



2020  
SUSTAINABILITY  
SUMMARY



Holland America Line®  
SAVOR THE JOURNEY



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Holland America Line®  
SAVOR THE JOURNEY

## LEADERSHIP MEMO

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Thank you for taking the time to learn more about our sustainability efforts. At Holland America Line we have proudly sailed for almost 150 years. Our top responsibilities have always been to safeguard the well-being of our guests, our team members and the oceans upon which we sail.

We believe in the positive power of travel. It opens minds, builds connections and inspires shared humanity. Those three ideas are the pillars of everything we do, including planning our sustainability efforts. Though the global pandemic led to a pause in our cruise operations, our commitment to sustainability has never wavered. In fact, the past year has sharpened our focus on our responsibilities to the planet and its people.

I'm pleased to share our many gains in sustainability since our last sustainability report, which covered our Fiscal Year 2018. In the following summary you can read about the completion of our 2015-2020 sustainability goals.

Our future is bright. Our new flagship, Rotterdam, sailed from Amsterdam on her maiden voyage in 2021. The

name "Rotterdam" is deeply ingrained in the fabric of our company as the site of our first headquarters, the name of our first ship and now the name of our new flagship. Our return-to-service plans are consistent with our long-term values and priorities. To date, Eurodam, Koningsdam, Nieuw Amsterdam, Nieuw Statendam and Zuiderdam have returned to service. In the coming year the rest of our fleet will return.

Our beautiful ships have incredibly loyal and hard-working team members. As we continue to bring more ships back into service, we remain committed to our values and doing our part to ensure the completion of the new sustainability goals for 2030 and aspirations for 2050.

Thank you to our team members, guests and partners for their support on these initiatives. I look forward to connecting with you again to share more of them in the future.

Best,

GUSTAVO ANTORCHA,  
PRESIDENT,  
HOLLAND AMERICA LINE



## INTRODUCTION

At Holland America Line we believe travel has the power to change the world. We consider it our higher purpose to help make the world a better place through opening minds, building connections and inspiring a shared humanity. In doing that, “Our highest priorities are always safety, compliance and the well-being of our guests and team members,” said Gus Antorcha, president, Holland America Line. Today our fleet counts 11 modern classic ships.

### ABOUT ROTTERDAM VII

The third in the Pinnacle-class series, *Rotterdam* carries 2,668 guests; weighs 99,500 tons; and features highly popular amenities and innovations introduced with her sister ships, including the 270-degree surround screen World Stage, Rudi’s Sel de Mer and Grand Dutch Cafe. Delivering the best of everything, *Rotterdam* celebrates live music with an exclusive collection of world-class performances each night, from Lincoln Center Stage and B.B. King’s Blues Club to Rolling Stone Rock Room and Billboard Onboard.

Throughout the ship *Rotterdam* also will showcase Holland America Line hallmarks that drive one of the highest guest repeat rates in the industry: exquisite cuisine guided by seven of the world’s leading chefs; gracious, award-winning service; and superbly appointed staterooms and suites, including family and single accommodations.

*Rotterdam* is the 17th ship constructed for Holland America Line by Italian shipyard Fincantieri, which most recently built *Nieuw Statendam*.

### ORGANIZATIONAL CHANGES



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

Jan Swartz, president of Princess

Cruises also changed roles and has been named group president of Holland America Group,



responsible for Princess Cruises, Holland America Line, Seabourn and P&O Australia, as well as Holland America Princess Alaska Tours and intergroup operations.

On July 9, 2020, Gustavo (Gus) Antorcha was named Holland America Line president. Prior to this new role, Gus was chief operating officer at Carnival Cruise Line, where he worked a combined nine years. He also held positions as executive vice president, Guest Services, responsible for onboard operations, and senior vice president, Guest Commerce.

We sold *Amsterdam*, *Rotterdam*, *Maasdam* and *Veendam* in 2020. *Maasdam* joined the fleet in 1993 as the second of four S-class ships. Carrying 1,258 guests, it was the fourth Holland America Line ship to bear the *Maasdam* name. *Veendam*, the final S-class ship, was delivered in 1996. The fourth Holland America Line ship to bear the name *Veendam*, the 57,092-ton vessel carried 1,350 guests. The first ship in the R Class, 61,849-ton *Rotterdam* was introduced in 1997. Carrying 1,404 guests, it was the sixth Holland America Line ship to be named *Rotterdam*. *Amsterdam* joined the fleet in 2000 as the final of four R-class ships. Carrying 1,380 guests, it was the third Holland America Line ship to be named *Amsterdam*. Most recently, the 62,735-ton ship operated the line’s Grand World Voyage.



# INTRODUCTION

Continued

## OUR CREDO AND STRATEGIC AMBITION

Our new credo is “We are ambassadors of joy – in service to our guests and to one another.” We also changed our Strategic Ambition to align with our Credo. We are the only cruise line dedicated to explorers, foodies and music lovers of all ages who want to pursue these passions on all seven seas and continents, delivering one-of-a-kind experiences; creating joy for our guests, employees, and shareholders while inspiring shared humanity

Shaped by our values, this commitment guides both our actions and our long-term vision, enabling us to deliver the highest level of quality and service today while ensuring our company and our industry can continue to thrive tomorrow.

## COMMITMENT TO SUSTAINABILITY

While the impacts of the COVID-19 pandemic on the world and our business has changed our working environment and guest-facing onboard operations somewhat, we are committed to compliance; environmental protection; and the health, safety and well-being of our guests, the people in the places we visit, and shoreside and shipboard team members.

In collaboration with our parent company, Carnival Corporation & plc, we established a working performance tracking framework for critical measurements and sought material areas for improvement. All our sustainability reports and summaries detail our efforts to strengthen management systems and performance in alignment with a multiyear corporate restructuring which will increase operational efficiency.

## CHALLENGES AND OPPORTUNITIES

In February 2020 we started to closely monitor the evolving situation with respect to the new coronavirus, or COVID-19, and our medical experts were coordinating closely with global health authorities to implement enhanced screening, prevention and control measures for our ships globally. After the global situation evolved quickly and dramatically into a nearly full shutdown of travel, port operations and societies, Holland America announced a pause of guest operations.

On March 12, 2020, Holland America Line announced a voluntary and temporary suspension of all guest operations, effective immediately, standing by sister brand Princess cruises, which made a similar announcement earlier. The pause in our guest operations gave us the opportunity to reflect, restructure and establish ourselves such that when we restart our operations, we will be successful in our strategic ambitions while fulfilling our Credo.

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



## HOLLAND AMERICA LINE CORE VALUES

### Safeguard Ourselves and Our Environment

We care for the well-being of each other, our guests and the planet. We strive to do the right thing, always.

### Take Pride in Every Action

We go the extra mile to assist guests and team members and recognize that every interaction is important, no matter how big or small.

### Are Curious and Ever-Evolving

We welcome new ideas and innovation, keep an open mind to facilitate change and deeper connections, and seek opportunities to improve.

### Celebrate Our Differences

We promote an environment where everyone can achieve their full potential, trust each team member acts with the best intentions, and embrace diversity as key to our success.

## REGULATORY LANDSCAPE

**Holland America Line dutifully follows a stringent network of regulations. Our ships are governed by international treaties as well as flag state, port state, local laws and regulations regarding environmental protection and pollution prevention.**

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

IMO also introduced the Convention for the Prevention of Pollution from Ships, more commonly known as MARPOL, to protect the maritime environment from pollution that is either accidental or the result of routine operations. IMO amended MARPOL in 2020, limiting the amount of sulphur in fuel oil used onboard ships operating outside designated Emission Control Areas (ECA) to 0.50% m/m (mass by mass) – a significant reduction from the previous limit of 3.5%. In compliance with ECA guidelines, we've invested in new initiatives that will help minimize our air quality impacts.

Other core international conventions include IMO's Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW), which establishes consistent minimum requirements across borders, and ILO's Maritime Labour Convention 2006 (MLC 2006), which aims to protect seafarers' rights and to secure economic interests through fair competition. Entered into force in 2013, MLC 2006 was designed to become the fourth pillar of the international regulatory regime for



quality shipping alongside SOLAS, STCW and MARPOL. Holland America Line complied with all MLC 2006 requirements prior to the convention's enforcement.

In addition to IMO requirements, every ship operates under the maritime laws of a specific country, referred to as the ship's flag state. The Netherlands is Holland America Line's flag state, and we adhere to standards established by that country for its ships. To ensure that both IMO and flag state rules are complied with, every ship is also required to be registered with one of the internationally recognized classification societies. The classification society has its own rules and regulations and carries out surveys of important safety and other ship equipment on a set schedule that ensures this equipment is regularly examined and tested. Additionally, as a ship approaches a port, it becomes subject to "port state" or local requirements. Governments in all port locations we visit have the authority to inspect our ships, including the U.S. Coast Guard when our ships call at U.S. ports.

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

All ships that carry more than 250 passengers, have onboard sleeping facilities and embark or disembark in the United States are also subject to the Cruise Vessel Security and Safety Act (CVSSA). The Act promotes the safety and security of cruise vessel passengers and crew. Further information about the maritime regulatory landscape can be found in the [Carnival Corporation & plc 2020 Annual Sustainability Report](#) on pages 70-81.

*Regulatory Landscape continued on page 6*

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## REGULATORY LANDSCAPE

*Continued*

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

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

*Holland America Line meets or exceeds SOLAS regulations.*

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

- a company safety and environmental protection policy;
- instructions and procedures to ensure the safe operation of ships and protection of the environment;
- procedures for preparing for and responding to emergencies;

- defined levels of authority and lines of communication between shore and shipboard personnel, and identification of a designated person ashore responsible for ISM Code compliance;
- procedures for reporting accidents and ISM Code nonconformities; and
- procedures for internal and external audits and management reviews.

*Holland America Line meets or exceeds ISM requirements.*

### The ISPS Code

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

*Holland America Line meets ISPS requirements.*

### STCW requirements include

- standards for the training, qualification and certification of seafarers;
- specific standards of competency of crew members; and
- methods for demonstrating competency. All eight chapters of STCW apply to Carnival Corporation & plc's operations:
  - Chapter I: General provisions
  - Chapter II: Master and Deck Department
  - Chapter III: Engine Department
  - Chapter IV: Radio Communication and Radio Personnel
  - Chapter V: Special Training Requirements for Personnel on Certain Types of Ships
  - Chapter VI: Emergency, Occupational Safety, Medical Care and Survival Functions
  - Chapter VII: Alternative Certification
  - Chapter VIII: Watchkeeping

*Holland America Line meets STCW requirements.*

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

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

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

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

*Holland America Line meets MLC 2006 requirements.*

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

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## EMPLOYEES

**We go the extra mile to assist guests and team members and recognize that every interaction is important, no matter how big or small.**

Holland America Line recognizes that the core of all our successes lies with the dedicated employees we recruit, train, develop and retain.

### WORKFORCE SNAPSHOT<sup>1</sup>

Due to our pause in guest operations, we unfortunately had to reduce our workforce. In 2020 we had just under 6,500 skilled team members around the world dedicated to keeping our vessels safe. These employees ensured that at the start of the pandemic our guests and the majority of our shipboard employees returned safely home.

Of our more than 1,005 shoreside employees who, due to the COVID-19, work from home near our offices in Seattle, Washington; Santa Clarita, California; and Rotterdam, Netherlands; a majority are full-time, while approximately 1.4 percent are part-time or seasonal. We also have dedicated staff in the United Kingdom and Australia who provide reservations and sales assistance to support our expanding international presence.

Approximately 84 percent of our shipboard employees are from Asia, specifically Indonesia and the Philippines, where we have long-term relationships with our Global Talent Partners. The majority of our shoreside employees are from North America, which aligns with the location of our Seattle, Washington, headquarters.

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

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

### RECRUITMENT & RETENTION

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

### SHIPBOARD RECRUITMENT

We hire the majority of our crew members through our Global Talent Partners (GTPs) who act on our behalf. Though many nationalities are represented among our crew, our company has worked with the same primary GTPs in Indonesia and the Philippines for several decades. We require these GTPs to be certified in line with the Maritime Labour Convention 2006. We have hired team members locally who work closely together with GTPs to ensure compliance by regularly performing audits of these agencies, monitoring their job assignment processes, recordkeeping, pre-employment screening and post-employment follow-ups.

Cadets and hotel trainees are eligible for hire after reaching age 18. Seafarers who have completed the company's cadetship or training program successfully may be eligible for hire before reaching age 21. All other applicants are eligible for hire after turning 21 years old.

### SHORESIDE RECRUITMENT

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

All Culture Essentials are embedded in our hiring and onboarding processes. Careers in hospitality and tourism are attractive choices for high school, travel school students and university graduates. We support development programs at the high school and travel school levels while actively recruiting at universities for internships and full-time positions.

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



# EMPLOYEES

Continued

We developed our Culture Essentials, which is a set of expected behaviors by all team members.



The Culture Essentials work with our corporate Vision Statement and our Credo and Values.

**Holland America Line**  
**CULTURE FRAMEWORK**

OUR CORPORATION'S COMMON GOAL...	...AND EXPECTED BEHAVIORS...	...DELIVERED IN THE HAL WAY...
<p>At Carnival Corporation &amp; plc, our highest responsibility and top priorities are to operate safely, to protect the environment and to be in compliance everywhere we operate in the world. On this foundation, we aspire to deliver unmatched joyful vacations for our guests, always exceeding their expectations and in doing so, driving outstanding shareholder value. We are committed to a positive and just corporate culture, based on inclusion and the power of diversity. We operate with integrity, trust and respect for each other — seeking collaboration, candor, openness and transparency at all times. And we intend to be an exemplary corporate citizen leaving the people and the places we touch even better.</p> <p><b>CORPORATION VISION STATEMENT</b></p>	<ul style="list-style-type: none"> <li>• SPEAK UP</li> <li>• RESPECT AND PROTECT</li> <li>• IMPROVE</li> <li>• COMMUNICATE</li> <li>• LISTEN AND LEARN</li> <li>• EMPOWER</li> </ul> <p><b>CULTURE ESSENTIALS</b></p>	<p><b>HOLLAND AMERICA LINE SERVICE CREDO</b> We are ambassadors of joy — in service to our guests and to one another.</p> <p><b>HOLLAND AMERICA LINE CORE VALUES</b> <b>SAFEGUARD OURSELVES AND OUR ENVIRONMENT</b> We care for the well-being of each other, our guests, and the planet. We strive to do the right thing, always. <b>TAKE PRIDE IN EVERY ACTION</b> We go the extra mile to assist guests and team members, and recognize that every interaction is important, no matter how big or small. <b>ARE CURIOUS AND EVER-EVOLVING</b> We welcome new ideas and innovation, keep an open mind to facilitate change and deeper connections, and seek opportunities to improve. <b>CELEBRATE OUR DIFFERENCES</b> We promote an environment where everyone can achieve their full potential, trust each team member acts with best intentions, and embrace diversity as key to our success.</p> <p><b>HAL CREDO &amp; CORE VALUES</b></p>

## RETENTION

We strive to promote from within and offer opportunities for advancement to retain our best performers. We improve our employees' experience with strong communication, recognition, our commitment to an ethical corporate culture and opportunities to give back. We conduct employee engagement surveys of all crew members and shoreside employees frequently. The data we collect helps identify and prioritize where to direct funding and resources to improve the employee experience. We designed our employee orientation program to help guide our newest team members throughout their career with us.

## TRAINING & DEVELOPMENT

As graduates of merchant marine academies, our deck and engine officers are knowledgeable about all aspects of maritime safety and crisis management. They participate in our training programs at approved vendors to stay up-to-date on internationally required competencies and take part in annual training at CSMART, the Carnival Corporation & plc training facility in Almere, the Netherlands. Trainings during the pandemic continued, but they were shifted to online courses and webinars throughout 2020 and 2021. Our company trainers work with hotel employees

regularly at approved onboard facilities globally to stay current with our policies and procedures, which we regularly update based on enhancements to our vessels and changes in regulatory requirements.

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

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# EMPLOYEES

*Continued*

## COMPENSATION, BENEFITS & WELLNESS

Employees receive a competitive pay and benefits package. We focus on performance and results while providing a Total Rewards Package to all of our employees. For both our shoreside employees and some of our shipboard employees, merit pay increases are tied to performance discussions. Unions negotiate wages for most of our shipboard employees, and we strive to pay competitive wages that are often higher than many employees would otherwise earn in shoreside jobs abroad or in their home countries.

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

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

In 2021 we created the HAL Life on Board Committee to support our seagoing team members at sea. Made up of both seagoing and shoreside team members from many departments, the committee looks for opportunities to improve onboard life across the HAL fleet, an important factor in both the morale and well-being for our team members working at sea.

With support of the committee, team members are using a new internet pricing plan, and WHATSAPP (text) is free of charge, and common areas and some guest areas are opened up for team members. Other benefits are in process.

## LABOR RELATIONS & FAIR EMPLOYMENT

In keeping with our commitment to integrity, honesty and high ethical standards, we follow the complex employment laws and regulations that apply to our global operations, including all of the provisions of the International Maritime Organization Conventions and Flag Administration regulations in effect for seafarers. We also recognize our employees' rights to freedom of association and participation in collective bargaining. As of 2020, 85 percent of our shipboard employees were covered by collective bargaining agreements.

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

We provide a fair and ethical workplace to all employees.

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

We occasionally receive grievances about labor practices, human rights, impacts on society (climate impacts), the environment, guest privacy and guest relations. We evaluate all grievances and try to complete their evaluation within a reasonable time frame based on circumstances and legal complexity. However, a thorough investigation may require a substantial amount of time to close some complaints.

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## EMPLOYEES

Continued

### CARNIVAL CORPORATION & PLC COMPLIANCE REPORTING HOTLINE

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

### ETHICS

Our training program includes e-learning and instructor-led courses on ethical conduct, as well as topics related to human rights, labor relations, customer privacy and social issues such as fraud and corruption. We abide by the Cruise Lines International Association's anti-corruption principles. We have adopted and implemented policies and procedures to prevent bribery and corruption. Our officers, crew members and employees receive appropriate training, and we keep them informed of changes to policies and procedures.

To continue fostering a company culture of integrity, honesty and ethics, we formed an Ethics & Compliance Steering Committee. Comprised of mid-level management from all departments, the committee

meets monthly to discuss current issues as well as the implementation of the committee's goals and objectives. Additionally, each November we celebrate Ethics & Compliance Week across the organization to raise awareness of our Ethics & Compliance Program for shoreside and shipboard employees. This offers them the opportunity to talk with each other and the leaders in the Ethics & Compliance Department.



### ETHICS & COMPLIANCE AMBASSADOR PROGRAM

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

During the pause of guest operations, we took the opportunity to introduce this program on board our ships. We are implementing the program across all vessels as it is one of our Culture Action Plan deliverables.

### CULTURE ACTION PLAN



1. Develop "Bring Back" Selection Strategy



7. Begin Performance Evaluations for Leaders



2. Promote Team Wellness



8. Conduct Culture Training for People Leaders



3. Share Our "Culture Essentials"



9. Implement Manager-led Culture Training



4. Host Culture Update Sessions for Employees



10. Develop a Peer "Ambassador" Program



5. Provide Culture Training to Board and Executive Team



11. Improve Communications on Culture



6. Begin Self-Assessments for Leadership and Ethics & Compliance Department



12. Share Propel Survey Feedback and Implement Culture Survey Plan

## HEALTH, SAFETY & SECURITY

We are governed by laws and regulations, and we've adopted our industry's principles of safety and security. We take huge pride in our safety culture because for nearly 150 years we have understood that our highest responsibilities – and therefore our top priorities – are always compliance; environmental protection; and the health, safety and well-being of our guests, the people in the places we visit and team members. We ensure safety at every juncture, from ship design, preparedness and technology to comprehensive monitoring and advisory programs.

### HEALTH

Our onboard medical facilities meet or surpass standards established by the American College of Emergency Physicians. Our public health program is built around worldwide public health and sanitation regulations and best practices to ensure the health and well-being of our guests and team members. The program and its implementation are monitored internally by public health specialists and externally by national and port health authorities.

Health emergencies and communicable disease outbreaks can affect guests' vacations, disrupt onboard services and shorten shipboard careers. For example, the COVID-19 pandemic resulted in a pause of our guest operations. The capability to manage evidence-based health interventions

is essential. Regarding public health, our certified and well-trained subject matter experts on board and ashore focus on continually improving disease surveillance, outbreak reporting and data analytics and promote high public health standards on board our vessels.

### HEALTH OPERATIONS CENTER (HOC)

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



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# HEALTH, SAFETY & SECURITY

Continued

## WTTC GLOBAL SCIENCE SUMMIT

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

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

## SAFETY

Our care for the well-being of each other and safeguarding ourselves and our environment are core to our company values. They apply to all areas of our operations, from ship design and maintenance to employee training programs and emergency preparedness. We're proud to maintain an excellent safety record.

In July 2015 Carnival Corporation & plc and the DOJ reached an agreement about requirements aboard cruise ships for Americans with disabilities. The agreement ensures the protection of civil rights of persons with disabilities in public accommodations, which addresses requirements of Title III of the Americans with Disabilities Act. This eight-year agreement requires us to reasonably modify policies, practices and procedures to accommodate individuals with disabilities, properly provide and reserve accessible staterooms for individuals with mobility disabilities, allow individuals with disabilities the same opportunities to participate in programs and services, and provide effective means of communication for persons with disabilities. We are dedicated to exceeding the expectations of all guests, with a particularly strong focus on accessibility.

We have a long-standing track record of making cruising accessible, and we are increasing that commitment even further with these enhancements in staff training, accessibility policies and communications, and additional accessible shipboard design features.

## MANAGEMENT SYSTEM

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

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# HEALTH, SAFETY & SECURITY

*Continued*

In 2018 we developed and began implementing a fleetwide health, environment, safety and security (HESS) event-reporting platform called SeaEvent. This platform will standardize HESS event reporting and analysis capabilities across our entire fleet, with the end goal of streamlining reporting processes and improving incident communications and follow-up. We received the 2018 Lloyd's List Americas Cruise Safety Innovation Award for our near-miss incident reporting program.

We require officers and crew members on board our ships to report any sequence of events and/or conditions that could have resulted in an accident and/or loss. The information is used for analysis and trending, and recommendations are made to prevent near-misses from becoming accidents. These near-misses are discussed in the shipboard safety committees, and action is taken on board as needed. Learning and discussing near-misses is also part of our Sail Safe Code.

## SAIL SAFE CODE

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

**The Sail Safe Code contains four aspects:**

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

In combination with our organization's Culture Essentials, the Sail Safe Code empowers our team members with training, job knowledge, and behaviors to safely live and work together on board. It also encourages all team members to speak up if something doesn't look right, feels unsafe or presents an environmental or security risk.

## EMPLOYEES

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

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

## EMERGENCY PREPAREDNESS

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

System (GMDSS).

During our pause in guest operations, we combined our emergency response program with Carnival Cruise Line's emergency response program. The new Fleet Operations Center (FOC) is available 24/7, 365 days a year and located in Miami, Florida. Periodic announced and unannounced drills are conducted at the FOC to ensure shoreside teams are fully prepared to assist ships in cases of severe weather or emergency. To continuously improve communication during an emergency, we invested in a system that is also used by U.S. government agencies, public utilities, universities, corporations and sister cruise lines. This system allows shipboard and shoreside users to communicate and have a common understanding during incidents.

## SECURITY

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

## SHIPBOARD SECURITY TEAMS

Our ships are staffed with dedicated security teams responsible for managing systems and enforcing policies around the clock. Led by officers who have extensive experience in law enforcement and maritime security as well as specialized training in investigations and emergency planning, our shipboard security teams are

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## HEALTH, SAFETY & SECURITY

*Continued*

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

### INSPECTIONS AND REPORTING REQUIREMENTS

Our ships are subject to regular inspections by governmental and law enforcement authorities

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

### PRIVACY

We respect the privacy of our guests and crew, and we have implemented policies and procedures designed to safeguard their personal information. We keep privacy

matters top of mind by requiring employees to complete our data privacy training and communicating regularly about how to safeguard information.

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



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## ENVIRONMENT

The oceans are our livelihood and at the core of our business mission and operations. Holland America Line acts on its deep commitment to protect biodiversity and engenders new approaches to solve environmental issues. Together with our sister brands we have a collective approach that will help forward our goals to reduce waste and protect our seas and atmosphere. We paused our guest operations in 2020 due to the global pandemic, and the data in this section of the summary does not represent our normal operations.

### ENVIRONMENTAL COMPLIANCE PROGRAM

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

### MANAGEMENT SYSTEM

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

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

All of our shipboard employees have environmental responsibilities incorporated into their duties. They receive environmental training during their first day on board and are supported by our shoreside employees,

who develop policies and procedures and facilitate communication on an ongoing basis across the fleet.

In addition, each ship in our fleet has a full-time Environmental Officer who oversees environmental compliance and implementation of procedures. The Environmental Officer reports to the ship's Captain and has a direct line of communication to our shoreside environmental management team. We share common goals, and we embrace opportunities for continuous improvement through monthly conference calls, webinars, training at the Center for Simulator Maritime Training (CSMART) (in person or online) and numerous informal communications.



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# ENVIRONMENT

Continued

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

Our parent company, Carnival Corporation & plc., established the following environmental goals with a target date of 2020.

Since we achieved our corporate 2020 sustainability goals, Carnival Corporation and plc announced future goals and aspirations. Holland America Line sets its own objectives and targets to help Carnival Corporation reach these goals. Further information about 2030 and 2050 Sustainability Focus Areas can be found in the [Carnival Corporation & plc 2020 Annual Sustainability Report](#) on pages 12-15.

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

Addressing climate change is one of our top priorities, and we are committed to continuing to lead the way within the cruise industry. Our entire management team, including our board of directors, is committed to addressing climate change. Our path to decarbonization involves multimillion-dollar investments and a multifaceted strategy. Key components of this strategy include adopting international frameworks and working with industry regulatory bodies to address upcoming regulatory requirements and conditions; maximize efficiency opportunities/gains; implement low carbon fuels; invest in carbon-efficient technologies; support

# 2020 SUSTAINABILITY GOALS

environmental • safety • labor & social



## CARBON FOOTPRINT

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



## ADVANCED AIR QUALITY SYSTEMS

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

## AWWTS TECHNOLOGY

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



## COLD IRONING CAPACITY

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



## WASTE REDUCTION\*

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



## WATER EFFICIENCY

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

## DIVERSITY & ETHICS



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



## GUEST AND CREWMEMBER HEALTH, SAFETY & SECURITY

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



## BUSINESS PARTNER CODE OF CONDUCT AND ETHICS

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



## OUR COMMUNITY

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

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

## ENVIRONMENT

*Continued*

and accelerate industry-specific research & development projects; establish internal goals supporting the path; as well as partner with other companies, Non-Governmental Organizations and relevant stakeholders. In the coming years we are likely to see an array of emerging technological innovations, as currently there is not a single technology (nor a combination of technologies) that can move the maritime industry straight into a decarbonization path. As we navigate this journey, we are committed to evaluate options, work with various stakeholders and adjust our path as needed.

### OPERATION OCEANS ALIVE

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

In 2020 we celebrated Global Recycling Day, Earth Day and World Oceans Day on board and shoreside with events, activities and communications to promote ocean education and conservation. Crew held festivities such as baking eye-catching cakes, training on food waste and sponsoring kids club activities.

### SINGLE-USE PLASTICS

**Our goal is to remove single-use plastics within our operations wherever feasible.**

In 2018 we started an initiative to evaluate our collective use of single-use plastic items and alternative options available in the market. As part of this initiative, we have identified items we can replace with reusable nonplastic alternatives or biodegradable options.

Straws and cup lids are now available only when requested and are paper-based. We now use paper bags and wooden drink stirrers or reusable spoons whenever possible.

By the end of 2021 we also plan to reduce and eliminate overtime amenity bottles, and instead of sugar packets we will provide bulk dispensers.

## ENERGY & EMISSIONS

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

**We are reaffirming our commitment to decarbonization by supporting the transition to alternative fuels and technologies such as biofuels, large-scale batteries and fuel cells. Our 2030 goal is aligned with the International Maritime Organization's commitment to reduce carbon emission intensity 40 percent by 2030, and we aspire to achieve net carbon-neutral ship operations by 2050. We recognize that achieving our aspiration will require energy sources and technologies that do not yet exist for our industry. Regardless, our efforts to date have resulted in peaking our absolute carbon emissions a decade ago, and we are working hard to find ways to further reduce our absolute emissions. Further information about our commitment to decarbonization can be found in the [Carnival Corporation & plc 2020 Annual Sustainability Report](#) on pages 112-117.**



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# ENVIRONMENT

*Continued*

## DIRECT ENERGY – FUEL USE

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

Our ships are propelled by diesel electric generators which are inherently more efficient than traditional marine propulsion systems because we can optimize the load between propulsion and other operational needs. A majority of the electricity we generate on board our ships operates our propulsion system, while the remainder powers our lighting, heating, ventilation, air conditioning and refrigeration systems.

In 2020 our fleet used more than 250,000 metric tons of fuel, generating just over 10 million gigajoules of energy. Due to the global pandemic, our 2020 ship fuel consumption rate – normalized for ship capacity and distance travelled – increased by 3.8 percent against 2018 performance.

We use high-sulphur fuel oil (HSFO) and marine gas oil (MGO) to power our ships. LSFO and MGO generate fewer sulphur oxide emissions, and we use these fuels or Advanced Air Quality Systems in emission control areas as required. In 2020, 75 percent of the fuel we used was HSFO, while 25 percent of fuel used was MGO.

## GREENHOUSE GAS EMISSIONS

The greenhouse gas (GHG) emissions generated by our

operations are primarily from fuel used by our ships. These emissions include greenhouse gases, nitrogen oxides (NOx), sulphur oxides (SOx) and particulate matter (PM).

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

In 2020 our operations generated emissions equivalent to more than 0.8 million metric tons of carbon dioxide. The vast majority were direct GHG emissions from our ships' fuel consumption. Our indirect emissions were generated by electricity purchased for our offices and our ships that have the capacity to use electrical power.

As a result of our ship fuel efficiency strategies, from 2011 to 2019 we successfully reduced our GHG emissions rate, which is normalized for ship capacity and distance traveled. In 2020 we paused our guest operations due to the global health pandemic, and, unfortunately, our emissions increased due to the reduced distance traveled.

## INDIRECT ENERGY – ELECTRICITY PURCHASES

We purchase electricity for our office use and for ships that have the capacity to use electrical power at ports (also known as cold ironing) in Juneau, Alaska; Seattle, Washington; Vancouver, British Columbia; San Francisco, Los Angeles, and San Diego, California; New York, New York; and Halifax, Nova Scotia. In Seattle

and Vancouver most electrical energy comes from renewable hydropower. We continue to support other ports by committing to the use of shore power. As we are relocating ships around the globe, we will assess and, when deemed appropriate, upgrade our ships and enable them to use electrical power at ports.

In 2020 we purchased 4,000 megawatt-hours of electricity for our offices and fleet.

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

## ADVANCED AIR QUALITY SYSTEM

Advanced Air Quality Systems (AAQS) significantly reduce sulphur compounds and particulate matter, including black carbon, from our ship's engine exhaust. All Holland America Line ships were equipped with certified and operational AAQS. See [Carnival AAQS](#) for additional information.

## WATER

We use water on board to prepare food, wash the ships' exteriors and interiors, sanitize kitchen tools and surfaces, clean equipment and launder towels and linens. Fresh water is significantly important to our shipboard operations.

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# ENVIRONMENT

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## SOURCES AND USE

We obtain our fresh water from three sources: produced water (seawater we either evaporate and recondense or seawater that undergoes reverse osmosis, which we treat with minerals and chlorine); bunkered water (purchased from port communities and stored in designated potable water holding tanks); and condensate, which on some ships we collect from our air-conditioning units and use for technical cleaning. We bunker water from ports where we know water is plentiful, high in quality and costs less than the fuel we need to produce water on board.

In 2020 our fleet consumed more than 1.2 million metric tons of water. Of that, 94 percent we produced on board and 6 percent we bunkered or purchased from shore. Because we cannot measure the quantity of condensate for all ships in the fleet, data does not reflect that.

Our operations used 277 liters of water per person per day in 2020. This is less than the range of 302–378 liters used per person per day in the average U.S. household.

We continue to strive for future improvement by leveraging water-saving technologies and educating our guests and crew members on how to conserve.

## WASTEWATER FROM SHIPS

All water that we produce or load onto our ships we use for its intended purpose. Afterwards, we either discharge it in accordance with – or often exceeding – local, national and international laws and regulations or offload the water to a shoreside facility for disposal. The facility separates the wastewater into three broad

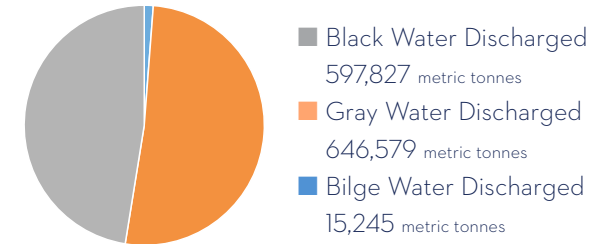
categories: gray water, black water (permeate/treated black water, biomass/sewage sludge) and bilge water. In 2020 we generated more than 1.25 million metric tons of wastewater we discharged to sea.

Gray water is wastewater drained from cabin sinks and showers, galleys, salons and laundry facilities. It represents the largest volume of wastewater our ships generate, and we may or may not treat the water prior to discharge, depending on ship capabilities. We always discharge the water in full compliance with applicable laws and regulations. In 2020 we discharged approximately 0.65 million metric tons of untreated gray water, which accounted for 51 percent of all wastewater discharged to sea.

Black water refers to waste from toilets and medical facility sinks. They use primary filtration, bio digestion, ultrafiltration and ultraviolet light technology to produce a discharge – called permeate – superior in quality to effluent most municipal wastewater treatment plants discharge in most communities. In 2020 we discharged more than 0.58 million metric tons of permeate, which accounted for 47 percent of our wastewater discharges to sea.

Bilge water is wastewater collected in the lower part of the ship, known as the bilge. This water contains oils released from equipment in engine compartments. To treat bilge water, we use a cascade treatment system which circulates and recirculates fluid through increasingly efficient oil-water separators until the oil content reduces to below 15 parts per million. In 2020 we discharged approximately 15,000 metric tons of treated bilge water, which accounted for less than one percent of all wastewater our fleet discharged. All bilge treatment systems are installed to meet the latest pollution prevention requirements.

## Distribution of Waste Water



## ACCIDENTAL RELEASES

We work hard to protect water quality and prevent accidental spills. When they do occur, they most often contain water, fuel, hydraulic fluid or lubricating oil. These materials enable the operation of shipboard mechanical systems which our employees inspect, monitor and maintain. If leaks occur, they typically range from a few drops to a few pints. We require our crew to report all incidents in which they see a sheen on the water's surface. For internal reporting purposes, corporate standards require us to report any release of any fluid discharged into the sea. A spill that causes oil sheen is also reported and included in the total number of spills recorded, even though the volume may be only a few drops.

## GRIEVANCES

We occasionally receive grievances about labor practices, human rights, impacts on society, environment, guest privacy and guest relations, among others. We evaluate and manage all grievances we receive within a reasonable time frame. **To further facilitate reporting, we have established a whistleblower system with a range of options for employees and external stakeholders to communicate, which includes a**

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## ENVIRONMENT

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**dedicated hotline telephone number and website.**

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

**The hotline can be reached at**

• **1-888-290-5105 (toll-free in North America)**

• **+1-305-406-5863 (from all other locations)**

• **[www.carnivalcompliance.com](http://www.carnivalcompliance.com)**

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

### WASTE

In 2020 our fleet generated approximately 22,600 metric tonnes of solid waste – the equivalent of 3.6 kilograms per person per day.

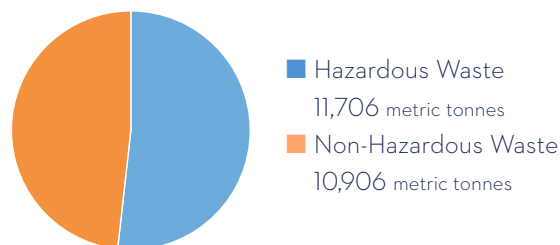
Our waste management approach focuses on reducing the volume and toxicity of waste we generate. Whenever possible we reuse existing materials and equipment and strategically offload to recycle where our ports of call have a recycling infrastructure available. We collaborate with stakeholders on these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

As for the solid waste our shipboard operations generate, we hand-separate and either recycle, dispose of on shore or incinerate on board. All ships in our fleet collect and separate recyclable materials from trash.

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

Our efforts to increase recycling include an assessment of some of our most frequently visited port communities in Europe.

### Solid Waste Disposal



### BIODIVERSITY

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

### BIOFOULING

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

Hull husbandry is one way that Holland America Line prevents biofouling. Hull husbandry includes application of antifouling hull coatings, hull cleaning, maintenance and the use of active Marine Growth Prevention Systems (MGPS). Special silicon-based underwater coatings maintain a smooth surface which inhibits marine growth attachment. Periodic hull cleaning removes the incidental growth that does occur, and periodic maintenance of internal seawater pipes and systems removes any accumulated biofouling in our internal seawater systems.

Active MGPS employ cathodic or ultrasonic systems that also inhibit marine growth in those internal surfaces. These methods reduce the risk of introducing non-native species to sensitive marine areas and have the added benefit of reducing fuel consumption, with the subsequent reduction in engine emissions.

### BALLAST WATER

Ballast water is seawater pumped into dedicated tanks on a ship to provide weight – or ballast – at the bottom of the ship to enhance stability. It can impact biodiversity by introducing nonindigenous invasive species when the ship discharges that water.

We have ballast water treatment systems aboard *Koningsdam*, *Nieuw Amsterdam*, *Nieuw Statendam*, *Volendam*, *Westerdam*, *Zaandam* and *Zuiderdam* that meet IMO requirements and U.S. Coast Guard (USCG) requirements. We continue to add ballast water treatment systems to the rest of our ships in 2022. For those ships without ballast water treatment, we utilize ballast water exchange practices that minimize the risk of introduction invasive species into coastal environments. We record and report all ballast water exchanges and discharges as local, national and international laws and regulations require.

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# ENVIRONMENT

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## MARINE MAMMAL PROTECTION

Because of our direct dependency on the health of the oceans, we have developed and implemented marine mammal protection programs and training. In particular, we have developed a comprehensive whale strike prevention training program and follow reporting requirements prior to entering the right whale sensitive and protected areas for North Atlantic and North Pacific right whales. The IUCN (International Union for Conservation of Nature) Red List, the Global Reporting Initiative's designated list for threatened species, includes those species. Holland America Line has clear guidelines to avoid marine mammal strikes, and we follow established procedures if we sight marine mammals nearby, including altering course, reducing speed, using additional Bridge lookouts and notifying appropriate authorities and shoreside personnel. Our nautical officers also participate in whale protection training in conjunction with the U.S. National Oceanic and Atmospheric Administration (NOAA).

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

Seal protection presents an excellent example. During seal-pupping season (early May to mid-June) our ships will not approach closer than 500 yards from ice flows where seals reside. At all other times our ships do not approach closer than 100 yards.

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

During the group's meeting in April 2021, committee members shared an update on our carbon emissions strategy, discussed current and future technical projects, proposed the launch of a Destination Sustainability program that fits within our greater corporate sustainability efforts, and emphasized the need to focus on engagement with the communities we visit. The committee affirmed that we must continue to take proactive measures to ensure sustainability is ingrained in all aspects of our operations.

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

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

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

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



## ONBOARD GLOBAL RECYCLING & EARTH DAY EVENTS



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## COMMUNITY

**We care for the well-being of each other, our guests and the planet. We strive to do the right thing, always.** We stay attentive and intensely aware of our responsibility to those who work for and with us to improve our operations so we can better serve those communities and their social, economic and environmental well-being.

In normal times our vessels visit over 400 ports with close to a million guests and team members on board in a year. In 2020 the COVID-19 global pandemic led to a pause of guest cruise operations. We returned our guests to their homes, coordinating with a large number of countries around the globe. We chartered aircrafts, utilized commercial flights and even used our ships to sail home guests who could not fly.

We also worked around the clock with various local governmental authorities to repatriate our shipboard team members as quickly as possible, using our ships and chartered planes, and transitioning our ships to minimum nonoperational manning levels.

All our work to safely return guests and crew to their homes took place at a time when there was much to learn about the virus and its methods of transmission and treatment. As a result, requirements and guidelines were frequently changing – sometimes on a daily basis – and varied widely between countries and agencies. This was an extremely challenging and difficult operating environment for the entire travel and tourism industry, including maritime.

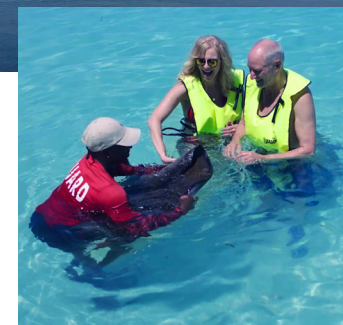
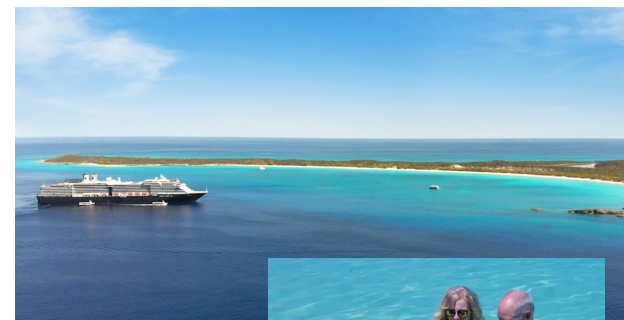
### ALASKA

Our history with the Great Land goes back nearly 75 years, and we consistently rank as the best Alaska cruise line because of our unmatched knowledge and experience. In fact, in 2022 we will celebrate 75 years of operation in Alaska.

We are extremely proud of our record in Glacier Bay over the past decades. Even when there have been incidents, we have always taken immediate remedial measures to minimize the possibility of occurrence. In order to cruise Glacier Bay National Park, cruise line operators are required to submit an application to obtain licenses. Every 10 years Holland America Line goes through a rigorous process which focuses on sustainability and safety. In 2019 we completed the process that continues to grant us access to Glacier Bay National Park.



In July 2021 we began cruising to Alaska following passage of the Alaska Tourism Restoration Act, work with Alaska government officials and guidance from the U.S. Centers for Disease Control and Prevention (CDC). “We feel deeply committed to trying to help our friends in The Great Land get back on their feet in any way we can this summer,” said Gus Antorcha, president of Holland America Line.



### HALF MOON CAY

One of the most unique and memorable experiences we offer our guests is

the opportunity to visit Half Moon Cay, a 1,700-acre private island and international bird sanctuary in the Bahamas. We have developed only 4 percent of the island. Over the years we’ve worked to carefully maintain the natural environment while allowing adequate capacity for our guests and making a significant contribution to the Bahamian tourism industry. During the global pandemic when most of the port remained closed, Half Moon Cay offered a welcome break for guests and team members. Half Moon Cay has been rated the “Best Private Island” by Porthole Cruise Magazine, Readers’ Choice Awards every year for the last 20 years. See our [full list of awards and accolades](#).

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# COMMUNITY

Continued

## SUPPLY CHAIN

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

**At Holland America Line we employ three procurement streams: technical purchasing (parts and services), consumable purchasing (food and beverage items and housekeeping supplies) and indirect/ services purchases (IT, entertainment, HR, marketing, etc.). Whenever feasible, competitive bidding is undertaken at the corporate, HA Group or brand level. We achieve competitive pricing while ensuring quality and product safety by actively identifying key vendors that we acquire through a vetting process. HA Group, a group of sister cruise lines, actively participates in all global bids through AllBrands Global Sourcing, a department within Carnival Corporation & plc. By consolidating information through AllBrands Global Sourcing, we are better able to manage and control our supply chain processes since we are collectively working together with our sister brands. AllBrands Global Sourcing identifies key vendors through a vetting process.**

We require a 100 percent commitment to improving the quality and accuracy of the deliveries from our vendors. Regarding inbound transportation, we work together

with our sister brands and consolidate department shipments to reduce our impact on the environment. For outbound transportation, shipments are destination- and itinerary-specific and are arranged per brand. We are trying to reduce our footprint by buying more locally, reducing the need to transport while supporting the local economy. We require a 100 percent commitment to improving the quality and accuracy of the deliveries from our vendors. We continuously work with our vendors to improve the use of carton and pallet manifesting and documentation to reduce the use of virgin materials. As a group we consolidate department shipments to reduce our impact on the environment rather than utilizing individual transports for each department.

## MODERN SLAVERY STATEMENT

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

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



*Holland America Line worked with officials at Bahamas National Emergency Management Agency and the Grand Bahama Shipyard (where the drydock took place) to donate more than 800 desk and accent chairs from guest cabins, along with nearly three dozen side tables, to families in need of new furniture.*



*Chairs are unloaded on Grand Bahama island for donation to residents.*





## REPORT PARAMETERS

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

This Sustainability Summary covers and prioritizes information on the basis of materiality, sustainability context and stakeholder inclusiveness. The information in this Sustainability Summary includes significant actions or events, and it does not intentionally exclude relevant information that would influence or inform stakeholder assessments or decisions or that would reflect significant economic, environmental or social impacts.

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

This summary is part of our initiative to better understand our impacts, to improve our performance wherever possible and to maximize the benefits of our activities where appropriate, with the aim of managing our company for long-term sustainability. It specifically focuses on fiscal year (FY) 2020 (December 1, 2019–November 30, 2020).

All references to currency are in USD unless otherwise noted.

## TERMINOLOGY

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

## MATERIALITY ASSESSMENT & MATRIX

Holland America Line adopted the materiality assessment of our parent company, Carnival Corporation

& plc. This assessment is conducted every two years by Carnival Corporation & plc. During this evaluation process, Carnival Corporation & plc analyzed issues that are important to the company and stakeholders. The materiality assessment helps determine areas of focus for this report and our sustainability work. For more information see [Carnival Corporation & plc 2020 Annual Sustainability Report, pages 124-127](#).

		CURRENT OR POTENTIAL IMPACT ON THE COMPANY		
		Low	Medium	High
RELATIVE CONCERN TO OUR STAKEHOLDERS	High		Local Communities Human Capital Economic Performance	Guest Health and Safety Crew Health and Safety Guest Satisfaction Guest Privacy Decarbonization Ethics and Compliance Grievances
	Medium	Human Rights Indirect Economic Impacts Supplier Assessments	Labor Rights Training and Education Product and Service Labeling Products and Services Biodiversity Animal Welfare	Security Practices Stakeholder Engagement Risk Management Anti-Corruption Diversity, Equity and Inclusion Innovation
	Low	Marketing Communications Indigenous Rights Procurement Practices Market Presence Materials Transport	Public Policy Investment Anti-Competitive Behavior Equal Remuneration	

Key: Economic Environmental Social Economic, Environmental & Social

## PERFORMANCE SUMMARY

ENVIRONMENTAL DATA – TOTAL SHIPS		14	14	10
	Units	2018	2019	2020
<b>Greenhouse Gas Emissions (GHGs)</b>				
Total GHG Emissions - Location Based	Metric Tonnes CO <sub>2</sub> e	1,214,276	1,306,901	817,204
Total GHG Emissions - Market Based	Metric Tonnes CO <sub>2</sub> e	1,214,705	1,307,963	817,521
Direct GHG Emissions	Metric Tonnes CO <sub>2</sub> e	1,212,765	1,303,391	815,514
Ship Direct GHG Emissions	Metric Tonnes CO <sub>2</sub> e	1,209,331	1,298,604	812,218
Ship Fuel GHG Emissions	Metric Tonnes CO <sub>2</sub> e	1,198,856	1,279,997	796,820
Ship Refrigerant GHG Emissions <sup>2</sup>	Metric Tonnes CO <sub>2</sub> e	10,475	18,607	15,398
Shore Direct GHG Emissions	Metric Tonnes CO <sub>2</sub> e	3,434	4,787	3,296
Indirect GHG Emissions - Location Based	Metric Tonnes CO <sub>2</sub> e	1,511	3,510	1,690
Shore Indirect GHG Emissions - Location Based	Metric Tonnes CO <sub>2</sub> e	878	1,823	1,446
Ship Indirect GHG Emissions - Location Based	Metric Tonnes CO <sub>2</sub> e	633	1,687	244
Indirect GHG Emissions - Market Based	Metric Tonnes CO <sub>2</sub> e	1,940	4,572	2,006
Shore Indirect GHG Emissions - Market Based	Metric Tonnes CO <sub>2</sub> e	1,047	2,128	1,668
Ship Indirect GHG Emissions - Market Based	Metric Tonnes CO <sub>2</sub> e	893	2,444	338
Ship Fuel Greenhouse Gas Emission Rate	Grams CO <sub>2</sub> e/ ALB-Km	284	272	297
<b>Air Emissions</b>				
Ship Fugitive Refrigerant Releases <sup>1</sup>	Kilograms	5,708	9,961	8,540
Ship Ozone-Depleting Substances (ODS) Emissions <sup>2</sup>	Kg CFC-11e	6	0	0
<b>Energy &amp; Electricity</b>				
Total Direct Energy Consumption <sup>4</sup>	Gigajoules	15,747,221	16,832,792	10,460,222
Ship Direct Energy Consumption	Gigajoules	15,693,583	16,764,684	10,412,819
Shore Direct Energy Consumption	Gigajoules	53,637	68,108	47,403
Total Direct Energy Consumption Rate	Kilojoules/ ALB-Km	3,735	3,577	3,894
Total Ship Fuel Consumption <sup>4</sup>	Metric Tonnes	379,141	404,670	250,599
Ship Fuel Consumption Rate <sup>4</sup>	Grams Fuel/ ALB-Km	89.9	86.1	93.3
Total Purchased Electricity	MWh	5,332	10,390	4,017
Shore Purchased Electricity	MWh	2,694	4,160	3,192
Ship Purchased Electricity	MWh	2,638	6,231	824
<b>Ship Fuel</b>				
High Sulfur Fuel Oil (HSFO)	Percent	80.0	78.8	74.9
Low Sulfur Fuel Oil (LSFO)	Percent	0.0	0.0	0.0
Marine Diesel Oil/Marine Gas Oil (MDO/MGO)	Percent	20.0	21.2	25.1

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

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

## PERFORMANCE SUMMARY

ENVIRONMENTAL DATA – TOTAL SHIPS		14	14	10
	Units	2018	2019	2020
<b>Potable Water</b>				
Total Water Consumption <sup>4</sup>	Metric Tonnes	2,900,714	3,048,246	1,238,113
Water Produced (From Sea)	Metric Tonnes	507,440	423,923	68,490
Water Purchased (From Shore)	Metric Tonnes	2,393,274	2,624,323	1,169,623
Water Consumption Rate	Liters/Person-Day	249	238	277
<b>Waste Water</b>				
Bilge Water Discharge to Sea <sup>4</sup>	Metric Tonnes	24,462	22,841	15,245
Bilge Water Discharge to Rate <sup>4</sup>	Liters/ NM	18.33	16.18	19.04
Gray Water Discharged to Sea <sup>5</sup>	Metric Tonnes	1,828,181	1,745,323	646,579
Gray Water Discharge Rate <sup>5</sup>	Liters/ Person-Day	157.03	136.31	146.63
Black Water Discharged to Sea	Metric Tonnes	1,135,019	1,300,201	597,827
Black Water Discharge Rate	Liters/Person-Day	98.0	101.5	135.6
<b>Waste Disposal</b>				
Total Waste	Metric Tonnes	29,653	33,439	22,613
Hazardous Waste <sup>6</sup>	Metric Tonnes	12,974	15,515	11,706
Non-Hazardous Waste	Metric Tonnes	16,679	17,924	10,906
Waste Recycled	Percent	2	2	4
Waste Rate (Excl. Recycling)	Kilograms/ Person-Day	28	27	17

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

1) Independently verified by Lloyd's Register Quality Assurance (LRQA) in accordance with ISO 14064-3:2006, "Greenhouse gases - Part 3: Specification with guidance for the validation and verification of greenhouse gas assertion."

2) Emission factors are in accordance with The Climate Registry Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (AR4).

3) The conversion factors to obtain the amount of CFC-equivalent from the various types of refrigerant gases are those given in the Montréal Technical Papers.-

4) Independently verified by LRQA.

5) Wastewater discharges for gray water values have been revised for FY2018. During the internal data verification process, a quality control step was completed for this reporting cycle.

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

## PERFORMANCE SUMMARY

SOCIAL DATA - (SHIPBOARD)		2018	2019	2020
	Units			
<b>Workforce<sup>1</sup></b>				
Average Crew	Number	9,431	9,998	5,478
<b>Diversity</b>				
Labor Sourcing Region:				
> Africa	Percent	0.5	0.6	0.8
> Asia	Percent	84.3	86.2	83.8
> Australia	Percent	0.6	0.4	0.4
> Europe	Percent	9.9	9.4	12.4
> North & Central America	Percent	3.9	2.6	2.0
> South America	Percent	0.9	0.9	0.7
Gender Distribution - Female	Percent	13.2	13.4	12.5
Gender Distribution - Male	Percent	86.8	86.6	87.5
<b>Injuries &amp; Fatalities</b>				
Total Injuries	Number	272	281	161
> Minor Injuries	Number	177	200	119
> Serious Injuries	Number	22	21	6
> Major Injuries	Number	73	60	36
Accidental Deaths	Number	0	0	0
<b>Other Statistics</b>				
Employee Turnover	Percent	10.9	11.4	15.6
Employees Covered by Collective Bargaining Agreements (CBA)	Percent	78.9	84.1	85.0
Employees Represented by Health and Safety (H&S) Committees	Percent	100	100	100

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

## PERFORMANCE SUMMARY

SOCIAL DATA - (SHORESIDE)				
	Units	2018	2019	2020
<b>Workforce<sup>1</sup></b>				
Average Number of Full Time Employees	Number	1,161	1,272	1,005
Average Number of Part Time/Seasonal Employees	Number	15	9	14
Shoreside Employee Status - Full Time	Percent	98.72	99.30	98.60
Shoreside Employee Status - Part Time	Percent	1.28	0.70	1.40
<b>Diversity</b>				
Gender Distribution - Female	Percent	61.9	62.0	60.9
Gender Distribution - Male	Percent	38.1	38.0	39.9
<b>Employees by Brand Headquarter Region<sup>2</sup></b>				
Australia	Percent	0	0	0
Europe	Percent	0	0	0
North America	Percent	100	100	100
<b>Other Statistics</b>				
Employee Turnover <sup>3,4</sup>	Percent	15.1	16.5	54.6
Employees Covered by Collective Bargaining Agreements (CBA) <sup>4</sup>	Percent	0	0	0
Employees Represented by Health and Safety (H&S) Committees <sup>4</sup>	Percent	83.2	100	100

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

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

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

4) Represents data from Holland America Line and Seabourn.

## GLOSSARY

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

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

### **Audit**

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

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

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

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

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

### **Ballast Water**

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

### **Bilge Water**

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

### **Black Water**

Wastewater from toilets, urinals and medical sinks

### **Bunkered Water**

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

### **CFC-11 Equivalent**

A measure used to compare various substances based on their relative ozone depletion potential. The reference

level of 1 is the potential of CFC-11 and CFC-12 to cause ozone depletion.

### **Chlorofluorocarbons (CFCs)**

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

### **Circular Economy**

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

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

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

### **Cold Ironing**

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

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

A measure used to compare the emissions from various greenhouse gases based on their global warming potential (GWP). The CO<sub>2</sub> equivalent for a gas is derived by multiplying the tonnes of the gas by the associated GWP.

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

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

### **Energy Saved**

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

### **Environmental Aspect**

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

### **Environmental Impact**

How an environmental aspect may affect the environment

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

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

### **Footprint**

The amount of environmental impact related to a specific resource

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

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

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# GLOSSARY

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## Governance

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

## Gray Water

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

## Greenhouse Gas (GHG)

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

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

## Greenhouse Gas (GHG) Protocol Initiative

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

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

The technology used for indoor environmental climate control

## Heavy Fuel Oil (HFO)

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

## Indicator

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

## Indirect Emissions (Scope 2 Emissions)

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

## Indirect Energy

Energy produced outside the reporting organization's boundary that is consumed to supply energy for the organization's energy needs (e.g., electricity, or for heating and cooling). The most common example is fuel consumed outside the reporting organization's boundary in order to generate electricity to be used inside the organization's boundary.

## Injury Severity Levels

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

- Major injury: Any fracture, loss of any body part, loss of vision (temporary or permanent), dislocation of a

joint or a ruptured ligament or tendon, hypothermia or hyperthermia secondary to environmental exposure that requires medical treatment, an injury resulting in trauma that requires advanced life support or any other injury requiring hospitalization on board or on shore for more than 24 hours following the injury

- Serious injury: Any injury, other than a major injury, which results in time off work for more than three consecutive days following the injury, or that results in disembarkation without return on board
- Minor injury: Any injury that is not a serious or major injury and that results in time off work of 24 hours or more following the injury

## International Labour Organization (ILO)

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

## International Maritime Organization (IMO)

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

## International Organization for Standardization (ISO)

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

## International Safety Management (ISM) Code

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

## ISO 14001

Global standards for Environmental Management System developed by the ISO

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# GLOSSARY

Continued

## International Ship and Port Security (ISPS) Code

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

## Liquefied Natural Gas (LNG)

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

## Marine Sanitation Devices (MSD)

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

## Maritime Labour Convention 2006 (MLC 2006)

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

## MARPOL

The International Convention for the Prevention of Pollution from Ships. MARPOL is one of the most important marine environmental conventions which was designed to minimize pollution of the seas.

## Metric Tonne

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

## Net Promoter Score

Net Promoter or Net Promoter Score (NPS) is a management tool that is used to gauge the loyalty of a firm’s customer relationships. NPS can be as low as -100 (everybody is a detractor) or as high as +100

(everybody is a promoter). The Net Promoter Score is calculated as the difference between the percentage of Promoters and Detractors. The NPS is not expressed as a percentage but as an absolute number lying between -100 and +100.

## NO<sub>x</sub>

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

## Ozone Depleting Potential (ODP)

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

## Ozone-Depleting Substance (ODS)

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

## Primary Source

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

## Protected Area

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

## Refrigerants

Gases that are used in HVAC systems on board

## Renewable Energy

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

## Safety Management System (SMS)

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

## Safety of Life at Sea (SOLAS) Convention

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

## Significant Air Emissions

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

## Solid Waste

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

## SO<sub>x</sub>

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

## Stakeholder

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

## STCW

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

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# GLOSSARY

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

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

## **Total Water Withdrawal**

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

## **Turnover**

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



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