

# SAIL SUSTAIN

Norwegian Cruise Line Holdings Ltd., a leading global cruise company that operates Norwegian Cruise Line, Oceania Cruises and Regent Seven Seas Cruises, is committed to driving a positive impact on society and the environment through the advancement of our global Environmental, Social and Governance (ESG) strategy. Sail & Sustain is the Company's global sustainability program, which reflects the Company's mission to continually improve its sustainability culture through fresh innovation, progressive education and open collaboration.

## Stewardship Report

Since 2016, as part of the Sail & Sustain program, Norwegian Cruise Line Holdings Ltd. has released an annual Stewardship Report spotlighting the Company's progress on its sustainability goals as well as impactful initiatives. Highlights from the report about Norwegian Cruise Line's sustainability efforts are featured below. To access the full content of the Stewardship Report, please visit [www.nclhld.com/stewardship](http://www.nclhld.com/stewardship).



## ENVIRONMENTAL COMMITMENT

We have established priorities that reduce our environmental footprint while working in tandem with our mission to provide truly exceptional cruise vacation experiences. The future of our business is closely intertwined with the health of our oceans and the destinations we visit. Environmentally friendly practices not only help protect our oceans, but also allow our business to thrive.

The Sail & Sustain program's environmental objectives are to:

- | Reduce our CO<sup>2</sup> emissions rate
- | Minimize waste to landfills
- | Increase our sustainable sourcing
- | Invest in emerging technologies



## ENERGY AND EMISSIONS

To reduce our impact on the environment, we have put in place several initiatives to lower energy consumption and reduce our carbon footprint.

### Exhaust Cleaning Systems

One innovative technology our ships use to decrease exhaust emissions is an Exhaust Gas Cleaning System (EGCS). This technology reduces the amount of sulfur oxide (SOx) and air particles emitted from the ship by cleaning or scrubbing the emissions before they are released from the stack. Ships equipped with this technology are able to reduce SOx emissions by up to 99 percent.

Norwegian Cruise Line ships equipped with EGCS technology include:

- |                  |   |
|------------------|---|
| Norwegian Prima  | Norwegian Pearl   |
| Norwegian Encore | Norwegian Jade  |
| Norwegian Bliss  | Norwegian Jewel   |
| Norwegian Joy    | Pride of America  |
| Norwegian Escape | Norwegian Sun   |
| Norwegian Epic   | Norwegian Breakaway ( <i>Soon to be commissioned with EGCS technology</i> ) |
| Norwegian Gem    | Norwegian Getaway ( <i>Soon to be commissioned with EGCS technology</i> )   |

***Cold-Ironing (Shore Power)***

Our ships continue to generate their own power while in port, providing heat, air conditioning, lighting and hot water for guests and crew. A limited number of the ports we visit have installed infrastructure for cruise ships to connect to onshore electrical power grids to supply power needed while docked—a process known as cold-ironing or shore power. We are continuing to evaluate the availability of shore-power connections for future new builds and itinerary planning.

Norwegian Cruise Line ships with cold-ironing capability include:

- | Norwegian Prima
- | Norwegian Epic
- | Norwegian Encore
- | Norwegian Jewel
- | Norwegian Bliss
- | Norwegian Star
- | Norwegian Joy

***Waste Heat Recovery***

One of the most successful programs implemented on our ships is waste heat recovery. This process 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.

***Low-Friction Coating***

Propulsion power represents just over 50 percent of the total energy usage on a ship, so 96 percent of the Company's ships have had low-friction coating applied to help increase propulsion efficiencies. After dry docks, more than 10 percent of propulsion power can be conserved due to propulsion hydrodynamic upgrades and low-friction/silicone coating being applied on the hull.

***Efficient Itinerary Planning***

To reach voyage leg optimization, we use speed parameters determined by ship itineraries and based on the number of engines required to achieve average speed. We also identify high-speed legs for the fleet, identify opportunities for decreasing the average speed of voyage legs, and look for potential fuel and cost savings based on estimated fuel costs and how speed reduction directly correlates with fuel consumption and CO<sup>2</sup> emissions.



**SUPPLY CHAIN**

Our Company is committed to working with diverse partners across the supply chain to source safe, high quality, ethically responsible and sustainable products for our guests.

***Ongoing Elimination of Single-Use Plastics***

In 2018, Norwegian Cruise Line and its sister brands eliminated single-use plastic straws across their entire fleet and two island destinations, Great Stirrup Cay in the Bahamas and Harvest Caye in Belize.

- | This initiative eliminates approximately 50 million plastic straws from the fleet per year

In 2019, the brand partnered with JUST® Goods, Inc., becoming the first major global cruise company to eliminate single-use plastic water bottles across its fleet.

- | Partnership will eliminate an estimated six million single-use plastic water bottles every year
- | Norwegian Encore was the first ship to implement this initiative upon her debut in October 2019

### *Sustainable Cocktails*

As part of the Sail & Sustain program, we partnered with BarLab to develop eco-friendly cocktails. Guests can enjoy drinks made with surplus ingredients such as pineapple rinds, orange peels, spent coffee grounds and more across the entire fleet.

We remain committed to continual improvement of our sustainability initiatives to further drive a positive impact on society and the environment.



## **WASTE**

We are committed to reducing onboard waste, both from food and wastewater, through innovative technologies, staff training and implementing stringent recycling programs. Waste mitigation efforts include:

- | Environmental familiarization training
- | Recycling programs and partnerships
- | Refurbishments and donations
- | Wastewater treatment systems



## **WATER**

Through a combination of onboard water production and conservation initiatives and progressive technologies, our ships are consistently improving their water production rates while simultaneously working to decrease consumption.

Water production efforts include:

- | Reverse osmosis (RO)
- | Evaporators
- | Bunkered water

Beyond onboard water production and conservation, we are also working to minimize our environmental impact by monitoring our underwater sound emissions. In partnership with DNV GL, the world's leading classification society and a recognized advisor for the maritime industry, we completed underwater sound surveys for three ships in service, Norwegian Jewel, Norwegian Joy and Norwegian Bliss, and during sea trials for Norwegian Encore. Conducting these measurements and monitoring provide the opportunity to demonstrate a low environmental footprint.



## **ENVIRONMENTAL MANAGEMENT**

Extensive environmental training for shoreside and shipboard team members is an essential component to accomplish the Company's environmental commitment.

### *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.

### *ISO 14001 Certification*

We are ISO 14001 certified and have an Environmental Management System that encourages continuous development of our environmental performance. The ISO 14001 Certification helps us identify, manage and control the onboard activities that may have an environmental impact.



## SOCIAL AND COMMUNITY INITIATIVES

Through our community outreach initiatives and corporate partnerships, we remain committed to having a positive impact on our local communities, the communities we visit and on the local ecosystems through which we cruise.

Our Company's team members play a role in our sustainability efforts and in 2019, contributed over 1,000 hours giving back to our communities by participating in environmental and humanitarian efforts such as beach cleanups, Habitat for Humanity and providing dinner services at the Camillus House Campus emergency housing facility.

### *Partnerships*

#### *Ocean Conservancy's Trash Free Seas Alliance®*

The Company has partnered with Ocean Conservancy since 2018, becoming the first cruise operator to join the organization by supporting a shared vision of a world with waterways, beaches and oceans free of plastic waste.

#### *Nova Southeastern University (NSU)*

We partnered with NSU to establish a coral reef restoration initiative to reduce the effects of natural and anthropogenic stressors around the reefs surrounding Great Stirrup Cay, the Company's private island destination in the Bahamas.

#### *Guy Harvey Ocean Foundation (GHOF)*

Since October 2018, the Company has partnered with GHOF to host an annual ocean conservation-themed cruise called "Cruising for Conservation with Guy Harvey" to showcase the importance of conserving the beauty and well-being of marine life. Dr. Guy Harvey, widely recognized as one of the world's finest marine wildlife artists and champion of ocean conservation, designed the hull art for Norwegian Escape.

#### *Make-A-Wish®*

Since 2009, Norwegian Cruise Line has been a proud partner of Make-A-Wish Foundation of America in helping to grant the wishes of children with life-threatening medical conditions. The Company's *Welcome Aboard Wishes Program* grants more than 100 wishes annually by giving children with special needs and life-threatening illnesses a cruise vacation they will always remember.

#### *Florida Diversity Council*

Since 2017, Norwegian Cruise Line Holdings Ltd. has partnered with the Florida Diversity Council, joining like-minded organizations to find ways to promote and expand diversity and equality in the workplace. We continue to reach out to diversity organizations on college campuses to present our hiring managers with a diverse slate of candidates. We have also recently launched diversity, equality and inclusion online training, including unconscious bias 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.

#### *The Alaska Raptor Center (ARC)*

In 2017, the Company partnered with the popular shore excursion destination ARC, an avian hospital and rehabilitation center located in Sitka, Alaska, to help reduce the center's energy consumption and waste production by installing recycling bins and high-efficiency dryers at the facility.

## *Philanthropy*

### *Norwegian's Giving Joy*

Norwegian's Giving Joy campaign celebrates the intersection of travel and education by recognizing and awarding teachers who are bringing joy to their classrooms. The annual contest coincides with National Teacher Appreciation Week and in 2019, awarded more than \$100,000 to schools in honor of Norwegian Joy's debut in North America. Thirty educators were also recognized with a seven-day cruise for two.

### *Encore Moments*

Norwegian Cruise Line's Encore Moments campaign recognized and rewarded everyday heroes across U.S. and Canada for the positive impact they have on those around them. Launched in 2019 in advance of the debut of the brand's newest innovative ship, Norwegian Encore, the campaign honored 51 winners with a cruise for two and is just one in a series of efforts that showcases the Company's commitment to awarding individuals who are dedicated to spreading acts of kindness.

### *Hope Starts Here*

Norwegian Cruise Line Holdings Ltd. has partnered with All Hands and Hearts for our Hope Starts Here hurricane relief fund. The Company previously raised \$2.5 million to assist in Hurricanes Irma and Maria recovery efforts in 2017. In 2019, the Company relaunched the partnership to provide immediate short-term relief for those affected by the devastating Hurricane Dorian. The Company matched donations with a \$2 million cash contribution as well as nearly \$1 million of in-kind donations to assist with emergency response efforts across the Bahamas, including debris cleanup and removal, and the rebuilding of community infrastructure such as housing and schools.

### *Australia Bushfire Relief*

In early 2020, Norwegian Cruise Line Holdings Ltd. committed 250,000 Australian dollars 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.

### *Hurricane Iota Humanitarian Relief Efforts in Colombia*

In January 2021, Norwegian Cruise Line provided nearly \$275,000 in much-needed relief supplies to community organizations in the Archipelago of San Andrés in Colombia that were devastated by Category 5 Hurricane Iota. The relief aid included 32,000 responsibly packaged, plant-based carton bottles of JUST Water and nearly 262,000 pounds (119,000 kilograms) in non-perishable and canned goods to benefit the Foundation Pro Archipelago and Foundation for the Islands of Old Providence and Santa Catalina, Inc. ("FIOPSC").