



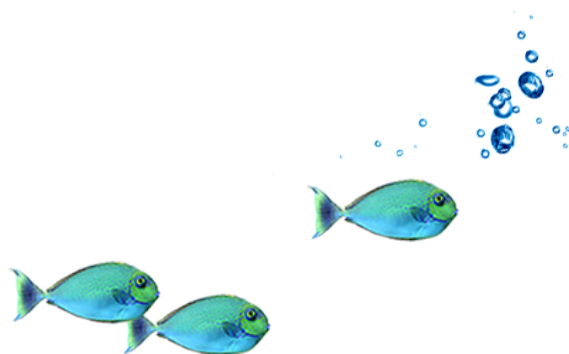
# seastainability

2018



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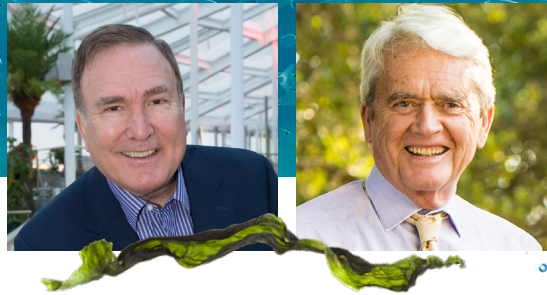
## Seastainability

At Royal Caribbean, respect for the oceans is not a choice, it's a way of life.





# From our Leaders



Like any business, we spend a considerable amount of time thinking about numbers, from profits to net promoter scores. This report allows us to focus on a set of critical numbers in an accountable and transparent way.

This year we spent time reviewing how our work aligns with the world's blueprint to achieve a better and sustainable future for all – the Sustainable Development Goals (SDG).

We found that our work aligns with many of the 17 SDGs, but SDG 14, Life Below Water, focused on conserving the oceans, seas, and marine resources for sustainable development stood out to us given that our business is intrinsically connected to the sea.

And so, you'll find in this report a great deal of work focused on supporting healthy oceans, their neighboring communities, and reducing our operational impact.

Our partnership with World Wildlife Fund is centered on ambitious 2020 sustainability targets in three key areas: emissions reduction, sustainable food supply and destination stewardship which line up nicely with SDGs. This year we're especially proud of the fantastic work achieved by our Global Tour Operations team in their efforts to bring our guests more sustainable tours. At 80% to our target of 1,000 sustainable tours by 2020, this effort takes us beyond our self-contained operations and supports sustainable travel and livelihoods at the destinations we visit.

The culture at RCL is based on continuous improvement. Each person, vendor or department is eternally on the hunt for both radical improvement systems such as fuel cells or simple, but effective improvements like automatically shutting off AC units when balcony doors open. For example, *Celebrity Edge*, our newest ship is 20% more energy efficient than her predecessor Solstice-Class – and not by one or two improvements, but by over 40+ initiatives all with one thing in mind – reducing our impact.

In 2018 our ever-growing portfolio also pushed us to explore innovative ideas such as a Carbon Offset wind project which will offset 10% of our direct emissions annually.

We often say that what gets measured, gets better. This report not only reflects our successes and our challenges, but tracks the progress of the creative, resourceful, and ambitious team at RCL is making in its never-ending quest for improvement.

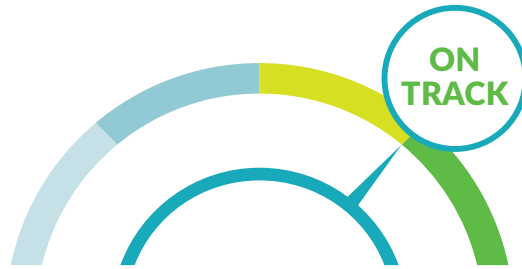
**Richard Fain**  
Chairman & CEO  
Royal Caribbean  
Cruises Ltd.

**William K. Reilly**  
Chair, Safety, Environment  
and Health Committee,  
RCL Board of Directors





Oceans are **71% of the planet** and **100% critical** to our business.  
Conserving their health is paramount.



## ROYAL CARIBBEAN'S 2020 ENVIRONMENTAL GOALS

Our 2020 environmental goals set ambitious and measurable sustainability targets to reduce our environmental footprint and raise awareness about ocean conservation.



**EMISSIONS  
REDUCTION**



**SUSTAINABLE  
TOURS**



**SUSTAINABLE  
SEAFOOD**



**SUSTAINABLE  
DESTINATIONS  
(PUBLIC)**



**SUSTAINABLE  
DESTINATIONS  
(PRIVATE)**



**SUSTAINABLE  
SOURCING**

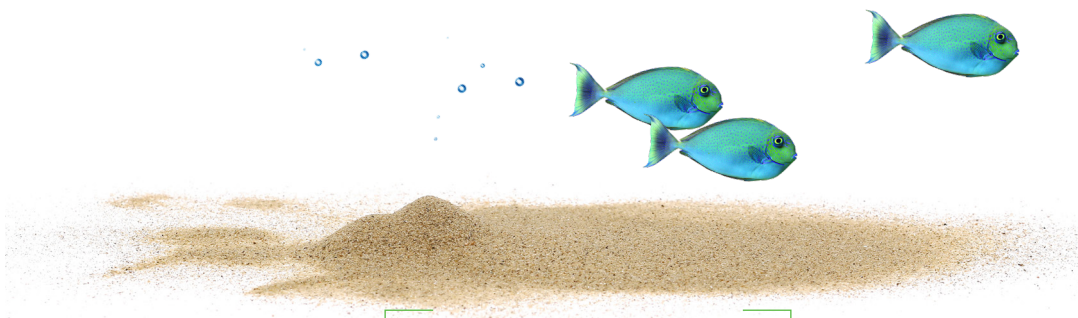


**PLASTICS  
REDUCTION**



**WASTE**

[Download Our Progress](#)



## 2018 HIGHLIGHTS

### A journey to **zero waste**

Whenever possible the waste on our ships is reused, recycled or converted to energy.

**100%** OF THE FLEET IS EQUIPED TO  
**BE LANDFILL FREE**



### The right **buying choices** make a difference

We're buying more sustainable and humane products, like MSC seafood and cage-free eggs. We are eliminating the use of plastic straws and stirrers. Those are just some of the steps we're taking in our supply chain to support a more circular economy.



**No Plastic Straws**



**90% MSC-certified and 75% ASC-certified Seafood by 2020**

### At its core, tourism depends on the **beauty of the environment**

Every day, everywhere our ships go, we operate with a philosophy of continuous improvement. We're focused on making destinations and shore excursions more sustainable and offering GSTC-certified tours to our guests.



Royal Caribbean focuses on

 **SUSTAINABLE DEVELOPMENT GOALS**

 <p><b>4</b> QUALITY EDUCATION</p>	 <p><b>5</b> GENDER EQUALITY</p>	 <p><b>6</b> CLEAN WATER AND SANITATION</p>	 <p><b>7</b> AFFORDABLE AND CLEAN ENERGY</p>	 <p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p>
 <p><b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	 <p><b>10</b> REDUCED INEQUALITIES</p>	 <p><b>11</b> SUSTAINABLE CITIES AND COMMUNITIES</p>	 <p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	 <p><b>13</b> CLIMATE ACTION</p>
 <p><b>14</b> LIFE BELOW WATER</p>	 <p><b>15</b> LIFE ON LAND</p>	 <p><b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	 <p><b>17</b> PARTNERSHIPS FOR THE GOALS</p>	

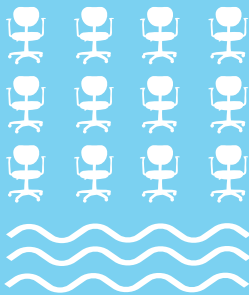
[View Our SDG Mapping](#)





# ROYAL CARIBBEAN CRUISES LTD. COMPANY PROFILE

12 OFFICES  
ACROSS THE GLOBE



GLOBAL HEADQUARTERS  
MIAMI • FLORIDA

STARTED IN  
1969

6 BRANDS



61 SHIPS



FROM OUR SMALLEST SHIP  
*CELEBRITY FLORA*

TO WORLD'S LARGEST CRUISE SHIP  
*SYMPHONY OF THE SEAS*



6 MILLION  
GUESTS  
PER YEAR



500+  
DESTINATIONS  
ON ALL 7 CONTINENTS



DOWNLOAD THE GRAPHIC



# Conservation

We have a responsibility to the guests who sail with us, the people who work for us and the communities we visit, but most critically we have a responsibility to the oceans – they are not only at the heart of our business, but connect each and every one of us.







## A partnership for our oceans

At Royal Caribbean, our mantra is continuous improvement. It drives us to improve everything. In 2016 we challenged ourselves to expand our conservation and sustainable business practices and so we partnered with one of the world's most respected conservation organizations, World Wildlife Fund (WWF). Together we have set out on a five-year journey to help ensure the long-term health of the oceans.

The relationship officially launched in January 2016 by setting specific and measurable sustainability targets to reduce our environmental footprint, raise awareness about ocean conservation among our more than five million guests, and support WWF's global oceans conservation work with a philanthropic contribution of \$5 million over five years.

Our initial targets focused on reducing carbon emissions and ensuring sustainable seafood procurement. In June 2016, we upped those commitments by announcing additional 2020 targets, related to sustainable sourcing strategies for key soft commodities, as well as the sustainability of our tour operators and destinations.

A full list of our 2020 Sustainability Goals is available [here](#). In addition, we have reaffirmed our corporate sustainability goals, including waste and recycling, wastewater, and water bunkering through 2020.

**WITH THE HELP OF OUR GUESTS, WE RAISED  
AN ADDITIONAL \$600,000 FOR WWF**

[WATCH THE VIDEO](#)

### INSPIRING FUTURE CONSERVATIONISTS

Working together to achieve ambitious sustainability targets is only one part of ensuring the long-term health of the oceans. Through our partnership with World Wildlife Fund (WWF) we are engaging our guests to participate in the protection of our oceans and marine wildlife. Across Royal Caribbean International, Celebrity Cruises, and Azamara Club Cruises—our three global brands—the partnership is educating guests about the importance of ocean conservation and what they can do to contribute during their cruise and after.

Educational materials include WWF conservation-themed television content that plays in guest staterooms, distribution of a special edition of the WWF magazine, and ocean-conservation themed children's programming. Our partnership has also developed ocean-themed activities such as fund- and awareness-raising walks for sea turtle conservation, a WWF speaker series on Azamara, and symbolic species adoptions and signature t-shirts that benefit WWF.





## A decades-long commitment to the oceans

Save the Waves is our decades-long commitment to environmental stewardship. Stemming from a company-wide recycling program in 1992, Save the Waves branched out over the years to include more ambitious goals such as emissions reduction and waste water treatment.

As our knowledge of the oceans grew, so did our program, which evolved into a broader sustainability platform aimed at preserving the oceans and protecting coastal communities. Extending well beyond shipboard operations and our employee workforce, the platform drives our collaboration with educational institutions such as the University of Miami, conservation-focused nongovernmental organizations such as World Wildlife Fund and other entities which help Caribbean, Latin American, and South Pacific destinations strengthen policies and protect resources so their marine environment can remain vibrant and healthy.

The program's main principles are:

- **REDUCE, REUSE, RECYCLE** – Reduce the generation of waste material, reuse and recycle wherever possible, and properly dispose of remaining wastes.
- **PRACTICE POLLUTION PREVENTION** – It is strictly forbidden to throw anything overboard.
- **GO ABOVE AND BEYOND COMPLIANCE (ABC)**– Do more than the regulations require.
- **CONTINUOUS IMPROVEMENT** – Change is the only constant. Innovation is encouraged and rewarded.

## EXPANDING CLIMATE CHANGE RESEARCH TO THE GALAPAGOS ISLANDS

At the root of improvement lies a lot of research. When it comes to climate change, the same is true. That is why the University of Miami's Rosenstiel School of Marine and Atmospheric Science (RSMAS) operates labs onboard our ships. With grants from RCL, their OceanScope program captures oceanographic and atmospheric data important to climate change research.

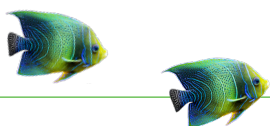
A lucky, and timely meeting connected RSMAS and RCL just as *Explorer of the Seas* was debuting nearly 20 years ago. *Explorer of the Seas* was outfitted with a comprehensive suite of oceanographic and meteorological instruments that provide real-time data on atmospheric and ocean conditions to scientists along the ship's paths. The ship's set itinerary – sailing from the U.S. Northeast to Bermuda – created a perfect, and cost-effective way to gather important data points that measure ocean circulation dynamics.

These 'satellites of the sea' collect invaluable data along extremely important routes that are significant to understanding ocean dynamics and vital to diagnosing the state of the oceans and planet.

The highly sophisticated instruments placed strategically throughout the ships' upper and lower decks collect oceanographic and meteorological data on fundamental ocean processes in the water column—from the very surface "skin" of the ocean to depths of more than 3,000 feet (1,000 meters). Weather balloons, capable of reaching altitudes as high as 12 miles (or 20,000 meters), were also periodically released from the rear of the *Explorer* during the first six years of the program to compare data from Earth-orbiting satellites above that measured water vapor in the atmosphere.

Presently, Royal Caribbean International's *Allure of the Seas* and *Adventure of the Seas* and Celebrity Cruises' *Celebrity Equinox* are providing real-time data to scientists as part of OceanScope. In 2018, we began outfitting *Celebrity Flora*, our first purpose-built ship sailing the Galapagos Islands, with OceanScope.

OceanScope will track and map the region's unique intersection of currents while measuring sea-surface temperatures and gathering data critical to research prediction of El Niño and La Niña. Understanding how those currents and weather patterns have impacted the development of the unique island environment and wildlife is a key part of conserving the one-of-a-kind archipelago for years to come.





## Keeping the Galápagos wild

Most of our guests share our passion for protecting the environment. Some of the most passionate are guests who cruise through one of the most unique and scientifically important areas on earth—the Galápagos Islands.

Our water and land excursions at the archipelago are led by Galápagos National Park naturalists, who inspire guests to fully immerse themselves in the Galápagos ecosystem and partake in its restoration.

Since 2014, we have encouraged guests aboard to plant trees in support of the *Scaevola* reforestation effort. The native trees' ongoing deforestation has rippling effects on the wildlife that relies on the trees for survival. Guests were eager to participate, with 90% of them taking part in the project. More than 40,000 trees have been planted in collaboration with the Galápagos National Park, well exceeding our goal of 5,000 trees.

The Galápagos islands are a living laboratory for scientists to study the continuing evolution of our world and how best to protect it. WWF's Russell E. Train Education for Nature Program (EFN) invests in training and education for potential conservation leaders all over the world, including in the Galápagos. Thanks to Celebrity Cruises, EFN is providing support to three emerging conservation leaders, including Oscar Carvajal who noticed that the working conditions of the park rangers are inconsistent from island to island, and that often rangers lack the training and equipment to do their job properly. Carvajal is analyzing and comparing the working conditions of park rangers across several islands. With that baseline data, protected area managers will be able to identify the staffing and skills gaps that ought to be addressed in management plans. This research is the first step toward getting park rangers the support they need to conserve the region.

Since 2014, we have been working with the local communities within the Galápagos, to identify and support efforts that are important to each island including providing additional support for local farmers associations through organic agriculture initiatives, that resulted in the creation of the hybrid "Galápagos tomato." We also have led efforts to create a fishing co-op that allows locals to have a safe, clean processing plant in which to prepare, store and more efficiently sell their catch. Today, we serve the Galápagos tomato and fresh "daily catch" on board.

After marveling at the raw beauty of the islands, guests often feel compelled to continue helping the conservation efforts.

While on board, we provide the opportunity to make donations to the Galápagos Fund, which we manage in partnership with the Virginia-based Galápagos Conservancy.

## Committing to combat wildlife trafficking

It takes a village, the old proverb says, and in the case of wildlife trafficking, it takes a global village. On March 3, 2016, World Wildlife Day, Royal Caribbean Cruises Ltd. (RCL) joined 16 other companies and the U.S. Wildlife Trafficking Alliance (USWTA) to crack down on wildlife trafficking and educate consumers on the dangers trafficking poses to animals around the world.

The illegal wildlife trade not only threatens the survival of many species in the wild but generates approximately \$10 billion per year in illegal profits for sophisticated criminal syndicates that are masterminding the killing, transport and marketing of illegal wildlife products.

As a travel and hospitality company we are joining the cause by building awareness of wildlife crime and influencing buying behavior through the education of our 60,000+ crew members and upwards of 5 million travelers annually.

In 2018, we began working with WWF-Australia to protect the hawksbill turtle from the illegal turtle trade by ending demand for tortoiseshell products, breaking the supply chain and better protecting them in the places they call home.

Hawksbill turtles are critically endangered, hunted and traded for their beautiful shell. As part of a coordinated network, we will help build a DNA database to help identify hawksbill populations most at risk from the illegal tortoiseshell trade by tracing hawksbills products from sale to where they were poached. WWF-Australia also is working alongside scientists and local communities to better understand not only where these turtles are being taken, but how this trade is being driven. This will allow collaborative work with local communities, stakeholders and governments to implement effective zero poaching practices and policies to help end the trade.



In addition to our ambitious sustainability targets we are working together with WWF to identify project grants where our funds can make an impact on ocean conservation work around the globe.

## EDUCATION FOR NATURE – STUDY IN THE GALÁPAGOS

For the second year, we announced our support for conservation training and education in one of the world’s most ecologically rich sites – the Galápagos.

Through WWF’s Russell E. Train Education for Nature Program (EFN), we are providing financial support to three home-grown conservation leaders that will help address conservation challenges in the Galápagos, from park ranger working conditions to local food sourcing and even the tiny earthworm’s role in the environment.

EFN supports conservationists to pursue graduate studies, attend short-term training courses, and train local communities.

## BETTER TAGS TO TRACK POLAR BEARS

The rapidly warming Arctic Ocean is losing sea ice at record speed and that’s having a significant impact on where polar bears can find habitat. Over the 2017 and 2018 holiday season, we engaged our guests to fundraise for these iconic creatures. Those funds, more than \$40,000 are now being used by WWF, engineers and innovators to create a better tag for tracking polar bears.

Right now, scientists use collars equipped with technology to send location information up to satellites and back down to computers here on Earth. The problem is the collars have a high failure rate and they are culturally offensive to local communities.

After workshopping ideas and designing a plan forward, a small team is now working on a miniaturized ear tag to replace the collar. In January, staff from WWF and U.S. Fish and Wildlife Service spent time studying a polar bear named Lyutyik up close in the Alaska Zoo and have since incorporated information from the experience into the design process.

The goal is to produce five ear tag prototypes for polar bears by the end of 2019 and then deploy them in 2020.





## ENCOURAGING SUSTAINABLE TOURISM

Donsol, Philippines, is where our partnership with WWF was launched two years ago and it remains a special part of our partnership. We continue to support the region through conservation projects, education and helping the municipal government expand its sustainable tourism offerings.

Through our support, WWF trained teachers and student leaders in an environmental education school curriculum in Donsol's 47 public elementary schools and is now expanding that program.

Donsol, a small municipality in the Philippines, is home to one of the wonders of the ocean world – whale sharks. This past year, WWF worked to improve the water quality in Donsol focusing on the health of the rivers that feeds into the ocean. The two major rivers, the Donsol and Ogod, are essential breeding grounds for plankton, a major food source for the whale shark. In partnership with the local government, WWF developed plans to mitigate the environmental impacts on the river. WWF is also rehabilitating the rivers by planting mangrove and bamboo. Over 30 volunteers helped plant 2,500 bamboo and 14,600 mangrove plants.

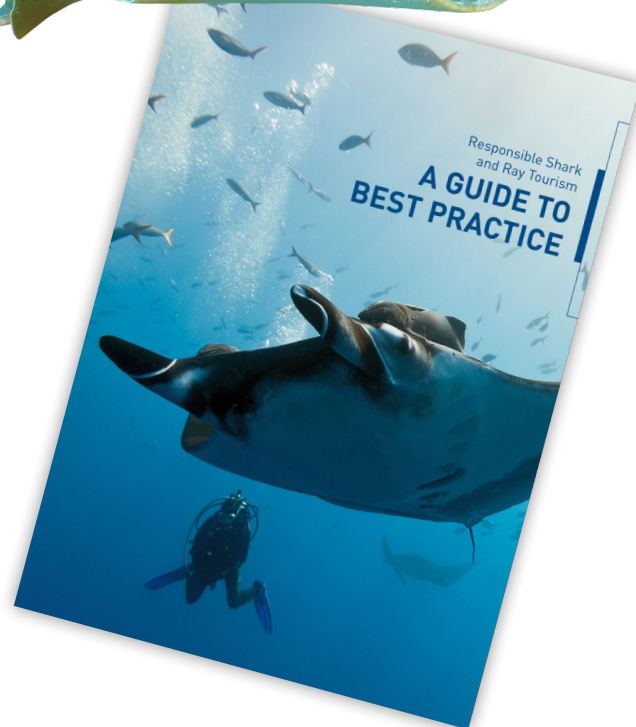
Tourists are increasingly flocking to Donsol to see the whale sharks up close. WWF has recorded an increase of whale sharks off the coast of Donsol, with a total of 87 whale shark sightings this past year. While tourism brings much needed revenue to Donsol, it must be done in a way that protects the whale sharks for generations to come. WWF is working with the local government to develop the Donsol Tourism Information System to train local government workers about protecting the whale sharks. WWF also provided input into the amendment of the local tourism ordinance to include ecotourism activities.



## SHARKS & RAYS GUIDE

Stemming from our partnership's commitment to sustainable tourism, we supported the development of the world's first-ever guidelines for shark and ray tourism. These guidelines offer a roadmap to tourism operators and coastal communities to protect local livelihoods and help conserve shark and ray species by utilizing sustainable tourism strategies.

In the past year, WWF has worked to share these best practices across critical shark and ray ecosystems in the Caribbean, Coral Triangle, and the South Pacific. Alongside our partner, Project AWARE, we have shared the guidelines in workshops at a dive industry expo event in Orlando, Florida, at a tourism policy development forum in Papa New Guinea, and conducted outreach to tourism operators in Fiji. Thanks to our efforts, Papa New Guinea and Fiji are incorporating the guide recommendations into their national dive operations policies. This guide will be particularly impactful in Fiji's waters, as they are the home to the highest concentration of shark and ray attractions in the South Pacific.







## Operating Sustainably

We have an opportunity to make choices that can extend the life cycles of products and support sustainably sourced products to achieve a circular economy.



## Driving change for a plastic free ocean

**WE HAVE TAKEN ACTION TO REDUCE SINGLE-USE PLASTICS ACROSS OUR FLEET AND HAVE REMOVED 77 MILLION PLASTIC STRAWS FROM OUR SUPPLY CHAIN.**

We began by debuting a straw upon request program. Then a single-use plastics task force emerged to conduct audits and set a plan in place. In 2018 we achieved our target to be plastic straw free by the end of the year. We also replaced plastic stirrers and food picks with FSC-certified bamboo. Our plastic task force is now identifying ways to minimize and further eliminate the use of single-use plastic onboard our ships.



## Sustainable seafood on every plate

Sustainable seafood is one major commodity we have tackled in our efforts to improve our supply chain and conserve the long-term viability of global fish stocks. Our goal is ambitious, and a first for our industry, but we are working with the two most recognized organizations in this space the Marine Stewardship Council (MSC)-, and Aquaculture Stewardship Council (ASC). Our aim is to source 90% of wild-caught seafood from MSC certified fisheries and 75% of farmed seafood from ASC-certified farms in North America and Europe.

Additionally, we will achieve chain of custody certification for our global fleet, confirming MSC- and ASC- certified seafood all the way back to a sustainable fishery or responsible farm are traceable.

Our challenge will be the ability to source enough certified MSC or ASC product in specific regions. As a global company, we need to source product and find distribution channels within every region, and a concern will be sourcing in places that are behind, in terms of sustainability.

It will ultimately allow our guests to join us in supporting making responsible seafood dining choices.





## Supporting a circular economy

We are developing and implementing improved sustainable and humane sourcing practices for key food commodities onboard our ships. We are well underway with our 2020 sustainable seafood goal and working towards sourcing cage-free eggs and pork from gestation crate-free producers by 2022. We have also recently committed to sourcing 100% of whole broiler chicken from GAP-certified sources by 2024 in the U.S. and Canada and requiring these chickens be processed in a manner that utilizes a pre-shackle, multi-step-controlled atmosphere processing style.

**We began by analyzing key food commodity categories to identify and prioritize commodities with the highest environmental impact. Then we selected three products – coffee, tea, and sugar – to develop strategies to improve sustainable sourcing practices of each commodity by 2020.**

Sourcing sustainably doesn't end with food. In 2017, we signed on to World Wildlife Fund's Cascading Materials Vision, becoming part of a collection of more than 15 brands and organizations who envision a more efficient global system for the reuse of materials. Today, 8 million metric tons of plastic enter the ocean each year because of inadequate waste management systems, causing irreversible harm to our ocean habitats. The Cascading Materials Vision provides us the opportunity to commit to implementing better materials management that is grounded in science and has a far-reaching scope beyond the company's practices. Together, through innovative collaborations, we can protect the future wealth our planet's natural resources.



## Fishery improvement projects

Off the coasts of Peru and Ecuador lie some of the world's most productive and vital fisheries yet warming oceans and dwindling stocks are putting this critical source of nutrition and jobs at risk. That's why we joined with WWF and a growing number of seafood buyers, retailers, and other businesses to advance more sustainable practices that can ensure a future for the region's mahi-mahi fisheries. For the thousands of artisanal fishers and their communities, mahi-mahi is their livelihood.

Through a multi-stakeholder approach to fishery improvement projects or FIPs, fisheries are implementing changes that will enable them to meet the MSC standard. Since implementation, the FIPs have achieved many successes, including the establishment of a closed fishing season to allow juveniles to mature and reproduce; the adoption of national fishery management plans; the adoption of gear that limits sea turtle bycatch; use of logbooks to better monitor fish stocks; and the first-ever preliminary regional stock assessment for mahi-mahi in the eastern Pacific Ocean, which is especially critical for managing the highly migratory stocks across international borders.

**By engaging fishers and farmers in strengthening their practices, we are not just increasing the number of certified sources for our supply chain, but also boosting the overall supply of sustainably and responsibly produced seafood.**

This year, the Ecuadorian mahi-mahi fishery entered the MSC full assessment process, which is estimated to take 18 months to complete.







## SOURCING LOCALLY A WIN-WIN INITIATIVE

Whether it is pineapples or towels, all our products must go through RCL's Supply Chain before ending up on an RCL cruise ship. For over 10 years, RCL's partnerships with countries in the Caribbean have increased, and our relationship with suppliers has grown stronger.

By purchasing local products, RCL supports its destinations' local economies, obtains fresher, better-quality products and reduces its carbon footprint. The Supply Chain team continuously looks for opportunities to source local products and—having identified each country's agricultural strengths—incites suppliers to improve their products and works with them to achieve mutually beneficial business plans.

The Supply Chain team has also been working to increase local sourcing of food and beverage items in various countries in the Caribbean and Latin America. For example, when we initially partnered with Puerto Rico, we were only purchasing fresh produce from the island. Today, we have worked with Puerto Rico's Ministry of Tourism to extend the number of food categories to fresh produce, soda, water, and groceries.

We are focused on procuring products and services from suppliers that share their commitment to quality, safety, innovation, sustainability and customer satisfaction. In line with this effort, the team has developed a Supplier Registration Portal through which suppliers can apply to do business with RCL. The portal allows suppliers to learn more about RCL's business practices and enable those interested in doing business with RCL to pre-qualify for that opportunity. All suppliers must meet RCL's Supplier Guiding Principles, which entails their commitment to fair labor practices, ethical business conduct, and environmental protection.

To ensure potential suppliers' products are on par with RCL's standards and those of their source country, the team travels to the suppliers' fields or facilities to examine the products for size, traceability, and quality. Then, RCL works with the local governments within each country to develop a plan for the suppliers that allows RCL to monitor transactions.

[Download the Supply Chain Fact Sheet](#)

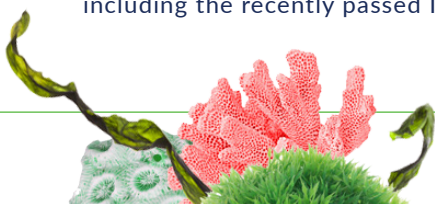


## Complying with international regulations

MARPOL regulations require the worldwide limitations on fuel's sulfur content to reduce to .5% by 2020. Additionally, all ships built after March 2016 must meet an Energy Efficiency Design Index (EEDI).

MARPOL regulations also establish Emission Control Areas, which place stringent limitations on sulfur and nitrogen oxide emissions in the Baltic Sea, North Sea, North American coast and the waters surrounding Puerto Rico and the U.S. Virgin Islands. In 2015, the fuel sulfur limit on the the above mentioned ECAs was set at 0.1%.

Our journey toward the deployment of AEP systems has been a long and thoughtful one. As we reach this milestone, we take with us the knowledge and experiences and look to channel them into meeting the shifting emissions regulations including the recently passed IMO agreement to cut emissions generated by shipping by 50% below 2008 levels by 2050.







## If it can be **recycled**, it will

### **ALL OF OUR SHIPS ARE EQUIPPED TO BE LANDFILL FREE.**

We believe that solid waste shouldn't go into the oceans or landfills. Using the tried-and-true "Reduce-Reuse-Recycle" model, we've been able to reduce the average waste-to-landfill per available passenger to eight ounces per day, compared to the U.S. average of 2.8 lbs. per day.

How did we get there? We work with our suppliers to reduce packaging materials and use more sustainable resources. Next, we re-use materials—participating in container return programs and establishing a donation database for our fleet. Finally, we recycle. All trash onboard our ships is hand sorted by our crewmembers to determine what can be recycled. Each of our ships is equipped with specially designed climate-controlled storage facilities that allow them to hold recyclables until "Green Loading" hubs are reached.

80% of the waste landed from our ships never sees a landfill. But we didn't stop there. We've set a new 2020 goal to reduce waste-to-landfill by 85% per passenger day from our 2007 baseline. This goal will get us even closer to achieving zero waste. To turn this goal into a reality and overcome infrastructure challenges in local markets, we plan to establish "Green Loading" hubs in all North American and Northern European itineraries as well as five additional markets. As part of this process, we also will be working with the hubs to obtain third-party zero waste certifications.



[Download the Solid Waste and Chemical Management Fact Sheet](#)

**FRESH WATER ON A SHIP IS A PRECIOUS COMMODITY,  
AND WE GO TO GREAT EFFORTS TO ENSURE IT'S USED MOST EFFICIENTLY.**



## Exceeding national averages

The average person in the United States uses about 100 gallons of water per day. On our ships, we have reduced that average to 53 gallons of water per person per day in 2018. Additional water-saving initiatives include:



Installing new ice makers that use 65% less water than previous machines



Purchasing sink aerators and low-flow showerheads in crew and guest staterooms



Using water-reduction technology in kitchens and laundry facilities, including reduced-flow dishwashers, sink aerators and low-consumption laundry equipment



Re-using clean condensate water from ships' air conditioning units in laundry areas

Onboard, fresh water is used for drinking, showers, sinks, toilets, galleys, pools and spas and is obtained in one of two ways: Producing it onboard through steam desalination or reverse osmosis; or by acquiring it from local sources, also known as bunkering.

IN 2018, WE PRODUCED  
**3% MORE FRESHWATER ONBOARD**

[Download the Fresh Water, Waste Water and Effluent Fact Sheet](#)



## Health, safety and security

We are committed to creating a safe and healthy environment where our guests can enjoy themselves and our employees can thrive. This commitment extends to our shoreside facilities, ships and private destinations, as well as seaport terminals and ports-of-call worldwide.



## Managing medical emergencies

As with most cases, when medical emergencies arise onboard our ships it is managed by a team. That team consist of the ship's captain, the Coast Guard, whether U.S. or of another country and the ship's medical team.

When a medical emergency is urgent and calls for airlifting, no single person has the authority to order a medical evacuation at sea. First the onboard physician declares the medical emergency with the ship's captain, who provides strategic information to the Coast Guard. From that point, the Coast Guard either approves or denies the airlift based on a review of the patient's condition or strategic factors such as weather.

Airlifting is generally reserved for unstable situations such as angina, heart attacks, hemorrhaging or if they have a major trauma. The priority is to stabilize the patient before being transported to a land-based medical facility as the available space inside a rescue helicopter is tight.

That procedure is carefully orchestrated in a three-part, 23-point USCG directive beginning with how to properly request helicopter assistance to preparing the patient for hoisting from ship's deck to chopper.

Concurrently, the captain takes the ship as close to shore and a hospital as possible within the time available. Once the helicopter reaches the ship, which ideally will be maintaining an easy speed with any wind on the port bow, it approaches from behind on the port side. While medical evacuation at sea is not easy, we have a good grasp on what we can and can't do and we have great cooperation from the Coast Guard.



## Washing away Norovirus

“Wash your hands...” It’s become a catchy jingle – with crewmembers and guests alike humming it as they stroll across the decks of our ships. And while everyone loves a good jingle, this one was tasked with an important job – instilling the basics of a healthy and safe environment to our guests.

As a cruise line, the health and safety of our guests is always paramount. Gastrointestinal illnesses such as norovirus – which can thrive in a closed environment – can become a larger problem when not properly addressed. For us, that means vigorous onboard cleaning and sanitation procedures. This past year, we also introduced the catchy “Wash Your Hands” video across the fleet. The video aims to inform guests that the most effective way to prevent illness is to wash their hands. In line with that knowledge, we installed hand-washing stations near main food venues, like the Windjammer buffet.

Although current sanitation practices are effective – we’ve seen a drop in norovirus cases – we’ve begun piloting groundbreaking Electro Chemical Activation technology, which uses only food grade salt and water for sanitation. We also use special commercial sprayers, specially designed for cruise ships to combat norovirus and other illnesses.

Noroviruses can linger on surfaces for an extended period of time. To combat this, entire ships are disinfected between voyages, creating a “sanitation barrier” to ensure that any norovirus particles do not carry over to the cruise ship’s next voyage. Several times a day while at sea, crew members sanitize surfaces where germs are easily spread, including door handles, handrails and elevator buttons.

If a norovirus outbreak is even suspected, more crew members are brought in to help clean the ship with electrostatic sprayers, which help sanitizer solutions adhere to common surfaces and get into harder-to-reach places on the ship. We also perform random inspections of shore excursions offering food and beverage and test our water systems 15 times more often than what is required by law.

To guide industry solutions, we actively participate in our industry’s Gastrointestinal Illness Task Force to share best practices across cruise lines and work with the U.S. Centers for Disease Control and Prevention to discuss how to combat norovirus more effectively.

It is our responsibility to take every possible step to protect our guests and employees, so we will continue to emphasize preventative measures and look at new technologies that might aid in the fight against illnesses, including hands-free bathroom doors; antimicrobial copper-alloy handrails that kill norovirus on contact; and ultraviolet light, which is known to be highly effective in killing norovirus.

[WATCH THE VIDEO](#)



## Risk management

We work hard to manage potential enterprise risks – closely monitoring emerging risks related to global security, climate change and information protection.

### A weatherman on watch

Weather is ever present, it can make for a perfect day or ruin a vacation. And in the world of hospitality it's a constant worry, but as a cruise line the stakes can be higher. Our global safety team are focused on weather situations daily and particularly during hurricane or typhoon seasons to ensure our ships are sailing through the safest weather conditions.

One ace up their sleeves is James Van Fleet, our chief meteorologist and the only one in the industry. Van Fleet's sole job is to track the daily weather for our fleet. He helps dozens of captains navigate through storms and heavy rain, fog and other inclement weather.

His job also involves forecasting the weather weeks ahead, to help shoreside and shipboard teams decide if they should cancel, reroute or reschedule cruises.

Safety-wise, we do everything in our power to never have a ship in harm's way. The beauty of a ship is that it can move—unlike luxury hotels or destinations. If a hurricane or other severe weather is forecasted, marine operations team assess when it will arrive, how severe it may be, how to maneuver the ship to avoid it—and, if necessary, whether they need to change course altogether.

The team always has several options to consider. Once they feel confident in a forecast, they evaluate if the ship can get ahead of it by speeding up, slowing down—or rerouting.

We never forget that guests invested their money to spend their vacation with us, and we want to make sure we get it right—and that it's the best it can be. No matter where a ship is headed, whether cruising the Caribbean or the coast of Australia, guests can be at ease knowing someone is monitoring the weather 24/7.

[Download the Risk Management Fact Sheet](#)

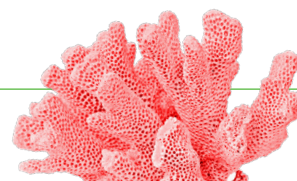


## Crew injury prevention

Our Risk Management Department, which includes Claims Finance, Insurance, Crew Medical, Claims Litigation and Loss Prevention functions has allowed us to better manage health and safety issues. In alignment with our commitment to protecting the health and safety of our crew, we also continue to enhance company oversight of crew safety through our Risk Management program. We continued to expand our material handling training program to include the operation of pallet jacks and extendable boom work platforms. We also established a formal hazard assessment review program for new builds and refurbishments, which includes a review of new features and a historical review of existing features so that proper enhancements can be made to materials, installations and operations to enhance safety; and evaluated more than 100 different fleet tasks to ensure the adequacy of personal protective equipment in collaboration with RCL's Procurement team.

## Celebrating data privacy day

As part of RCL's commitment to information security, we celebrated Data Privacy Day in support of the international effort led by the National Cyber Security Alliance to educate and raise awareness about the importance of protecting personal and company information. To coincide with Data Privacy Day, a global message was sent to employees company-wide, serving as a reminder that we all share the responsibility to be conscientious stewards of data by respecting privacy and safeguarding information.





### Dialysis at sea

Kidney dialysis patients can be safely accommodated through a partnership with Dialysis at Sea, allowing them to vacation and continue treatment



# 97.5%

Our average U.S. Public Health (USPH) inspection scores for 2018



### Telemedicine

Telemedicine enables doctors onboard to consult with specialists on shore

[Download the Medical/Public Health Fact Sheet](#)

## The safety command center

Our newest ships are designed and equipped with an integrated Safety Command Center (SCC). The SCC breaks down incident response, physically and functionally, into a collection of “pods,” each with its own specialty, which can act separately or as part of an integrated response as each incident requires. The SCC addresses a gap in the International Convention for the Safety of Life at Sea (SOLAS).

In the decades that followed its creation in 1914, SOLAS mostly addressed ship fires and their prevention, detection and extinguishing. Onboard “safety centers” came to be after the International Maritime Organization singled out the problem of an emergency distracting the ship’s master from safely navigating the ship.

The SCC’s guiding principle, “Partition to understand and integrate to solve,” resulted in a design that includes:

- An Incident Pod, providing an overview of the problem and the necessary tools for fire safety, stability, HVAC, flood detection and automation as well as the necessary means to mobilize group coordinators.
- An Evacuation Pod, linking the ship’s master and staff captain to a dedicated team managing and carrying out any orders to leave the ship.
- A Communication Pod to manage the vital task of external communication with outside support services.
- A Command Pod, which can be isolated behind sliding glass doors that lead to the bridge, which allows the bridge to monitor crisis response as necessary or shut out distracting noise or activity to concentrate on navigation.

This configuration provides dedicated spaces for the various tasks that may be required by a safety incident, all funneling to a command space where the responders can gather, share damage assessments, view video evidence and drawings of affected areas and anything else required of a true incident command center from the start of the trouble until the ship returns to port.

SCCs can now be found on all ships following *Quantum of the Seas* and as new technologies evolve, such as electronic muster, or safety drills, they are retrofitted back across the fleet.

[WATCH THE VIDEO](#)





## Security body cameras go fleetwide

Equipping every onboard security guard with an unobtrusive body camera was an ideal solution to a sometimes-vexing problem. After noting a potential vulnerability – conflicting accounts of the interaction, particularly when guards were called to and entered a stateroom. The security team decided to equip all security staff with body camera – first for the cruise industry and a valuable tool for the security staff.

The security staff has since been trained and each carries a tiny body cam in their breast pocket. The camera provides two-party mitigation of a contentious encounter between guard and guest, because it also records the guard's behavior.

Still, some tweaks were needed. For example, a lot of our security personnel are Filipino females, and they tend to be small in stature and so we had to do some work on the length of the lens so we didn't get an image of the ground.

Before using the cams, privacy laws were researched at each of the ports visited by RCL to assure compliance.

As another tool on their tool belt, and another piece of equipment to protect staff and guests, the expectation is that our use of body cams will echo the experience of the law enforcement agencies that employ them - a measured drop.



### Partnering with the best

Nothing is more important to us than the safety and security of our guests and crew, so we set high standards for ourselves – and on the most important subjects, we look to experts for guidance. This year, we worked with RAINN (Rape, Abuse & Incest National Network), the largest anti-sexual violence organization in the U.S., and became the first corporation certified for compliance with the new standards. RAINN's mission is to educate the public, as well as the private sector, about prevention of rape and other forms of sexual violence. Its outreach efforts to communities, college campuses and entertainment venues educate an estimated 120 million Americans each year about sexual assault, and it spearheads national efforts to improve victim services and ensure prosecution of offenders.

RAINN's stamp of approval for RCL followed a highly detailed inspection and analysis of onboard plans and practices by Royal Caribbean International, Celebrity Cruises and Azamara Club Cruises. Examiners covered 10 key areas for compliance, including general prevention efforts; victim care and mental health services; medical service and supply; training of general crew, medical and security staff; hiring guidelines; physical ship security; and prospective passenger screening.

In addition to reviewing our written plans and policies, RAINN inspectors also conducted onboard staff interviews and spent about four months reviewing more than 2,000 pages of RCL policies, protocols and staff training materials for sexual assault prevention and response. Onsite inspections and audits were conducted at our headquarters and ships, and some 200 onboard interviews were conducted with crew members to ensure their full understanding and implementation of RCL policies.

[Download the Security Fact Sheet](#)



## Ethics

Our Global Compliance and Ethics program aims to consistently apply the principles of culture, values, leadership and innovation across our organization.



### Living our code, anchored in our values

Our employees strive to do the right thing and we like to give them the tools to do so. In conjunction with our annual ethics campaign, we have updated our training modules with innovative training methods including situational storytelling and gamification and introduced our Compliance Champion Award to recognize exceptional behavior. These initiatives are further supported by new hire and ship personnel training, brown bag luncheons, an ethics survey, compliance training workshops and our newsletter Staying the Course from Ship to Shore—all which focus on each employee's role to identify and report good faith concerns.

For the fourth year in a row, we were recognized by the Ethisphere Institute as one of the World's Most Ethical Companies. We are proud to be one of only 135 businesses so honored, and the only one cited in the Leisure & Recreation category. For us, it's a simple three-word phrase: Make Good Choices. Each year, best practices evolve and so companies are on their toes to make sure their programs evolve. Our employees have a commitment to compliance, doing the right thing and integrity.

Our compliance team celebrates ethics during National Corporate Compliance and Ethics Week.

[Download the Compliance and Ethics Fact Sheet](#)





## Engaging with **vibrant communities**

At its core, tourism depends on the beauty of the environment. Our guests want to explore and discover new cultures and locations and we want to do our part to make sure that these destinations continue to thrive. We do that by working with local governments, tourism businesses, communities, and our guests. Through this multi-stakeholder approach, we are collectively moving towards more sustainable business practices and in turn destinations.





## Exploring the world **sustainably**

Ensuring the destinations we visit are viable far into the future is critical to the success of our business, as is providing tours that operated sustainably. That is why helping care for and protect the places we visit – destination stewardship – is one of the areas where we have set demanding sustainability goals to meet by 2020.

With guidance from the World Wildlife Fund we have embarked on an industry leading path towards destination stewardship in two key areas – tours and destinations.

Both paths endorse the Global Sustainable Tourism Council, the leading global sustainable standard-setting body for tourism. Sponsored by the United Nations World Tourism Organization, and backed by stakeholders worldwide, GSTC's standard includes 40 principles and additional indicators that regard sustainability in a holistic sense, not just from an environmental perspective.

## Sustainable **Tours**

As part of our 5-year global partnership announced in 2016, we have committed to ensure 1,000 of our destination tours come from operators certified as environmentally, socially and culturally sustainable practitioners following the GSTC standard.

Prospective tour operators will be brought up to speed on our certification requirements, in part by information now included in our requests for proposals an educational aspect also is aimed at guests.

**OUR GOAL IS TO OFFER 1,000 TOURS**  
 PROVIDED BY OPERATORS CERTIFIED TO THE GSTC STANDARD  
**AVAILABLE TO GUESTS BY THE END OF 2020**

In 2018, we achieved 50% of our goal to provide 1,000 shore excursions by operators certified through GSTC-accredited programs by the end of 2020 – to date we are at 80%.

Contributing to achievement was our tour operators' participation in several capacity-building sessions that introduced the importance of sustainability and the GSTC-accredited certification process. The sessions included: webinars, one-on-one information sessions and presentations at key industry events.

[Download the Our Community Fact Sheet](#)



## SUPPORTING SUSTAINABLE DESTINATIONS

Destinations can also undergo a destination assessment based on GSTC Destination standards. This multi-stakeholder approach examines how a destination maintains the area's unique cultural and environmental heritage while protecting the local economy. Through our partnership, and in collaboration with other stakeholders, we will support the destination assessment process in two tourism destinations, as well as two of the company's private destinations, to identify sustainability and environmental threats.

Once the destination is assessed against the GSTC destination criteria, WWF, RCL, and other designated partners will work to develop action plans to mitigate these threats hand-in-hand with local governments and other stakeholders.

Together with WWF, we have started the destination assessment process in Cozumel, Mexico, alongside the local government and other stakeholders. The first step in this process was a workshop, "Towards the Sustainability of Cozumel," which highlighted all the participants' commitments to improve the long-term sustainability of Cozumel as a tourism destination.



### TOGETHER, MORE IS POSSIBLE

Our destination stewardship goal is to support the GSTC's Destination Assessment process in two of the destinations our ships visit, as well as our private destinations in CocoCay and Labadee. These Destination Assessments, and subsequent recommendations for destination management, work to maximize local environmental, social and economic benefits from tourism and minimize adverse effects.

In 2018, we achieved our goal of setting a target date for CocoCay and Labadee to seek certification to GSTC-accredited programs – by 2022. Also, in 2018 our Royal Caribbean-WWF partnership finalized one of two planned GSTC Destination Assessments of Royal Caribbean ports-of-call. The first GSTC Destination Assessment focused on Cozumel, Mexico. The process identified the city's sustainability risks according to the GSTC's Criteria for Destinations plus supplemental indicators reflecting WWF's Marine and Coastal Tourism Strategy. Further, the GSTC Destination Assessment outlined a five-point action plan, designed by Cozumel stakeholders, for destination management improvements in their community based on the assessment findings.

In addition, in 2018, Royal Caribbean and WWF entered into a partnership with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) to support a third GSTC Destination Assessment, with funding from Royal Caribbean and the German Federal Ministry for Economic Cooperation and Development (BMZ), focused on the Mesoamerican Reef Region. This expanded collaboration strengthens Royal Caribbean's destination stewardship commitment by facilitating all three neighboring destinations' comparative benchmarking to the GSTC Criteria for Destinations, and regional collaboration for improvements in destination management.

Following the Cozumel Destination Assessment in 2018, our partnership will complete GSTC Destination Assessments in 2019 in Roatán, Honduras and Belize City, Belize.



## What good neighbors do

**We believe that for a business to thrive, its place is not just to be in a community, but to be a part of it. At RCL, we are passionate about the oceans and their protection and about educating future generations to be the change.**



### THE IMPORTANCE OF EDUCATION

We firmly believe that a good education can change lives and focus a good deal of our contributions to supporting programs that align with our philosophy – from our owned and operated school in Haiti to back-to-school drives at our south Florida headquarters – we want to be a part of changing lives and educating the next generation.

Two of our longest community relationships are at our private destinations in The Bahamas and Haiti. In 2010, we funded the building of a school complex near the private destination Labadee. L’Ecole Nouvelle serves over 350 Haitian children a year from pre-kindergarten through 9th grade through a curriculum developed in keeping with Haitian government requirements. Students attending the school hail from the surrounding villages and receive transportation, health insurance and meals once enrolled. To date, the school’s children excel in Haitian national testing. Graduating students may then continue their education through scholarships at a Cap Haitien high school.

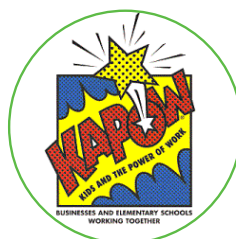
In The Bahamas, we are also working with the Pan American Development Foundation on STEM curriculum at local school. Where children are exposed to science, technology, engineering and math principals – including robotics.

### MENTORING THE NEXT GENERATION

For over 15 years, RCL has partnered with Big Brothers Big Sisters to host monthly visits for local high school students that expose them to our work environment and mentor them about future professional options. The BBBS program is part of a larger mentoring program across the company which includes KAPOW (Kids and the Power of Work) and Posse Foundation.

Through KAPOW, team members in both our Miami and Miramar offices work with elementary school children to get them excited about learning and to help them understand the future benefits of having a good education.

In 2012, we also formed a partnership with The Posse Foundation and set up a summer internship program providing opportunities for the students to have real world work experiences along with their formal education.







## Not just a destination, **our community**

Sometimes a destination's most critical need is not education or conservation but necessities such as clean water. Our connections with Haiti are strong. We have had a permanent home in the North part of the country since 1988, and we are working together with organizations such as the Pan American Development Foundation (PADF) to promote greater development and infrastructure for the region. The most recent initiative – a sanitation project - ensures the 6,000 residents of Labadie Village have access to clean water and other basic services through an upgraded water reservoir, a refurbished clean water kiosk and a new water catchment system.

By protecting the water supply and improving the area's infrastructure, the sanitation project has reduced the risk of community-based disease outbreaks. Additionally, the project installed solar water pumps, repaired water storage tanks, cleaned water collection receptacles to reduce the risk of contamination and planted more than 8,000 trees to protect the local watershed.

The construction of several facilities including community showers, a fish breeding pond and dozens of laundry stations also has served to ease residents' lives and make them more resistant to potential health threat.

## Hands-on commitments

We believe an engaged and active employee is an employee who will excel. That holds true with our commitment to communities. We encourage our employees to volunteer and be leaders in their community. We do this through Volunteer Time Off and with employee volunteer days and campaigns. Furthermore, we require all officers of the company to serve on a local community non-profit board.

### GET INVOLVED VOLUNTEER EVERYWHERE

Over 20 years ago, we hosted our first G.I.V.E. Day to give back to the communities where we live and operate. Since then, each year employees and their friends and families, suppliers and business partners, join forces nationally and internationally to assist nonprofit and community organizations in improving the quality of lives in their communities. From G.I.V.E. For The Holidays across our fleet to initiatives like the beach clean ups, employees leave with a sense of camaraderie with colleagues and our communities.



[WATCH THE VIDEO](#)

## EMPLOYEE-LED COMMITMENTS

As a sailor, Environmental Officer Peter Roy knew that there were used sails from sailboats across the Caribbean that were often replaced following the season or a regatta. With regular calls to Labadee, Haiti, Royal Caribbean's private destination on the north coast of Haiti, Roy also was aware that the picturesque fishing boats used by locals for their daily catch ran on pieced together sails.

It occurred to Roy that he and Royal Caribbean International's *Harmony of the Seas* had an opportunity to transport gently-used sails from *Harmony's* port of calls in Fort Lauderdale, St. Thomas and St. Maarten to fishermen on the north coast of Haiti. After coordinating with local yacht clubs, the program began late in 2016 and now runs year-round.

Our Employee Resource Community, still in its infancy, have been busy at work over the last year engaging with local communities relevant to their areas of focus, including:

1. Engaging with culinary high school programs to highlight culturally diverse dishes
2. Volunteering at adaptive beach days on Miami Beach which provides an inclusive experience for disabled adults and children to enjoy the beach
3. Revamping an LGBTQ youth and community center with fresh paint

## BEING THERE IN TIMES OF NEED

Tourism and hospitality are synonymous with good times and smiling face, but the industry and those destinations heavily support by it, are not immune to mother nature's and life's unpredictable situations. We have a strong sense of responsibility to our employees, their friends and families, our guests and the affected communities and so in those times when our communities and employees need us, we are there.

From immediate humanitarian action carrying relief supplies and evacuating impacted individuals, families and even pets to long term projects such as Magen's Bay in the U.S. Virgin Islands.

By the time two Category 5 hurricanes – Irma and then Maria – got done with St. Thomas in the U.S. Virgin Islands in 2017, one of the world's most beautiful beaches was devastated and defaced. After seeing the damage first hand we decided to take action to restore the 500-yard long beach.

We regraded the entire beach, supplied refrigeration and grilling equipment, replaced all signage and seven lifeguard stands, and brought hundreds of mature trees to the island in nearly 20 shipping containers.

To finish off, a unique artwork was commissioned. Residents from all over St. Thomas were hired to collect colorful pieces of lumber from ruined structures and bring them to Magen's Bay. There they were assembled into a memorial to the storms' devastation and the people who rose above it.

Employees who experience natural disasters and personal crises also may receive relief and assistance through the Royal Caribbean Crew and Employee Disaster Relief Fund administered by The Miami Foundation.



[Download Our Guests Fact Sheet](#)



A serene sunset scene over a calm body of water. The sky transitions from a deep orange near the horizon to a darker, muted red at the top. The sun is partially visible on the left, creating a bright glow. In the foreground, a small, dark wooden boat is anchored, its reflection clearly visible in the still water. The horizon line is low, showing a few distant structures and a dark landmass in the background.

## Who we are

Great vacations begin with great employees. Each day, our employees from all around the world go above and beyond to deliver exceptional vacations to our guests. Our leadership team, with oversight from our Board of Directors, strives to maintain a work environment that reinforces collaboration, motivation and innovation, and believes that a strong employee-focused culture is essential to a good business.



## Leading by example

City Year, United Way, Toys for the Poor ... the list goes on and covers a wide array of non-profit organizations where RCL senior leadership participate in community engagement. The philanthropy is one aspect of the senior management culture at Royal Caribbean where each vice president and above serve on a board of their choice in the community where they live.

Upwards of 70 members are actively involved in a variety of functions, serving as fundraisers, providing counsel, mentoring and acting as advisory roles at local universities.

For example, Jennifer Love, SVP of Public Health, Safety and Security, serves on the board of United Way of Miami and has attended a United Way women's forum to share her story of challenges and successes as a female executive. Celebrity Cruises' President and CEO, Lisa Lutoff-Perlo serves on the board of Best Buddies International and championed the hiring of a Best Buddy in our Miami headquarters.

The results are a senior management team that understands the needs and strengths in our local communities. Understanding those needs at a granular level provides perspective for future opportunities and strategic planning while at the same time positioning ourselves as an agent of change in the community.



## Looking to the Experts

For more than 10 years RCL's Maritime Advisory Board has contributed advice, knowledge and expertise from its members to our corporate leadership. From a design idea's inception through to its development, the Maritime Advisory Board offers independent perspectives backed by decades of best-in-class experience that help us cultivate leading policies, practices and products.

Members of the board are selected by a steering committee and bring with them a broad range of maritime experience from organizations such as the U.S. Coast Guard and the U.S. Air Force. To help us remain progressive in our practices, they regularly meet with RCL's marine safety leadership team, provide advice on technical and operational safety plans and help us assess new safety, security, environment and operational technologies and strategies.

In 2018, a branch of the board split off to have a more focused approach to environment.

### COLLABORATING THROUGH INDUSTRY ORGANIZATIONS

RCL is an active member of the Cruise Lines International Association (CLIA) and its associations representing North and South America, Europe, Asia and Australia. Our participation with CLIA spans nearly every aspect of our business, and in recent years, we have worked with CLIA and other partners to develop and enhance industry standards for important topics including anti-corruption, public health, environmental stewardship, security, maritime safety and cyber security.

Adam Goldstein, RCL's vice chairman is currently serving as CLIA's Global Chair, a role he previously held in 2015 and 2016.

[Download the Our Team Fact Sheet](#)





## Diversity and inclusion

Diversity at RCL can be seen among its 73,000 employees, encompassing 126 nationalities. It comes to life through programs like employee resource groups, autism-friendly cruising and empowering women on maritime career paths.

### RECEIVING TOP MARKS

After scoring a perfect 100 on the Human Rights Campaign's 2018 Corporate Equality Index, RCL was named a "Best Place to Work for LGBTQ Equality." This came through focused efforts and the development of a global non-discrimination policy that specifically prohibits discrimination on the basis of sexual orientation and gender identify. RCL has gone from being a company with the right instincts and motivations to a place where we are in the forefront of how to construct and sustain workplace environments that are open and tolerant to all.

### EMPOWERING WOMEN IN A MALE-DOMINATED INDUSTRY

The maritime world has always been male-driven – in fact, there was a time having a woman onboard ranked at the top of a long list of sailors' superstitions. That's since changed. We named the cruise industry's first female captain – Karin Stahre-Janson of Sweden, in 2007 – and now our Celebrity Cruises brand is taking it further, with a goal to raise the ratio of women to men on their ships' bridges to 1:1.

**Celebrity is not just focused on gender equality, but also overall diversity, and has focused on an often-neglected source: Africa. The brand recently partnered with Regional Maritime University (RMU) in Accra, Ghana to train cadets.**

### Employee resource groups

In 2017 we looked to jump-start inclusion, to ensure a workplace where employees can be themselves, be appreciated for their differences and know they are woven into their company's colorful cultural tapestry.

And so, Employee Resource Groups were born. These seed groups were chosen to show the way for other ERGs, which work best when they arise from employees themselves. Already we have seen new groups form including "50 and Fabulous," and "Solo Parents" is now operating in Manila.

We're now over 2,000 members. ERGs hold monthly meetings and have access to leadership, who mentor each group. And it offers other benefits for the company. Internally, groups collaborate to improve operations, such as the Casino Group working with YoPro to attract more Millennials to the slots and tables. For all, the prize is an increasingly engaged collection of highly diverse employees more securely woven into the RCL tapestry.



## JUST LIKE EVERYBODY ELSE

**We believe that people with disabilities deserve to enjoy life—in particular, vacations—just like everybody else.**

We constantly work to address day-to-day challenges on ships and look for new areas to improve. In 2017, we were named one of the “Best Places to Work for Disability Inclusion” by the U.S. Business Leadership Network and the American Association of People with Disabilities after scoring 80% on the groups’ two-year-old Disability Equality Index.

Some efforts are as simple as thinking about beach sand and seeing the simple enhancement of putting down mats so wheelchairs don’t bog down. Others are finding reliable ways to make such signature onboard adventures as the iFly skydiving simulator and FlowRider’s surfing experience accessible to those with disabilities. Even onboard rock-climbing walls get the accessibility treatment. Food allergies also are given a lot of serious attention so they can be accommodated with foresight and planning.



## AUTISM-FRIENDLY CRUISING

To ensure that guests with autism could fully enjoy their time onboard, we became the first in the hospitality industry to offer complimentary on-demand access to exclusive content from the The Autism Channel. As a result, we were honored in 2017 with the Disability Matters Marketplace Award by Springboard Consulting.

Available on all Quantum, Oasis, Freedom, Voyager and Radiance class ships, The Autism Channel provides educational and entertainment programming ranging from a look inside the daily lives of families with children on the autism spectrum, to interviews with medical and legal professionals.

To help families with autism prepare for their cruise vacation, a Cruising Social Story booklet describing social interactions and situations is available online. Additionally, RCL offers priority check-in, boarding and departure for guests with autism, as well as special dietary accommodations and autism-friendly activities, including autism-friendly film screenings and our autism-friendly toy lending program.



## Round it out more

Our employees work hard to make sure RCL's global operations run smoothly 24 hours a day, 7 days a week. We know it can sometimes be difficult to find work-life balance, so in 2015 we extended a helping hand by expanding our employee benefits. From grocery shopping to retirement planning, our benefits program, Round It Out, gives employees the tools they need to round out their lives.



### Life's precious moments

We wouldn't want employees to miss life's precious moments. With our new Paternity Leave benefit, new fathers can take up to 10 days of paid leave to bundle up with their new family member. While a baby's first few days are fleeting, other life events are long-lasting and require extensive planning. Such is the case with retirement. With our Profit Sharing retirement plan, we help employees save for the future, allowing them to enjoy the present.



### Giving back counts

Giving is fulfilling, and we feel responsible for encouraging employees to help people in need and preserve the environment. Our new Volunteer Time Off benefit allows all U.S. land-based employees to volunteer one work day a year to a non-profit organization and help improve our communities.



### Achieving goals

Our employees' goals are as important to us as they are to them. For employees busy hitting the books, we doubled yearly Tuition Reimbursement for undergraduate studies and more than tripled it for employees working on their Master's or Ph.D. For those looking to adopt, life also got easier. Aside from the \$2,500 in Adoption Assistance, we added 10 days of paid leave to help employees settle in with their child and begin building a lifelong bond. Got personal finance goals? Our Stock Purchase Plan benefit invites employees with at least one year of service to become shareholders at a 15% discount off the market value.



### Unexpected moments

When life throws curveballs, we want our employees to have the freedom and resources to resolve personal matters in a healthy way. That is why we expanded our Bereavement Policy from three to five days, so employees can spend more time with family and friends when suffering a loss.



### Staying healthy

With a robust selection of plans, our health benefits give employees and their families the ability to be prepared in case of an emergency. Employees, along with their spouse and dependents, also have access to an on-site clinic, where they can stop by to see a doctor or get an annual physical. To further ensure the preparedness of employees, we offer Life AD&D Insurance and Legal Insurance.



### Simplifying errands

We want to make sure our employees' lives are running as smoothly as our operations, but we know that menial day-to-day tasks can sometimes become unnecessary sources of stress. To alleviate that stress, employees have the opportunity to have fresh, organic fruits and vegetables delivered right to the office. No need to go to the grocery store. They can also take advantage of our On-Site Car Wash and have their car cleaned inside and out while they work. Our On-Site Gym and On-Site Spa also provide great channels for stress relief, but, if employees need a vacation or a night out on the town, they don't have to pay full price with our Vendor Discounts.



## Round It Out *More*

Our expanded employee benefits program seeks to improve our employees' lives in and out of the workplace. After all, happy employees yield better vacations for our guests.

## 11 thousand strong

Filipinos represent our largest demographic of employees – 11,000 strong, across all of our brands – and that number is expected to nearly triple in the coming years as new ships join our fleet.

At sea, employees are on the front lines of our company and play a key role in the memories our guests take with them for years to come. Providing a seamless hiring experience for them is very important to us, so we joined forces with long-time partner Philippine Transmarine Carriers to design a new office aimed at improving the overall experience for our At Sea employees. The state-of-the-art facility can be found at the centrally-located Mall of Asia, in Manila. It focuses on enhancing Filipinos' skills and careers and will offer training, continuing education and personal and professional development programs. It was also important to us that our At Sea employees enjoy every bit of vacation time with their families, so we streamlined the experience with a more efficient recruitment and hiring process that includes faster processing of documents and a personalized candidate experience. We are now beginning to replicate this concept in other regions that have a concentration of At Sea employees, such as India and Indonesia.



OUR ONSITE  
**ORGANIC  
PRODUCE**

BUYING CLUB



**2017 EMPLOYEE  
ENGAGEMENT  
SCORES**

REACHED HISTORIC HEIGHTS –  
IMPROVING FOR THE SEVENTH  
CONSECUTIVE YEAR



ON CAMPUS  
**MEDICAL CARE**

OFFERED AT  
HEADQUARTERS





An underwater photograph looking up towards the surface of the ocean. Sunlight filters through the water, creating a bright, hazy glow near the surface and illuminating the water with various shades of blue and green. The water surface is visible at the top, with some ripples and bubbles. The overall atmosphere is serene and natural.

## Addressing climate change head on

Our company generates a significant amount of emissions from our operations. Naturally, reducing our greenhouse gas emissions, and other air pollutants, becomes a critical part of our approach to addressing climate change.



# The wind in our sails



We are constantly looking for new ways to reduce our environmental footprint, both in the short and long-term, and thanks to a unique partnership with Southern Power the latest step in our journey is wind.

When all is in place, the wind blowing across a farm on the Kansas flatlands will play a significant role in offsetting our carbon emissions. The agreement with wholesale energy provider Southern Power to build a wind turbine farm, will sell the clean power produced there to offset direct emissions from fuel burned by our ships.

The project site is in Reading, Kansas, straddling Osage and Lyon counties. The 200-megawatt Reading Wind Facility is to include 62 wind turbines manufactured by Siemens Gamesa. Renewable Energy and will generate about 760,000-megawatt hours per year over the 12-year agreement. That clean power is in turn expected to annually offset 10-12% of RCL's Scope 1, or direct, emissions.

This agreement complements our longstanding strategic initiatives to reduce the company's emissions and become a more sustainable operator.

The project broke ground in 2019 and is expected to be completed by 2020. It is Southern Power's 11th wind facility and its first to be validated under the Verified Carbon Standard for certifying carbon emissions reductions.

Southern Power will operate and maintain the facility upon completion, while RCL provides its economic underpinnings.

The renewable energy project is classified as a Virtual Power Purchase Agreement, which doesn't require RCL to be located in the same grid region as the wind farm, a key to the plan because our ships travel to more than 1,000 destinations on all seven continents.

## Seastainability at RCL

Cruise ships are cleaner than ever before and improving with each new class of ships.

At Royal Caribbean, reducing energy consumption and emission of greenhouse gases and other air pollutants is a critical part of our environmental stewardship strategy. Our approach includes initiatives in both the marine and hotel operations of our business.

**SYMPHONY OF THE SEAS IS 25% MORE EFFICIENT THAN HER SISTER SHIP BUILT EIGHT YEARS AGO**

### MARINE INITIATIVES INCLUDE

innovative programs such as advanced emissions purification systems, which remove approximately 98% of sulfur dioxide emissions, air lubrication systems; and, soon, the use of liquid natural gas.

### HOTEL INITIATIVES INCLUDE

programs such as the use of energy-efficient equipment in galleys, replacement of incandescent bulbs with fluorescent and LED lighting, and the introduction of fuel cells.



**OUR 2020 TARGET WITH WORLD WILDLIFE FUND WAS TO REDUCE OUR EMISSIONS BY 35%. WE SURPASSED THAT GOAL IN 2018 WHEN WE ACHIEVED A 37% REDUCTION.**

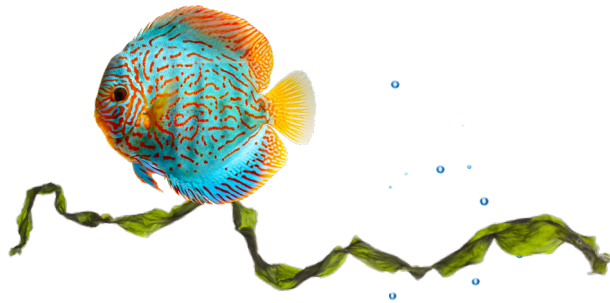


## Goals based on science

One of the main contributors to our carbon footprint is propulsion. It's about 60% of the energy we consume. Guided by our partner, World Wildlife Fund (WWF), we set our 2020 goal to reduce our greenhouse gas emissions by 35% and this year achieved a 37% reduction.

But before we could set that target, we had to do something never before done in the cruise industry – establish a public methodology for reducing emissions. The method measures the number of guests and the distance we carry them to calculate carbon emissions, rather than the number of guests and days sailed as was traditionally done.

Reducing our carbon footprint is embedded in our operations, from small tasks like swapping incandescent bulbs with LED ones to complex ones like our Advanced Emission Purification Systems, we continue to explore traditional and creative ways to reduce our operational needs.



### BLANKETS OF BUBBLES

DECREASE FRICTION BETWEEN HULL AND WATER TO OFFER NET

### FUEL SAVINGS

UP TO 4%



### 70% OF SHIPS ARE OUTFITTED WITH ADVANCED EMISSIONS PURIFICATION SYSTEMS



### OVER 25 YEARS AGO WE COMMITTED TO SAVE THE WAVES,

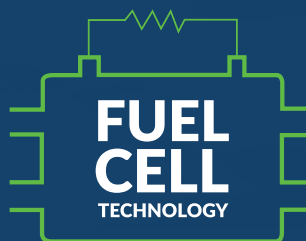
A COMPANY-WIDE PHILOSOPHY ANCHORED IN OUR DRIVE FOR CONTINUOUS IMPROVEMENT THAT EMBODIES OUR SUSTAINABILITY EFFORTS





## Designing for a more efficient future

Cruise ships may come with a long operating life, but to achieve that there are years of intense brainstorming, design, and construction done by a small army of people. This extended lifespan presents both a challenge and an opportunity for us. The problem is retrofitting for innovations developed after a ship is in operation. The opportunity is offering our team the ability to look far into the future. Our next class of ships, set to debut in 2020, will be primarily powered by liquefied natural gas (LNG) and fuel cells. As the technology becomes smaller and more efficient, the possibility increases of using fuel cells in a significant way to power the ship's hotel functions, increasing energy efficiency and reducing emissions.



FUEL CELLS GENERATE ELECTRICITY BY CHEMICAL REACTION  
**WITH MINIMAL POLLUTION**

## Emissions abatement technology

In addition to focusing on energy reduction and efficiencies, we believe that it is essential to evaluate and invest in alternative abatement technologies for fossil fuel exhaust emission. Since 2014, we have invested in Advanced Emission Purifications (AEP) systems across our fleet. These systems help us improve air quality. Their multi-stream exhaust gas cleaning systems are designed to treat exhaust gases created by the ship's generators. They spray exhaust with a fine water mist within the ship's funnel/stacks. As the water mist combines with the sulfur dioxide in the exhaust, it causes a chemical reaction and removes the sulfur while producing a clean white plume. Currently 70% of RCL ships are outfitted with AEP systems – all of which are closed-loop systems.

**AEPS REMOVE APPROXIMATELY 98% OF SULFUR DIOXIDES,  
40-60% OF TOTAL PARTICULATE MATTER AND UP TO 12% OF NITROGEN OXIDES.**

[DOWNLOAD THE AEP GRAPHIC](#)



## Solving energy challenges with **technology**

There's an app for that, or in our case, a highly sophisticated software system seven years in the making. This industry-first energy management software identifies our ship's optimal balance, speed, and route and even suggests how many engines ships should use – and at what times and settings – to achieve top fuel efficiency.

A trillion measurement points allow our newly formed Fleet Optimization group to mastermind, minute-by-minute, the most efficient fuel operation possible among our 40+ ships. Visible across tablets, smartphones, and monitors across our office walls, the measurement points allow the team to respond with one of three actionable signals: "Green" for peak efficiency, "Yellow" for needs attention and "Red" for immediate correction.

Apart from speed and route, the team, who worked with Finland start-up Eniram to pilot the software, also took into account weather forecasts, currents and the real-time operating characteristics of other vessels in the area. The software's real-time data displays on the bridge of each ship and at our shoreside office. Continually adding other energy data points such as galleys, deck facilities and staterooms is further helping us refine the software into a holistic tool for energy efficiency.

**A TRILLION POINTS OF MEASUREMENT  
HELP REDUCE FUEL USAGE**

## COMPLYING WITH INTERNATIONAL REGULATIONS

MARPOL regulations require the worldwide limitations on fuel's sulfur content to reduce to .5% by 2020. Additionally, all ships built after March 2016 must meet an Energy Efficiency Design Index (EEDI).

MARPOL regulations also establish Emission Control Areas, which place stringent limitations on sulfur and nitrogen oxide emissions in the Baltic Sea, North Sea, North American coast and the waters surrounding Puerto Rico and the U.S. Virgin Islands. In 2015, the fuel sulfur limit on the the above mentioned ECAs was set at 0.1%.

Our journey toward the deployment of AEP systems has been a long and thoughtful one. As we reach this milestone, we take with us the knowledge and experiences and look to channel them into meeting the shifting emissions regulations including the recently passed IMO agreement to cut emissions generated by shipping by 50% below 2008 levels by 2050.

[Download the Energy and Air Emissions Fact Sheet](#)

## We are still in

The health of our planet is dependent upon the health of our oceans. Climate change continues to wreak havoc on ocean habitats. Moving the needle on climate change can't be done by one company alone. In 2017, we took a step to drive collective action on climate change by joining We Are Still In, a coalition of companies, cities, states and universities who reaffirmed their commitment to uphold the 2016 Paris Agreement. By working together, and through encouraging and mentoring industry peers, we look forward to setting, achieving and surpassing our emissions reduction targets and putting our oceans and our planet in a position to thrive for years to come.

**WE ARE  
STILL IN**

 **ROYAL CARIBBEAN  
CRUISES LTD.**

An underwater photograph showing a diver in silhouette against a bright blue background. Sunlight rays stream down from the surface, creating a shimmering effect. The diver is positioned in the center of the frame, looking upwards.

## Reporting

## About this report

This report is organized into five main sections that convey our approach to sustainability. The sections – Seastainability, Climate Change, Operations, and Community – highlight our most compelling stories that exemplify our drive to innovate and think beyond the here and now.

On the following pages you'll find in-depth background information, including our Global Reporting Initiative (GRI) G4 Index, 2018 performance tables and the methodology used in this report.

We are committed to transparently reporting our ongoing progress and invite you to visit [www.RCLCorporate.com](http://www.RCLCorporate.com) periodically for updates throughout the year.



## Scope

This report represents Royal Caribbean Cruises Ltd.'s global operations as of FY 2018. Unless noted, goals and other data within the report reflect the following three brands: Royal Caribbean International, Celebrity Cruises and Azamara Club Cruises. Our environmental performance also includes the energy emissions for Pullmantur Cruises, CDF Croisières de France and those attributable to our 50% ownership interest in TUI Cruises. This report was published in June 2019 and reflects our activities and performance for FY 2018.

\*This report contains forward-looking statements, and actual results could differ materially. Past performance does not guarantee future results. Risk factors that could affect Royal Caribbean's results are included in our filings with the Securities and Exchange Commission, including our most recent reports on Form 10-Q and Form 10-K and earnings release.

## Strategy and governance

Our vision is to generate superior returns for our shareholders by empowering and enabling our employees to deliver the best vacation experiences and enhancing the well-being of our communities. Common threads emerge in how we execute on our vision and principal operating strategies:

### Above and beyond compliance

By following strict company policies and practices and using innovative technologies, we strive to conduct our business Above and Beyond Compliance with existing laws and regulations. We use management systems that meet voluntary international standards, including ISO 9001:2000 quality and ISO 14001:2004 environmental standards.

### Safety, quality and environmental management

Our strict adherence to company principles is written into our comprehensive, company-wide Safety, Quality and Environmental Management system (SQM), which helps to ensure that ships follow safe, standardized and consistent operations that protect our employees, our guests and the environment.

### Culture

We maintain a corporate policy that emphasizes the Safety of Life and Safety of the Ship and sustains a company-wide culture where focus on prevention of safety and security incidents is a way of life. We strive to maintain a work environment that reinforces collaboration, and believe that maintaining our vibrant and distinctive culture is critical to the growth of our business. We also strive to use natural resources efficiently and responsibly, and incorporate sustainability into design and development projects.

### Commitment

Our commitment to the environment and communities extends throughout our organization, from senior management to our newest crewmembers onboard our ships. We strive to inspire our guests to share our commitment.

### Continuous improvement

We implement practices and programs that promote our Company's commitment to continuously improve. Innovation is encouraged and rewarded.

### Enterprise risk management

We engage cross-functionally and across brands to manage potential enterprise risks, such as global pandemics, climate change, resource scarcity and data privacy breaches.

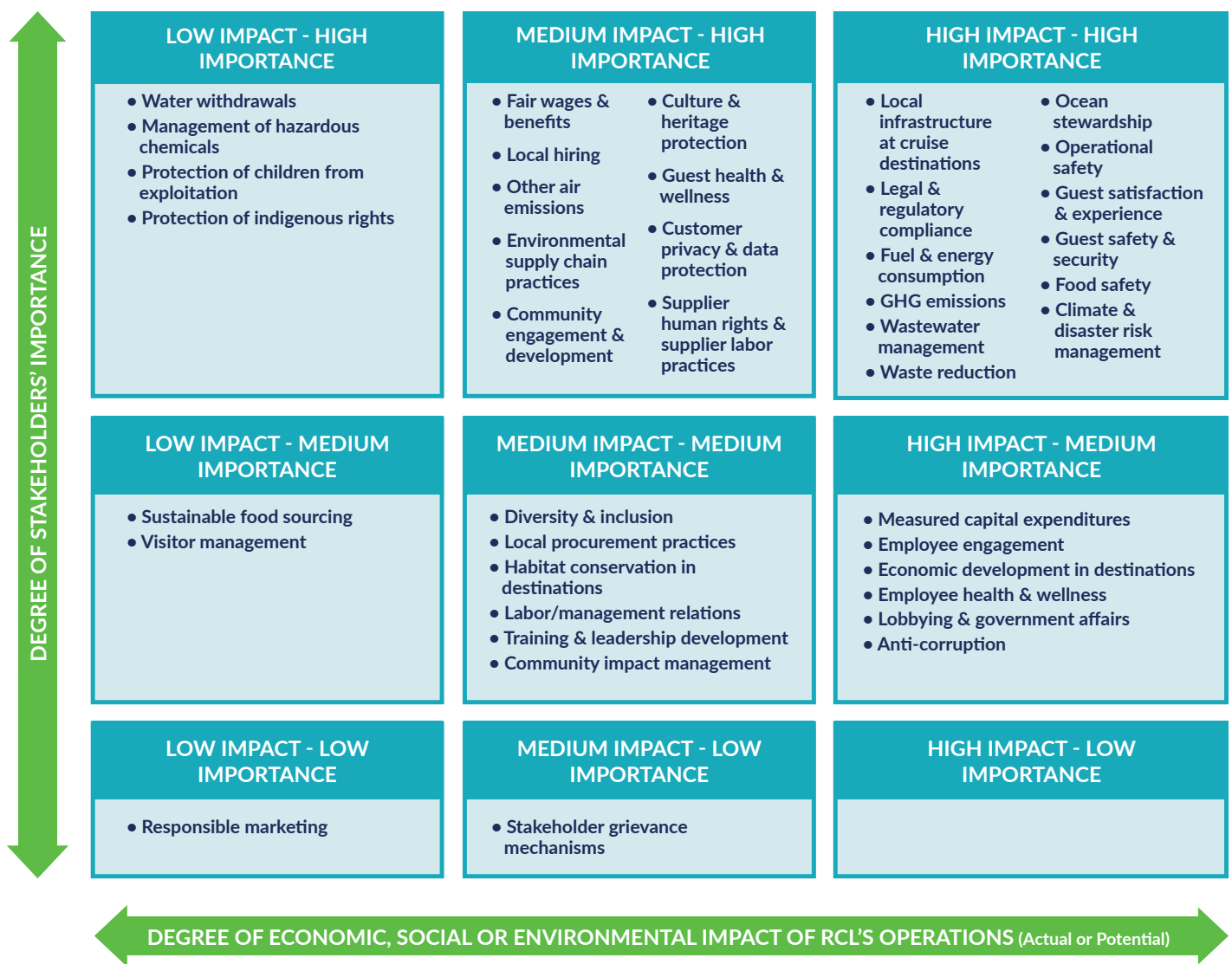
To deliver this we must manage and balance a series of economic, environmental and social considerations in the decisions we make and how we operate every day.

# Our methodology

In order to identify the most important corporate responsibility issues that should be discussed in our reporting, we identified key stakeholders and a set of more than 40 topics to evaluate across the following categories: Economic, Environmental, Labor Practices, Human Rights, Society and Product Responsibility.

We then conducted an internal assessment where, together with company leadership, we considered the degree of both our actual and potential economic, social and environmental impacts; in addition to the level of stakeholder concern for the topics identified. Additionally, we engaged with external stakeholders to validate the preliminary findings from our internal assessments. This included surveying sample groups of our guests and employees; and conducting stakeholder interviews with non-governmental organizations, industry peers, suppliers and representatives from our destination communities. Based on the findings of the sustainability materiality matrix, we have structured the report to include disclosures on our management approach for topics of at least medium impact or concern.

**Sustainability Materiality Matrix:** The following matrix serves as the foundation from which the report’s content has been developed and provides a structure from which we can continue to expand upon our commitments to sustainability and sound stewardship.



This Sustainability Materiality Matrix maps the issues that are most important for sustainability management and reporting based on the deemed level of concern to our stakeholders and the degree of RCL’s environmental, social and economic impacts.



# Stakeholder engagement

At RCL, we serve a varied group of stakeholders, which include shareholders, guests, employees, suppliers, destination communities, policy makers, shoreside communities, travel agents, industry associations, non-governmental organizations and research institutions.

We prioritize and engage with our stakeholders in consideration of our respective economic, environmental and social impacts and dependencies. We utilize a variety of mechanisms to solicit feedback and respond to key topics and concerns from our stakeholders:



# 2016-2018 Performance Tables

## ECONOMIC

KEY PERFORMANCE INDICATORS	2018	2017	2016
Revenues (in millions)	\$9,493.849.0	\$8,778.0	\$8,496.4
Cruise Operating Expenses (in millions)	\$5,262.207.0	\$4,896.58	\$5,015.5

## ENVIRONMENTAL

KEY PERFORMANCE INDICATORS	2018	2017	2016
Greenhouse gas emissions (metric tonnes CO <sub>2</sub> e) <sup>1</sup>	4,397,039	4,234,770	4,465,268
Scope 1	4,369,021	4,225,453	4,465,268
Scope 2 <sup>2</sup>	13,859	9,317	10,270
Emissions intensity in Tons of CO <sub>2</sub> e per 1,000 available cabin days		114.7	117.9
Emissions intensity in kilograms of CO <sub>2</sub> e per ALB-km	0.228	0.232	0.235
Energy consumption (megawatt hours)	6,446,840	6,093,161	6,516,015
Energy intensity per available cruise passenger day	0.16778	0.165	0.177
Total SO <sub>x</sub> emissions (metric tonnes)	55,315	54,027	57,130
Total NO <sub>x</sub> emissions (metric tonnes)	61,601	60,059	63,277
Total Particulate Matter emissions (metric tonnes)	6,807	6,650	7,035
Solid waste-to-landfill (pounds per available cruise passenger day)	0.34	0.37	0.40
Total waste recycled (pounds in millions)	43.7	40.3	37.42
Effluent quality for discharged process bilge water (parts per million)	1.5	1.5	1.5
Number of ships with Advanced Water Purification Systems	39	37	35

<sup>1</sup>Emissions are calculated using The Greenhouse Gas Protocol. Scope 1 emissions include fuels used to operate our ships. Emissions factors can be found in our annual responses to the CDP Climate Change Information Request.

<sup>2</sup>In 2013, we added offices that are leased but that we have direct control of energy management (consumption and payment) to our boundary based to our GHG emission consolidation method of "financial control".

<sup>3</sup>Supervised workers includes shipboard concessionaires workers, and does not include information technology contractors.

<sup>4</sup>Includes training specific to an employee's role in addition to Human Resources and Safety training.

## SOCIAL

KEY PERFORMANCE INDICATORS	2018	2017	2016
Total Number of Employees	76,708	65,682	73,343
Total Number of Supervised Workers <sup>3</sup>	76,607	9,277	7,808
Employees Working Onboard our Ships	69,492	59,379	66,828
Employees Working at our Corporate Offices	7,216	6,303	6,515
Full-Time Employees	76,607	65,587	73,241
Part-Time Employees	101	95	102
Male Employees	56,500	50,137	56,322
Female Employees	17,619	15,543	17,018
Voluntary Employee Turnover			
Employees Working Onboard our Ships <sup>4</sup>	6%	4%	5%
Employees Working at our Corporate Offices	19%	13%	16%
Average Training Hours per Employee			
Employees Working on our Ships	60 hrs/year	40 hrs/year	
Employees Working at our Corporate Offices	24 hrs/year	24 hrs/year	





## GRI G4 Content Index

To facilitate stakeholders in understanding and benchmarking our corporate responsibility performance, our reporting follows the Global Reporting Initiative G4 disclosure framework, which is an internationally recognized set of indicators for economic, environmental and social aspects of business performance. GRI guidelines help companies in selecting material content and key performance indicators. For additional information, please visit [www.globalreporting.org](http://www.globalreporting.org).

Please note that the GRI G4 Content Index directs readers to sections within our 2018 Sustainability Report in addition to our 2018 Annual Report, CDP 2018 Climate Change Information Request response, Corporate Governance website and other relevant public documents and websites. We also provide direct answers to further assist the reader.

### I. GENERAL STANDARD DISCLOSURES:

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INDICATOR	DESCRIPTION	LOCATION
<b>Strategy and Analysis</b>		
G4-1	Statement from the most senior decision-maker about the relevance of sustainability and organization's strategy	<a href="#">Message from our CEO</a>
<b>Organizational Profile</b>		
G4-3	Name of the organization	Royal Caribbean Cruises Ltd.
G4-4	Primary brands, products and services	<a href="#">2018 Annual Report</a>
G4-5	Location of the organization's headquarters	Our corporate headquarters are located at 1050 Caribbean Way; Miami, Florida 33132.
G4-6	Number of countries where the organization operates	Our ships offer a wide selection of itineraries that call on approximately 535 destinations in 105 countries, spanning all seven continents.
G4-7	Nature of ownership and legal form	Royal Caribbean Cruises Ltd. is a publicly-traded company.
G4-8	Markets served, and types of customers and beneficiaries	<a href="#">2018 Annual Report</a> ("Our Six Brands", p.7)
G4-9	Scale of the organization	<a href="#">Who We Are</a>
G4-10	Total number of employees by employment contract and gender	<a href="#">2016-2018 Performance Tables</a>
G4-11	Percentage of total employees covered by collective bargaining agreements	As of December 31, 2017, approximately 85% of employees were covered under collective bargaining agreements.
G4-12	Description of supply chain	<a href="#">Supply Chain</a>
G4-13	Significant changes during the reporting period regarding the organization's size, structure, ownership or its supply chain	There were no significant changes during the reporting period.
G4-14	Whether and how the precautionary approach or principle is addressed by the organization	<a href="#">Risk Management</a> <a href="#">Environment</a> <a href="#">Oceans</a>



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INDICATOR	DESCRIPTION	LOCATION
G4-15	Externally developed economic, environmental and social charters, principles or other initiatives to which the organization subscribes or which it endorses	<a href="#">Our Employees</a>
G4-16	Memberships in associations and national/international advocacy organizations	<a href="#">Stakeholder Engagement</a> <a href="#">Our Leadership</a>
<b>Identified Material Aspects and Boundaries</b>		
G4-17	All entities included in the organization's consolidated financial statements or equivalent documents	<a href="#">2018 Annual Report</a> ("Our Six Brands", p.1)
G4-18	Process for defining the report content and the Aspect Boundaries; and how the organization has implemented the Reporting Principles for Defining Report Content	<a href="#">Materiality</a>
G4-19	All the material aspects identified in the process for defining report content	Material aspects and boundaries are disclosures in the Specific Standard Disclosures within the GRI G4 Content Index.
G4-20	The aspect boundary for each material aspect within the organization and whether the aspect is material for all entities within the organization	Material aspects and boundaries are disclosures in the Specific Standard Disclosures within the GRI G4 Content Index.
G4-21	Whether the aspect boundary for each material aspect outside the organization	Material aspects and boundaries are disclosures in the Specific Standard Disclosures within the GRI G4 Content Index.
G4-22	Effect of any restatements of information provided in previous reports, and the reasons for such restatements	There were no known, material restatements of information in our 2018 Sustainability Report.
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	There were no significant changes during the reporting period.
<b>Stakeholder Engagement</b>		
G4-24	List of stakeholder groups engaged by the organization	<a href="#">Stakeholder Engagement</a>
G4-25	Basis for identification and selection of stakeholders with whom to engage	<a href="#">Stakeholder Engagement</a>
G4-26	Organization's approach to stakeholder engagement	<a href="#">Stakeholder Engagement</a>
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns	<a href="#">Stakeholder Engagement</a> <a href="#">Materiality</a>
<b>Report Profile</b>		
G4-28	Reporting period for information provided.	Our reporting period is calendar year 2018.
G4-29	Date of most recent previous report	<a href="#">2018 Sustainability Report</a>
G4-30	Reporting cycle	Annual
G4-31	Contact point for questions regarding the report or its contents	<a href="mailto:sustainability@rccl.com">sustainability@rccl.com</a>
G4-32	GRI Index with "in accordance" option chosen and references to External Assurance Reports	We have self-reported in accordance with the G4 framework at the "Core" level.
G4-33	Organization's policy and current practice with regard to seeking external assurance for the report	We received assurance for our greenhouse gas emissions during the reporting period for Scope 1 and 2 greenhouse gas emissions. (Additional information can be found in our CDP 2017 <a href="#">Climate Change Investor response</a> , Questions CC8.6, 8.7 and 8.8)
<b>Governance</b>		
G4-34	Governance structure of the organization, including committees of the highest governance body and those responsible for decision-making on economic, environmental and social impacts	<a href="#">Strategy and Governance</a> Additional information on our Corporate Governance Website (" <a href="#">Committee Composition</a> .")
<b>Ethics and Integrity</b>		
G4-56	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics	<a href="#">Compliance and Ethics</a>



**II. SPECIFIC STANDARD DISCLOSURES:**

**A. DISCLOSURES ON MANAGEMENT APPROACH**

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MATERIAL ASPECTS	LOCATION	MATERIAL WITHIN THE ORGANIZATION	MATERIAL OUTSIDE THE ORGANIZATION	RELEVANCE OUTSIDE THE ORGANIZATION
<b>1. Economic Boundaries</b>				
Economic Performance	<a href="#">2018 Annual Report</a>	●	●	Our economic performance is relevant to our investors, employees, communities and suppliers.
Market Presence	<a href="#">Our Employees</a>	●	●	Our presence as a local employer is relevant to our employees and communities of operation.
Indirect Economic Impacts	<a href="#">Introduction</a> <a href="#">Where We Operate</a>	●	●	Our indirect economic impacts are relevant to our guests and destination communities.
Procurement Practices	<a href="#">Supply Chain</a>	●	●	Our procurement practices are relevant to our guests, suppliers and destination communities.
<b>2. Environmental</b>				
Energy	<a href="#">Environment</a>	●	●	Our energy consumption is relevant to all stakeholders including the destinations communities that our ships visit.
Water	<a href="#">Environment</a>	●	●	Our water stewardship measures are relevant to all stakeholders including the destinations communities that our ships visit.
Biodiversity	<a href="#">Introduction</a> <a href="#">Our Destinations</a> <a href="#">Oceans</a>	●	●	Biodiversity relevant to all stakeholders including the destinations communities that our ships visit.
Emissions	<a href="#">Environment</a>	●	●	Our emissions from operations are relevant to all stakeholders including the destinations communities that our ships visit.
Effluents and Waste	<a href="#">Environment</a>	●	●	Our handling of effluents and waste is relevant to all stakeholders including the destinations communities that our ships visit.
Compliance	<a href="#">Compliance and Ethics</a>	●	●	Environmental compliance is relevant to all stakeholders including the destinations communities that our ships visit.
Supplier Environmental Assessment	<a href="#">Supply Chain</a>	●	●	Our environmental assessments of suppliers are relevant to our guests, suppliers and communities.
<b>3. Labor Practices and Decent Work</b>				
Employment	<a href="#">Our Employees</a>	●	●	Our employment practices are relevant to our investors, guests and communities.
Labor and Management Relations	<a href="#">Our Employees</a>	●	●	With approximately 86% of our workforce covered by collective bargaining agreements, labor and management relations are relevant to our investors and communities.
Occupational Health and Safety	<a href="#">Health &amp; Safety</a>	●	●	Occupational health and safety is relevant to our investors and communities.
Training and Education	<a href="#">Our Employees</a>	●	●	Training and education is relevant to our investors and communities.
Diversity and Equal Opportunity	<a href="#">Our Employees</a>	●	●	Diversity and equal opportunity is relevant to our investors and communities.
Supplier Assessment for Labor Practices	<a href="#">Supply Chain</a>	●	●	Our assessments of supplier labor practices are relevant to our guests, suppliers and communities.
<b>4. Human Rights</b>				
Supplier Human Rights Assessment	<a href="#">Supply Chain</a>	●	●	Our human rights assessments of suppliers are relevant to our guests, suppliers and communities.

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MATERIAL ASPECTS	LOCATION	MATERIAL WITHIN THE ORGANIZATION	MATERIAL OUTSIDE THE ORGANIZATION	RELEVANCE OUTSIDE THE ORGANIZATION
<b>5. Society</b>				
Local Communities	<a href="#">Our Offices</a> <a href="#">Our Destinations</a>	●	●	Local community impacts are relevant to all stakeholders, particularly the communities where we operate.
Anti-Corruption	<a href="#">Compliance and Ethics</a>	●	●	Anti-Corruption is relevant to our communities, investors and guests.
Public Policy	<a href="#">Our Leadership</a> <a href="#">Cruise Industry Regulations and Standards</a>	●	●	Public policy engagement is relevant to all stakeholders including the destinations communities that our ships visit.
<b>6. Product Responsibility</b>				
Customer Health and Safety	<a href="#">Health, Safety and Security</a>	●	●	In our materiality assessment, we learned food safety was increasingly a topic of stakeholder concern.
Product and Service Labeling	<a href="#">Our Guests</a>	●	●	Customer satisfaction is relevant to guests and investors.
Customer Privacy	<a href="#">Risk Management</a>	●	●	The protection of customer data privacy is relevant to guests and investors.
Compliance	<a href="#">Compliance and Ethics</a>	●	●	Compliance is relevant to our guests, investors and communities.

## B. PERFORMANCE INDICATORS

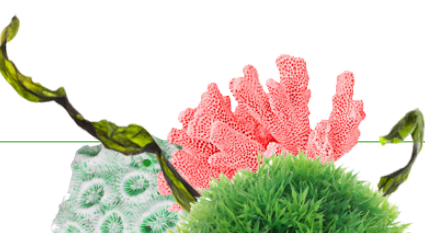
MATERIAL ASPECTS	GRI INDICATORS		LOCATION
<b>1. Economic</b>			
Economic Performance	G4-EC1	Direct economic value generated and distributed	<a href="#">2016-2018 Performance Tables</a> This indicator is partially reported.
	G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	<a href="#">CDP 2017 Climate Change Investor Response</a> , Questions CC5 and CC6
	G4-EC3	Coverage of the organization's defined benefit plan obligations	Benefits vary across countries and brands. Information on annual pension expenses can be found in our <a href="#">2018 Annual Report</a> ("Note 11. Retirement Plan", p. 83) This indicator is partially reported.
Market Presence	G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	<a href="#">Our Employees</a> This indicator is partially reported.
Indirect Economic Impacts	G4-EC7	Development and impact of infrastructure investments and services supported	<a href="#">Introduction</a> <a href="#">Our Employees</a> <a href="#">Our Destinations</a>
Procurement Practices	G4-EC9	Proportion of spending on local suppliers at significant locations of operation	<a href="#">Supply Chain</a> This indicator is partially reported.





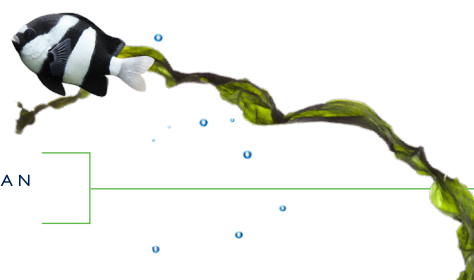
✓ Assurance icon, otherwise not assured

MATERIAL ASPECTS	GRI INDICATORS		LOCATION
<b>2. Environmental</b>			
Energy	G4-EN3	Energy consumption within the organization	<a href="#">2016-2018 Performance Tables</a>
	G4-EN5	Energy intensity	<a href="#">2016-2018 Performance Tables</a>
Water	G4-EN8	Total water withdrawal by source	<a href="#">2016-2018 Performance Tables</a> This indicator is partially reported.
Biodiversity	G4-EN14	Habitats protected and restored	<a href="#">Our Destinations</a> This indicator is partially reported.
Emissions	G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	<a href="#">2016-2018 Performance Tables</a> ✓ Assured by third-party verifier
	G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	<a href="#">2016-2018 Performance Tables</a> ✓ Assured by third-party verifier
	G4-EN17	Energy indirect greenhouse gas (GHG) emissions (Scope 3)	<a href="#">CDP 2017 Climate Change Investor Response, Question CC14.1</a>
	G4-EN18	Greenhouse gas (GHG) emissions intensity	<a href="#">2016-2018 Performance Tables</a>
	G4-EN19	Reduction of greenhouse gas (GHG) emissions	<a href="#">Environment</a> <a href="#">CDP 2017 Climate Change Investor Response, Question CC3.3b</a>
	G4-EN21	NOx, SOx and particulate matter emissions	<a href="#">2016-2018 Performance Tables</a>
Effluents and Waste	G4-EN23	Proportion of spending on local suppliers at significant locations of operation	<a href="#">2016-2018 Performance Tables</a> This indicator is partially reported.
Compliance	G4-EN29	Proportion of spending on local suppliers at significant locations of operation	There were no significant fines or non-monetary sanctions for non-compliance recorded in 2017.
Supplier Environmental	G4-EN32	Proportion of spending on local suppliers at significant locations of operation	<a href="#">Supply Chain</a> This indicator is partially reported.
<b>3. Labor Practices and Decent Work</b>			
Employment	G4-LA1	Employee turnover	<a href="#">Supply Chain</a> This indicator is partially reported.
	G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations	<a href="#">Royal Corporate Careers</a> website (containing information on benefits provided to part-time and temporary employees) This indicator is partially reported.
Labor and Management Relations	G4-LA4	Minimum notice periods regarding operational changes	Minimum notice periods vary across collective agreements.
Occupational Health and Safety	G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	100% of our at sea employees are represented by formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.



✓ Assurance icon, otherwise not assured

MATERIAL ASPECTS	GRI INDICATORS		LOCATION
Training and Education	G4-LA9	Average hours of training per employee	<a href="#">2016-2018 Performance Tables</a>
	G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	Managers were expected to conduct performance and career development reviews with all of their employees during the reporting period.
Diversity and Equal Opportunity	G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership and other indicators of diversity	<a href="#">2016-2018 Performance Tables</a> (Employees) This indicator is partially reported.
			<a href="#">2018 Proxy Statement</a> (Board of Directors) This indicator is partially reported.
Supplier Assessment for Labor Practices	G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	<a href="#">Supply Chain</a> This indicator is partially reported.
<b>4. Human Rights</b>			
Supplier Human Rights Assessment	G4-HR10	Percentage of new suppliers that were screened using human rights criteria	<a href="#">Supply Chain</a> This indicator is partially reported.
<b>5. Society</b>			
Local Communities	G4-SO1	Percentage of operations with implemented local community engagement, impact assessments and development programs	All operations had local community engagement programs during the reporting period.
Anti-Corruption	G4-SO4	Communication and training on anti-corruption policies and procedures	<a href="#">Compliance and Ethics</a>
Public Policy	G4-SO6	Total value of political contributions by country and recipient/beneficiary	<a href="#">Political Contributions Policy</a> This indicator is partially reported.
<b>6. Product Responsibility</b>			
Customer Health and Safety	G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	Health and safety impacts are assessed for improvement for all products and services.
Product and Service Labeling	G4-PR5	Results of surveys measuring customer satisfaction	<a href="#">Our Guests</a>
Customer Privacy	G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	<a href="#">Risk Management</a> This indicator is partially reported.
Compliance	G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	There were no significant fines during the reporting period.







# DNV·GL

## ASSURANCE STATEMENT RELATED TO GHG EMISSIONS INVENTORY 2018

PREPARED FOR ROYAL CARIBBEAN CRUISES LTD.

### Introduction

DNV GL Business Assurance USA, Inc. (DNV GL) has been commissioned by the management of Royal Caribbean Cruises Ltd. (RCCL) to carry out an independent verification of its GHG emissions Inventory (*Scope 1, 2 and 3*), These assertions are relevant to the *Reporting Period*.

RCCL has sole responsibility for preparation of the data and external report. DNV GL, in performing assurance work, is responsible to the management of RCCL. The assurance statement, however, represents DNV GL's independent opinion and is intended to inform all stakeholders including RCCL.

### Objective

The objective of this verification is to verify:

- Conformance with applicable verification criteria, including the principles and requirements of relevant standards or GHG programmes, within the scope of the verification;
- The organization's GHG inventory of GHG emissions;
- any significant changes in the organization's GHG inventory since the last reporting period;
- the organization's GHG-related controls.

### Scope of Assurance

- 2018 Greenhouse Gas (GHG) emissions inventory Scope 1 and 2

### Organizational Boundary for Reporting GHG emission

- *Financial Control*
- *Global sites*

### Reporting Period

- 1 January 2018 to 31 Dec 2018

### Verification Criteria:

- *World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol, Corporate Accounting and Reporting Standard (Scope 1 & 2)*
- *ISO14064-1:2006 - Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals*

## Verification Protocols:

ISO 14064-3:2006 : Greenhouse gases -- Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions

## Level of Assurance

Limited

## Verification Methodology

DNV GL used a risk-based approach throughout the assurance engagement, concentrating on the areas that we believe are most material for both RCCL and its stakeholders.

The following methods were applied during the verification of RCCL GHG Data and management processes, the data that supports the company's Environmental data, and the GHG assertions presented by the company:

- Review of documentation, data records and sources relating to the corporate GHG data and emission assertions
- Review of the processes and tools used to collect, aggregate and report on GHG emissions;
- Assessment of GHG information systems and controls, including:
  - Selection and management of all relevant GHG data and information;
  - Processes for collecting, processing, consolidating, and reporting GHG data and information;
  - Systems and processes that ensure the accuracy of the GHG data and information;
  - Design and maintenance of the GHG information system;
  - Systems and processes that support the GHG information system.
- Performed sample-based audits of the processes for generating, gathering and managing the quantitative and qualitative data included in the Report.
- Examination of the GHG data and information to develop evidence for the assessment of the GHG assertions;
- Confirmation of whether the organization conforms to verification criteria;
- Evaluation of whether the evidence and data are sufficient and support *Company Name's* GHG assertion;

## Data verified

GREENHOUSE GAS EMISSIONS	MtCO <sub>2</sub> e
Scope 1 Emissions	4,369,021
Scope 2 Emissions (Location based)	13,859
Scope 2 Emissions (Market based)	14,159

## Assurance opinion:

Based on the verification process conducted by DNV GL, we provide a Limited Assurance of the GHG Assertions for RCCL. DNV GL found no evidence that the assertion:

- is not materially correct;
- is not a fair representation of the GHG emissions information; and
- is not prepared in accordance with the Reporting Criteria

## Independence

DNV GL was not involved in the preparation of any part of RCCL's data or report. We adopt a balanced approach towards all stakeholders when performing our evaluation.

DNV GL Business Assurance USA, Inc.  
May 20, 2019



Tom Gosselin  
Project Director



Shaun Walden  
Independent Reviewer



Shruthi Poonacha  
Bachamanda  
Lead Verifier

The purpose of the DNV GL group of companies is to promote safe and sustainable futures. The USA & Canada Sustainability team is part of DNV GL Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance.  
[www.dnvgl.com/sustainability](http://www.dnvgl.com/sustainability)

