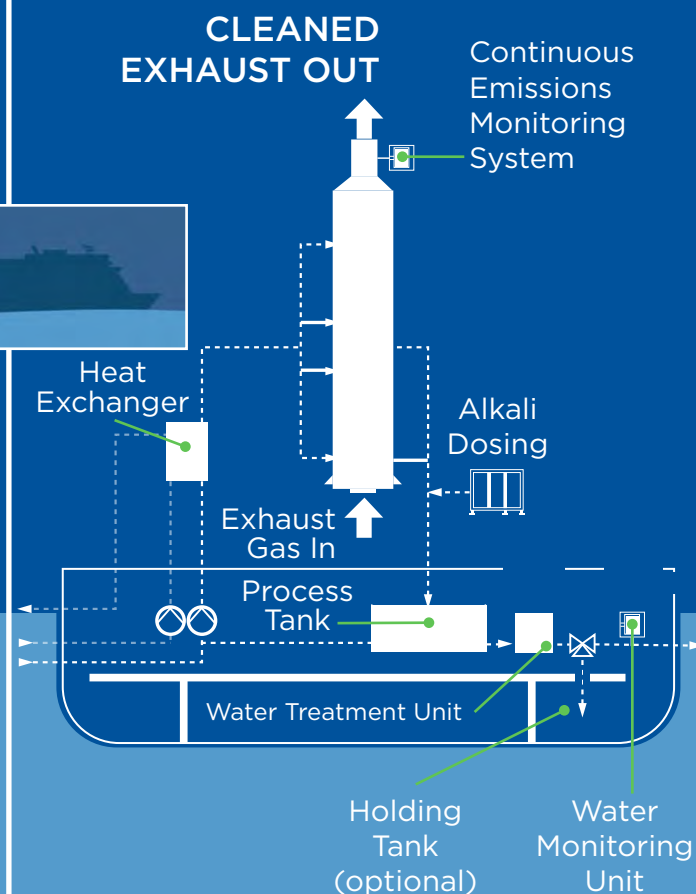


EXHAUST GAS CLEANING SYSTEMS

OPEN LOOP



CLOSED LOOP



COLD IRONING

Our ships continue to generate their own power while in port, providing heat, air conditioning, lighting and hot water for guests and crew. A small number of ports we visit have installed infrastructure for cruise ships to connect to onshore electrical power grids to supply much of the power needed while docked — a process known as cold ironing and frequently referred to as shore power.

While still limited, the number of ports with this infrastructure is increasing, and we are supportive of the expansion of this capability. In late 2020, we completed an agreement with the Port of Southampton to support the building of its fifth cruise terminal which features shore power as well as other environmentally-friendly initiatives. In early 2021, we also signed a joint initiative along with six other cruise lines, Miami-Dade County and Florida Power & Light to work together to bring shore power to PortMiami, widely considered the Cruise Capital of the World. While still in early stages, this initiative would make PortMiami the first port in the southeastern United States to provide shore power connectivity.

Thirty-five percent of Norwegian Cruise Line's ships and one ship for Regent Seven Seas Cruises are equipped with cold ironing capabilities. In addition, all newbuilds currently on order will have cold ironing capabilities, and we are in the process of retrofitting several existing vessels, including Oceania Cruise's Regatta and Insignia and Regent's Seven Seas Mariner, which are expected to be completed by the end of 2021. We will continue to evaluate the availability of shore power connectivity for future newbuilds, retrofits of existing vessels and itinerary planning.

ENERGY CONSERVATION

SHIPBOARD ENERGY EFFICIENCY MANAGEMENT PLAN

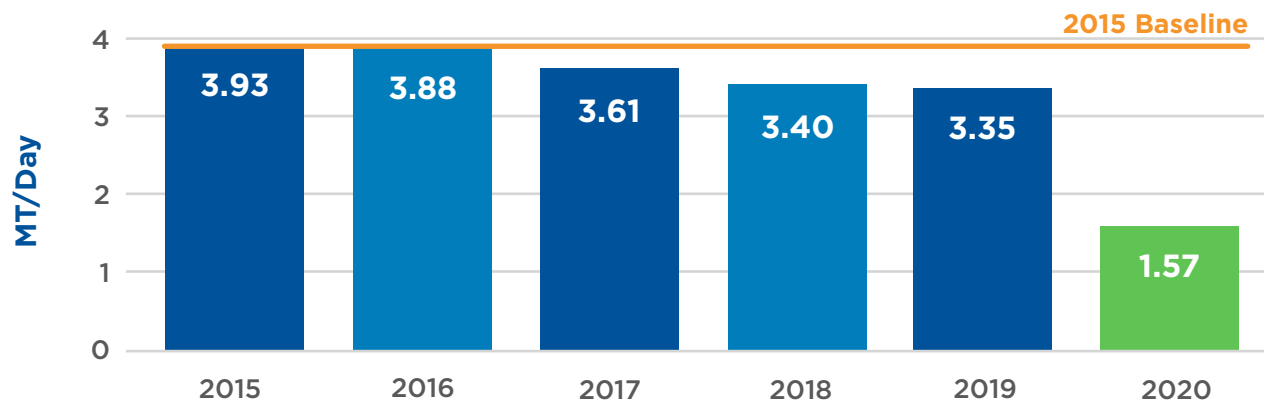
Each ship in our fleet has a Shipboard Energy Efficiency Management Plan (SEEMP). The primary objective is to improve the overall operating efficiency of the ship on a long run by implementing optimized methods for energy and fuel savings. Those initiatives include improving voyage planning, optimizing ship's speed, operating the main engines at their most economical loads, optimizing HVAC systems and improving our ships' hydrodynamic capabilities by upgrading propulsion systems with more efficient propellers. Onboard energy management meetings are also held quarterly to discuss energy conservation projects, track energy efficiency initiatives and identify future projects. During our voyage suspension period, we worked with Eniram (Wärtsilä), which offers marine energy management technology, to improve the accuracy of our data and expand our KPIs.

With less demand for steam during the voyage suspension beginning March 2020, boiler consumption during 2020 decreased by approximately 53% compared to 2019.

PROPULSION POWER

A key area of focus in our energy saving initiatives is propulsion power, which represents just over 50% of the total energy usage on a ship. To help increase propulsion efficiencies, we have applied low friction silicone hull coating to 100% of our fleet and have completed hydrodynamic upgrades. In 2020, we completed hydrodynamic upgrades to Oceania Cruise's Nautica with the installation of the Rolls Royce PROMAS system, which is estimated to provide between 8-10% propulsion power savings once the ship returns to normal operations.

Fleet Average Boiler Fuel Consumption Per Day



VOYAGE PLANNING AND OPTIMIZATION

While smart itinerary and voyage planning makes good business sense, it also helps reduce energy utilization. As we add more exciting destinations around the world for our guests to enjoy, we constantly work behind the scenes to find the most fuel-efficient routes when planning each new voyage. Itineraries are optimized by looking for options where our vessels can travel at lower speeds, analyzing currents, time at sea and efficient port selection. We also achieve fuel savings each cruise by taking weather forecasts and wave conditions into account to optimize the ship's route, speed profile and engine loads.

WASTE HEAT RECOVERY

One of the most successful programs implemented on our ships to-date is Waste Heat Recovery (WHR). This process works by recovering heat from the engines and transferring it to freshwater piping, enabling the utilization of a free source of energy for improving water production and saving fuel. The typical return on investment for our WHR installation projects is less than one year. In 2020, we had two WHR projects scheduled for installation on Norwegian Jade and Norwegian Spirit, which have been postponed to 2021 and 2022 respectively, due to the voyage suspensions. Once completed, the Norwegian Jade project is expected to generate weekly savings of 10 MT or 520 MT/year and the Norwegian Spirit project is expected to create weekly savings of 20 MT or 1,040 MT/year.

LED LIGHTING UPGRADES

We have upgraded lighting on many ships to energy-efficient LED lights which helps reduce our energy consumption. For example, in recent years we upgraded 200 units per ship on Norwegian Jewel and Norwegian Star, which has resulted in an approximately 70% reduction in daily energy consumption and approximately 50% reduction in heat output. In 2020, we completed LED upgrades on the Norwegian Spirit, including its engine room, tech spaces, galley and provision rooms.

HVAC SYSTEMS

We monitor and optimize our HVAC systems to ensure we are reducing energy consumption. In 2020, HVAC ducts were cleaned, which will improve the efficiency of the system.

AIR LUBRICATION SYSTEM

Norwegian Joy is equipped with an innovative air lubrication system. The system creates air bubbles distributed across the ship's hull, which results in reduced resistance as the ship sails, saving energy in the process.



CONSERVATION DURING COVID-19

During the global voyage suspension due to COVID-19, our ships were transitioned to various states of lay-up with reduced crew complements. Even while at port or anchor, a cruise ship cannot be turned off completely without risk of causing harm to the vessel. However, our teams were trained on how to maximize efficiencies and minimize energy usage to reduce our environmental impact and conserve costs during the voyage suspension period. Each ship was provided a list with best practices including initiatives such as:

- **HVAC system** — Minimized usage in unoccupied areas. Crew accommodations were regrouped in a few zones to minimize consumption. In unoccupied areas, a ventilation rotation program was implemented around the vessel to prevent damage to guest furniture and carpets.
- **Chiller** — Minimized usage as AC needs were much lower than during normal operation.
- **Lighting** — Minimized use when possible and conducted rounds to ensure that office lighting was switched off at night.
- **Machinery** — Placed certain systems in conservation mode when not needed.
- **Power System** — Used one engine when ships were docked in port.
- **Navigation** — Used economical speed when ships repositioned or when discharging Gray Water outside the 12 nm limits.
- **Guest Cabins** — Ensured that lights were switched off, curtains were closed and balcony doors were properly shut and sealed.
- **Laundry** — Minimized usage of laundry machines based on reduced number of crew onboard.
- **Elevators** — Switched off all guest elevators.
- **Galley** — Minimized and centralized usage.
- **Refrigeration** — All unused refrigerated cabinets or guest cabin refrigerators were cleaned and switched off.

NEWBUILDS AND INNOVATION

We continuously seek and invest in new technologies and innovations that will allow us to improve our environmental performance, both for our existing fleet and the new ships we have on order.

Environmental impact is a key priority when we design new ships. We make significant investments to ensure our newbuilds are equipped with new and enhanced technology to reduce emissions, optimize fuel consumption and maximize energy efficiencies. Broadly speaking, when a new Norwegian Cruise Line vessel is introduced to the fleet, its energy efficiency investments result in an approximately 1% decrease in annualized fuel consumption per capacity day for the entire 28-ship fleet.

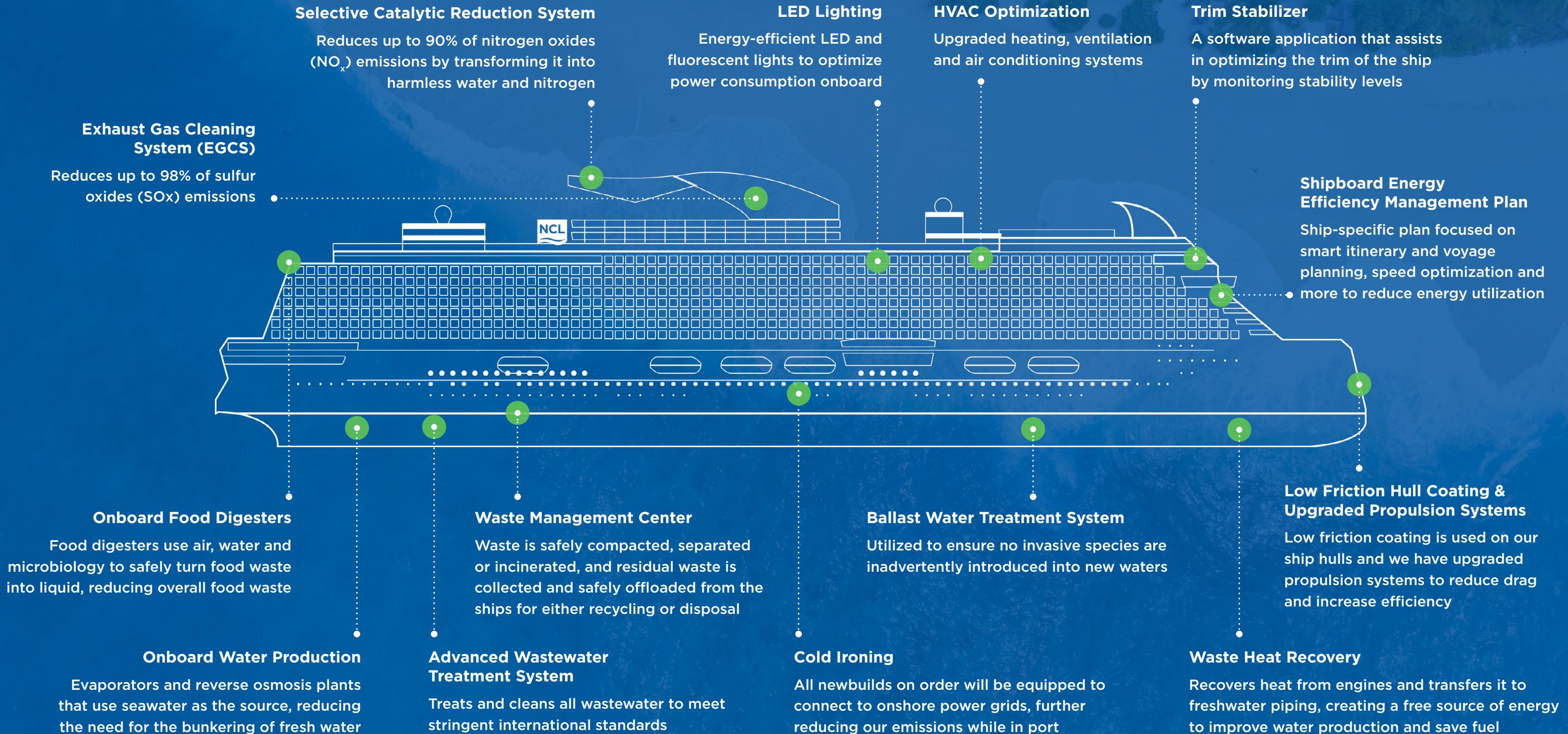
All of our newbuilds on order are equipped selective catalytic reduction systems (SCR) which reduce up to 90% of NOx emissions by transforming it into harmless water and nitrogen. In addition, our Prima Class vessels are designed with an X-bow inverted bow design. The X-bow is curved backwards, which helps to reduce the impact loads on heavy seas and improves overall stability and fuel efficiency therefore reducing emissions.

We have also partnered with CLIA and other maritime organizations to propose the establishment of a collaborative shipping research & development fund dedicated to the ultimate goal of eliminating CO₂ emissions from international shipping. Funding would come from a contribution per tonne of marine fuel purchased for consumption and is expected to amount to \$5 billion over a 10-year period. These funds will be used to finance the accelerated development of zero and near-zero GHG fuels and propulsion technologies.

There are several zero-carbon fuels currently being researched and developed, such as ammonia used in internal combustion engines, fuel cells and electric motors combined with batteries. As new alternative fuel sources become available at sufficient scale in the future, we will evaluate how these can accelerate our carbon reduction strategy.



NORWEGIAN PRIMA CLASS SUSTAINABILITY FEATURES:



ENVIRONMENTAL MANAGEMENT AND REGULATION

The backbone of our environmental programs is our ISO 14001-certified Environmental Management System (EMS). Our EMS helps us systematically identify, manage and control activities related to our environmental performance, manage progress toward our environmental goals and ensure compliance with all applicable regulations. Our EMS is certified through an independent third-party audit and verification.

ENVIRONMENTAL REGULATION

Cruise operations comply with strict regulations, including those established by international maritime conventions, as well as a multitude of national and local regulations. We view compliance with laws and regulations as the bare minimum requirement for our operations. Whenever possible, we work to reduce our environmental impact far beyond any requirements. Where regulations do not exist or are less stringent, we follow best practices for our operations. In the event of an incident, we immediately respond to address the problem at hand, mitigate the impact, work with any applicable regulators and implement procedures to prevent any future recurrence. Depending on the incident, a notice is sent to all vessels to prevent similar situations on other ships.

ADOPTING NEW SYSTEMS FOR COMPLIANCE

One of the ways that we continue to facilitate our vessels' environmental compliance is by researching and investing in systems that support our team members in staying informed on local environmental regulations. This allows for efficient voyage planning operations and helps further reduce the occurrence of incidents.

Prior to the voyage suspension in 2020, we were able to install one such system, called E-CAP, onboard Norwegian Encore. The E-CAP software works by interfacing with the vessel's navigation system to provide environmental planning and monitoring assistance for a vessel's voyage. The system contains a global regulatory database that includes international and local requirements, as well as our Company's environmental operation policies. Utilizing the system allows for environmental voyage plans to be created and for the officers on watch to be alerted when to start and stop different operations.



“The E-CAP system is a great tool for assisting the onboard team with voyage planning, and it supports us to ensure environmental compliance in a complex world of environmental regulations.”

— CAPTAIN NIKLAS PERSSON, NORWEGIAN ENCORE

MULTIPLE LAYERS OF GLOBAL ENVIRONMENTAL REGULATION



INTERNATIONAL MARITIME ORGANIZATION (IMO) — The IMO is the United Nations' dedicated agency tasked with ensuring the safety and security of shipping, in addition to the prevention of marine and atmospheric pollution by ships. The most important conventions include: The International Convention for the Safety of Life at Sea (SOLAS), the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW) and the International Convention for the Prevention of Pollution from Ships (MARPOL).

INTERNATIONAL LABOR ORGANIZATION (ILO) — The ILO is the United Nations' dedicated agency tasked with promoting safe working conditions and advancing social justice in the workplace. The Maritime Labor Convention under the ILO, commonly referred to as the “seafarers’ bill of rights”, was adopted in 2006 to lay out international standards and rules for the uniquely global maritime industry.

CLASSIFICATION SOCIETIES — Marine classification societies such as DNV and Lloyd's Register play a pivotal role in ensuring we adhere to both class and statutory regulations on behalf of Flag States, in addition to verifying our compliance to voluntary certifications.

NATIONAL AND LOCAL GOVERNMENT — In addition to global regulations set out by the IMO and ILO, national and local governments frequently implement more stringent regulations.

FLAG STATES — Regional authorities require regularly scheduled document verification, Port State inspections and other methods to prove compliance.

VOLUNTARY CERTIFICATION — We voluntarily implement the ISO 14001 Environmental Management standard to facilitate compliance that is above and beyond regulatory requirements.

COMPANY POLICIES — We view regulatory compliance as the minimum requirement for our operations. Whenever possible, we work to reduce our environmental impact far beyond any requirements.



CREW AND SHORESIDE TRAINING

Prior to assuming their shipboard duties, all crew members learn the basic requirements for verifying environmental compliance onboard through our Environmental Familiarization Training. Each crew member also receives further specialized training that is appropriate to their individual job and responsibilities.

In addition, every shoreside employee must complete the Company's online Environmental Familiarization Training course annually. This training includes information about our environmental strategy and our global sustainability program, Sail & Sustain, and the policies, objectives and targets related to wildlife protection, water conservation and more.

ENVIRONMENTAL INTERNSHIPS

We also offer competitive internships for students interested in a career in the marine environmental protection sector. Our interns come from both maritime colleges and graduate universities, and many have gone on to work for us, both on our ships and shoreside.

ENVIRONMENTAL TRAINING

ENVIRONMENTAL OFFICERS

Every ship in our fleet is required to sail with an Environmental Officer (EO) whose job includes the implementation, training, oversight and verification of shipboard environmental compliance, in addition to providing shoreside assistance for developing environmental policies and procedures. The EO is also available onboard to answer guests' environmental questions and provide hands-on crew trainings.

EOs receive two weeks of on-the-job training before beginning their first contract, and they are required to attend a week-long Environmental Summit at the Company's headquarters. Every quarter the ship's EO coordinates with onboard senior management to conduct an in-depth self-assessment of all onboard environmental programs. During this assessment, all systems, logs, documents, records and procedures are evaluated in each department for compliance with Company procedures. These assessments are then submitted to the Corporate Marine Operations Department for review.



WATER STEWARDSHIP

We have a responsibility to respect and protect our valuable shared water resources, which are becoming increasingly scarce, and work to be good water stewards. This is critical to the long-term success of our Company, our oceans and the health of our communities and destinations we visit. Through a combination of onboard initiatives and progressive technologies, our ships are consistently improving their water production rates while simultaneously working to decrease consumption. Across our fleet in 2020, approximately 83% of fresh water used onboard was self-produced.



~83%

of water used onboard in 2020 was self-produced.

ONBOARD PRODUCTION

On board a ship, water is primarily used in staterooms for showers, bathtubs and sinks, as well as utilized in galleys, laundry, pools, whirlpools, spas and for cleaning public spaces. Our Company has increased onboard water production with evaporators and reverse osmosis (RO) plants that use seawater as the source, which reduces the need for the bunkering of fresh water. This is particularly important in countries where fresh water is limited and best reserved for local populations.

In 2020, we used approximately 2.5 million M³ of fresh water for all onboard operations, down approximately 65% vs 2019, due to the voyage suspension.

WATER SOURCING: Reverse Osmosis

RO produces fresh and technical water from seawater using high-pressure pumps and sophisticated water filters and treatment components. RO plant production can range from 250 cubic meters (M³) to 825 m³ per day, based on the size and capacity of the plant. We currently have more than 45 RO plants across our fleet and are continually evaluating further installations on existing ships and newbuilds. Norwegian Encore, delivered in 2019, is equipped with four RO plants for a total production capacity of 2850 M³ a day. In 2020, Norwegian Spirit and Pride of America also both received new RO systems with a production capacity of 600 M³.

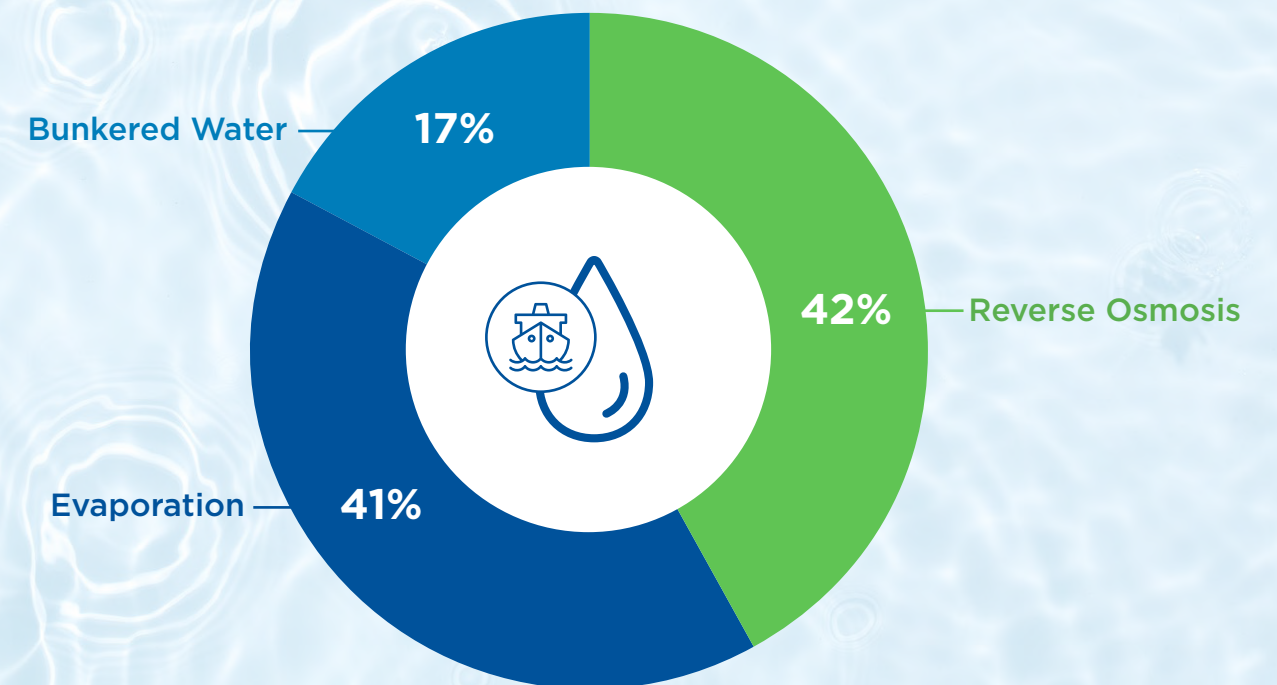
Steam Evaporators

Evaporators produce fresh water from seawater utilizing heat sources such as exhaust gas boilers, oil-fired boilers or wasted heat recovered from the main engine high-temperature cooling system.

Bunkered Water

Bunkered water is potable water acquired in port for use on board. We seek to minimize or avoid bunkering water in ports where water is scarce or will cause additional stress to the local community.

2020 Fleet Water Production



DID YOU KNOW?

Our water conservation efforts have resulted in a ~4.5% decrease in fleet average water consumption per person per day between 2015-2019.

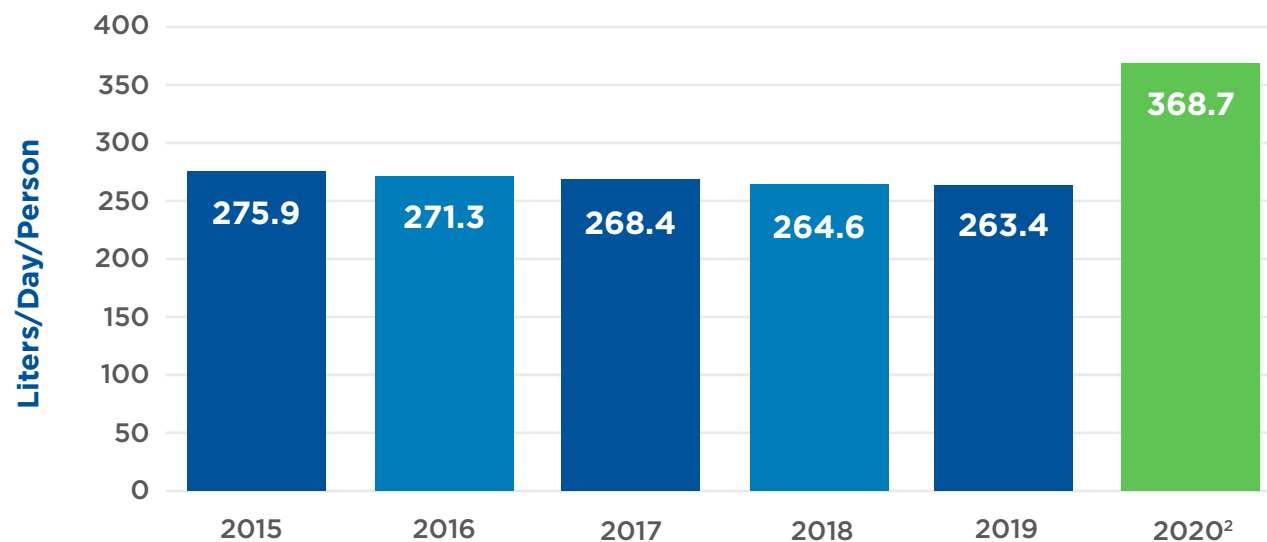
WATER CONSERVATION

We employ numerous initiatives on board to conserve water and reduce our overall consumption. Our crew is trained in measures to save water, and we continuously look for further opportunities to drive water efficiency. Our efforts have resulted in an approximately 4.5% decrease in fleet average water consumption per person per day between 2015-2019. In 2020, this metric optically increased due to our voyage suspension which resulted in less people onboard, however, overall water consumption in 2020 decreased to an average of approximately 241 M³ per day, approximately 64% lower than 2019.

Some of our onboard water conservation efforts include installing water flow reducers on all sink taps and shower heads. Our ships also repurpose and use AC condensate when possible as technical water for machinery systems, laundry, deck washing and more. We have increased or upgraded onboard RO plants, and we plan to install additional water meters to measure consumption in more locations in order to better craft our water conservation plans moving forward. In 2020, we installed additional meters on some ships to track consumption in areas like laundry and galleys which typically have higher consumption rates.

In 2019, we removed towel animals and ice buckets and tongs from all standard staterooms in an effort to save the significant amount of water, power and detergent needed to clean and sanitize these amenities. These two initiatives combined are expected to result in over 2 million kWh of energy savings per year.¹

Fleet Average Water Consumption



¹ Based on the NCL Fleet fully operational with all passenger cabins occupied.

² 2020 figure is impacted by COVID-19 related voyage suspension which resulted in less people onboard. Overall water consumption decreased significantly in 2020.

UNDERWATER SOUND EMISSIONS

In partnership with DNV, we completed underwater sound surveys for three ships in service: Norwegian Jewel, Norwegian Joy and Norwegian Bliss, as well as Norwegian Encore during sea trials. By conducting these surveys, we were provided the opportunity to demonstrate our low environmental footprint. Monitoring our underwater sound emissions is just another way in which we are working to minimize our environmental impact. The Company qualified for and received SILENT-E (Environmental) class notation, which applies to vessels demonstrating a controlled environmental noise emission and ensures that vessels do not exceed typical average-to-moderate underwater noise levels. Vessels with this notation are able to document noise performance for authorities or others requiring proof of noise emission for transit through vulnerable areas.



WASTE MITIGATION

Our Company is committed to reducing onboard waste through innovative technologies, staff training and stringent recycling programs. We are embracing the principles of a circular economy and working to adopt and apply these principles in our waste mitigation strategy.

Our progressive waste mitigation program lessens the environmental impact of our operations, reduces pollution, promotes diversion of material from landfills, conserves natural resources and saves energy. We reduce waste through reusing and recycling, with clear benchmarks serving as the measurement of progress.

There are many important factors in creating a successful waste mitigation operation, including proper training. Our Environmental Familiarization Training emphasizes the importance of separating waste at the source and helps identify which materials can be recycled and how to properly handle those items. For its environmental efforts, Norwegian Cruise Line was awarded the USCG William M. Benkert Marine Environmental Award- Gold in 2018, 2014 and 2012.



DID YOU KNOW?

CLIA estimates that cruise ship waste management professionals recycle 60% more waste per person than the average person recycles on shore each day.

REDUCE, REUSE AND RECYCLE

Our crew adheres to a rigorous recycling program to ensure that our ships take advantage of every opportunity to recycle and reduce waste to landfill. We also encourage guests to contribute to recycling efforts by using the recycling bins around the vessel for plastic, paper and aluminum. Over the past decade, the availability of recycling programs has increased, and we continue to focus on working with vendors who are committed to this as well.

SOLID WASTE

Solid waste materials are collected, processed, palletized and landed for recycling and disposal shoreside or are incinerated on board our ships. Solid waste consists of aluminum and tin cans, glass bottles, cardboard, office paper, food preparation and table scraps, plastic bottles and containers, packaging, expired light bulbs, paints and chemicals, refurbishment debris and medical waste. All recyclable materials are hand-sorted in our waste management rooms which are equipped with bailers, shredders, compactors and crushers.

FOOD WASTE

We seek to minimize food waste through a comprehensive inventory management plan. In addition, we utilize food digesters to reduce the amount of food waste discharged to sea or landed. Food digesters use air, water and microbiology to safely turn food waste into liquid. Our crew receives training on how to use them and what types of food waste are better digested. More than 30% of our ships have onboard food digesters.

HAZARDOUS WASTE

Our vessels produce small quantities of hazardous waste, known as special waste in parts of the world. In the United States hazardous waste is defined by the U.S. Resource Conservation and Recovery Act (RCRA), which gives the U.S. Environmental Protection Agency (EPA) the authority to control hazardous waste from cradle to grave. This includes the generation, transportation, treatment, storage and disposal of hazardous waste. The management of hazardous waste is one of our highest priorities. Hazardous waste products are segregated into leak-proof containers and landed to an approved shoreside disposal facility, or for some types of medical waste, incinerated on board.

REFURBISHMENTS AND DONATIONS

Our ships routinely go into dry-dock every few years for technical maintenance and enhancements, which can produce a large amount of waste. Before initiating a new ship refurbishment, we aim to maximize recycling and donation and look for ways to minimize the amount of waste sent to landfills.

Donated items from ships can help support communities while also mitigating waste. In 2019, our ships donated goods to the American Red Cross, Salvation Army, Habitat for Humanity, Women Helping Women Shelter and to local organizations in various international ports.



“Our refurbishment program is critical to maintaining our competitive advantage by keeping our fleet in pristine condition and continuing to enhance the guest vacation experience. We minimize waste by recycling and donating to support communities and also use these opportunities to take advantage of emerging technologies that result in more energy-efficient and technologically advanced vessels.”

— ROBIN LINDSAY, EXECUTIVE VICE PRESIDENT, VESSEL OPERATIONS

WORKING WITH WASTE MANAGEMENT

In 2020, we recycled 1,031 tons of aluminum, cardboard/paper, scrap metals, plastics, wood pallets and glass. These recycling efforts conserved the following resources:



2,945 MATURE TREES

Represent enough saved timber resources to produce 50,082,000 sheets of printing and copy paper



2,732 CUBIC YARDS OF LANDFILL AIRSPACE

Enough airspace to fulfill the annual municipal waste disposal needs for 3,508 people



2,832 KW-HRS OF ELECTRICITY

Enough power to fulfill the annual electricity needs of 271 homes



AVOIDED 2,732 METRIC TONS (MTCO₂E) OF GHG EMISSIONS

The recycling of these materials prevented these GHG emissions



1,718,500 GALLONS OF WATER

Represent enough saved water to meet the daily fresh water needs of 22,913 people

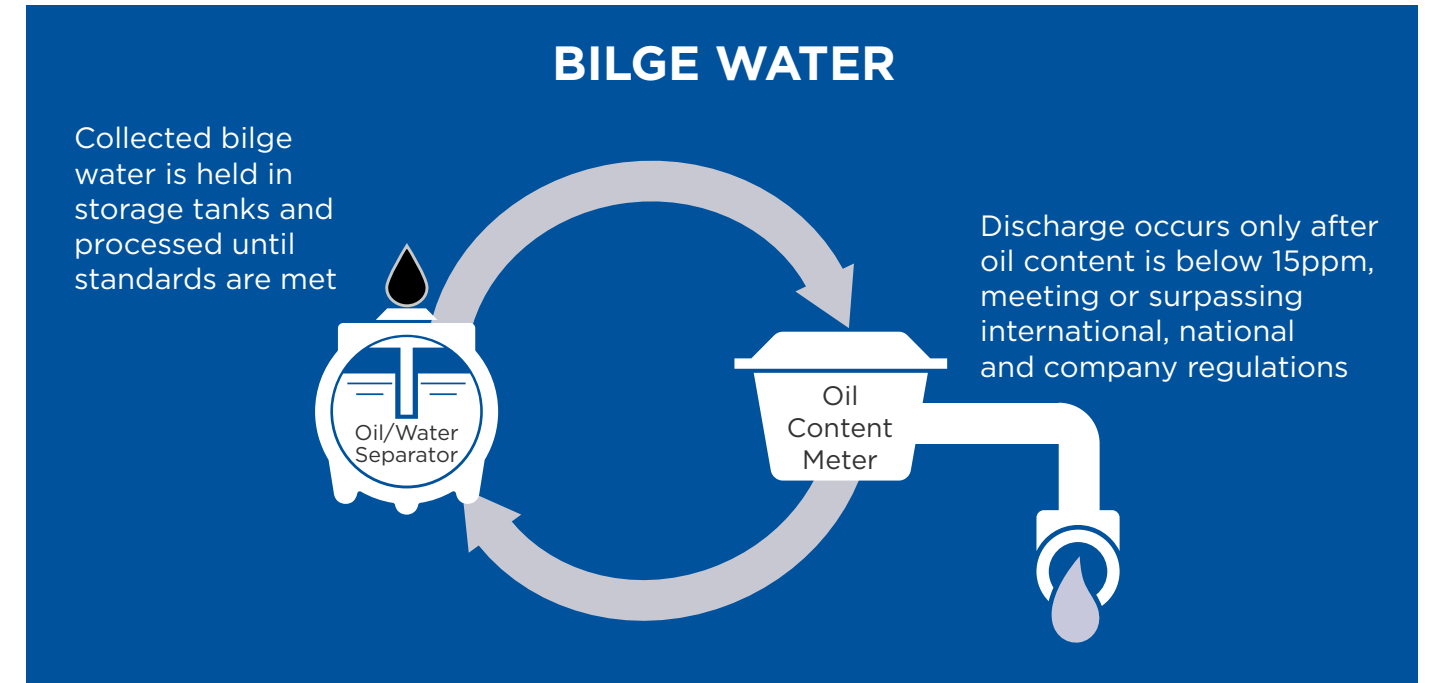
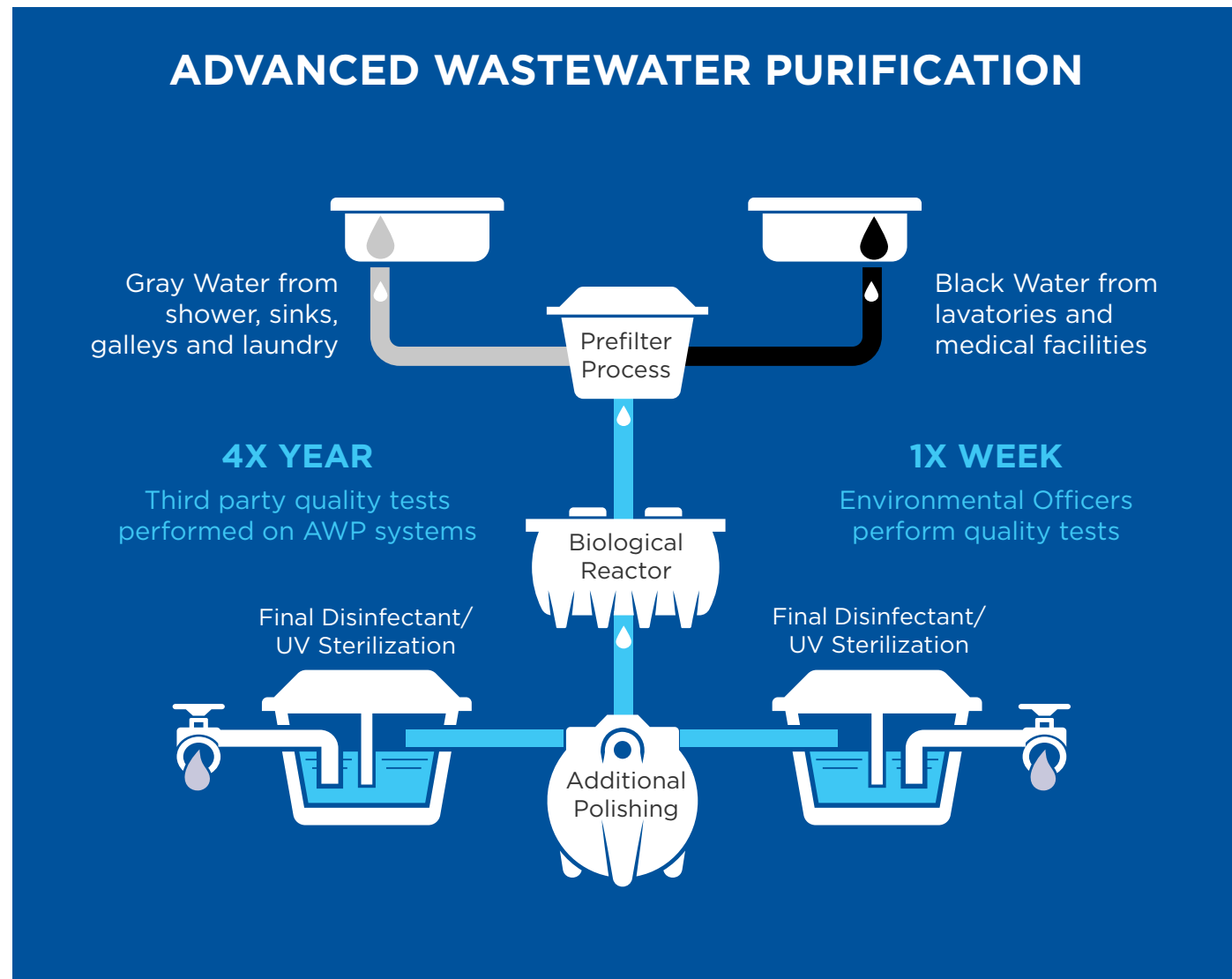
Sources: U.S. Environmental Protection Agency, International Aluminum Institute, National Association for PET Container Resources, Institute of Scrap Recycling Industries, Earth Works Group Recycler's Handbook, One Earth Recycle, Bring Recycling.org, National Recycling Coalition, US Forest Products Laboratory, and Waste Management. © Waste Management 2017

WASTEWATER TREATMENT

Our company has strict discharge standards and policies for all wastewater generated on board. We have installed the latest technologies which are designed to produce a higher effluent quality. This is primarily done during the newbuild process, however we continually look for opportunities to upgrade systems on our legacy ships.

GRAY AND BLACK WATER

To treat wastewater on board, all ships are equipped with internationally compliant wastewater treatment systems. This produces effluent that meets or exceeds international sewage regulations and many municipal wastewater facility standards. One-hundred percent of our ships have Advanced Wastewater Purification (AWP) systems installed. Weekly internal testing by the vessel's Environmental Officer and routine external sampling help verify that we continue to meet compliance.



BILGE WATER

Wastewater collected in machinery and engine spaces is known as bilge water. To ensure compliance, bilge water goes through a treatment process that separates the oil in the bilge water, which will be landed ashore as sludge, from the clean bilge water. The clean bilge water goes through an oil content meter, which analyzes and records the oil content of the clean bilge water. All ships are equipped with an automatic stopping device so that if the clean bilge water does not meet requirements, discharging is automatically stopped, and the bilge water is reprocessed until the standards are met. Bilge water that cannot be discharged is collected and landed ashore as sludge to an approved vendor.

ENVIRONMENTAL PARTNERSHIPS

Through our environmental partnerships our Company is able to diversify our conservation efforts into areas that we would not otherwise be able to. We work with a variety of groups that have deep ties to the communities they operate in. Two of our partnerships are focused on more niche conservation efforts that heavily impact the communities around the world we visit. The first of which is with The Perry Institute of Marine Science and Nova Southeastern University (NSU). The second of which is with the Alaska Raptor Center (ARC).

CORAL REEF RESTORATION

Our private island in the Bahamas, Great Stirrup Cay (GSC), is bordered by a coral reef. This is a critical marine ecosystem that is among the most diverse and productive ecosystems on the planet. Unfortunately, a 2017 habitat assessment by the Bahamas National Trust found coral reefs in this area were severely degraded due to a combination of natural and anthropogenic stressors. Since 2018, we have partnered with the Perry Institute of Marine Science and NSU to assess the coral reefs surrounding GSC. Researchers from Dr. David Gilliam’s Coral Reef Restoration, Assessment and Monitoring Lab at NSU’s Oceanographic Center have been studying the health of these reefs and ways to improve coral restoration techniques for the endangered Acropora coral species.



Caribbean acroporids were once highly prevalent ecosystem engineers throughout the region, but their populations have declined by up to 98%. Underwater coral nurseries were established at GSC using fragments of two Acropora coral species (staghorn and elkhorn) and their hybrid (fused staghorn) collected from wild colonies throughout the Berry Islands and Nassau area. Scientific divers monitored the growth and health of these corals for a year and found that the hybrid significantly outperformed the parental species.



While more research is needed, these results offer additional avenues for improving acropora coral restoration. This work was presented at the 2020 Bahamas Natural History Conference and was recently submitted for scientific journal publication in *Frontiers in Marine Science*. The NSU team also completed data analysis of reef surveys conducted at GSC and found that coral cover and juvenile recruitment was 2-3x higher than reefs in southeast Florida. In 2021, the project aims to continue the restoration research, improve and expand the nursery and transplant corals to the local reef.

ALASKA RAPTOR CENTER

The Alaska Raptor Center, located in Sitka, Alaska, is an avian hospital and rehabilitation center that in 2019 cared for over 190 injured birds of prey. We first partnered with ARC in 2017 to help reduce the center’s energy consumption and waste production by installing recycling bins and high efficiency dryers at the facility.

“Environmentally conscious travelers really appreciate the green option of recycling their cans and plastic containers. With about 50,000 visitors each year, these seemingly small changes really make a difference,” said Jennifer Cross, Executive Director of the Alaska Raptor Center.

We continued our efforts to help the center inspire visitors to protect the environment by funding an interpretive nature trail on ARC’s 17-acre conservation property. Our funds were utilized for trail building and signage development and installation detailing vegetation and animal habitats to guests. This trail officially opened to the public in 2019, further enhancing the guest experience at ARC.

“The aim is to connect people to the natural environment through educational recreation,” said Cross. “For a number of years, our guests have demonstrated an eagerness to stretch their legs and explore their new surroundings. The nature walk enriches their experience here as they learn more about the ecology of Southeast Alaska.”





OCEAN CONSERVANCY

As much as 150 million metric tons of plastic waste already pollute the world's oceans, with more making its way into the sea every year. Traces of plastic have been found in birds, sea turtles and more than 25% of fish in seafood markets worldwide. We continue to build on our global sustainability program, Sail & Sustain, by joining several of the world's leading corporations and organizations in Ocean Conservancy's Trash Free Seas Alliance® to support our shared vision of a world with waterways, beaches and oceans free of plastic waste.

Among their many achievements, the organization helped get legislation passed to protect oceans and reduce plastic waste. Ocean Conservancy staff also lead the annual International Coastal Cleanup, which has engaged more than 14 million volunteers who have removed over 250 million pounds of trash from beaches and waterways around the globe since it began more than three decades ago.

GUY HARVEY OCEAN FOUNDATION



We have a strong partnership with the [Guy Harvey Ocean Foundation](#) (GHOF) and NSU's Guy Harvey Research Institute. In the past we have hosted an annual ocean conservation-themed cruise, Cruising for Conservation with Dr. Guy Harvey. This unique cruise showcased the importance of conserving the beauty and well-being of marine life.

Guests who sailed on the last conservation cruise in 2019 experienced an unforgettable week full of opportunities to meet Dr. Harvey, world-renowned marine artist, scientist, conservationist, entrepreneur and hull artist of Norwegian Escape, as he hosted curated events about ocean conservation on board and at various ports of call.

Guests learned about the GHOF's efforts to conserve the ocean environment, and heard from a panel of marine life experts and scientists from NSU and the University of Rhode Island about the importance of continued support for cleaner and safer waters through conservation and sustainability efforts. Dr. Harvey also treated guests to live painting sessions where he discussed how he transformed from marine biologist to one of the world's foremost marine wildlife artists.

“From the technology aboard their ships to educating cruise passengers, Norwegian Cruise Line is a pioneer in sustainably enjoying our ocean resources. We are extremely proud of our relationship with NCL and I am thrilled to have my artwork and conservation work showcased aboard Norwegian Escape.”

— DR. GUY HARVEY



RESPONSIBLE SOURCING



We are committed to working with diverse partners across the supply chain to source safe, high quality, ethically responsible and sustainable products for our guests. We typically spend nearly \$3.7 billion annually through our supply chain, representing a wide variety of goods and services, and partner with over 30,000 suppliers globally. We recognize the economic, environmental and social impact of this large global network of suppliers and believe we can work together to drive progress toward our responsible sourcing goals. We have formal policies and clearly defined expectations in place for our suppliers regarding environmental management, health and safety, ethics, anti-bribery, human rights and labor practices. In addition to our internal team, we utilize an external ESG Supply Chain consultancy to assist with developing strategies and areas of focus that are relevant to the cruise industry and consumers.

SOURCING DURING COVID-19

2020 spend across our supply chain was significantly impacted by our global voyage suspension, which has continued well into 2021. In response to the pandemic, our team worked quickly to partner with vendors and minimize disruptions to our supply chain. This included re-directing product ordered for our guests and crew pre-pandemic to our ships for crew and staff onboard to utilize. Some of the steps taken were consolidating orders to leverage freight efficiencies and reviewing open orders with business owners to determine what could be paused or canceled. In addition, we worked with vendors to renegotiate key terms on contracts and pricing to improve our cost basis.

We conducted a comprehensive return to vendor and reverse logistics project to return goods not needed during the suspension period. We partnered with our suppliers to understand their inventory levels and did everything in our power to assist in depleting as much product as we could for crew use onboard. We made several large donations of food and beverage items, many in partnership with JUST® water, to our local community as well as other nationwide and global organizations, to assist families in need during this challenging time, providing over \$2 million of humanitarian relief. We also closely monitored the financial health of our key suppliers, most of which are heavily reliant on the marine and cruise industry, including utilizing both direct reviews and a third-party.

BY THE NUMBERS



~\$3.7B

approximate annual supply chain spend



~11M

single-use plastic water bottles and ~50 million plastic straws estimated to be eliminated annually across our fleet and two island destinations



>30,000

number of global suppliers



100%

of chicken purchased from suppliers in the U.S. and Canada who meet GAP standards expected by 2024



~75%

of our total worldwide seafood purchases certified by a recognized certification authority



100%

cage-free eggs from U.S. suppliers expected by end of 2025



~45%

of total U.S. supply spending with small businesses or businesses with minority, veteran or economically disadvantaged qualifications



~67

quarterly business reviews with suppliers in 2019

ELIMINATING SINGLE-USE PLASTICS

We have a strong focus on reducing and eventually eliminating single-use plastics across our organization. We joined several of the world's leading corporations and organizations in Ocean Conservancy's Trash Free Seas Alliance® to support our shared vision of a world with waterways, beaches and oceans free of plastic waste. As part of this vision, we expect the various initiatives in place will result in the elimination of over 11 million single-use plastic water bottles and 50 million plastic straws annually across our entire fleet and two island destinations.

JUST® WATER

In 2020, Norwegian Cruise Line became the first major global cruise company to be plastic water bottle-free through its partnership with JUST® Goods, Inc. JUST® Goods, Inc. is the parent company of JUST® Water – an innovative approach to sourcing and packaging the world's most valued resource, fresh water. Founded by American rapper, songwriter, actor and activist Jaden Smith and family, JUST® Water packages in a plant-based carton. The carton is refillable and made from trees grown in responsibly managed forests while the cap and shoulder are made from a sugarcane-based plastic. This innovative partnership is estimated to eliminate the use of approximately six million plastic water bottles from our ships annually.

VERO WATER®

In January 2019, Oceania Cruises and Regent Seven Seas Cruises pioneered a groundbreaking sustainability initiative to eliminate millions of plastic water bottles per year through a new partnership with Vero Water®. Vero is the gold-standard for on premise water purification systems in luxury hotels, resorts and Michelin starred restaurants worldwide. Vero uses a proprietary five-stage Nano-Filtration process to reduce impurities, chemicals and imperfections – resulting in a perfectly refreshing and smooth taste. Vero's onboard purification and filling process will enable the cruise lines to purify, chill and serve in Vero luxury glass bottles, still and sparkling water across their fleets. During the first phase of the initiative to remove single-use plastics, all plastic water bottles from staterooms and restaurants were eliminated.

During phase two, the focus is on removing small single-use plastic water bottles and providing guests with sustainable metal water bottles for use during their cruise and after returning home. Vero Water® is a sustainable alternative to traditional bottled water, and our partnership is expected to eliminate approximately five million single-use plastic water bottles across the Oceania Cruises and Regent Seven Seas Cruises fleets.



THE LAST STRAW

As a member of Ocean Conservancy's Trash Free Seas Alliance®, we launched an initiative in 2018 to eliminate single-use plastic straws from our two private island destinations and our fleet of 28 ships. It is estimated that this will eliminate more than 50 million straws from the fleet per year.

LOOKING AHEAD

We are continuously searching for new ways to reduce waste and further minimize our environmental impact. Some of the initiatives we have on the horizon include:

Garbage Bags — Upon our return to service, we will be replacing the garbage bags used on board our ships with more efficient sizing that will result in the elimination of over 600,000 pounds of plastic and 30,000 boxes consumed annually.

Single-Use Plastic Cups — In 2020, our fleet began to transition away from traditional single-use plastic cups by introducing bio-based cups made from a plant-based resin derived from renewable resources such as corn starch or sugar cane. Some onboard restaurants have already replaced plastic cups with reusable glass cups and dishes. This transition will continue as our ships return to service.

Foodservice Container — Upon our return to service, we will be replacing plastic foodservice containers and accessories with an unbleached wheat straw fiber option. This is the plant material that remains after wheat grain and chaff have been extracted – a byproduct waste that was once discarded is now used to substitute plastic resins.

Plastic Cutlery — Upon our return to service, we are replacing plastic cutlery with other biodegradable substitutes or stainless steel.

ANIMAL WELFARE

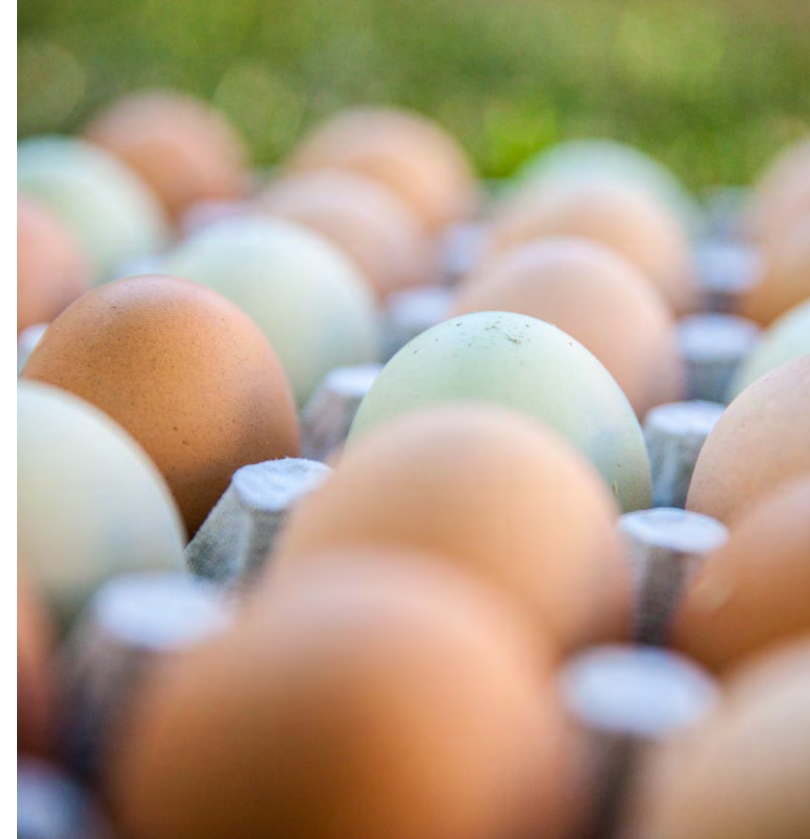
We are committed to furthering the legal, ethical and humane treatment of animals across our operations and our supply chain. Animal health and welfare is important to us, and we encourage suppliers to implement procedures to prevent the mistreatment of animals.

CERTIFIED CHICKEN

We are currently in the process of phasing in an updated purchasing standard for chicken using standards from the Global Animal Partnership (GAP). These standards define humane treatment for chicken housing and processing. By 2024, we plan to have all the chicken we purchase in the U.S. and Canada sourced from suppliers who meet GAP standards.

SUSTAINABLE SEAFOOD

The oceans sustain us, and in turn, we prefer and support seafood suppliers that uphold sustainable fishing practices. Our goal is to purchase all our seafood from certified sustainable sources, and we have made strong progress toward that goal. Pre-pandemic, approximately 75% of our total worldwide seafood purchases were certified by a recognized certification authority like the Marine Stewardship Council (MSC), the Aquaculture Stewardship Council (ASC), the Best Aquaculture Practices (BAP) and the Global Aquaculture Alliance (GAA).



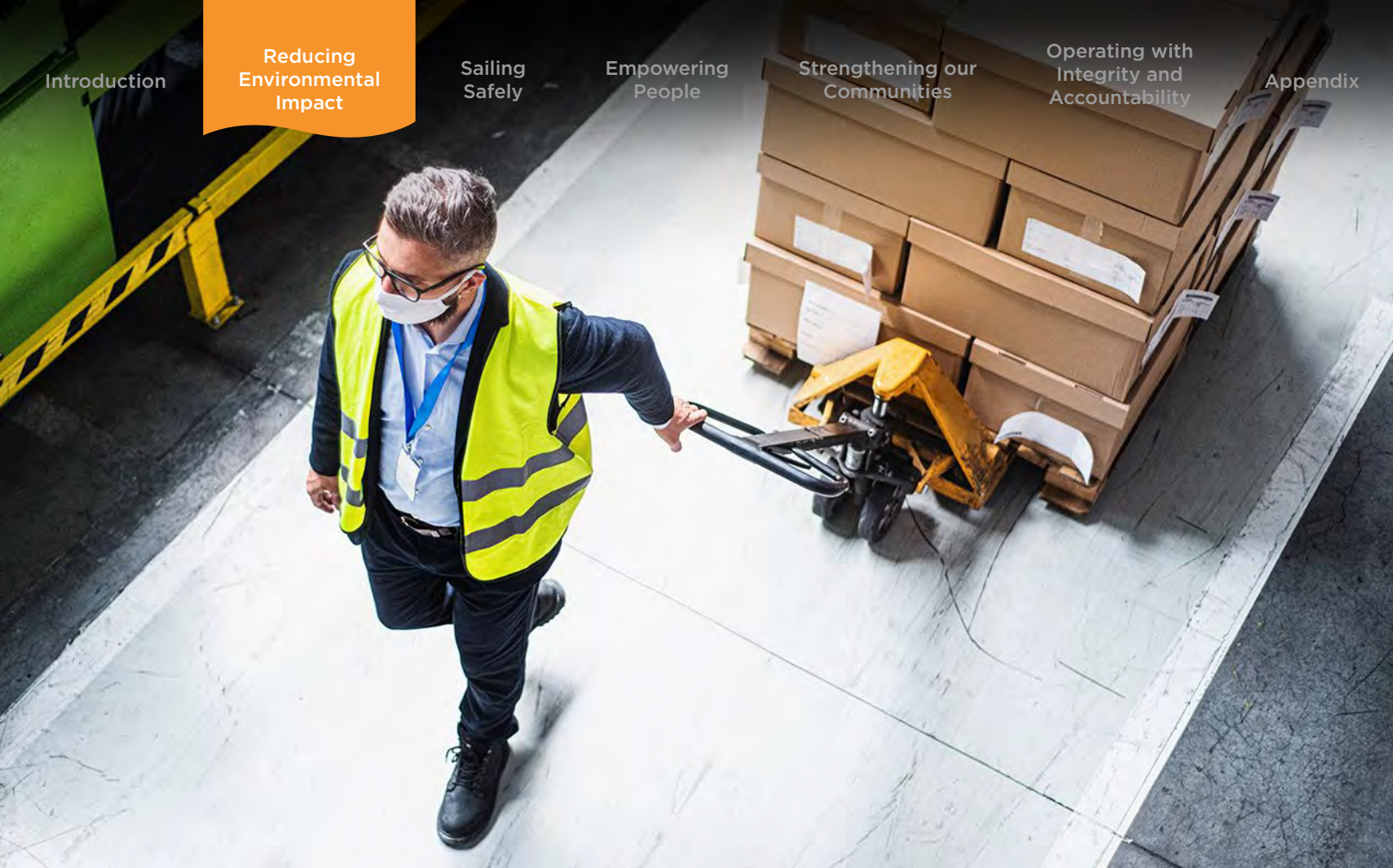
CAGE-FREE EGGS

In 2015, we committed that by the end of 2025, all the eggs we purchase from U.S.-based suppliers will be from those who use cage-free environments for their hens. We will phase in the purchase and use of cage-free eggs as supply allows. Cage-free confinement systems are considered to be more humane for laying hens as they allow greater freedom of movement and space to express more natural behaviors than conventional methods.

PLANT-BASED MENUS

In 2019, Oceania Cruises rolled out more than 200 new, healthy plant-based dishes across its fleet, offering the most extensive and creative plant-based menus at sea. The talented culinary team is providing these healthy and lower environmental impact menu selections in The Grand Dining Room and Terrace Café at breakfast, lunch and dinner, in addition to the already expansive gourmet offerings.





SUSTAINABLE INITIATIVES

SHORESIDE WAREHOUSE EFFORTS

We have shoreside procedures and best practices in place for our warehouses, including:

- Invested in water and soda machines and provided all employees with refillable coffee and water bottles to minimize usage of single-use plastic bottles.
- Eliminated plastic stirrers beginning in July 2020.
- Quarterly calibration of shrink-wrapping machines to ensure that the proper amount of plastic is used on each pallet.
- Recycle all glass, paper and plastic waste. This initiative has resulted in an estimated reduction of approximately 20 tons per month of materials sent to landfills.
- Empty wooden pallets offloaded from our ships at all Florida ports are recycled, and we are looking to expand this program to other U.S. ports.
- Moved a Miami warehouse entirely to LED lighting, a natural first step as lighting uses a significant amount of energy in the warehouse.
- All forklifts were switched to electric, with the exception of two that are still propane due to weight capacity.

SAIL & SUSTAIN COCKTAIL

We've partnered with BarLab to develop eco-friendly cocktails. Our guests can enjoy drinks made with surplus ingredients such as pineapple rinds, orange peels, spent coffee grounds and more. Pulp, skins, seeds, pits, leaves, stems and roots are all ingredients that may normally find themselves in the landfill but instead could be used to create these unique, delicious and nutritious cocktails.



ECOLAB INITIATIVES

Ecolab has been a trusted business partner since 2015, providing public health and food safety expertise and a range of cleaning and disinfectant products for shipboard use. This year, we kicked off a joint effort to reduce the environmental impact of these products.

The Ecolab program will be phased in over the next 18 months across our entire fleet and have a lasting and powerful impact in many ways. For example, our current floor cleaner requires a second mopping with water to remove any cleanser residue. By using a no-rinse, more highly concentrated formulation of floor cleaner, we will completely eliminate the rinse stage of floor mopping. This eliminates the use of clean water and the disposal of used rinse water. Additionally, the concentrated formulation will reduce the number of plastic jugs used by 50% and avoid sending used jugs for disposal.

Another initiative with Ecolab will eliminate five separate cleaning products used on different surfaces and replace them with a concentrated, multi-surface cleaner that also kills SARS-CoV-2, the virus that causes COVID-19. This cleaner comes in a 2-liter poly bag and replaces much heavier 2.5-gallon plastic jugs.

When fully implemented, this program will reduce the amount of plastic containers used for cleaning on board by more than 45% (approximately 20,000 pounds) and the amount of corrugated cardboard used to carry those products by more than 60% (approximately 24,000 pounds) each year.



REDUCING PAPER IMPACT

In 2017, we implemented a strategy to reduce our impact of mailing printed information to customers through a partnership with Sappi North America (SNA) for the purchase of paper in the U.S. SNA is a diversified global wood fiber producer, and 100% of SNA's wood fiber inputs are sourced from well-managed forests and are third-party verified as originating from controlled and non-controversial sources. SNA is certified by or has partnerships with the Forest Stewardship Council, the Sustainable Forestry Initiative (SFI), the Programme for the Endorsement of Forest Certification and others. All wood and chips procured for SNA's U.S. mills meet the requirements of the SFI Fiber Sourcing Standard, which requires the use of trained loggers, biodiversity conservation, investment in forest research, adherence to best management practices and landowner outreach. Further, SNA is committed to expanding its use of renewable energy and in 2020 reported that approximately 77% of its total North American energy needs were derived from renewable resources.

SUPPLIER DIVERSITY

Supplier diversity is extremely important to us, and our supplier diversity efforts are directly linked to our corporate mission statement and align with our dedication to family and community. We recognize the value and importance of a diverse supplier base and are committed to facilitate, promote and encourage the growth of small businesses and businesses owned by diverse and/or economically disadvantaged populations. Our supply chain team includes a Certified Professional in Supplier Diversity (CPSD) to help us take advantage of the many opportunities of a diverse supply chain.

Global voyage suspensions significantly impacted our 2020 spending. Despite this, approximately 45% of our total U.S. supply chain spending, or \$329 million, was with small businesses or businesses with minority, veteran or economically disadvantaged qualifications.



DIVERSE SUPPLIER SPOTLIGHT



We are proud to partner with Y-Not Design and Manufacturing, a minority, women-owned small business. Y-Not Design & Manufacturing is based in Miami, Florida and designs, manufactures and delivers high-quality branded promotional products. In 2020, this impressive company received the "Minority Manufacturing Firm of the Year" award from the U.S. Department of Commerce's Minority Business Development Agency. This award is presented to a minority-owned firm that has achieved success in employing new and innovative techniques that led to a significant increase in market share, job growth and customer satisfaction, and is the highest level of national recognition that a U.S. minority-owned firm can receive from the U.S. Department of Commerce. The company is also certified HUB Zone with the SBA, the Women's Business Enterprise National Council (WBENC), the Florida State Minority Supplier Development Council (FSMSDC) and the National Minority Supplier Development Council (NMSDC).

LOCAL SOURCING

We aim to source locally when possible and procure various supplies in port at the destinations we visit around the world. This includes food and beverages, hotel supplies, bunker fuel and utilities, all of which help stimulate the local economy. We are committed to further developing relationships with local suppliers which will allow us to continue expanding our local sourcing efforts. In 2019, approximately 40% of our food and beverage sourcing for international destinations was done locally.

SUPPLIER CODE OF CONDUCT

We set forth clear expectations for our suppliers and vendors through our Vendor Code of Conduct, which was launched in 2018 and provided to all existing partners. The Code of Conduct formalizes our expectations in areas including legal and regulatory compliance, ethics, employment and labor practices and environmental responsibility. All of our suppliers are expected to know and comply with all relevant regulations including employment laws and operate in a manner that supports human rights. Major suppliers are also asked to share our expectations with their own supply chains. New and existing suppliers are required to sign the Code of Conduct and complete an annual attestation of compliance.

When we become aware of any violations to our Code of Conduct, we are committed to quickly addressing the situation and responding appropriately, including up to potential termination of the partnership.



SUPPLIER OVERSIGHT & COMPLIANCE

Our Supply Chain Management has rigorous oversight protocols in place to promote quality and compliance, including regular audits, reviews and scorecards. Our team conducts on-site and in-person reviews of key supplier operations typically once per year, which are now expanding to include more sustainability focused topics.

We use a supplier scorecard to conduct quarterly business reviews with key suppliers. Our scorecard measures performance against key focus areas including delivery, customer service, business intelligence and partnership, quality and inventory. We recently expanded our scorecard to include ESG as a specific area of focus. Due to the ongoing pandemic, quarterly business reviews were limited in 2020, but we conducted 67 quarterly business reviews with various suppliers in 2019.



For our food and beverage products, we established a team in 2016 solely focused on quality assurance and food safety. All food and beverage distributors are audited annually by approved third-party firms, in addition to our supply chain reviews. Over the past 12 months, we have conducted 55 third-party food safety audits, and this will increase once our cruise voyages resume. To avoid potential future issues, we have adjusted our sourcing to pivot away from certain regions due to quality and manufacturing concerns. We also receive daily updates from the Food and Drug Administration, U.S. Department of Agriculture and Centers for Disease Control and Prevention on any known foodborne illnesses and outbreaks. If products are identified that could, or have entered our supply chain, immediate communication is sent to our vessels to hold or destroy product.

On the marine and technical side, we only source from original equipment manufacturers (OEM) and fully-vetted suppliers within the marine and cruise industry.

We are also in the process of designing a Supplier Risk Management Process, coupled with an industry leading third-party Supplier Risk Management Platform, that focuses on monitoring defined risks, governance, compliance, reporting, organization, policy and processes. This will enable us to manage risk throughout the Supplier Life Cycle by continuously monitoring vendors' risk profiles and having a complete view of each supplier for timely informed business decisions to mitigate supply and ESG risks.

DESTINATION STEWARDSHIP



DID YOU KNOW?

The economic impact of the cruise industry is far-reaching?

- 1 Services and Government
- 2 Transportation
- 3 Wholesale and Retail Sales
- 4 Manufacturing
- 5 Finance, Insurance and Real Estate
- 6 Agriculture, Utilities and Construction

As a global cruise operator, we visit nearly 500 destinations worldwide each year. We work closely with ports and governments at the destinations we visit to comply with applicable laws and regulations and promote responsible and sustainable tourism. We seek to maximize social, economic and environmental benefits at the destinations we visit, while delivering exceptional vacation experiences to our guests. We also implement responsible and environmentally-friendly practices at our two incredible private destinations and throughout all of our destination development and construction projects.

SUPPORTING COMMUNITIES

We provide support for local communities and significantly contribute to local economies at the destinations we visit. The broader cruise ecosystem extends well beyond the cruise lines themselves, to ports, tour operators, local suppliers and many more. We invest heavily in our destinations, support infrastructure development through our port commitments and fees, sustain the environment and the livelihoods in areas we visit and boost local employment. We procure various local supplies in port including food and beverages, hotel supplies, bunker fuel and utilities, all of which help stimulate the local economy. Our guests and crew enhance the financial contribution during visits by purchasing shore

excursions, tours, meals and other retail goods. According to CLIA research, the cruise industry generated \$154 billion in global economic impact in 2019, including supporting nearly 1.2 million jobs worldwide.

CANNES CRUISE CHARTER

In 2019, we became the first cruise line to sign a Cruise Charter created by the Municipality of Cannes together with the CCI Nice Côte d'Azur to promote sustainable cruise operations in the port of Cannes. The Cruise Charter is based on four criteria designed to promote sustainable cruise operations: reduction of air emissions, reduction of pollution at sea, protection of biodiversity and the implementation of a global environmental approach.

TOTAL ECONOMIC IMPACT OF THE CRUISE INDUSTRY IN 2019



\$154.46
Billion

2019 CRUISE INDUSTRY ECONOMIC IMPACT



1,166,213
Jobs



\$72.02
Billion direct purchases



\$100
Average spending by passengers while visiting ports during a cruise



\$385
Average spending in port before boarding a cruise



\$50.53
Billion wages & salaries



29.7
Million passenger embarkations

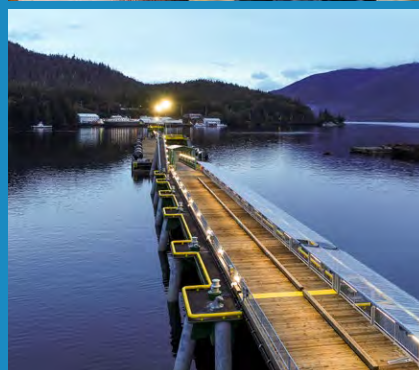
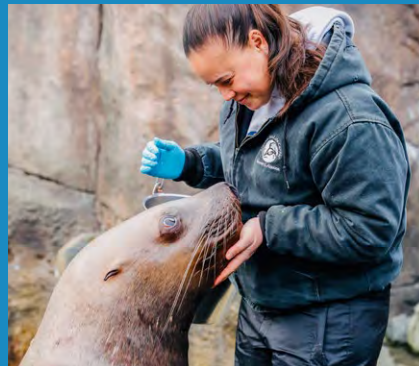
Source: Cruise Line International Association (CLIA)



COMMUNITY SPOTLIGHT: ALASKA

The natural beauty of Alaska makes it one of the most popular destinations to visit, and we have made significant investments in the region to provide our guests with a best-in-class experience as they explore the wonders of the Last Frontier, while also supporting the local economy and community and keeping sustainability top of mind. Recent investments in Alaska included the completion of the Associated General Contractors (AGC) environmental enhancement and award-winning construction of a double ship pier in Ward Cove, Ketchikan, Alaska; the purchase of the last waterfront parcel for development in greater Juneau, Alaska; and a partnership with Alaska Native-owned Huna Totem Corporation that brought the completion of a second cruise pier in Icy Strait Point, the winner of the 2020 Seatrade Port of the Year award.

To give back to the local community, we provided \$10 million of cash support to six Alaska port communities who were severely impacted by the loss of cruise tourism during the pandemic. We were also proud to partner with Royal Caribbean Group and SSA Marine to grant a dollar-for-dollar matching donation of \$100,000 in 2020 to help save the Alaska SeaLife Center in Seward, Alaska. The SeaLife Center is a non-profit research institution and public aquarium that generates and shares scientific knowledge to promote understanding and stewardship of Alaska's marine ecosystems. The SeaLife Center was uniquely impacted by the COVID-19 pandemic due to a lack of summer visitor revenues, and the donation provided much-needed support to help maintain operations through the winter. Elsewhere in Alaska, in 2020 we also donated \$30,000 to support the Arts Campus of the Sealaska Heritage Institute in Juneau.



SHORE EXCURSIONS

Shore excursions are a key component of our cruise experience and often a highlight of a guest's vacation. We seek to deliver safe, sustainable and responsible tours. All tours are operated by local tour operators with multi-year agreements, further supporting local employment. Many of our tours also include meals at local restaurants or shopping at local retail markets.

GO LOCAL TOURS

In 2019, we unveiled our new Go Local series of immersive destination tours offered by all three of our brands. These small-batch tours embed our guests in the fabric of local communities allowing them to experience the culture of a destination. Instead of focusing on tourist sites, guests are welcomed into local homes and businesses and immersed in the local way of life. The tours offer a variety of experiences for guests including spending a day at a family-owned goat farm in the countryside of Andalusia to learn the generations-old way of making cheese, fishing with the residents of Portofino or observing skilled local artists in their personal studios on Palma de Mallorca.

Go Local Tour Highlight: His Majesty the Truffle, Civitavecchia (Rome), Italy

Guests who participate in this Go Local tour enjoy a leisurely walk through the woods with a truffle hunter and a dog specially trained to sniff out the prized subterranean mushrooms. Expert truffle hunters know where to find them and fiercely guard the locations, as gourmands covet these aromatic, flavorful delicacies, sometimes paying huge sums for the rarer ones. As guests follow the truffle hunter and dog through the forest, they learn about the local species of truffles and their characteristics. The lagotto romagnolo is the traditional truffle-hunting dog breed in Italy, although many other breeds can be trained to point out a buried truffle. As the perfect end to their truffle-hunting adventure, guests will also sample a selection of truffle-based specialties.

ACCESSIBLE EXCURSIONS

Across all three brands, we offer accessible excursions to enable people with limited mobility to enjoy a variety of safe experiences ashore. We partner with Accessible Travel Solutions and have developed specially designed tours in many destinations across the world. We currently offer 114 accessible tours in total across our three brands. These tours provide step-free routes, accessible vehicles when needed and a variety of other features to help these guests to enjoy a safe, fun and immersive experience at the destinations we visit.

MANAGING OVER-TOURISM

Global tourism volumes have surged over the past decade, resulting in challenges regarding crowding for many destinations. While cruise travel is a small part of the overall global tourism market, we work to partner with local governments and ports to support efforts to manage over-tourism. Some of the measures we employ include staggering arrivals, diversifying excursions beyond city centers and providing recommendations for traffic flow and relief of congested areas.

In 2019, CLIA signed a Memorandum of Understanding with the city of Dubrovnik to work together to create a model for sustainable tourism. As part of this agreement, CLIA funded a destination assessment conducted by the Global Sustainable Tourism Council (GSTC) on the sustainability of the city. Following the release of the Dubrovnik Sustainability Assessment, GSTC and CLIA teamed up again to announce a new cooperation with city leaders in the Greek destinations of Corfu and Heraklion. CLIA will co-fund the assessment which began in December 2020.

We will continue to support and contribute to CLIA's and the cruise industry's responsible tourism initiatives which are setting an example for how cities, our industry and local communities can work together with a common purpose.



PRIVATE DESTINATIONS

GREAT STIRRUP CAY

At GSC, our luxurious 270-acre private island destination in the Bahamas, we strive to protect the local ecosystem and employ sustainable principles in our operations and development projects. The island has a remarkable natural setting and rich topography which we aim to conserve to ensure our guests are immersed in the true, natural island experience.

As we continue to develop this exclusive destination, we are focused on supporting the local economy and minimizing our environmental footprint. Currently around 45% of the approximately 100 staff at GSC are local Bahamians. Another sustainability initiative is our goal to transition the island to 100% solar renewable energy. We plan to create a new solar farm occupying over 5 acres, which is currently under permit review with the Bahamian government.

We also partner with NSU to conserve, re-establish and protect the rich biodiversity of the GSC marine environment, including through our coral reef restoration projects. Our [coral reef project](#) also creates a platform for educational experiences for guests visiting GSC, by providing hands-on activities and interactive presentations.





HARVEST CAYE

Located off the coast of southern Belize, Harvest Caye is considered the Caribbean's premier resort-style destination. While developing the island, we worked closely with the government in Belize to protect the area's natural habitats, and we remain committed to having a positive impact on the local communities and ecosystems.

The Harvest Caye Conservation Foundation (HCCF) was established in 2016 in partnership with Belize Island Holdings Ltd. and Norwegian Cruise Line Holdings Ltd. as a non-governmental organization whose primary goal is to promote wildlife conservation. The HCCF is dedicated to working with other NGOs in Belize and overseeing advocacy and outreach work with schools and communities to promote conservation and awareness of threatened species.

Harvest Caye is also home to a wildlife sanctuary under the care of Tony Garel, an esteemed Belizean naturalist and wildlife expert. The island hosts a reptile terrarium, a butterfly garden and several aviaries featuring rescued birds. All exhibits are operated by the HCCF to promote wildlife preservation and education.

Scarlet Macaw Protection

In 2020, HCCF was pleased to support a conservation project in Belize proposed by Friends for Conservation and Development which funded the launch of an Anti-Poaching Unit in the Chiquibul National Park. The main objective was to safeguard the Scarlet Macaw population which was under direct threat from illegal poaching. Scarlet Macaws are listed as an endangered species by the U.S. Fish and Wildlife Service, with less than 350 estimated to live in the jungles of Belize. This project was very successful in intercepting and detaining poachers. A total of seven baby Scarlet Macaws were rescued, recovered and reintroduced back into the wild.

Hawksbill Turtles

Harvest Caye is one of the few nesting sites for endangered hawksbill turtles and staff participate in protecting and monitoring nesting grounds each year to help baby turtles get a good start on survival. In 2020, Harvest Caye had a large female hawksbill turtle that laid her clutch of eggs on the beach next to the boardwalk. For the next 60 days, the team guarded and monitored the nest until the hatching started and baby turtles headed for the sea and lagoon. Staff assisted some of them on their journey to ensure their safety.

Keel-billed Toucans

In 2020, HCCF was able to breed keel-billed toucans, the national bird of Belize, for the very first time in captivity. The Harvest Caye facility is one of the few in the country that currently houses keel-billed toucans and is the only facility in Belize that has ever bred them successfully.



SUSTAINABLE DESTINATION DEVELOPMENT

Sustainability is at the forefront of all of our construction and development projects. One of our focus areas is “source reduction” which appears at the top of our Leadership in Energy and Environmental Design (LEED) hierarchy goals, as it avoids environmental harm throughout a material’s life cycle, from supply chain to recycling and waste disposal. Other construction strategies, such as prefabrication and minimizing material cutoffs and inefficiencies are also implemented.

With our projects we also implement public education to show how sustainable principles are applied to our construction developments, which is necessary to encourage green building practices in public programs, private developments and communities.

PORTMIAMI TERMINAL

In Fall 2020, we completed the new state-of-the-art Norwegian Cruise Line flagship terminal at PortMiami, dubbed the “Pearl” of Miami. At nearly 190,000 square feet, the new terminal, designed by Miami-based global architecture firm Bermello, Ajamil & Partners Inc., will accommodate ships of up to 5,000 passengers. The modern terminal draws its inspired design from the Fibonacci nautilus, with its spiraled and multi-level façade, providing vast grand water views.

The terminal was constructed to LEED Gold standards. Focusing on innovation in design and terminal operation, the team created a platform that will optimize energy performance, indoor air quality and water efficiencies, and maximize the use of local materials and resources. In addition to significant water quality permits and protections, the project includes manatee

protections and pollution discharge protections. The terminal is equipped with a number of health and safety features, including advanced air filtration including MERV 13 filters, automatic doors at all entrances and exits, hands-free toilets, soap and water in the bathrooms and plexiglass barriers in guest areas.

In addition, approximately 90% of all subcontractors, vendors and suppliers were local to the region, reducing the carbon footprint of the project and encouraging local economic growth.

The terminal has already won numerous awards, including the 2020 IIDASFC Bragg Award for “Best Hospitality Commissioned” interior and the 2018 American Institute of Architecture Award in the Unbuilt category.



MEET OUR CONSTRUCTION AND DEVELOPMENT TEAM



A key contribution to the continued success of the Company’s Onshore Design, Development and Construction department is the extensive experience of each team member, including the team leader and Vice President Alicia Cuervo.

Alicia is a seasoned Civil Engineer who holds a Port Engineering Masters Certificate and certificates in Project Management and Leadership in Energy and Environmental Construction. She sits on the Board of the Green Advantage Organization, an ANSI-accredited global organization that validates the foundational knowledge needed to deliver state-of-the-art, high performance healthy building.

Together with her team, she is certified with Green Advantage in Pre-construction Risk Assessment/Infection Control Risk for Construction, Occupational Safety and Health Administration (OSHA) Construction Safety and Health Certification, Federal Emergency Management Agency (FEMA) National Incident Training for Construction, Management Systems (NIMS) and LEED construction. In addition, and leading design with her team is an in-house LEED licensed Architect.



SAILING SAFELY

The health, safety and well-being of our guests and crew is our highest priority, not only on board our ships, but also in every destination we visit. We take great effort to maintain a healthy, safe and clean environment and have a stringent 24/7/365 public health and safety program in place. In this evolving global public health environment, we have taken swift action to meet the challenges of the COVID-19 pandemic and are committed to continuously evolving and modifying our comprehensive science-backed SailSAFE™ health and safety program as technology and scientific knowledge advances.

Our Company works very closely with public health agencies and government officials around the world, including the U.S. Centers for Disease Control and Prevention (CDC) and the World Health Organization (WHO), to not only meet strict guidelines, but aim to exceed them to protect our guests, crew and communities we visit. Our program is also validated through numerous unannounced public health inspections carried out on board our ships by multiple government agencies.

WE ASPIRE TO...



PROTECT HEALTH
AND SAFETY



PROVIDE A SAFE AND
CLEAN ENVIRONMENT

AT A GLANCE

24/7/365

stringent public health
compliance culture

11

globally recognized
experts assembled to form
the Healthy Sail Panel in
response to COVID-19

6

expert advisors comprise
the SailSAFE Global Health
and Wellness Council

ALL

voyages will sail
with SailSAFE™ health
and safety program

100%

of guests and crew on
initial voyages will be
fully vaccinated¹

95

combined average score
for unannounced CDC ship
inspections in U.S. ports
in 2019

100%

of ships sail with
dedicated Public
Health Officer onboard

10+ years

average experience of our
ship Safety Officers

¹ Limited exceptions may be made pursuant to valid medical or religious exemptions.

COVID-19 RESPONSE

We have enhanced our existing robust commitment to health and safety in response to COVID-19 with our comprehensive [SailSAFE™ health and safety program](#). The robust SailSAFE program consists of new and enhanced protocols to create multiple layers of protection against COVID-19. Upon a return to cruising, initial voyages will operate with fully vaccinated guests and crew, combined with preventative SailSAFE protocols, which we believe will provide a uniquely safe and healthy vacation experience. This science-backed plan was developed in conjunction with a diverse group of experts and will be continuously improved, modified and refined using the latest science and technology.

In July 2020, we announced the formation of the Healthy Sail Panel (HSP), a team of 11 globally recognized experts assembled in collaboration with Royal Caribbean Group to inform the industry on a safer and healthier resumption of cruising. The HSP is chaired by Governor Mike Leavitt, former U.S. Secretary of Health and Human Services, and Dr. Scott Gottlieb, former commissioner of the U.S. Food and Drug Administration, and its panel members are globally-recognized experts from various disciplines, including public health, infectious disease, biosecurity, hospitality and maritime operations. The HSP provided a robust set of recommendations with protocols that span the entire cruise journey, starting from the time of booking and continuing post cruise. These protocols served as a guide for our SailSAFE program. For more information on the HSP's team of experts and to view the full report, visit: [Healthy Sail Panel](#) and [Full Recommendations](#).

¹ Limited exceptions may be made pursuant to valid medical or religious exemptions.



Safety for our Guests and Crew

- Mandatory vaccinations¹
- Pre-embarkation health screening
- Staggered embarkation and new check-in system
- Controlled guest capacity
- Hand sanitation
- Onboard health monitoring



Safety Aboard Our Ships

- Continuous ship-wide cleaning and disinfection
- Upgraded medical-grade air filtration systems
- Enhanced onboard medical teams and health services
- Dedicated Public Health Officer



Safety Ashore

- Strategic itinerary development
- Partner with local destinations and tour operators



Mobilization and Response

- Contact tracing abilities
- Isolation and quarantine accommodations
- Contingency plans and debarkation scenarios to provide medical treatment and safe passage home, if needed
- Established relationships with onshore medical institutions



MEET OUR TEAM OF SCIENTIFIC AND PUBLIC HEALTH EXPERTS



Michael Leavitt
Governor



Scott Gottlieb
M.D.



Helene Gayle
M.D., M.P.H.



Julie Gerberding
M.D., M.P.H.



Steven Hinrichs
M.D.



Phyllis Kozarsky
M.D.



John Y. Mason



Michael Osterholm
M.D., Ph.D.



Stephen Ostroff
M.D.



William Rutala
Ph.D., M.S., M.P.H.



Caitlin Rivers
Ph.D.



Kate Walsh
Ph.D.



Robin Lindsay
NCLH EVP of
Vessel Operations



Patrick Dahlgren
RCL SVP of Global
Marine Operations and
Fleet Optimization

During the pandemic, our Infectious Disease Management System (IDMS) was audited by DNV to verify our infection prevention and control measures. The IDMS allows us to carefully manage infection risks with a structured and robust approach to managing challenges and changes. DNV Healthcare's Certification in Infection Prevention helps us proactively manage and reduce risk associated with infections and fuses management science with medical science to create organizational vigilance against infection.

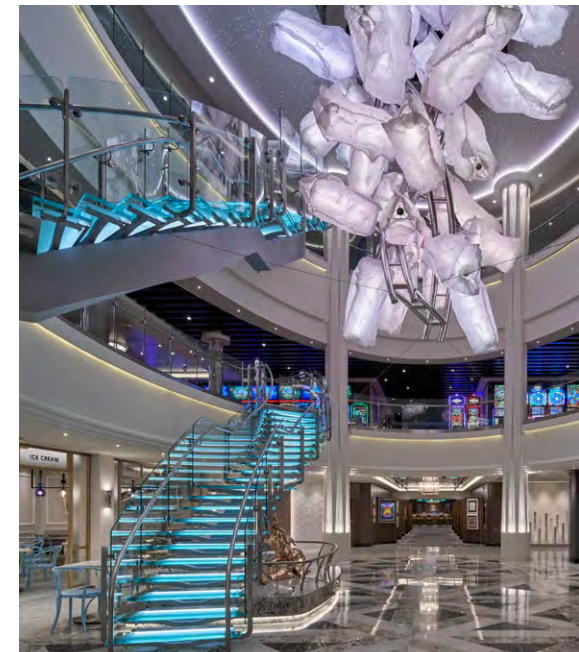
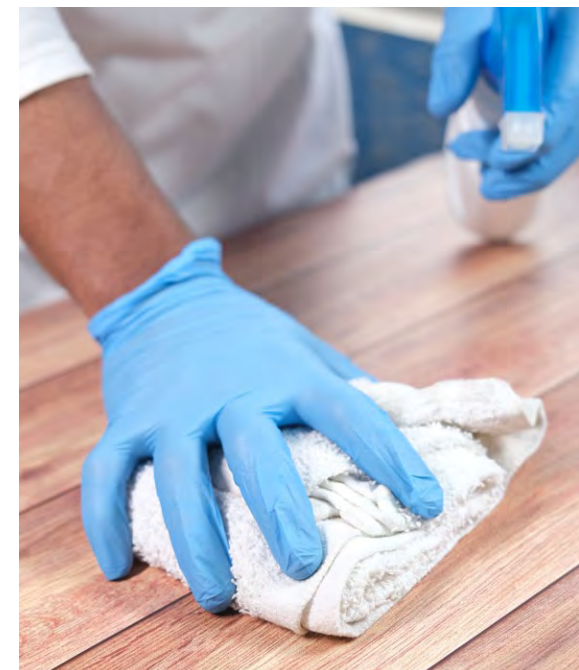
ONBOARD PUBLIC HEALTH AND SANITATION

We have a comprehensive public health program onboard and a 24/7/365 compliance culture. Crew are trained in best practices and to comply with applicable regulations. When we return to service, each ship will have a dedicated Public Health Officer (PHO) on board. The PHO is a new position established in 2020 and will be responsible for the oversight of all outbreak prevention initiatives, including overseeing the day-to-day sanitation and cleanliness of all public areas and accommodations and enforcing compliance with the CDC's Vessel Sanitation Program.

We work closely with health authorities around the world to create and implement our policies and procedures that meet and, in many cases, exceed the variety of regulations. We utilize several external and internal public health professionals who visit every ship to verify that our compliance culture is strong and sustainable fleetwide. External public health inspections on board our ships are carried out by multiple government agencies – such as the CDC Vessel Sanitation Program, Public Health Agency of Canada, Brazil's National Health Surveillance Agency, ANVISA and the European Commission Directorate General for Health and Food Safety, SHIPSAN.

100%

of ships sail with a
dedicated Public Health
Officer onboard





All ships in U.S. ports are subject to two unannounced inspections a year, and in 2019 our ships received a combined overall average score of 95/100.

We strive for continuous improvement in our public health program and conduct internal public health seminars to review, assess and improve our approach. In addition, many of our officers attend a United States Public Health Seminar where, through discussions and training, they receive new insight into what to look for when conducting public health inspections. In the U.S., we must meet the U.S. Public Health Service's requirements, which include vessel ratings by inspectors from the CDC and Food and Drug Administration (FDA) Vessel Sanitation Program.

Guests and crew also do their part to protect public health on board. We are enhancing our stringent hand-washing initiatives by increasing signage around the ships and making daily announcements about the importance of handwashing. Hand sanitizer stations are also strategically placed throughout our ships and terminals to help maintain the highest sanitation standards on board. We also collect health questionnaires prior to embarkation to identify any guests who have symptoms of certain illnesses. In addition, detailed health information fact sheets are placed in each stateroom to identify potential symptoms of concern and instruct guests on what to do if they experience those symptoms.

OUTBREAK PREVENTION AND RESPONSE

Our Outbreak Prevention and Response Plan (OPRP) is designed to mitigate and help prevent the spread of communicable diseases such as coronavirus, norovirus and influenza-like illness (ILI) while maintaining the ability to adjust and respond to new and emerging health issues on our ships and at our private destinations. We continually seek the most advanced technologies based on sound scientific methods and applications, to enhance our OPRP program. Our crew members are highly trained in this program, and we are continually updating our staff on the latest company innovations and methods, including health screening, surveillance measures, isolation of guests and crew who are ill and more.

As the global public health environment is in constant flux, we are continually updating our OPRP procedures so that we can successfully meet new challenges and stay ahead of the ever-changing landscape when it comes to pathogenic organisms and their potential to cause disease. Our proactive strategies and surveillance measures are designed to keep communicable diseases from entering the cruise ship environment and to prevent an outbreak.

ONBOARD MEDICAL SERVICES

Each of our ships has a state-of-the-art onboard medical center staffed with highly qualified doctors and nurses, to provide care for both guests and crew while at sea. We follow guidelines for our medical facilities provided by CLIA in conjunction with the American College of Emergency Physicians (ACEP). All ships have defibrillators, cardiac monitors, X-ray machines and lab equipment. Our onboard medical teams work closely with our shoreside team including our Chief Medical Officer.

As part of our COVID-19 response, we are improving our onboard medical capabilities with additional staffing and enhanced facilities. This includes an increase in intensive care unit capacity, new and upgraded equipment, onshore medical institution partnerships, telemedicine capabilities and additional robust consultation and treatment options.





ONBOARD PUBLIC HEALTH AND MEDICAL TEAM SPOTLIGHT

The health and safety of our guests and crew are our top priority. Every ship in our fleet has a dedicated Public Health Officer as well as a skilled onboard medical team.



Sascha Schoeler

Mr. Schoeler was born on Rugia Island off the northern coast of Germany. With 15 years of experience as a public health officer and inspector, he joined the Company as a PHO on Norwegian Dawn in 2020.

"I am proud to be the first Public Health Officer in the fleet. It is more important than ever to have a good public health regime on board to protect our guests and crew."



Dr. Javier Jimenez

Dr. Jimenez was born in Bogota, Colombia, and has over 15 years of experience as a shipboard doctor. He joined the company in 2015 and has served on vessels across all three cruise lines.

"I am proud to work on board and take on the great responsibility of keeping all of our passengers and crew healthy."



Dr. Andrzej Adam Gaszynski M.D.

Dr. Gaszynski was born in Poland and currently resides in South Africa. After starting his impressive career on land, he took his journey to sea in 2008 and has since sailed on many ships across the Oceania Cruises and Regent Seven Seas Cruises fleets.

"This is the best job a physician like me could ever imagine. You're able to practice your profession under a great company and travel the globe at the same time."



Camille Aquino David RN

Ms. David was born in the Philippines and worked as an ER nurse before joining the Company in 2003. She has served on many Norwegian and Oceania Cruises' vessels during her career, most recently on Riviera.

"I take pride in being part of a company that is dedicated to providing world class medical health service on the high seas, not only for our guests, but also for our hardworking crew members."



ONBOARD CLEANING AND DISINFECTION

We have comprehensive cleaning and disinfection protocols ship-wide which are based on CDC recommendations. Our 24/7 prevention schedule features continual disinfection of public areas and high-traffic touch points using U.S. Environmental Protection Agency (EPA) approved disinfectants. Guest accommodations also receive intensive microbial disinfection daily.

Starting in 2018, we partnered with EcoloxTech, a Miami-based company, to provide our ships with onboard equipment to generate Electrolyzed Oxidizing Water, hypochlorous acid (HOCl), a powerful oxidant that kills bacteria, bacterial spores and viruses including enveloped virus such as SARS-CoV-2.* The system develops a disinfectant made from salt, water and electricity that is all-natural, pH neutral, non-toxic and non-hazardous. This product is used aboard ships for general daily sanitation, sanitizing fruits and vegetables and for other aspects of the OPRP. This is an all-natural, eco-friendly and FDA and USDA Organic safe alternative which further reduces our reliance on purchasing and storing large amounts of standard toxic chemicals onboard.

*According to EcoloxTech research which can be found [here](#).

CHEMICAL MANAGEMENT

Through our Chemical Management program, we have worked to identify hazardous chemicals that can be replaced by environmentally friendly alternatives with the same or better operational performance. For example, in recent years we completed the installation of HOCl generators on all of our ships. We continually evaluate products used onboard and identify opportunities to further eliminate and replace them with new, more environmentally-friendly alternatives.

APPROVED CHEMICAL LIST

Our Company maintains an Approved Chemical List, which catalogs products approved for onboard use and helps identify toxic or hazardous materials for removal from our ships. Every Safety Data Sheet (SDS) for approved chemicals is available on a shared site that is accessible to all ships. The SDS provides necessary information for handling, labeling and storing chemicals and required personal protective equipment.



CONTINUAL PUBLIC HEALTH TRAINING

Our continual public health training includes summits, which feature representatives from various government agencies and vendors. We have created an interactive public health training platform that will teach crew members what to look for in order to maintain a strong public health culture. We implemented a stringent water safety program and are constantly evaluating our programs through outside independent laboratories. We conduct legionella testing and mandate monthly Recreational Water Facility testing and quarterly testing of 50 potable water samples throughout the ship, along with technical water sampling.

SAFETY AT SEA

We place the utmost importance on the safety of our guests and crew. We operate all of our ships to meet and exceed the requirements of Safety of Life at Sea (SOLAS) and International Safety Management (ISM) Code for the Safe Operation of Ships – the international safety standards which govern the cruise industry.

Our ships are audited by a recognized organization to verify compliance. Our ships are flagged/registered in the Marshall Islands, United States and The Bahamas, so each ship also has a respective flag state inspection. Our internal audit team conducts yearly audits on all ships as well. Our fleet has continuously been upgraded to equip our ships with modern navigational control and fire prevention and control systems.

Every ship has a resident Safety Officer, with experience ranging between 10 and 20 years in various roles at sea. Ship crews participate in regular safety trainings, exercises and drills on board and shoreside, including basic first aid, firefighting and security awareness. Some training programs were limited in 2020 due to pandemic-related travel restrictions and health and safety protocols.

Safety Officers undergo additional yearly training above the IMO and Standards of Training, Certification and Watchkeeping requirements. Prior to every cruise setting sail or upon departure, we hold a mandatory safety drill for guests and show a safety video, which runs continuously on the stateroom televisions.



EMPOWERING PEOPLE

Our culture is defined by our corporate values of flawless execution, dedication to family and community, spirit of entrepreneurship, financial excellence and environmental stewardship. These values were internally developed and are authentic to our Company as they define success in our culture and establish the foundation upon which it is built. We believe our commitment to empowering people allows us to attract and retain top talent, while simultaneously providing robust career development opportunities that ultimately result in significant value to our Company. This year we were pleased to be named by Forbes to the 2021 list of America's Best Large Employers, ranking among the top 75 companies in the overall Large Employer category and among the top 10 companies in the Travel & Leisure sector. This recognition highlighted our ongoing commitment to maintain a safe, diverse and inclusive culture which supports and empowers our team members, while delivering on our vision to be the vacation of choice for everyone around the world.

As of December 31, 2020, we employed approximately 3,300 full-time employees worldwide in our shoreside operations and approximately 31,000 shipboard employees. Regent Seven Seas Cruises and Oceania Cruises' ships use a third party to provide additional hotel and restaurant staffing onboard.

WE ASPIRE TO...



PROMOTE
DIVERSITY, EQUITY
& INCLUSION



RECRUIT, RETAIN
AND DEVELOP
TALENT



ENGAGE
TEAM
MEMBERS



SUPPORT
EMPLOYEE
WELL-BEING

AT A GLANCE

~3,300

full-time shoreside
employees

~31,000

shipboard employees

~120

countries represented
by team members

~59%

female shoreside
workforce

~49%

female shoreside
managers and above

~64%

U.S. shoreside employees
that are under-represented
minorities¹

\$15/hr

minimum wage for
all U.S. shoreside
employees²

100%

of medical insurance
premiums paid for
temporarily furloughed
shoreside team members

100%

participation in diversity,
equity & inclusion training
across U.S. shoreside
workforce

~87%

voluntary retention
rate for U.S.
shoreside team
in 2020

~60,000

hours of training
and development
in 2020

AMERICA'S
BEST LARGE
EMPLOYERS

Forbes
2021

POWERED BY STATISTA

¹Based on team members who have self-identified.

²Certain positions have a lower base wage but have a combined higher incentive.



COVID-19 RESPONSE

In response to the COVID-19 pandemic, we repatriated over 24,000 crew members safely to their home countries and transitioned our shoreside team to a remote work environment. Our shoreside offices monitor and follow government legislation and guidance and are preparing to safely return to our office environments beginning summer 2021. When returning to the office and while on board our ships, we are taking all measures necessary to protect our team members. Our health and safety protocols are being developed as part of the comprehensive and multi-faceted strategy developed by our team of experts, including the Healthy Sail Panel and SailSAFE Global Health and Wellness Council.



- **Crew Repatriation:** Our crew repatriation was carried out as quickly as possible given complex constraints presented by travel restrictions, regulatory requirements and other challenges. We utilized air charters and commercial flights as well as some of our own vessels to transport crew home. During this time, our crew were compensated according to their respective collective bargaining agreements and were provided WiFi, medical care, accommodations and a daily onboard stipend when in stand down status after the conclusion of their contract. They had continual access to medical professionals to support their physical and mental well-being. The Company also funded housing expenses if quarantine was required upon arrival to their home country.
- **Shoreside Actions:** We also took certain necessary actions to preserve liquidity during the voyage suspension while taking steps to protect our team members in the process. We reduced our salary and benefit expense to a level more commensurate with our suspended operations by reducing salaries and hours worked by 20% across the board and furloughing certain shoreside team members. The furlough program was chosen over a reduction in force as it facilitated retention of our valued team members while we await a return to sailing. Consistent with our family-centric culture, we continued the employer subsidy for medical coverage for our furloughed team members, and in addition, funded the team member's portion for our furloughed team and their dependents. We also participated in short-term compensation programs in Florida and Arizona to support our team members on 20% reduced hours to receive benefits from their state unemployment offices.
- **Frequent Communications:** To further assist our team members during this challenging time, our Human Resources team develops regular communications on topics related to health, safety and well-being to provide additional tips and resources. Topics have varied from COVID-19 testing, holiday travel best practices, home office decluttering, how to deal with Zoom fatigue and coping with stress among others. In addition, the Company maintains regular contact with our crew members at home and provides business updates on our Company as well as the state of the industry to keep them informed.



24,000+

crew members safely repatriated to over 120 countries around the globe



~3,300

employees transitioned to a fully-remote working environment



100%

of medical insurance premiums covered for temporarily furloughed shoreside team members

HUMAN CAPITAL OVERSIGHT

Oversight of our global human capital management strategy is the responsibility of our Chief Talent Officer and Human Resources department. At the Board of Director level, the TESS Committee reviews culture statistics quarterly including retention, diversity and hotline reports. The Compensation Committee also meets regularly with senior management including our Chief Talent Officer and reviews compensation, retention and human capital more broadly. The Nominating and Governance Committee oversees our Talent and Succession Planning Program.

TALENT ACQUISITION, TRAINING & DEVELOPMENT



TALENT ACQUISITION & RETENTION

We believe people are our most important resource. As such, identifying, recruiting and retaining top talent and incentivizing existing and future team members is critical to our long-term success.

RECRUITING

Our talent acquisition teams are dedicated to sourcing and attracting qualified and diverse talent to join our family. We leverage our culture as one of our defining competitive advantages in the employer market, and we are focused on messaging this to prospective candidates.

COMPENSATION AND BENEFITS

We attract and retain talented team members by offering competitive compensation and benefits. Our pay-for-performance compensation philosophy for our shoreside team is based on rewarding each team member's individual contributions. We use a combination of fixed and variable pay components including base salary, bonus, equity, commissions and merit increases. We maintain a long-term incentive plan for our manager-level team members and above, that allows us to provide share-based compensation to enhance our pay-for-performance culture and to support our attraction, retention and motivational goals. Since May 2019, our U.S. shoreside team has earned a minimum hourly wage of \$15/hr, except for certain teams that have a lower hourly wage combined with a higher incentive.

¹ Philippines 2019 GDP per capita (current US\$) per The World Bank

Our compensation programs for our shipboard team are similarly competitive and for the majority of this team, negotiated with various unions and documented in collective bargaining agreements. In fact, the median salary of our crew in 2020 was nearly 9x higher than the local GDP per capita of the Philippines¹ where the largest concentration of our crew is from.

We also offer a competitive benefits package including physical, financial and emotional well-being benefits. We offer our full-time U.S. shoreside team members a choice of Company-subsidized medical and dental programs to meet their needs and those of their families. In addition, we offer health savings and flexible spending accounts, vision coverage, paid time off, employee assistance programs, short term disability and voluntary long-term disability insurance, term life and business travel insurance. Additionally, we offer a 401(k) retirement savings plan, education assistance including tuition reimbursement and student loan repayment. Our benefits vary by location and are designed to meet or exceed local requirements and be competitive in the marketplace.

RETENTION

We have a history of strong retention rates across our shoreside and shipboard teams, which we attribute to our culture that allows our team members to thrive and achieve their career goals. Our voluntary retention rate throughout 2020 remained at historical levels despite the impact that the COVID-19 pandemic has had on our Company and industry. We implemented a Standby Pay program in 2020 to retain our key shipboard officers who are off their normal contract rotation, which will facilitate our return to service with our experienced team. As of year-end 2020, the average tenure for all global shoreside employees was approximately 6 years and over 5 years for shipboard team members.



~87%

voluntary retention
rate of U.S. shoreside
team in 2020,
consistent with 2019

BENEFIT PROGRAMS

We considered the following objectives when designing our U.S. shoreside benefits program:

- Strive to offer benefits that are competitive with other employers in our industry.
- Responsive to team members' needs – we offer flexibility and choice.
- Offer plans that provide team members and their dependents with access to quality health care.
- Fiscally responsible by offering plans based on our financial capabilities.

401(K) RETIREMENT SAVINGS PLAN

Our Company has historically provided a generous 401(k) Retirement Savings Plan match for all benefit eligible team members and is committed to helping our team members save toward retirement. Due to COVID-19, the match is currently suspended, but we plan to reinstate this benefit as soon as conditions allow.

EMPLOYEE STOCK PURCHASE PLAN (ESPP)

The ESPP provides the opportunity for team members to invest in the company by purchasing shares of Norwegian Cruise Line Holdings (NCLH) stock at a significant discount off of the Fair Market Value. Team members are eligible to participate in the Company's ESPP beginning in any open offering period that is in effect on or after their hire date.

GROUP HEALTH PLAN

Our Company provides health plans that include medical, dental and vision to cover team members, their spouse, domestic partner, and/or dependents.

FLEXIBLE SPENDING ACCOUNTS & HEALTH SAVINGS ACCOUNTS

Team members can set aside a portion of their pay, tax-free, to pay for qualified expenses, such as out-of-pocket expenses, copayments, deductibles, day care/after school care and more.

BASIC & SUPPLEMENTAL LIFE INSURANCE

Team members receive basic Term Life and Accidental Death and Dismemberment (AD&D) coverage at no cost to the team member. Basic coverage is 1X a team member's annual salary. Team members may also purchase additional Supplemental Life and AD&D coverage at 1X, 2X or 3X their annual base salary (up to a specific plan maximum) through payroll deductions.

SHORT-TERM AND LONG-TERM DISABILITY

Provides income protection if a team member becomes ill or injured and is unable to work. Short-term disability is offered to team members at no cost after 6 months of employment. Long-term disability is a voluntary option.

SECURE TRAVEL SERVICES

Team members are offered secure travel services when traveling on business more than 100 miles away from home, such as pre-trip planning and emergency evacuation services.

GROUP LEGAL PLAN

Team members may elect affordable pre-paid legal advice and office consultations for themselves and their dependents.

EDUCATIONAL ASSISTANCE

After one year of continuous service, team members are eligible to receive up to \$5,250 total in reimbursement for eligible expenses associated with the successful completion of courses within an approved degree and/or professional certification program and student loan repayment assistance.

STUDENT LOAN REPAYMENT PROGRAM

After one year of continuous service, U.S. shoreside team members, who have obtained a degree from an accredited institution, have outstanding student loans, and meet the Company's program requirements, may be eligible to receive repayment assistance up to \$2,000 per year based on years of service.

CRUISE BENEFITS

Team members and their immediate family are eligible to cruise at special team member discounted rates. Fares and itineraries are subject to availability. Family and Friends are also eligible to receive reduced rates, known as "Special Fares", on select sailing dates.

EMPLOYEE ASSISTANCE PROGRAM

Confidential counseling and referral services for work/life issues are provided to team members. The Company pays for this benefit and team members are immediately eligible on the first day of employment.

DISCOUNT PROGRAMS

Team members are eligible to receive discounts from a variety of vendors.

TRAINING AND DEVELOPMENT

We empower our team members to do exceptional work, and we support them on their career journey. The opportunity to grow and develop skills and experience, regardless of job role, division or geographic location, is critical to our success. We actively foster a culture of learning and offer a variety of developmental courses for our team members. In fact, during 2020 team members completed approximately 60,000 training and development hours. Team members are also supported with reimbursement for eligible educational courses or professional certification programs as well as with student loan repayment assistance.

Continuous feedback is integral for team member personal development and alignment with business objectives. At a minimum, all corporate team members engage in a required annual performance appraisal or talent profile discussions. Shipboard team members receive formal performance reviews at the end of each contract assignment, and front-line team members also receive monthly reviews.

We provide a mentorship program where even our most senior leaders actively participate. Mentees receive guidance on career development, leadership and other important topics. Our 2021 program has over 60 mentor/mentee pairs including participation from the entire senior leadership team.

Succession planning and internal mobility is also part of our culture. We have a year-round focus on providing team members with opportunities to develop their leadership skills and add to our bench of talent through various training initiatives. Succession planning and talent review programs allow us to continuously calibrate and evaluate high potential talent, offering talent rotations and investing in development for long-term success. Shipboard team members also have the opportunity to learn the skills and responsibilities of another position in a different department, either to increase their effectiveness in the Company, or to give them the opportunity to shift their career path.



“We are committed to supporting and empowering people and maintaining a safe, diverse and inclusive workplace environment. Our culture allows us to attract and retain top talent and ultimately results in significant value to our Company.”

– LYNN WHITE, EXECUTIVE VICE PRESIDENT, CHIEF TALENT OFFICER





SHORESIDE:

- In early 2021, we established a new Rising Stars program to identify high potential leaders at the Director and Senior Director level. The 6-month program is being conducted with a human resources strategy firm and is focused on developing a growth mindset to refine leadership strengths, champion change and encourage innovation through assessment tools, one-on-one coaching and group learning.
- In 2020, we rolled out an internally designed Management Training program to 125+ leaders.

SHIPBOARD:

- We empower team members to set them up for success from the moment they join the vessels and throughout their career on board. Learning is promoted on board by offering a variety of developmental courses focused on three main categories: Maritime and industry compliance, human resources and operational training specific to each department. In 2020, we launched a language app to provide team members on board the opportunity to improve their English language skills or to learn a new language to excel at guest services.
- We provide team members professional certifications in partnership with global professional associations.
- We create career path models for various departments to function as a guide for individual professional career development.
- Middle Managers receive an intensive management training program, including a personalized action plan to partner with their immediate supervisors and Human Resources to grow professionally.

- Senior leadership receives development opportunities by partnering with specialized maritime and leadership schools across the world to sharpen their skills through experiential opportunities, assessment tools and one-on-one coaching.
- In 2021, we launched a Learning Management System to host a series of online learning courses for shipboard team members to prepare for a return to service. Moving forward, it will be a platform to host online learning initiatives for various departments like beverage and restaurant certifications, culinary specialties, virtual reality training and other department-specific operational and leadership training.



EMPLOYEE SPOTLIGHT

Captain Serena Melani Generous | Hard-working | Trailblazer

Captain Serena Melani likes to say that she's a girl with a dream. She joined Regent in 2010 as a Bridge Officer, then served as Navigation Officer, Safety Officer and Staff Captain on Seven Seas Voyager®. She became the Company's first female Master Captain in 2016 and has led Seven Seas Explorer®, Seven Seas Mariner® and Seven Seas Navigator® during her tenure. In 2020, she became the first woman in cruise industry history to captain a new ocean cruise ship at launch with the arrival of Seven Seas Splendor™.

What advice would you give a young woman following in your footsteps?

There are billions of women in the world, but none of them are you. You are unique. You also don't have to be the first or second woman to accomplish something to be valuable. You just need to be proud of what it is you do.

How about advice for other women in leadership?

As the master, I am in charge. Full stop. But there is art to leading a team. There is compassion and empathy that one must have. You must also motivate and communicate well, so that when you make decisions, you have the support of your team.



TEAM MEMBER ENGAGEMENT AND RECOGNITION

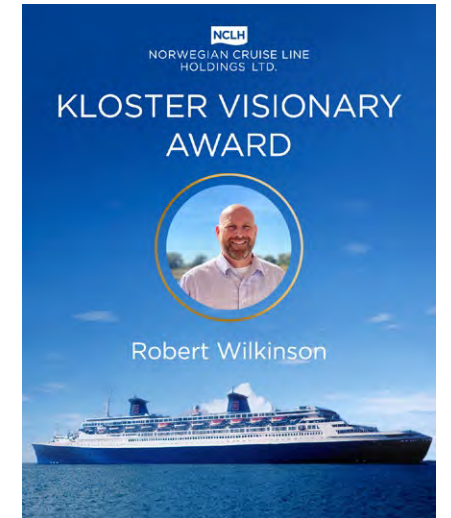
At Norwegian, we know an engaged workforce leads to better productivity, commitment and innovation. We encourage team members to voice their opinions and regularly seek feedback on how to improve the workplace environment.

On each of our ships we have Human Resources Directors or Managers to maintain an open culture. Captain's meetings are held monthly for a two-way exchange of information and each ship has a Crew Welfare committee. We also periodically conduct crew surveys to gauge employee engagement and satisfaction, including amid the pandemic. In March 2021, a crew survey conducted indicated that approximately 99% of crew would be available and interested to return when the Company was prepared to return to service. In addition, the vast majority said they felt that the Company communicated well and kept team members informed of operational delays and other matters.

Through our ENGAGE platform, we consistently communicate with team members globally to celebrate important milestones, recognize employee accomplishments and offer networking and development opportunities. We have typically hosted an annual team member celebration for shoreside employees, including our 2019 event aboard our newest vessel at the time, Norwegian Encore.

We also celebrate our team members through our recognition programs including:

- **Award of Excellence:** Exceptional team members are recognized by a robust annual Award of Excellence recognition program which acknowledges and rewards individual shoreside team members and teams for their demonstration of Company values.
- **Kloster Visionary Award:** We recently developed the Kloster Visionary Award which honors the Company's founder, Knut Kloster, by recognizing a shipboard or shoreside team member whose spirit of innovation follows in the footsteps of this visionary.
- **Vacation Hero Awards:** Through the shipboard Vacation Hero Awards program, shipboard supervisors and management recognize select shipboard team members that have proven to be outstanding in selected categories. This award program is designed to provide recognition and promote total guest satisfaction by encouraging and rewarding team members for demonstrating excellence in service, teamwork, attitude and leadership.



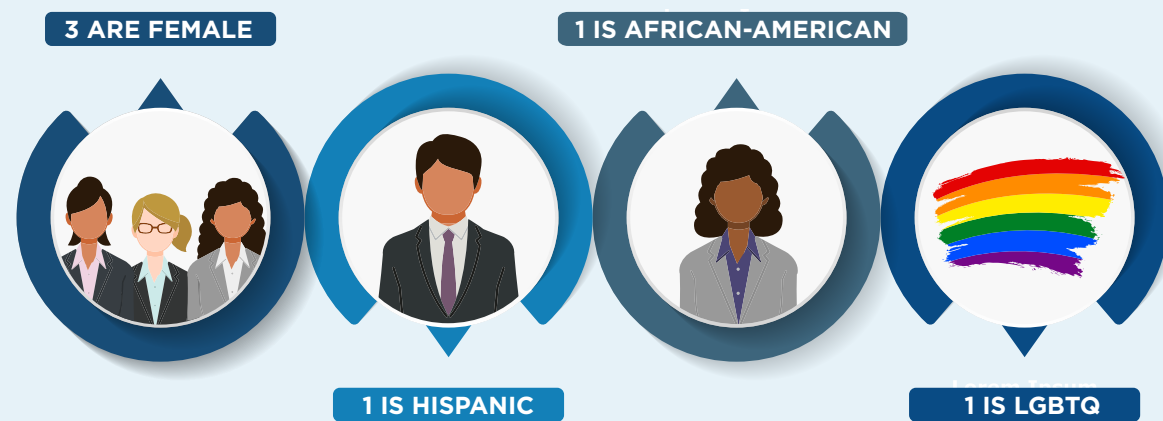
DIVERSITY, EQUITY & INCLUSION

Our Company is committed to fostering an inclusive workforce, where diverse backgrounds are represented, engaged and empowered to generate and execute on innovative ideas. Our commitment to diversity and inclusion is demonstrated by our Board of Directors, which is approximately 33% female and 55.5% diverse. Our commitment to seeking female and minority candidates as well as candidates with diverse backgrounds is formalized in our Corporate Governance Guidelines.

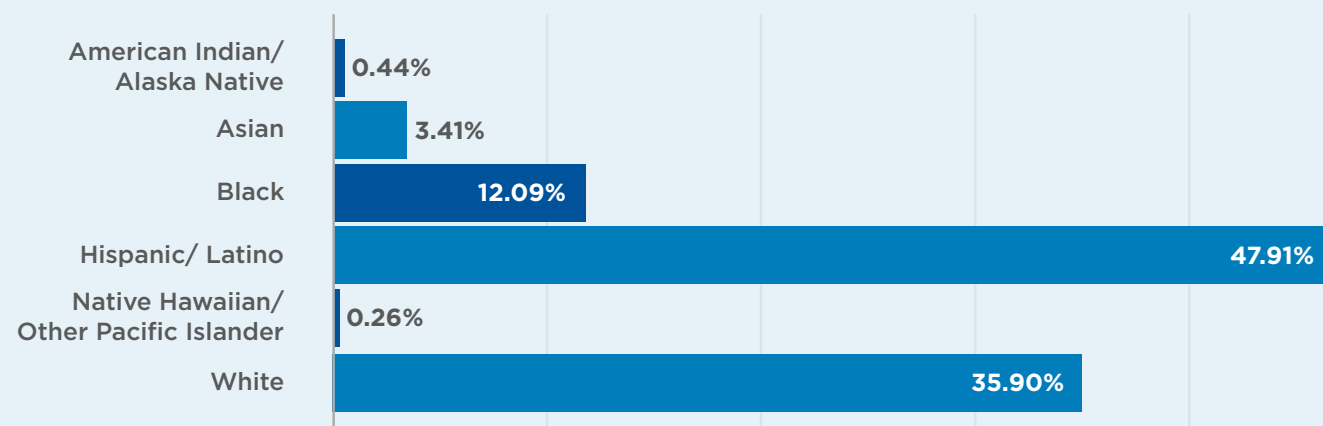
We operate globally, with team members representing more than 120 countries. To foster a diverse and inclusive culture, we seek to leverage the talents of all team members, commit to equal employment opportunity (EEO) as detailed in our Company's EEO policy, and deliver training on unconscious bias, microaggressions and diversity and inclusion.

SNAPSHOT OF OUR WORKFORCE

BOARD DIVERSITY SNAPSHOT

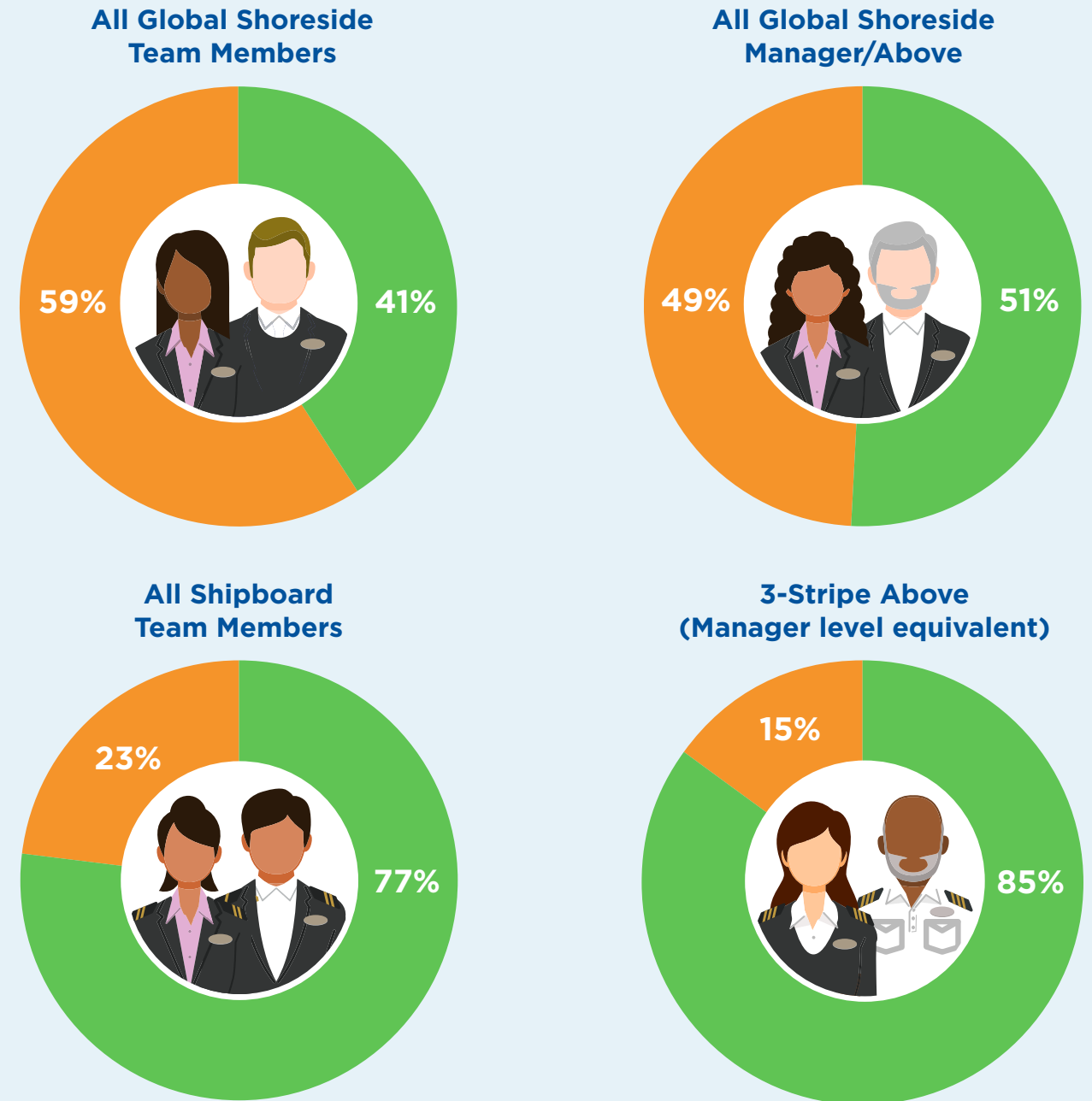


U.S. SHORESIDE ETHNIC DIVERSITY BREAKDOWN^{3,4}



GENDER DIVERSITY^{2,3}

Women Men

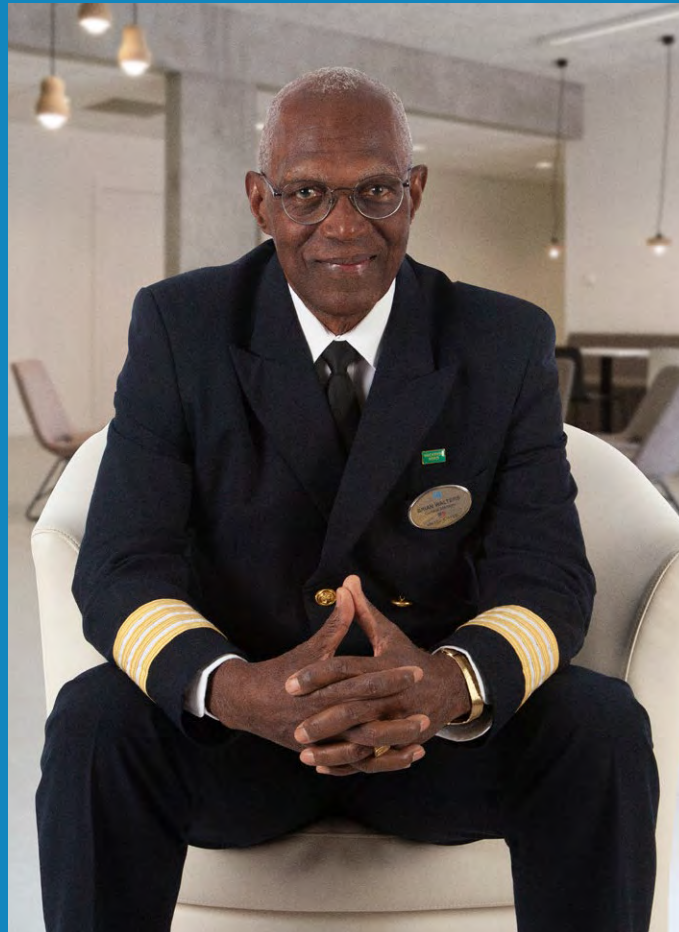


ETHNIC DIVERSITY ^{1,3}	NON-URMS %	URMS %
All U.S. Shoreside Team Members	36%	64%
U.S. Shoreside Managers/Above	53%	47%

1 Under-represented minority (URM) is used to describe diverse populations, including Native American, Asian, Black, Hispanic/Latino and Native Hawaiian team members in the U.S. who have self-identified. Except for Pride of America, we do not track ethnicity/race for our shipboard team members as the majority are URMs from a U.S. perspective.
 2 While we present male and female, we acknowledge this is not fully encompassing of all gender identities.
 3 As of December 31, 2020, this was the composition of our workforce.
 4 Based on those who have self-identified.



EMPLOYEE SPOTLIGHT



Brian Walters, General Manager, Norwegian Sun

Native to the beautiful island of Jamaica, 50-year Company veteran Brian Walters joined Norwegian in 1969 as a Lounge Steward, just three years after the company was founded as Norwegian Caribbean Line. He worked his way through the ranks of crew and into leadership positions where he currently holds the position of General Manager today. Brian calls Norwegian Sun his home away from home when he's not spending time at his land-based home in Ft. Lauderdale, Florida.

Through the years, crew members have been guided and mentored under Brian's watchful eye and he's consistently

regarded as a calm, steady leader. During his time at sea, Brian has witnessed the evolution of the cruise industry firsthand and experienced nearly all of Norwegian's ground-breaking cruise innovations. But if you ask him when he plans to retire his sea-legs, he'll laugh and tell you he's ready to get back on board.

TALENT ACQUISITION

We are increasingly focused on presenting a diverse slate of candidates to all hiring managers. We use various forms of outreach to target prospective diverse candidates, including posting job openings on diversity organization websites and participating in diverse career fairs. We have also previously participated in the Year Up internship program which provides internships for students in underrepresented and underprivileged communities. Looking forward, we have partnered with local universities and continue to seek opportunities to enhance our diversity hiring.

TRAINING

In 2020, we launched online training as one of our essential steps to increase awareness and to foster a workplace that is aligned with our core values of Family and Community. All shoreside team members were required to complete training regarding 1) Diversity, Inclusion and Sensitivity in the Workplace, 2) Unconscious Bias and 3) Micro-Aggressions in the Workplace. Going forward, all new hires will also be required to complete this training. In addition, shipboard team members receive Cultural Awareness training with an emphasis on learning, appreciating and celebrating differences.

EMPLOYEE RESOURCE GROUPS

Our Employee Resource Groups (ERGs) are another way for employees to connect, share, discuss important issues and give back to the community. We currently offer two ERGs and are in the process of exploring the addition of more groups to provide our team members more opportunities to connect and further their development.



ELEVATE

Elevate is comprised of our Senior Directors and above women leaders based out of the corporate headquarters. The Elevate group meets at least quarterly, and more frequently during a remote environment, for support, engagement and personal development. Sessions will vary from networking within this group to self-development sessions focused on topics such as negotiation, personal brand and self-care.

VETERAN'S TASK FORCE

The Veteran's Task Force is an ERG comprised of our military veterans. The Task Force has previously been committed to community outreach, support for fellow members and awareness of veteran community needs.

PARTNERSHIPS AND COMMITMENTS

We have long-term partnerships with the National Diversity Council, sponsoring the Florida Diversity Council and its South Florida local chapter. We have partnered with the prestigious International Women's Forum Fellows Program. We continually seek additional organizations and partnerships to further expand our DE&I efforts.

Sixthman, our subsidiary company based in Atlanta, Georgia, specializing in developing and delivering music-oriented charters, recently joined the ATL Action for Racial Equity. This new initiative seeks to accelerate racial equity by leveraging the size and scale of the business community and the power of collective impact. Businesses who sign on to the initiative will focus on measurable actions across corporate policies, inclusive economic development, education and workforce development to help in addressing the region's immobility and inequity challenges.

ENGAGEMENT

We also recognize, celebrate and share the stories of our diverse and dynamic team members throughout the year corresponding with national and global observance holidays. In 2021, we introduced a spotlight series for Black History Month to showcase dynamic and diverse leaders who have made significant contributions to our Company and our communities. For Women's History Month, we also introduced a feature campaign focused on women who have broken stereotypical barriers to hold positions that have traditionally been held by men.



EMPLOYEE SPOTLIGHT



Bernadine Vallejos-Gonzaga, Fire 'woman', Norwegian Escape

Bernadine holds the position of Fire 'woman' on board Norwegian Escape, where she's worked since she joined the Company in 2017. Prior to NCLH, Bernadine worked in the Fire Service in Cebu City, Philippines, where she was born and raised. Bernadine credits her father and his 29 years with the Fire Service for her lifetime passion in firefighting. She credits her mother, a teacher and architect, for instilling the importance of education, hard work and kindness.

In her daily work, Bernadine is tasked with checking fire equipment, training new hires, preparing for safety inspections and ensuring that all areas of the ship are free of fire hazards. The intense training includes advanced firefighting, medical first aid, crisis management, human behavior, hazmat, first responder training, psychosocial care in disasters and much more.

As a woman breaking barriers in her field of work, Bernadine says; "It's important for me as a woman to set a goal, to set high standards and to stay focused. I know that I'm paving the way for other women by succeeding in my career." She adds; "Firefighting is dangerous, and I am fully aware that I put my life on the line whenever an emergency happens. That is why learning, training and preparation of mind and body never ends. My advice for others is to be brave, to be fierce and to be real. Know what you want, study, train and go for it!"



EMPLOYEE HEALTH, SAFETY AND WELL-BEING

Protecting the health, safety and well-being of our team members when they show up for work every day has always been our top priority. This was even more critical in 2020 with the onset of the global pandemic. Our team quickly sprang into action to implement new and enhanced health and safety protocols. We take a holistic approach to health, including focusing on physical, financial, mental and emotional well-being.

CREW WELL-BEING

We operate in full compliance with the Maritime Labor Convention (MLC), an international labor convention adopted by the International Labor Organization (ILO) that sets out seafarers' rights to minimum working and living conditions. The MLC sets minimum requirements for nearly every aspect of working and living conditions for seafarers including recruitment and placement practices, conditions of employment, hours of work and rest, repatriation, annual leave, payment of wages, accommodation, recreational facilities, food and catering, health protection, occupational safety and health, medical care, onshore welfare services and social protection. We always seek to meet or exceed these requirements to foster a safe and happy environment that motivates our crew members.

Average crew contracts last for nine months at sea, followed by two months of leave while contracts for senior staff are generally four months. When contracts are complete, we provide airfare to repatriate crew back to their home countries for leave. While at sea, hours can vary but we never exceed the MLC's maximum allowable hours of 14 hours in a day and 77 hours over a 7-day period. Crew are also guaranteed compensation for overtime.

Crew members are also provided resources to maintain good physical health. All crew receive mandatory pre-employment medical examinations and undergo a comprehensive vaccination program before boarding. While onboard, crew have access to our well-resourced onboard medical centers and can see physicians and nurses for treatment of any medical problems.

We provide a variety of services to enhance crew's living conditions and well-being while onboard. Crew areas are equipped with recreational facilities such as a gym, basketball court, crew lounge, gaming room, crew bar and crew internet café.

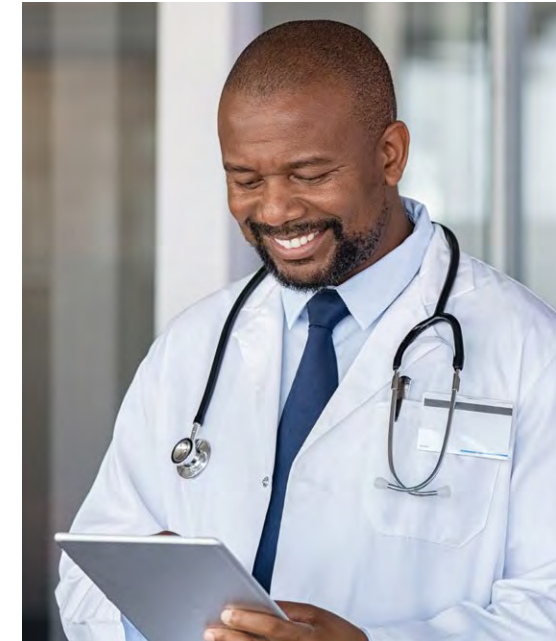
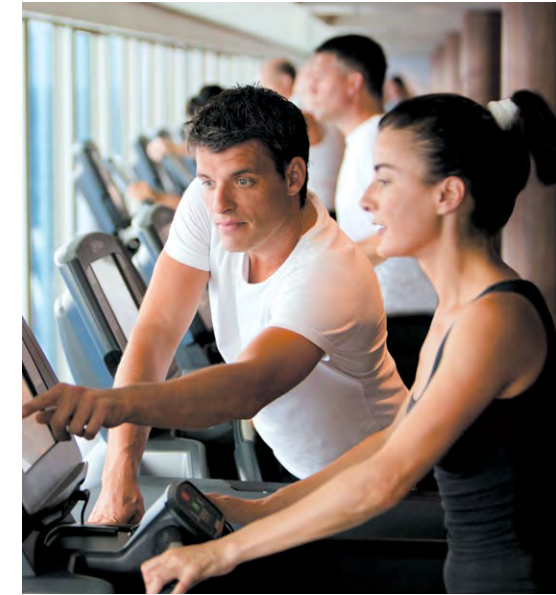
To promote crew well-being, each ship organizes a calendar of activities including music events, special lunches/dinners for crew recognition, holiday events, sports tournaments, shore excursions, bicycle rentals and movie nights. The crew has internet benefits to keep in touch with their friends and family back home on their own devices and are also provided with computers with internet access in a designated area on board.

In 2021, a wellness initiative will be launched focusing on healthy habits living on board, including a 30-day challenge and a series of additional workshops for self-development and well-being.

Additional motivational initiatives are conducted by Senior Management on board, including daily motivational messages, regular meetings to introduce themselves and their teams and lectures on opportunities on board and best practices.

CARE TEAM

Our Care Team consists of trained specialists to address illness or emergency events on board or at our destinations across our three brands. The Care Team is available 24/7 and provides care and support for impacted guests and crew and their families during an emergency. Norwegian Cruise Line alone has 4 trained Care Team Specialists and nearly 200 Care Team trained crew members globally who provided personalized support, emotional and logistical, to 165 guests and crew in 2020.



STRENGTHENING OUR COMMUNITIES

Dedication to Family and Community is one of our core values, and we are committed to strengthening our local communities, the communities we visit and the local ecosystems through which we cruise. We believe it is our responsibility and privilege to give back to the communities around the world where we live, work, visit and serve. This year we reinforced our commitment by announcing a Paid Volunteer Day for all U.S. shoreside team members to support our community involvement efforts. Team members will be able to give back by choosing a cause or organization that they are passionate about.

In addition to our employee volunteer efforts, we strengthen communities through charitable giving and philanthropy initiatives, partnerships, community outreach and disaster relief.

WE ASPIRE TO...



SUPPORT AND
INVEST IN LOCAL
COMMUNITIES



PROVIDE
DISASTER RELIEF

AT A GLANCE

\$10M

provided to six Alaska port communities for COVID-19 related relief and recovery

A\$250K

donation to the Australian Red Cross to support Australia bushfire relief efforts

\$2M+

in-kind humanitarian relief to support various community organizations worldwide throughout 2020 and 2021

150,000

JUST® Water cartons donated for GivingTuesday to support food banks in Florida and New York

Nearly 3,000

U.S. shoreside team members offered a Paid Volunteer Day beginning in 2021

32,000

responsibly packaged, plant-based cartons of JUST® water and nearly 262,000 pounds of non-perishable and canned goods donated for Hurricane Iota relief efforts

16

Feeding America food banks supported in the Southern U.S. to provide relief after Texas and Gulf States severe winter storms

\$30K

donation to support the Arts Campus of the Sealaska Heritage Institute in Juneau, Alaska

Nearly 400

cruise longshoremen provided with gift cards totaling \$100K

350

toys provided in Camillus House virtual toy drive

\$500K

support given to St. Vincent for volcanic relief

PHILANTHROPY & VOLUNTEERISM

Our Company and our team members around the globe are committed to doing good and making a lasting impact in our communities.

Team members actively engage in our communities by volunteering and have historically participated in various events including beach clean ups, toy drives and food service. In 2019, team members donated over 1,000 hours giving back to the community and collected nearly 500 pounds of garbage through beach clean ups. While in-person volunteer opportunities were limited in 2020 due to the pandemic, our team adjusted in various ways including the successful completion of a virtual toy drive. In 2021, we introduced a Paid Volunteer Day for all U.S. shoreside team members to provide them with an opportunity to give back to the causes they hold dear.

We also give back significantly through our charitable giving programs. In 2019, we provided approximately \$4.1 million of donations (estimated value of cash and cruise donations and excluding other in-kind donations) to deserving causes. While corporate donations were reduced in 2020 due to the significant financial impact of COVID-19 on our business, we still donated approximately \$1.6 million to various important causes. In Miami Dade County alone, where our corporate headquarters is located, we donate to more than 30 organizations, including Live Like Bella Childhood Cancer Foundation, Habitat for Humanity of Greater Miami, National Diversity Council and Teach for America Miami Dade.

Team members are also given the opportunity to support important organizations through our WorkPlace Giving program. Team members can make automatic recurring or one-time payments through payroll deduction, and the Company will match 50% of employee's contribution up to \$1,000 per year. The four organizations to currently choose from are 1) [All Hands and Hearts](#), 2) [American Cancer Society](#), 3) [Kids in Distress](#) or 4) [Virlanie Foundation](#).





COVID-19 RELIEF AND RECOVERY

ALASKA SUPPORT

In May 2021, we provided \$10 million of cash support to six Alaska port communities severely impacted by the ongoing cruise voyage suspension, including Juneau, Ketchikan, Skagway, Hoonah, Seward and Sitka. Sixty percent of all tourism in Alaska is generated through cruise, which has been halted for more than a year, continuing to significantly impact small businesses reliant on cruise tourism. In addition, as part of the recently announced BuyAlaska and Voyij.com initiative, we joined the 'Shop Local Alaska' program and are encouraging people to help support Alaska small businesses devastated by the halt in cruising.

CRUISE LONGSHOREMEN

In April 2021, we donated \$100,000 in Visa gift cards to help support the cruise members of the International Longshoremen's Association Local 1416 which saw 60% of their business wiped out nearly overnight due to the pandemic. The International Longshoremen's Association Local 1416 has provided Long Shore Labor (also known as Longshoremen) for the Miami-Dade County PortMiami for over 85 years. Longshoremen load and unload trains and ships from all over the world, including freighters and cruise ships. Local 1416 is a pillar of the local community, providing middle-class jobs and holding a historic position as the oldest Black union in Florida.



HUMANITARIAN RELIEF

Since the global suspension of cruising began in March 2020, the Company has also continued to work with organizations around the world to provide much needed humanitarian relief, including over \$2 million of in-kind donations to date. Some of the Company's various initiatives during this period included:

- Approximately \$1.2 million in nonperishable food and water donations to be provided to Feeding America's local Miami food bank [Feeding South Florida](#) by the end of 2021.
- Provided nearly \$275,000 of in-kind donations in the form of JUST® Water and non-perishable and canned goods, to support two community organizations and assist ongoing relief efforts in the Archipelago of San Andrés in Colombia after the devastating impact of Category 5 Hurricane Iota.
- More than \$225,000 in dry goods and foods to benefit communities in Belize impacted by the COVID-19 pandemic.
- Provided 16 truckloads of JUST® Water to benefit 17 Feeding America member food banks and other nonprofit organizations in the U.S. located in areas devastated by severe winter storms in partnership with [JUST® Goods, Inc.](#) and [The Will & Jada Smith Family Foundation](#).
- Over \$30,000 of in-kind donations including 10 pallets of responsibly packaged, plant-based cartons of JUST® Water to benefit the [Southeast Alaska Food Bank](#).





- For GivingTuesday, matched every case of JUST® Water purchased in December through their online store with a water donation to local food banks in Miami and New York City. The joint effort resulted in the delivery of nearly 150,000 JUST® Water cartons.
- More than a dozen pallets of dry and frozen foods to the Dutch food bank [Voedselbanken Nederland](#) and the Italian nonprofit [Pane Quotidiano](#) in Milan, Italy.
- Five pallets of JUST® Water cartons and more than 6,350 cases of yogurt to the Urban Renewal Commission in Freeport, Bahamas.
- 790 kosher meals to the [Greater Miami Jewish Federation](#).
- 1,000 bottles of JUST® Water to help frontline National Health Service (NHS) staff in the UK at University Hospital Southampton through [Southampton Hospitals Charity](#) in partnership with JUST® Goods, Inc.



“We are grateful for community partners like Norwegian Cruise Line Holdings, which provided over 800,000 pounds (362,874 kilograms) of healthy and nutritious food to individuals and families in South Florida. Currently, one in six South Floridians don’t know where they will get their next meal. Donations like this help Feeding South Florida meet the increased demand for access to nutritious foods as a result of the COVID-19 pandemic.”

— SARI VATSKE, EXECUTIVE VICE PRESIDENT, FEEDING SOUTH FLORIDA

SHIPBOARD INITIATIVES

Our shipboard team members participate in various philanthropic and volunteer initiatives at destinations across the world. Some recent initiatives include:

- In October 2019, Oceania Cruises’ Riviera donated furniture to the Salvation Army in Montreal, Canada.
- Crew of the Norwegian Breakaway provided gifts to a local children’s hospital in Nassau, and held a beach clean-up in Marseille, France.
- Crew of the Norwegian Dawn provided holiday gifts to children from an orphanage in Roatan, Honduras.
- Norwegian Epic officers and crew held a charity event at a local school in Belize.
- Regent’s Seven Seas Voyager officers and crew donated \$2500 in crew welfare funds to a local non-profit Seaman’s Center.
- Oceania Cruises’ Marina donated 640 fire extinguishers in Genova, Italy.
- Pride of America officers and crew organized a food & clothing drive for “Women Helping Women” in September 2019.
- Pride of America’s Environmental Officer organized a beach clean-up in Kauai, HI.

GIVING JOY

In Spring 2019, Norwegian Cruise Line celebrated hardworking teachers through the Giving Joy campaign. The public nominated and voted for teachers in the U.S. and Canada who inspire joy in the classroom. This successful campaign generated more than 46,000 nominations and 1.43 million votes.

The 30 educators with the most votes each won 7-day cruises for two and became eligible for three grand prizes — a chance to win \$10,000, \$15,000 or \$25,000 for their schools. A panel of Norwegian Cruise Line executives selected the three grand prize winners based on the relevancy of contestants’ submissions to the contest theme, teachers’ lasting impact on their students and content and originality.

While this campaign was paused in 2020 due to the pandemic, we re-launched this initiative in 2021 to continue recognizing and honoring hardworking teachers who have been on the frontlines, challenged more than ever before during this crisis.





VIRLANIE FOUNDATION

The Virlanie Foundation was established by Dominique Lemay in 1992 in Manila, Philippines, with the goal to assist the city's street children through the creation of the Manila Youth Reception Center and the Reception and Action Center. Since its founding, Virlanie has helped more than 17,000 children in need of special protection through the foundation's various programs and services.

Norwegian Cruise Line first connected with this important foundation in 1999 with the purchase of Orient Lines and the MS Marco because the previous owner had sponsored the Virlanie Foundation's Herrod Home, the Marco Polo Home and the Marco Polo Care Center (MPCC).

From 1999 to 2011, Norwegian Cruise Line collected donations for the foundation through various events, and in 2012, formalized the foundation partnership with the creation of Project Tulong and the official signing of an MOA with Virlanie. Approximately 3,000 of our crew members donate to Project Tulong.

The Virlanie Foundation's Marco Polo Care Center is the first home for children aged 4-6 years old when they are admitted to Virlanie. During the children's stay, Virlanie's social workers handle their cases and assess whether they can be reunified with their families. If it is not possible, they will either be put up for adoption or stay in other Virlanie homes for long-term care.

GIVINGTUESDAY

To support the worldwide generosity movement GivingTuesday, Norwegian Cruise Line partnered with JUST® Goods, Inc. We donated a case of JUST® Water to local food banks in Miami and New York City for every case purchased through the JUST® Goods, Inc. online store during the month of December. The joint effort resulted in the delivery of nearly 150,000 JUST® Water cartons into the hands of those who need it most, with donations benefitting Feeding South Florida, City Harvest New York and Food Bank for New York City.

ALASKA SEALIFE CENTER

We were proud to partner with Royal Caribbean Group and SSA Marine to grant a dollar-for-dollar matching donation of \$100,000 in August 2020 to help save the Alaska SeaLife Center. The matching challenge was so successful that \$100,000 in donations was reached in just 11 days. The SeaLife Center in Seward, Alaska, was uniquely impacted by the COVID-19 pandemic due to a lack of summer visitor revenues, and the donation provided much-needed support to help maintain operations through the winter. The SeaLife Center is primarily dedicated to marine research and education but is also a permanent marine mammal rescue and rehabilitation facility.



DISASTER RELIEF

When disaster strikes, we aim to support local communities by quickly providing much-needed aid for relief and recovery efforts.

SAINT VINCENT VOLCANO RELIEF

In June 2021, we provided \$500,000 of relief following the La Soufrière volcanic eruption which severely impacted Saint Vincent and the Grenadines. The disaster has displaced tens of thousands of people and resulted in the destruction of entire villages including schools, businesses, homes, crops and livestock and has left residents with limited access to clean drinking water.

HURRICANE IOTA RELIEF

After the devastating impact of Category 5 Hurricane Iota, Norwegian Cruise Line provided nearly \$275,000 of in-kind donations including 32,000 responsibly packaged, plant-based cartons of water jointly with JUST® Water, and nearly 262,000 pounds of non-perishable and canned goods to support two community organizations and assist ongoing relief efforts in the Archipelago of San Andrés in Colombia.

We provided shipments of relief supply to benefit the Foundation Pro Archipelago, whose mission is to improve the well-being and quality of life of the nearly 6,000 residents of the Archipelago of San Andrés and its nearby island provinces in the Western Caribbean by promoting economic growth, responsible tourism and sustainable development. We also donated non-perishable canned food and goods to FIOPSC, an organization which focuses on fostering and developing programs to benefit the ecology of the local island communities.

HOPE STARTS HERE

In 2017, Norwegian Cruise Line was one of the first cruise lines to provide aid to the Caribbean after Hurricanes Irma and Maria devastated the region, raising approximately \$2.5 million through our Hope Starts Here hurricane relief program. We partnered with All Hands and Hearts, a leading disaster relief organization, to help provide immediate relief in Key West and reconstruct schools and critical infrastructure on affected islands in the Caribbean, including St. Thomas, St. Maarten and Tortola. The second school to benefit from these efforts, Morne Prosper Pre and Primary Schools in Morne Prosper Village, Dominica, opened in January 2019. For the primary school, two classrooms that were completely destroyed were rebuilt while new,

much-needed kitchen and water, sanitation and hygiene facilities were also constructed for the school. The entire preschool was also rebuilt with the addition of a new playground.

In 2019, we relaunched the Hope Starts Here campaign in partnership with All Hands and Hearts to provide immediate short-term relief for those affected by Hurricane Dorian. In less than one month, the program received donations from our valued team members, loyal guests and travel and business partners, which we matched with a \$2 million cash contribution as well as nearly \$1 million of in-kind donations. All Hands and Hearts used the donations for emergency response efforts across The Bahamas, including debris cleanup and removal, and the rebuilding of community infrastructure such as housing and schools. In addition, we coordinated with local Bahamian authorities to bring needed provisions to the affected areas, and Norwegian Breakaway departed Miami with hurricane relief supplies donated by our employees, as well as items collected by the City of Miami and other local organizations.

U.S. WINTER STORM RELIEF

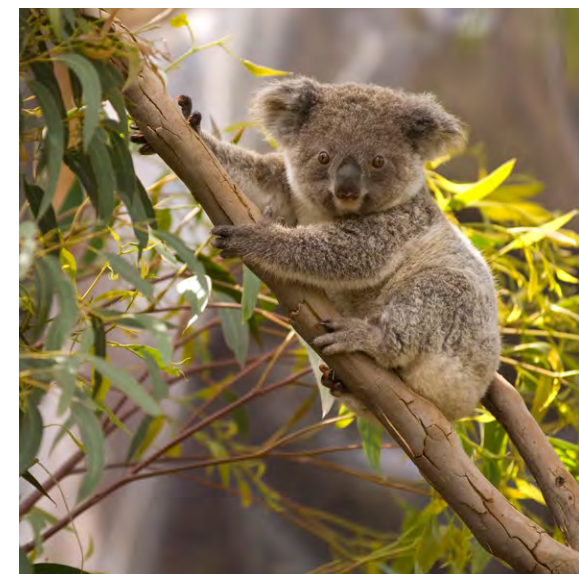
After the devastating impact of the severe winter storms in Texas and the Gulf States in early 2021, Norwegian Cruise Line partnered with JUST® Goods, Inc. and The Will & Jada Smith Family Foundation (WJSFF) to launch a multi-city joint donation effort to provide JUST® Water to 16 Feeding America member food banks and other nonprofit organizations. Together, we provided 16 truckloads of more than 532,000 responsibly packaged, plant-based cartons of JUST® Water to benefit people affected by the extreme weather.

AUSTRALIA BUSHFIRE RELIEF EFFORTS

In January 2020, we committed \$250,000 AUD to the Australian Red Cross Disaster Relief and Recovery Fund to support emergency relief efforts for communities affected by the unprecedented bushfires in the region. The Australian Red Cross teams provided support to displaced people in evacuation and recovery centers and provided emergency grants to help people who have lost homes in the fires cover immediate needs.

16

Feeding America food banks supported in the Southern U.S. to provide relief after Texas and Gulf States severe winter storms



PARTNERSHIPS

We have formed important partnerships with governments and non-profit organizations to foster positive change both within the U.S. and abroad. We also have several environmental partnerships which can be found on [pg 50](#).

CAMILLUS HOUSE

In 2011, our Company made a \$5 million commitment to Camillus House, an organization that provides humanitarian services to the poor and homeless of Miami-Dade County, Florida. In recognition of our pledge — the largest corporate contribution in Camillus House’s history — the charity named its 340-bed facility “Norwegian Cruise Line Campus of Camillus House.” The campus services more than 3,000 people in employment training, social services and clinical treatment programs. Today, team members continue to conduct supply and holiday gift drives, serve dinner at the campus kitchen and assist with various shelter and housing beautification projects.



FLORIDA DIVERSITY COUNCIL

We have a long-term partnership with the National Diversity Council-affiliated Florida Diversity Council (FLDC) and its South Florida local chapter. FLDC is committed to fostering a learning environment for organizations to grow and leverage their knowledge of diversity and is a resource for diversity best practices and leadership development.

In March 2021, we sponsored a Women in Leadership Symposium “Onward & Upward- The Era of the Empowered Woman” hosted by FLDC. The Symposium featured five influential female leaders as panelists including one of the Company’s exceptional senior executives, Andrea DeMarco, Senior Vice President of Investor Relations, Corporate Communications & ESG.



MAKE-A-WISH

Since 2009, our Company has been a proud partner of Make-A-Wish®. We have worked closely with the Make-A-Wish Foundation of America through our Welcome Aboard Wishes Program, which grants more than 100 wishes annually by giving children with special needs and life-threatening medical conditions a cruise vacation they will always remember. We help create lifelong memories for each child whose dream is to visit one of the amazing destinations we visit or experience all that our ships have to offer. Our attentive shoreside staff and shipboard crew coordinate every detail of the cruise to ensure the children and their families are treated like VIPs. While Make-A-Wish cruises were largely halted in 2020 due to the pandemic, we look forward to building upon this long-term partnership once we resume cruise operations.



OPERATING WITH INTEGRITY AND ACCOUNTABILITY

We believe in the importance of operating our business ethically and with integrity, in order to build a culture of trust and confidence with all of our key stakeholders including team members, vendors, guests, investors and more. We have a strong corporate governance system in place to provide high standards of transparency and accountability and strive to be a leader in ethics and responsible business practices. Our Board of Directors (Board) and Executive Management team are committed to practicing good governance and continuously seeking ways to improve business practices. Our ESG commitment also extends to the Board level with our Technology, Environmental, Safety and Security (TESS) Committee of the Board responsible for overseeing, among other things, corporate social responsibility and sustainability efforts.

WE ASPIRE TO...



PRACTICE GOOD GOVERNANCE



GET RESULTS THE RIGHT WAY



RESPECT HUMAN RIGHTS



PROTECT PERSONAL DATA AND RESPECT PRIVACY

AT A GLANCE

TESS

committee created in 2019 to oversee corporate social responsibility and sustainability

9

size of Norwegian board

7

independent directors

55.5%

diverse board

1/3

under-represented minority board

1/3

female board

6.1

year average board tenure¹

100%

code of ethical business conduct certification annually

¹ As of 4/7/21.

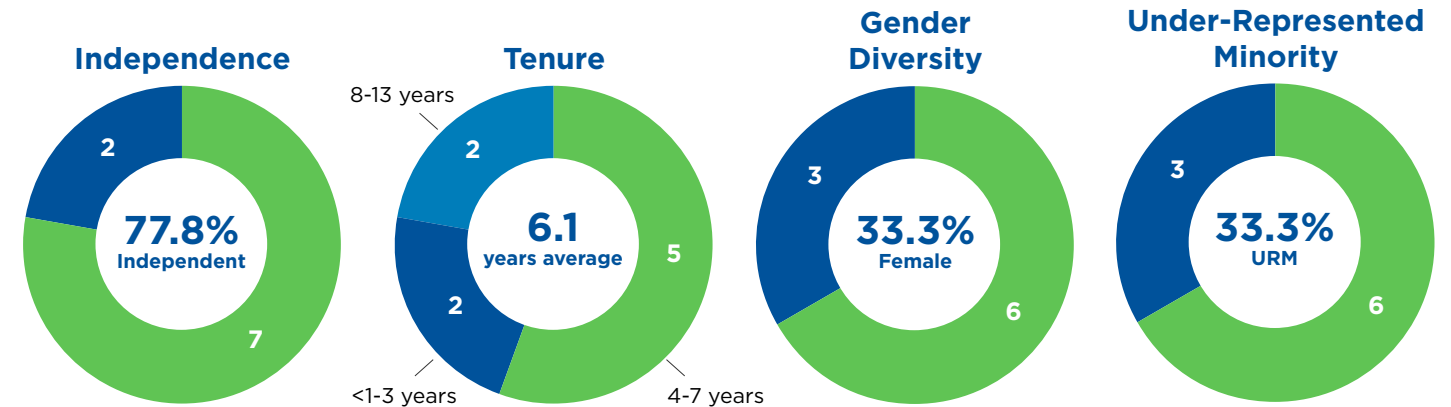
BOARD OF DIRECTORS

We are governed by our Board of Directors, elected by shareholders, that meet throughout the year to oversee and guide our operations. Our Board helps develop and oversee the implementation of our strategic vision and is committed to fostering an appropriate culture of risk management through the creation of appropriate policies and procedures to encourage ethical and responsible operations.

COMPOSITION

Our Board is composed of 9 directors, 7 of whom are independent, all of whom are highly accomplished individuals who bring extensive expertise, experience and leadership to our Company. We seek directors who 1) understand elements relevant to the success of a publicly traded company, 2) understand our business, and 3) have a strong educational and professional background. We also consider the individual's independence, character, ability to exercise sound judgment and demonstrated leadership skills.

Our commitment to diversity, equity & inclusion starts with our Board which is one-third female, one-third under-represented minorities and 55.5% diverse, with two of these diverse directors serving in Board leadership positions. Our Board is also committed to seeking out women and minority candidates as well as candidates with diverse backgrounds, experiences and skills as part of each Board search.



2013

- IPO
- NCLH is a controlled company
- 2/9 directors are independent

2014

- Complete acquisition of Prestige Cruises International, Inc (PCH)

2015

- Former PCH CEO becomes our President and CEO
- No longer a controlled company
- 2 new independent directors

2016

- Board reduced from 11 to 9 members
- Board is majority independent
- Committees are fully independent

2017

- 1st female director joins Board
- Memorialized commitment to seek diverse Board candidates
- Historical tax gross-up provision eliminated
- 1st environmental report published
- Anti-pledge, clawback and share ownership policies adopted
- Board oversight of talent and succession planning strengthened
- Board/committee evaluations process enhanced
- Transfers to NYSE and inducted into the S&P 500

2018

- 2nd and 3rd female directors join Board
- 7/10 directors are independent
- 30% of Board is female
- 60% of Board is diverse
- 1st stewardship report published

2019

- TESS Committee formed

2020

- ESG Department created
- TESS Committee oversees creation of Healthy Sail Panel and Company's response to COVID-19 pandemic

2021

- Board reduced from 10 to 9 members

STRUCTURE

Our Board believes its current leadership structure best serves the objectives of our Board's oversight of management, our Board's ability to carry out its roles and responsibilities on behalf of our shareholders and our overall corporate governance. Our Board and each of its committees are currently led by independent directors, with our President and Chief Executive Officer separately serving as a member of our Board. Our Board believes that participation of our President and Chief Executive Officer as a director, while keeping the roles of President and Chief Executive Officer and Chairperson of the Board separate, provides the proper balance between independence and management participation at this time. By having a separate Chairperson of the Board, we maintain an independent perspective on our business affairs, and at the same time, through the President and Chief Executive Officer's participation as a director, our Board maintains a strong link between management and our Board. We believe this leadership structure promotes clear communication, enhances strategic planning and improves implementation of corporate strategies.

The standing committees of our Board include the Audit Committee, Compensation Committee, Nominating and Governance Committee and TESS Committee. Each committee has adopted a written charter approved by the Board. In order to best represent the interests of our shareholders, our Board has a number of policies and practices in place including, but not limited to:

- Independent Board chairperson
- Fully independent Board committees
- Focus on Board refreshment, with 3 of 9 directors appointed since January 2017

- Majority voting for directors
- Annual Board and committee self-evaluations
- Annual vote on named executive officer compensation
- Share ownership policy for directors and executive officers
- Shareholder ability to call special meetings and act by written consent
- No "poison pill"
- Regular meetings of independent directors in executive session
- Comprehensive clawback policy
- Board and Committee oversight of our Talent and Succession Plan

Please refer to our [2021 Proxy Statement](#) for additional background on our Board's governance structures.

DIRECTOR SKILLS AND EXPERIENCE



5/9

Travel, leisure and
entertainment industries



5/9

Public company



8/9

Executive leadership



3/9

Maritime



6/9

Global operations & strategy



3/9

Sales & marketing



5/9

Financial



MEET THE TESS COMMITTEE

Our TESS Committee is responsible for overseeing:

- 1 Matters, initiatives, reporting and public communications related to corporate social responsibility and sustainability
- 2 Our programs and policies related to technology and innovation, cybersecurity, data protection and privacy
- 3 Our policies regarding safety, security, environmental and climate-related matters



Mary E. Landry Chair, Former U.S. Coast Guard Rear Admiral

Ms. Landry has an impressive background in maritime operations developed over the course of her 35-year career with the government, including service on the White House National Security Council and active duty in the U.S. Coast Guard. She brings expertise regarding the maritime operations of our Company and deep insight into our risk mitigation, preparedness, resilience and cybersecurity strategies to our Board. Some of her career accomplishments included being Commander of the largest Coast Guard District where she oversaw operations for a region including 26 states with over 10,000 active, reserve, civilian, and auxiliary personnel under her command. She has also helped to coordinate large-scale responses to some of the worst natural and man-made disasters including the Deepwater Horizon oil spill, the 2011 Mississippi River Valley floods and the 9/11 terrorist attacks.



Pamela A. Thomas-Graham Founder and Chief Executive Officer, Dandelion Chandelier LLC

Ms. Thomas-Graham provides our Board with experience cultivated over 20 years of serving in executive leadership roles. She also offers expertise in marketing, brand management and human capital development. From her significant tenure as a public company director, she is also able to share with our Board insights gained from her experience overseeing corporate governance, financial reporting and controls, risk management, business strategies and operations of other companies. She has consistently broken boundaries throughout her career including becoming the first African American woman to become a partner at McKinsey & Company in 1995.



Stella David Former Chief Executive Officer, William Grant & Sons Limited

Ms. David has extensive experience running multi-national corporations and has significant expertise in marketing and branding. As the leader of William Grant & Sons Limited, she was responsible for the significant growth of the business, in particular their premium and luxury brands, and for leading the company's expansion into new markets. In addition, Ms. David also has extensive experience as a director and is able to share the knowledge she has gained regarding corporate governance and risk management with our Board.

RISK OVERSIGHT

Our Board recognizes that effective risk oversight is critical to our long-term success and the fulfillment of its fiduciary duties to our shareholders. While our management team is responsible for the day-to-day management of our risks and implementing appropriate risk management strategies, our Board is responsible for setting the correct tone at the top, fostering an appropriate culture of risk management, understanding our enumerated top risks and monitoring how management mitigates such risks. Our Board uses its committees to assist in their risk oversight function as shown on the right.

RISK MANAGEMENT

Our Internal Audit department (IA) facilitates the Enterprise Risk Management process on behalf of our executive management team and the Board’s Audit Committee, to assess and appropriately manage the Company’s major business risks and to identify long-term emerging risks. IA is structurally independent of our operating brands and is led by our Vice President of Internal Audit & Enterprise Risk Management who reports directly to the Audit Committee.

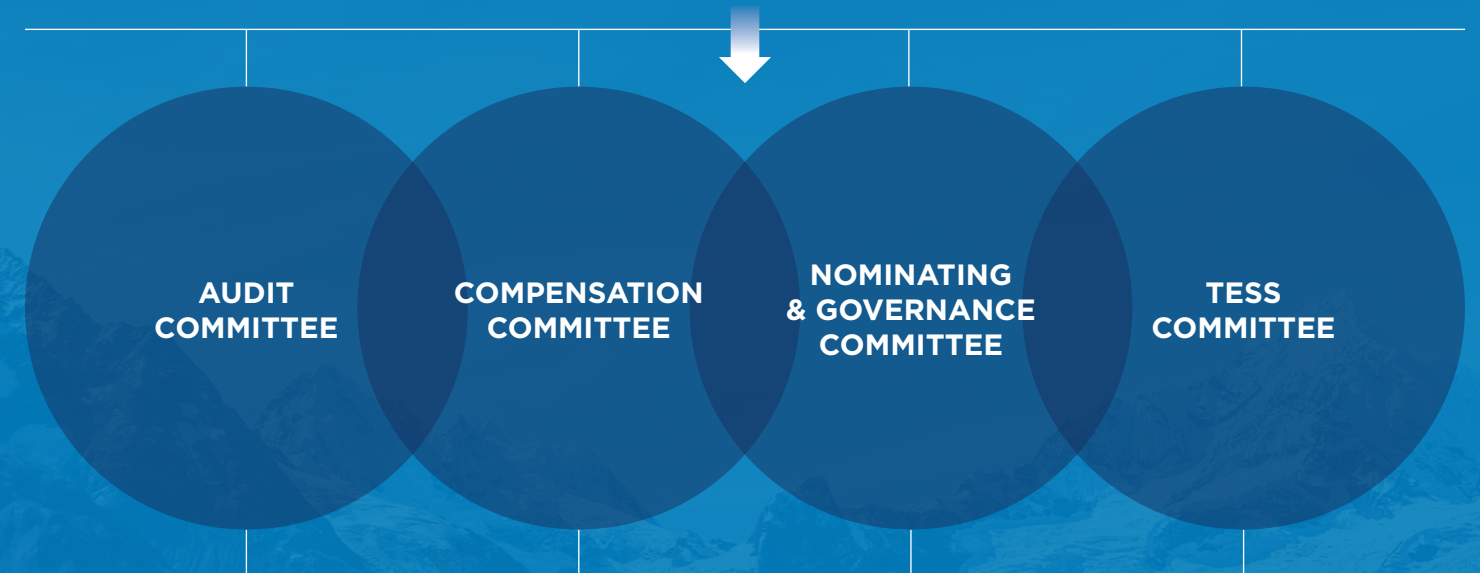
IA conducts ongoing reviews of the most significant risks to the organization throughout the year, including hosting informational sessions and encouraging risk-related feedback from risk owners and other key stakeholders. Feedback is evaluated and then presented to the Board and management for improvement to risk management practices. The team also provides risk information to the Board in the form of Risk Evaluations, Operational Audits, IT Audits, Sarbanes Oxley Testing, Shipboard Audits and other risk updates.

The Company also has a dedicated Enterprise Risk Management Steering Committee consisting of Executive Vice Presidents representing all departments within the organization, which meets quarterly or more frequently as needed to evaluate areas of risk.

BOARD OF DIRECTORS

OVERSEES MAJOR RISKS

- Operational
- Strategic and competitive
- Financial
- Brand and reputational
- Legal and regulatory
- Cultural
- Succession planning



PRIMARY RISK OVERSIGHT

- Accounting and financial controls
- Legal, regulatory, ethics and compliance
- Major financial, operational and other exposures
- Risk management process
- Employee compensation plans, policies and practices
- Non-executive director compensation plans, policies and practices
- Compliance with share ownership policy and “clawback” policy
- Board effectiveness, composition and structure
- Corporate governance matters
- Shareholder concerns
- Succession planning
- Technology/cybersecurity
- Environmental, sustainability and climate change
- Safety and security
- Corporate social responsibility

MANAGEMENT

KEY RISK RESPONSIBILITIES

- Identify and manage all significant risks
- Design risk identification and management framework, including enterprise risk management program
- Communicate all significant risks and mitigation strategies to Board and committees
- Provide independent review of design and effectiveness of internal controls through Internal Audit function



ETHICS & COMPLIANCE

Doing the right thing and getting results the right way is embedded in our core values. We emphasize the importance of conducting business legally and ethically and all team members, executives and directors are required to adhere to our [Code of Ethical Business Conduct](#) (Code) at all times. Our Corporate Ethics Officer oversees the design and maintenance of policies and procedures to maintain our high ethical standards.

The Code defines clear expectations to guide our decision making, deter wrongdoing and promote honest and ethical conduct. The Code outlines our expectations in areas including the below and more:

- Conflicts of Interest
- Confidentiality and Privacy
- Insider Trading
- Financial Integrity and Reporting Practice
- Human Rights
- Discrimination and Harassment
- Antitrust and Fair Competition
- Political Contributions

All newly hired team members complete Code of Ethical Business Conduct training. In addition, every year, team members are provided a refresher and all team members are required to review and certify the Code, which includes required disclosure of potential conflicts of interest. Board members are expected to comply with our Corporate Governance Guidelines as well as our Code and are required to disclose potential conflicts of interest on a rolling basis. Board members also complete detailed questionnaires regarding their compliance with corporate governance principles and standards at least once a year. Team members are also required to complete training for topics including, but not limited to, data privacy, cybersecurity, harassment, discrimination, diversity, equity and inclusion depending on their roles.

REPORTING HOTLINE

We are committed to creating an environment where open, honest communications are the expectation, not the exception. We want all team members to feel comfortable approaching supervisors or management in instances where violations of policies or standards may have occurred.

If a team member, vendor or other stakeholder prefers to place an anonymous report, they are encouraged to use our Reporting Hotline, hosted by a third-party hotline provider, EthicsPoint. The hotline can be used to submit reports relating to violations of our Code, raise any potential concerns, ask questions, provide suggestions or ask for guidance related to policies and procedures.

WHISTLEBLOWERS

We have a zero-tolerance policy for any discrimination, retaliation or retribution for reports or complaints regarding misconduct that were made in good faith, which is outlined in our Code. We encourage team members, vendors and other stakeholders to reach out to supervisors, management or through our Reporting Hotline with any concerns they may have.

RESPECTING HUMAN RIGHTS

We support human rights and condemn all forms of child exploitation, forced labor and human trafficking. We prioritize human rights considerations across our organization, create and maintain policies that protect our guests and team members and clearly define expectations for our suppliers, contractors and partners. All team members are required to adhere to our Code, which includes a commitment to human rights, and to participate in relevant training. Anyone with concerns about human rights issues related to the Company or its vendors are encouraged to report that information through our Reporting Hotline which is confidential and anonymous.





DATA PRIVACY AND SECURITY

In the normal course of operations, we collect and use information from our guests, team members, suppliers and vendors to provide our world-class vacation experiences. We are committed to protecting this information and implement physical, technical, and organizational security measures designed to safeguard the personal data we process. These measures are aimed at providing ongoing integrity and confidentiality of personal data and we evaluate and update these measures on a regular basis. We operate worldwide and therefore comply with local and international regulations. We have a Chief Information Security Officer who oversees and is responsible for our overall data security efforts. Our Privacy Team reviews projects and processes that involve personal data and provides guidance to our Company regarding the way we use personal data. Our Privacy Team

and Data Governance Team also provide regular updates to our Privacy Board, composed of senior leadership members and other team members that are responsible for overseeing our use of personal data. Ultimately, the TESS Committee of our Board oversees our programs and policies related to cybersecurity, data protection and privacy. Team members also complete regular training to spot suspicious activity and to learn about data privacy and protection best practices.

We have also launched an internal 24x7x365 Security Operations Center (SOC), which: provides information security monitoring for both shoreside and shipboard IT systems and applications; has the ability of real-time incident response management for our IT infrastructure, which includes our websites, applications, databases, servers, network devices and components and workstations; is a team comprised of cybersecurity professionals trained and equipped to identify, contain, analyze and investigate any perceived security threats; and, has the ability to assist internal users on 24x7x365 basis with any information security questions or reported issues, such as phishing/scam emails, information security concerns and security solution related access or performance issues.

Our privacy policies can be found on our websites and here: [NCLH Privacy Policy](#)

POLITICAL SPENDING AND LOBBYING POLICIES AND PRACTICES

Our Board actively oversees our Company's role in helping to shape public policy and address regulations that impact our Company, our industry, our shareholders and other stakeholders. We support public policies that drive the achievement of our long-term, sustainable growth. Our Nominating and Governance Committee oversees our political spending and lobbying policies and practices through periodic reports from management. Our Company is an active member of CLIA, which advocates on behalf of the cruise industry and its stakeholders.



SASB DISCLOSURE MATRIX

Norwegian Cruise Line Holdings Ltd. is committed to managing and reporting material sustainability information for our investors and other key stakeholders. The table below references SASB's Cruise Line Standard, Version 2018-10. As a result of the COVID-19 pandemic, our global cruise operations were suspended beginning in March 2020 and continuing into 2021. This voyage suspension had a material impact on certain 2020 metrics. At this time, there are certain metrics we are unable to provide details for, but we will continue to evaluate additional metrics for inclusion in future reports.

SASB Code	Accounting Metric	2020 Data Response	Reference
TR-CL-110a.1	Gross global Scope 1 emissions - Metric Tonnes Carbon Dioxide Equivalent (MTCO ₂ e)	1,442,306.11 MTCO ₂ e	2020 Report - GHG Emissions Reporting, pg. 26
TR-CL-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	<p>We have a long-term climate action strategy with a goal to reach carbon neutrality through reducing carbon intensity, investing in technology including exploring alternative fuels and implementing a voluntary carbon offset program.</p> <p>In 2018, we signed the Cruise Lines International Association (CLIA) historic commitment to reduce the carbon emissions rate industry-wide by 40% by 2030 compared to a 2008 fleet baseline. We strive to minimize emissions through ongoing investments in systems and technologies to reduce our fuel consumption for both existing vessels and newbuilds. These investments have allowed us to reduce our fuel consumption per capacity day by approximately 17% from 2008 to 2019 for our entire</p>	2020 Report - Addressing Climate Change, pgs. 24-31 , Energy Conservation, pgs. 32-34 , Newbuilds and Innovation, pgs. 35-37

SASB Code	Accounting Metric	2020 Data Response	Reference
TR-CL-110a.2 (cont'd)		<p>fleet. In addition, we purchase carbon offsets to address gaps in our decarbonization efforts until new technology becomes available with a commitment to purchase at least 3MT in 2021-2023. We have also partnered with CLIA and other maritime organizations to propose the establishment of a \$5 billion collaborative shipping research & development fund dedicated to the ultimate goal of eliminating CO₂ emissions from international shipping.</p> <p>We have also performed four years of GHG inventories and will use this data to consider setting a company specific emissions reduction goal in the next two years.</p>	
TR-CL-110a.3	(1) Total energy consumed - Gigajoules (GJ) (2) percentage heavy fuel oil (3) percentage onshore power supply (OPS) (4) percentage renewable	(1) 18,658,337.74 GJ (2) 99.64% (3) 0.05% (4) 0%	2020 Report - Energy Conservation, pgs. 32-34
TR-CL-110a.4	Average Energy Efficiency Design Index (EEDI) for new ships	<p>Two ships in our fleet have attained an EEDI rating:</p> <p>Encore: 9.301 Splendor: 13.4</p> <p>Our remaining ships were not required to have EEDI ratings when they were built. All of our ships built after 2012 have energy efficiency certificates.</p>	2020 Report - Energy Conservation, pgs. 32-34

SASB Code	Accounting Metric	2020 Data Response	Reference
TR-CL-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N ₂ O), (2) SOx, and (3) particulate matter (PM10)	We currently do not have the capability to track this metric but are working with third parties to report air emissions in the near future.	2020 Report – Emissions Regulation, pg. 29 , Exhaust Gas Cleaning Systems, pgs. 29-30 , Newbuilds and Innovation, pg. 35-37
TR-CL-160a.1	Total amount of ship waste discharged to the environment, percentage treated prior to discharge	Total combined: 2,307,272.47 m ³ Gray Water: 173,074.40 m ³ Treated Sewage: 1,815,646.7 m ³ Bio Sludge: 61,295.64 m ³ Untreated Sewage: 257,255.73 m ³ ~78% of wastewater discharged is treated	2020 Report –Waste Mitigation, pgs. 45- 49
TR-CL-160a.2	Percentage of fleet implementing (1) ballast water exchange and (2) ballast water treatment	21 of our 28 vessels use Ballast Water Treatment Systems and seven use exchange (75% BWTS, 25% exchange). Of the vessels still operating under exchange, BWTS are being installed as required by the International Oil Pollution Prevention (IOPP) renewal date.	
TR-CL-160a.3	Cruise duration in marine protected areas and areas of protected conservation status	We currently do not have a standardized method for recording this data across our fleet. However, we are evaluating options that will allow us to report this in the coming years. The future of our business is closely intertwined with the health of our oceans and the destinations we visit and we continuously seek ways to minimize our environmental impact.	
TR-CL-160a.4	Number of notices of violations received for dumping	We received no notices of violations.	
TR-CL-250a.1	Number of alleged crime incidents involving passengers or employees	Four alleged crime incidents.	

SASB Code	Accounting Metric	2020 Data Response	Reference
TR-CL-250a.2	Fleet average CDC Vessel Sanitation Program inspection score, percentage of inspections failed	93.86. Zero inspections were failed in 2020.	2020 Report – Onboard Public Health & Sanitation, pgs. 81-84
TR-CL-250a.3	Number of (1) serious injuries per million passengers and (2) voyages with a gastrointestinal illness count exceeding 2%	(1) We do not currently disclose this information at this time. (2) Zero voyages exceeded 2%.	
TR-CL-310a.1	Average hourly wage for seafarers, by region	We have competitive compensation programs for our shipboard team which for the majority of the team are negotiated with various unions and documented in collective bargaining agreements. Per our 2021 proxy statement , the median employee was a full-time employee located on one of our ships with an annual total compensation of \$30,635 for 2020. Due to maritime requirements and the practical implications of employment on ships with worldwide operations, our shipboard employees receive certain accommodations that are not typically provided to shoreside employees including housing and meals while on the ship and medical care for any injuries or illnesses that occur while in the service of the ship.	2020 Report – Talent Acquisition, Training & Development, pgs. 92-99 , Crew Well-Being, pgs. 106-107
TR-CL-310a.2	Percentage of seafarers working maximum hours	We do not currently disclose this information at this time. However, we operate in full compliance with the Maritime Labor Convention (MLC), an international standard which sets seafarers' rights to minimum working and living conditions.	2020 Report – Crew Well-Being, pgs. 106-107
TR-CL-310a.3	Percentage of seafarers paid for overtime	We do not currently disclose this information at this time.	2020 Report – Crew Well-Being, pgs. 106-107

SASB Code	Accounting Metric	2020 Data Response	Reference
TR-CL-310a.4	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	We experienced no monetary losses as a result of legal proceedings associated with labor law violations.	
TR-CL-320a.1	Seafarer lost time incident rate (LTIR)	We do not currently disclose this information at this time.	
TR-CL-540a.1	Number of Conditions of Class or Recommendations	35 Conditions of Class or Recommendations received.	
TR-CL-540a.2	Number of port state control (1) deficiencies and (2) detentions	(1) 40 deficiencies (2) Zero detentions	
TR-CL-540a.3	Number of marine casualties, percentage classified as very serious	57 Marine Casualties with 0% classified as very serious. Marine casualties are defined based on the IMO's Code of International Standards and Recommended Practices for a Safety Investigation into a Marine Casualty or Marine Incident. Approximately 5% of marine casualties were environmental incidents that occur at a rate of once every five years and had an insignificant impact after steps to remediate were taken. The remaining casualties were accidents with approximately 75% being treated on board with minimal invasiveness and approximately 19% having non-life-threatening injuries that were better suited for treatment at a mainland hospital.	

SASB Code	Accounting Metric	2020 Data Response	Reference
TR-CL-000.A	Available lower berth kilometers (ALB-KM)	3,659,549,870. Due to COVID-19 we ceased global cruise voyages in March 2020.	2020 Form 10-K
TR-CL-000.B	Average passenger cruise days (APCD)	4,278,602. Due to COVID-19 we ceased global cruise voyages in March 2020.	2020 Form 10-K
TR-CL-000.C	Number of shipboard employees	31,000	2020 Form 10-K
TR-CL-000.D	Cruise passengers	499,729. Due to COVID-19 we ceased global cruise voyages in March 2020.	2020 Form 10-K
TR-CL-000.E	Number of vessel port calls	1,628. Due to COVID-19, we ceased global cruise voyages in March 2020.	

GLOSSARY

A

Advanced Wastewater Purification Systems (AWP)

A biological treatment plant on board the vessel that treats the wastewater generated on board to internationally established standards.

B

Ballast Water

Fresh or seawater stored in a vessel's tanks to improve ship stability.

Bilge Water

Oily wastewater collected in machinery and engine spaces.

Black Water

Wastewater from toilets, urinals and medical facilities.

Bunkered Water

Potable water that is purchased at port and stored on board to be used to supplement the drinking water that cannot be created on board.

C

Capacity Days

Available berths multiplied by the number of cruise days for the period.

Carbon Dioxide (CO₂)

A naturally occurring molecule that consists of one carbon atom covalently double bonded to two oxygen atoms. It is a trace gas within our atmosphere and is the primary GHG emitted through human activities.

Carbon Offsets (CO₂ Offsets)

A mechanism to purchase carbon credits to balance carbon emissions by investing in projects elsewhere that either remove carbon from the atmosphere or avoid emitting it in the first place. One carbon credit purchased equates to one ton of CO₂ that has not been emitted.

CDP

Formerly known as the carbon disclosure project, CDP is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.

Centers for Disease Control and Prevention (CDC)

The United States federal agency tasked with protecting public health and safety through the control and prevention of disease, injury and disability.

Circular Economy

An economic model of production and consumption which involves preserving and reusing resources and avoiding waste as long as possible to create a closed-loop system.

Cold Ironing

The process of providing shoreside electrical power to a ship at berth while its main and auxiliary engines are turned off; also known as Alternative Marine Power and Shore Power.

Cruise Line International Association (CLIA)

The world's largest cruise industry trade association, representing 95% of the world's ocean-going cruise capacity, that supports policies and practices that foster a secure, healthy and sustainable cruise ship environment.

E

E-CAP

Environmental software that interfaces directly with the vessels, navigation system to provide planning and monitoring for the vessel's voyage.

Emission Control Areas (ECA)

Areas designated by MARPOL with stricter limits on sulfur emission. These include the Baltic Sea, the North Sea/English Channel, North American waters and the U.S. Caribbean Sea.

Environmental Management System (EMS)

A comprehensive set of processes and practices that enable an organization to reduce its environmental impacts and increase its operating efficiency.

Exhaust Gas Cleaning Systems (EGCS)

A system that reduces the amount of sulfur oxide and particulate matter emitted from the vessel by cleaning, or scrubbing, the fuel before the emissions are released from the stack.

F

United States Food and Drug Administration (FDA)

The United States federal agency tasked with protecting and promoting public health through the control and supervision of food safety, tobacco products, dietary supplements, prescription and over-the-counter pharmaceutical drugs (medications), vaccines, biopharmaceuticals, blood transfusions, medical devices, electromagnetic radiation emitting devices (ERED), cosmetics, animal foods and feed and veterinary products.

G

Greenhouse Gas (GHG)

A gas within the atmosphere that absorbs and emits radiation in the thermal infrared spectrum. Greenhouse gases trap heat and make the planet warmer. The primary greenhouse gases are water vapor, carbon dioxide, methane, nitrous oxide and ozone.

GHG Protocol Corporate Standard

Provides standards and guidance for companies and other organizations preparing a GHG emissions inventory. It covers the accounting and reporting of the six greenhouse gases covered by the Kyoto Protocol- carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydroflourocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexaflouride (SF₆).

H**Healthy Sail Panel (HSP)**

A panel co-formed by the Company and comprised of 11 globally recognized public health officials to guide in the development of a science backed plan for a safe and healthy return to cruising. The panel is chaired by former U.S. Secretary of Health and Human Services, Governor Mike Levitt and former commissioner of the U.S. Food and Drug Administration, Dr. Scott Gottlieb. The panel provided a robust set of recommendations which were used to guide our SailSAFE health and safety program.

Heating, Ventilation and Air-Conditioning (HVAC)

Indoor climate control systems.

I**Infectious Disease Management System (IDMS)**

System that allow us to carefully manage infection risks with a structured and robust response protocol.

International Labor Organization (ILO)

The United Nations' dedicated agency tasked with promoting safe working conditions and advancing social justice in the workplace.

International Maritime Organization (IMO)

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

International Organization for Standardization (ISO)

International standard-setting body composed of representatives from various national standards organizations. An ISO Standard is internationally recognized.

ISO 14001

Global standards for Environmental Management Systems (EMS) developed and verified by the ISO.

L**Leadership in Energy and Environmental Design (LEED)**

A widely used green building rating and certification system developed by the U.S. Green Building Council (USGBC). USGBC created LEED to measure and define what a sustainable or green building was and to provide a roadmap for the development of sustainable buildings.

M**Maritime Labor Convention**

An international labor convention adopted by the International Labor Organization (ILO) that sets out seafarers' rights to minimum working and living conditions. The MLC sets minimum requirements for nearly every aspect of working and living conditions.

MARPOL

The International Convention for the Prevention of Pollution from Ships. The main international convention covering prevention of pollution of the marine environment by ships.

Materiality Assessment

The process of identifying and assessing the most relevant or important environmental, social and governance issues that could affect the Company and its internal and external stakeholders. Once material issues are identified this is used to inform strategy, targets and reporting.

European Union Monitoring, Reporting & Verification (MRV) Regulation

The European Union (EU) introduced the shipping monitoring, reporting and verification (MRV) regulation, which is designed to gather data on CO₂ emissions based on ships' fuel consumption.

N**Nitrogen Oxides (NOx)**

Oxides of Nitrogen that are released in a gaseous form during the burning of fuel.

O**Outbreak Prevention and Response Plan (OPRP)**

Plan to mitigate and aid in preventing the spread of communicable disease such as coronavirus, norovirus and influenza-like illness, and adjust and respond to new and emerging health issues on our ships and at our private destinations.

P**Poseidon Principles**

A framework for assessing and disclosing the climate alignment of ship finance portfolios.

Public Health Officer (PHO)

An onboard position established in 2020 that is responsible for the oversight of all outbreak prevention initiatives and enforcing compliance with the CDC's Vessel Sanitation program.

R**Reverse Osmosis (RO)**

A water purification process that utilizes a partially permeable membrane to separate unwanted ions, molecules and particles from water, creating potable drinking water.

S

SailSAFE

Company's robust, multi-layered health and safety strategy formed in response to COVID-19 and developed with guidance from its scientific and public health advisors.

SailSAFE Global Health and Wellness Council

Company-specific expert advisory council designed to complement the work of the Healthy Sail Panel. The Council is providing expert advice on the implementation, compliance with and continuous improvement of the Company's SailSAFE health and safety program.

Sail & Sustain

Global sustainability program centered around our commitment to drive a positive impact on society and the environment while delivering on our vision to be the vacation of choice for everyone around the world. The program is focused on five pillars 1) Reducing Environmental Impact, 2) Sailing Safely, 3) Empowering People, 4) Strengthening Our Communities and 5) Operating with Integrity and Accountability.

Sail & Sustain Executive Leadership Council

A Council comprised of senior executives across the organization including the Chief Executive Officer, Chief Financial Officer, President and CEOs of our three cruise lines, Chief Talent Officer, General Counsel and the heads of our Vessel Operations, Supply Chain and Logistics and Onboard Revenue and

Destination Services functions. The Council drives decision making, accountability and oversight of ESG initiatives.

Sail & Sustain Task Force

Task Force consisting of leaders at all levels who engage with a goal of proactively innovating new ways to integrate sustainability into our everyday operations, share and implement best practices and execute on the day-to-day strategy within their respective areas of responsibility.

Scope 1 Emissions (Direct Emissions)

Direct emissions from sources owned, operated or controlled by the Company.

Scope 2 Emissions (Indirect Emissions)

Indirect emissions from operating activities of the Company, but not generated by the Company. Examples of this include the emissions produced during the generation of electricity or heat consumed by the Company.

Scope 3 Emissions

All other emissions associated with the Company's activities. Currently we only have the capability to record this metric in respect to employee commuting, but it extends to include all upstream and downstream operations.

Selective Catalytic Reduction (SCR) system

An advanced active emission control technology that reduces up to 90% of nitrogen oxides (NO_x) emissions. The process breaks nitrogen oxides into harmless nitrogen and water.

Shipboard Energy Efficiency Management Plan (SEEMP)

Vessel-specific document and management tool that outlines measures that can be implemented on board to improve efficiency.

Single-Use Plastics

Plastics that are only used once prior to being discarded. Examples of these include plastic bags, straws, bottles and most food packaging.

SOLAS

The International Convention for the Safety of Life at Seas. An international maritime treaty which sets minimum safety standards in the construction and operation of merchant ships. Merchant ships are defined as a watercraft which transports cargo or carries passengers for hire.

Solid Waste

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

Steam Evaporators

A freshwater production system onboard the ships that utilizes a heat source to turn seawater into steam, which is then trapped as a freshwater source.

Sustainable Development Goals (SDGs)

A collection of 17 global goals set by the United Nations to create a more sustainable and equal future for all. Each goal has targets set to achieve with a total number of 169 targets.

Sulfur Oxides (SO_x)

Vessel-related emissions as a result of fuel use; any of several oxides of sulfur.

Sustainability Accounting Standards Board (SASB)

Industry specific disclosure standards that facilitate effective communication on financially material and decision-useful ESG topics.

T

Task Force on Climate-related Financial Disclosures (TCFD)

An organization formed in 2015 with the goal of developing a set of voluntary climate-related financial risk disclosures that companies could adopt to inform stakeholders about the risks they face.

Technology, Environmental, Safety and Security (TESS) Committee

Board of Directors committee established in 2019 to oversee matters related to corporate social responsibility and sustainability.

W

Waste Heat Recovery (WHR)

Process that utilizes excess heat generated by the engines by transferring it into freshwater piping, resulting in a more efficient water production that requires less excess fuel burn.



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CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

Some of the statements, estimates or projections contained in this report are “forward-looking statements” within the meaning of the U.S. federal securities laws intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts contained in this report, including, without limitation, those regarding our business strategy, financial position, results of operations, plans, prospects, actions taken or strategies being considered with respect to our liquidity position, valuation and appraisals of our assets, the success, completion or effectiveness of our ESG initiatives, plans and goals and objectives of management for future operations (including those regarding expected fleet additions, our voluntary suspension, our ability to weather the impacts of the COVID-19 pandemic and the length of time we can withstand a suspension of voyages, our expectations regarding the resumption of cruise voyages and the timing for such resumption of cruise voyages, the implementation of and effectiveness of our health and safety protocols, operational position, demand for voyages, financing opportunities and extensions, and future cost mitigation and cash conservation efforts and efforts to reduce operating expenses and capital expenditures) are forward-looking statements. Many, but not all, of these statements can be found by looking for words like “expect,” “anticipate,” “goal,” “project,” “plan,” “believe,” “seek,” “will,” “may,” “forecast,” “estimate,” “intend,” “future” and similar words. Forward-looking statements do not guarantee future performance and may involve risks, uncertainties and other factors which could cause our actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied in those forward-looking statements. Examples of these risks, uncertainties and other factors include, but are not limited to the impact of: the spread of epidemics, pandemics and viral outbreaks and specifically, the COVID-19 pandemic, including its effect on the ability or desire of people to travel (including on cruises), which are expected to continue to adversely impact our results, operations, outlook, plans, goals, growth, reputation, cash flows, liquidity, demand for voyages and share price; our ability to comply with the CDC’s Framework for Conditional Sailing Order and any additional or future regulatory restrictions on our operations and to otherwise develop enhanced health and safety protocols to adapt to the pandemic’s unique challenges once operations resume and to otherwise safely resume our operations when conditions allow; coordination and cooperation with the CDC, the federal government and global public health authorities to take precautions to protect the health, safety and security of guests, crew and the communities visited and the implementation of any such precautions; our ability to work with lenders and others or otherwise pursue options to defer, renegotiate or refinance our existing debt profile, near-term debt amortization, newbuild related payments and other obligations and to work with credit card processors to satisfy current or potential future demands for collateral on cash advanced from customers relating to future cruises; our need for additional financing, which may not be available on favorable terms, or at all, and may be dilutive to existing shareholders; our indebtedness and restrictions in the agreements governing our indebtedness that require us to maintain minimum levels of liquidity and otherwise limit our flexibility in operating our business, including the significant portion of assets that are collateral under these agreements; the accuracy of any appraisals of our assets as a result of the impact of COVID-19 or otherwise; our success in reducing operating expenses and capital expenditures and the impact of any such reductions; our guests’ election to take cash refunds in lieu of future cruise credits or the continuation of any trends relating to such election; trends in, or changes to, future bookings and our ability to take future reservations and receive deposits related thereto; the unavailability of ports of call; future increases in the price of, or major changes or reduction in, commercial airline services; adverse events impacting the security of travel, such as terrorist acts, armed conflict and threats thereof, acts of piracy, and other international events; adverse incidents involving cruise ships; adverse general economic and related factors, such as fluctuating or increasing levels of unemployment, underemployment and the volatility of fuel prices, declines in the securities and real estate markets, and perceptions of these conditions that decrease the level of disposable income of consumers or consumer confidence; any further impairment of our trademarks, trade names or goodwill; breaches in data security or other disturbances to our information technology and other networks or our actual or perceived failure to comply with requirements regarding data privacy and protection; changes in fuel prices and the type of fuel we are permitted to use and/or other cruise operating costs; mechanical malfunctions and repairs, delays in our shipbuilding program, maintenance and refurbishments and the consolidation of qualified shipyard facilities; the risks and increased costs associated with operating internationally; fluctuations in foreign currency exchange rates; overcapacity in key markets or globally; our expansion into and investments in new markets; our inability to obtain adequate insurance coverage; pending or threatened litigation, investigations and enforcement actions; volatility and disruptions in the global credit and financial markets, which may adversely affect our ability to borrow and could increase our counterparty credit risks, including those under our credit facilities, derivatives, contingent obligations, insurance contracts and new ship progress payment guarantees; our inability to recruit or retain qualified personnel or the loss of key personnel or employee relations issues; our reliance on third parties to provide hotel management services for certain ships and certain other services; our inability to keep pace with developments in technology; changes involving the tax and environmental regulatory regimes in which we operate; and other factors set forth under “Risk Factors” in our most recently filed Annual Report on Form 10-K, Quarterly Report on Form 10-Q and subsequent filings with the Securities and Exchange Commission. Additionally, many of these risks and uncertainties are currently amplified by and will continue to be amplified by, or in the future may be amplified by, the COVID-19 pandemic. It is not possible to predict or identify all such risks. There may be additional risks that we consider immaterial or which are unknown. The above examples are not exhaustive and new risks emerge from time to time. Such forward-looking statements are based on our current beliefs, assumptions, expectations, estimates and projections regarding our present and future business strategies and the environment in which we expect to operate in the future. These forward-looking statements speak only as of the date made. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in our expectations with regard thereto or any change of events, conditions or circumstances on which any such statement was based, except as required by law.

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