



Royal Caribbean Group

Seastainability[®]

2022 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



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A Message From Our President and CEO

This past year marked 30 years of our first formal environmental Save the Waves®. As we reflect on our progress in 2022, I cannot help but think of the years of work, collaboration and innovation that brought us here and laid the foundation that will help carry forward our vision to decarbonize our operations and reach Destination Net ZeroSM.

This past year was one of deep collaboration on our journey to Destination Net Zero. We marked key moments including the addition of a short-term, 2025 target to reduce our carbon intensity by double digits compared to 2019 levels, our first comprehensive Scope 3 analysis, and our first Task Force on Climate-Related Financial Disclosures (TCFD) report, which was published in tandem with this report.

We recognize the world needs to take collective action to stop the advances of climate change — a task no business, or industry, can or should do alone. Throughout this report, you will have an opportunity to delve into the groundwork and partnerships we've developed to guide and accelerate our journey and bolster the development of zero-carbon technologies and solutions for the maritime industry, including our partnerships with leading organizations like the Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping and our ongoing work with World Wildlife Fund.

Much like Save the Waves laid the foundation of our environmental stewardship journey 30 years ago, we are at a pivotal moment that will reinforce that foundation for years to come. Our newest ships, *Silver Nova*, *Celebrity Ascent*, and *Icon of the Seas*, set to deliver in 2023 and 2024, are not only the most state-of-the-art and environmentally friendly ships we have, but their designs have been future-proofed

to allow for fuel flexibility. Our thoughtful designs also allow us to pilot technologies, like fuel cells and converting onboard waste to energy, that may play a significant role in future ships and our net zero ambitions.

From Sea to Shore

As a cruise company, we know we're only as vibrant as both the destinations we visit and the oceans we sail, that's why our strategies extend from our ships to our shoreside operations as well. From the tour operators we drive to pursue sustainability certifications to how we are intentionally diversifying our supplier base, with more local sourcing, we are focused on innovating across all aspects of our company, especially in our work to advance sustainability in the communities we visit.

In the fall we introduced our fourth LEED, and first Gold-certified facility in Galveston, Texas, which is also the world's first zero-energy cruise terminal. The terminal's modern design and development features align with our environmental goals to advance the development of sustainable infrastructure. We continue to collaborate with the Port of Galveston and others around the world to also advance the availability of shore power connection where our ships can connect to the clean local electrical grid.

Propelled by PeopleSM

Making all this happen is a group of people living our purpose to deliver the best

vacation experiences, responsibly. Every day they live our values to put people first, lead with integrity, grow with purpose, achieve excellence, and be a force for good.

These values are not just at the root of our success, they are engrained practices in every aspect of Royal Caribbean Group's business and culture and led to being recognized for the eighth year in a row by the Ethisphere Institute as one of the World's Most Ethical Companies.

Through our Blue Green PromiseSM, we are committed to protecting, inspiring and empowering ocean communities. From launching entrepreneur trainings and inspiring students and teachers, our dedication to the ports we visit and the small businesses that help our operations succeed remain an integral part of our extended cruise family and our people-first approach.

The passion and ingenuity across the halls, and decks, of Royal Caribbean Group is inspiring, and I'm proud to be a part of it. I encourage you to explore our 2022 Seastainability Report, which reflects our progress to advance our environmental, social and governance efforts and deliver the best vacation experiences, responsibly.



Through our Blue Green Promise, we are committed to protecting, inspiring and empowering ocean communities.



JASON LIBERTY

President and CEO
Royal Caribbean Group

Message From the Chairman of Our Board Committee on Safety, Environment, Sustainability and Health

Royal Caribbean Group's prevailing mantra has always been continuous improvement. 2022 was no different, there was a heightened sense of hope, as the company safely returned all ships to service, a feat that took focus, ingenuity and determination.

That drive and foresight is also evident in the company's, and the world's, most ambitious task, decarbonizing. Building on a track record of sustained environmental progress, the team at Royal Caribbean Group is diligently laying the groundwork for where the company will be 30 years from now, including delivering its first net zero cruise ship by 2035, starting with double digit reduction in carbon intensity by 2025.

To do so, they are seeking counsel from premier experts like the Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping, Wartsila and World Wildlife Fund to steadily chip away at problems like safe, scalable, and renewable fuels of the future. They continue to find and test solutions such as renewable diesel, and the introduction of fuel cells – a still novel idea that requires thoughtful testing and piloting before it can be scaled.

While fuel, or energy sources, is undoubtedly the most pressing issue the company faces on the road to Destination Net Zero, sustainability impacts the whole organization and I'm pleased at the work being done.

30 years ago, when we introduced Save the Waves, we were just focused on recycling. Now I'm proud to see the teams at Royal Caribbean Group have embed sustainability in every aspect of the business, from how the ships are built to the food items we source and how they build sustainable and environmentally friendly infrastructure in the destinations we visit.

Having the proper infrastructure in key cruise communities is vital to the sustainable growth and future of cruising, from port agreements to bring shore power to designing new terminals that drive growth in sustainable development, and designing land experiences that promote responsible tourism.

I have the utmost confidence in this team's ability and its drive to achieve the targets it set out. As with all successful progress, the best way to drive improvement is to measure yourself and that's one of the key tasks of this report. It makes us all accountable. It allows the teams to reflect and inspires them to continue to push for excellence. I look forward to seeing the progress over the years to come and seeing where the passion and creativity of the team at Royal Caribbean Group lead us.

MICHAEL O. LEAVITT

Chairman, Safety, Environment, Sustainability and Health Committee





2022 ESG Highlights

Set a short-term target for Destination Net ZeroSM to reduce carbon intensity by double digits by 2025



Renewed our partnership with World Wildlife Fund (WWF) and committed an additional \$5 million to preserve ocean health



Announced our Blue Green PromiseSM, our commitment to support ocean communities around the world



Opened the world's first net-zero cruise terminal in Galveston, Texas



PROPELLED BY PEOPLE
ROYAL CARIBBEAN GROUP

Developed Propelled by People initiative

Created the Royal Caribbean Kickstarter Program to help tourism-related entrepreneurs in The Bahamas

Launched a new Executive Diversity Council

Signed a partnership agreement with the Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping

Completed U.S.'s first renewable diesel pilot on Royal Caribbean International's Navigator of the Seas

Finalized our supply chain infrastructure for our first three liquefied natural gas-powered ships

Launched phase three of our initiative to eliminate single-use plastics on our ships

20

Ships equipped with shore power (including ships from our joint ventures)

Initiated a pilot to create more rigorous safety standards for ships at sea, which aren't subject to OSHA regulations

AWARDS AND RECOGNITION

Named one of the **World's Most Ethical Companies** in 2023 for the eighth year in a row by Ethisphere Institute

Recognized on the **2022 Best Places to Work for Disability Inclusion** list by Disability:In® and the American Association of People with Disabilities

Ranked #11 in **Healthiest 100 Workplaces in America** by Healthiest Employers

Awarded one of the **2022 Best Places to Work** by Glassdoor

About This Report

Our annual Seastainability® report communicates our environmental, social and governance (ESG) strategy and performance on issues where our business is in a unique position to influence impacts on people, the environment or the economy. The report also documents our progress in meeting key targets and commitments and how we create value for our stakeholders.

The content of the report was shaped by our 2021 materiality assessment and strategic ESG framework, which gives stakeholders a clear understanding of our approach to topics such as climate change, waste management, ocean conservation, governance and social impact. See [page 14](#) for more on our reporting methodology.

The information in this report describes our policies, programs and goals and includes performance data through the end of the 2022 calendar year unless stated otherwise. It covers the ESG activities of our three wholly owned brands — Royal Caribbean International, Celebrity Cruises and Silversea Cruises — unless otherwise noted. The information in this report is accurate as of the date of its initial publication. Supplemental fact sheets are also available with detail on ongoing programs, initiatives and policies. You can find a complete list of fact sheets in the Appendix or links to individual sheets throughout this report.

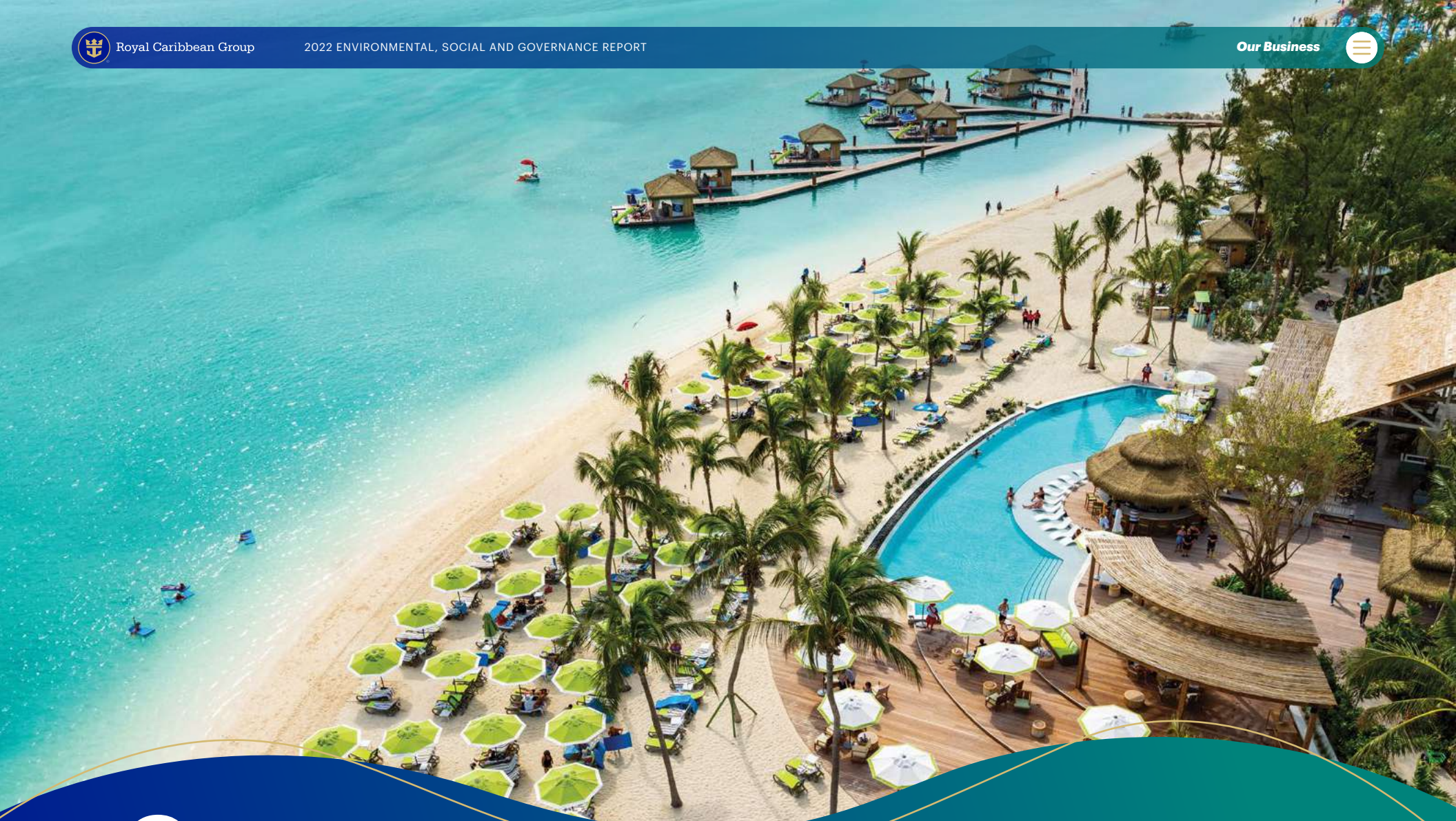
Our report references the Global Reporting Initiative's (GRI) Universal Standards 2021 and integrates recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). We have also prepared a Sustainability Accounting Standards (SASB) reference table for the report and obtained external validation of certain environmental and social indicators. Many of our targets and objectives are aligned with high-priority Sustainable Development Goals (SDGs) established by the United Nations. See [page 74](#) to learn more on our approach to SDGs.

We will continue to evolve our reporting to reflect these and other assessments and frameworks, and to seek feedback from investors, employees, community leaders and other stakeholders. We invite you to visit royalcaribbeangroup.com for updates throughout the year.

This report contains forward-looking statements regarding future performance and results. Actual performance and/or results could differ materially from those expressed in or implied by those forward-looking statements. Past results and performance do not guarantee future results and performance. Risk factors that could affect performance and/or results are described in our filings with the Securities and Exchange Commission, including our most recent reports on Form 10-Q and Form 10-K and our earnings releases, and are available at rclinvestor.com. The inclusion of information contained in this report or the reference to the materiality of such information should not be construed as a characterization regarding the materiality of such information to our financial results or for purposes of the U.S. securities laws.

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Our Business

Founded in 1968, Royal Caribbean Group is one of the world's leading cruise companies.

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About Royal Caribbean Group

Royal Caribbean Group (NYSE: RCL) is the operating business name for Royal Caribbean Cruises Ltd. We own and operate three global cruise vacation brands: Royal Caribbean International, Celebrity Cruises and Silversea Cruises. We are also 50% owner of a joint venture that operates TUI Cruises and Hapag-Lloyd Cruises. In addition to our headquarters in Miami, Florida, we have offices and a network of international representatives around the world.



**1,000+ DESTINATIONS
ON ALL 7 CONTINENTS**



**~102,500 EMPLOYEES FROM
130-PLUS COUNTRIES**



**64 SHIPS' WITH 10
SHIPS ON ORDER AS OF
DECEMBER 2022**

¹Includes ships owned by our joint ventures. Our wholly owned brands operate a total of 52 ships.

Delivering the Best Vacation Experiences Responsibly

Our mission is to deliver the best vacation experiences to our guests, responsibly. Every one of our values and actions flows from this promise. To operate the safest ships on the seas. To protect the oceans we sail. To put people and communities first in everything we do.

But in our drive to be a global leader in responsible tourism, we've had to confront a sobering reality. Climate change and related crises demand faster, more ambitious action, yet current technologies will not get us where we need to go. To change our trajectory, we must push ourselves, our industry and our partners to the limits of innovation and creativity, while acknowledging that the most efficient path forward may not exist — yet.

In our 2022 Seastainability ESG report, we communicate our vision, strategies and progress in advancing innovation across our organization and building toward a more sustainable, low-carbon future. The report describes our short-term targets and strategies to reduce emissions, promote the safety and wellbeing of our guests and employees, and fulfill our [Blue Green Promise](#) to support ocean communities around the world. And it explains how we're setting the wheels in motion to produce long-lasting change in the decades to come as we strive for net-zero emissions by 2050.

Today, environmental and social responsibility are factored into every investment and decision we make. Our actions have led to significant progress in areas like health and safety, energy and fuel efficiency, diversity and inclusion, supplier responsibility, and community empowerment. And while we don't have all the answers, we believe our culture of innovation and continuous improvement positions us to meet each challenge head on.

Above all, we seek to deliver outstanding vacation experiences to our guests in a world that gets better every day — and to empower others to do the same.



Stakeholder Engagement

We engage a diverse group of stakeholders to shape our ESG strategies and reporting.

Throughout the year, we interact with policymakers, non-governmental organizations, destination communities and many others to learn about issues of critical importance to our industry, share our progress, and build collaborative partnerships to increase our effectiveness. Stakeholders also provide valuable expertise that informs our ESG focus areas, strategies and reporting.

In alignment with best practices in ESG reporting, we identify stakeholders to engage based on the impact they have on our business and how our business affects them. We engage with communities where our employees live and work and destinations that our guests visit.

We rely on several mechanisms to solicit stakeholder feedback and respond to key topics and concerns.





Methods of Engagement

STAKEHOLDER	MATERIALITY ASSESSMENT				ONGOING CHANNELS
	Research	Surveys	Social Listening	Interviews	
GUESTS	✓	✓	✓	✓	• Electronic and onboard surveys • Brand websites, social media and customer hotlines • Onboard cause marketing partnerships • Guest loyalty programs
EMPLOYEES	—	✓	—	✓	• Internal events, communication channels and daily interaction • Town hall meetings • Hotlines • Employee engagement surveys • Performance and career development reviews
SHAREHOLDERS	✓	✓	—	—	• One-on-one meetings and virtual roadshows • Earnings and results presentations • SEC disclosures and corporate governance website • GRI and SASB reporting and CDP climate change information • RCL investor relations portal (www.rclinvestor.com)
COMMUNITIES	✓	—	✓	✓	• One-on-one meetings with community and government leaders • Destination listening tours • Stakeholder research and consultation
DESTINATIONS	✓	✓	✓	✓	• One-on-one meetings in support of Global Sustainable Tourism Certification program • Destination stewardship management plans
SUPPLIERS	✓	✓	—	✓	• Enhanced supplier relationship management system • Ongoing dialogue with buyers and commodity managers • Supplier conferences
NON-GOVERNMENTAL ORGANIZATIONS	✓	✓	✓	✓	• Project-based partnerships • Employee volunteering – Board participation in local nonprofits – G.I.V.E. Program Community activations
POLICYMAKERS	✓	✓	✓	—	• Technical recommendations and onsite tours of our ships • Industry associations
INDUSTRY ASSOCIATIONS	✓	✓	✓	✓	• Working group and committee participation • Development of industry standards
TRAVEL AGENTS	✓	✓	—	—	• Independent international representatives • Brand websites and travel agent portal • Regional events
RESEARCH INSTITUTIONS	✓	✓	—	✓	• Journal publications • Ocean and climate change research projects

Transforming Our Engagement Process

Stakeholder engagement continues to be a top priority at Royal Caribbean Group. We're currently reviewing our overall engagement process in the interests of establishing a more holistic approach. In 2022, in collaboration with internal and external stakeholders, we launched an initiative to create a more uniform, cross-functional stakeholder engagement process for our teams to follow. We plan to continue the development of the methodology and related tracking systems.

Key Stakeholder Groups

Partners

We have a track record of successful collaboration with non-governmental organizations, industry associations, shipyards, equipment manufacturers, policymakers, academia, international consortiums and others to drive positive change. We believe that by working together to share ideas, best practices and innovations, we can contribute to the systemic change necessary to create a healthier planet, more prosperous communities and a more sustainable world.

Industry Associations and Affiliated Partners

We engage on key topics affecting the global cruise industry with industry organizations such as the Cruise Lines International Association (CLIA) and its regional offices, the Cruise Safety and Sustainability Forum (CSSF) and others. Our work with CLIA involves international, regional, national and local topics, including items related to the International Maritime Organization's (IMO) International Convention for the Prevention of Pollution from Ships (MARPOL). MARPOL addresses the prevention of pollution from ships including GHG emissions, air emissions, sewage, oil and waste. To advance environmental stewardship and the prosperity of the communities we visit, we share best practices to scale our positive efforts and contributions. Through membership in regional organizations like the Association of Arctic Expedition Cruise Operators (AECO) and the International Association of Antarctica Tour Operators (IAATO), we ensure that expedition cruises and tourism in these sensitive areas is carried out with the utmost consideration for the natural environment and local cultures.

We also engage with CLIA Europe specifically on European Union (EU) regulations such as the EU Green Deal — including the "Fit for 55" legislative proposal — and many more. In addition, we partner with key shipyards and equipment partners to improve the design and efficiency of our ships. These include shipyards such as Chantiers de l'Atlantique in France; Meyer Werft in Germany; Meyer Turku Oy in Finland; and Fincantieri S.p.A. in Italy; and technology and equipment partners such as Wärtsilä. Finally, we work with cruise operators, ports, industry associations and maritime forums to research low-carbon solutions for the maritime industry, such as exploring the feasibility of "green corridors" in the Pacific Northwest (see [page 27](#))

Global Alliances

We engage a range of international alliances and advisory groups to help accelerate our sustainability ambitions, particularly our Destination Net Zero targets. These include the Global Maritime Forum's Getting to Zero Coalition and the Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping (see [page 22](#)). We are also a founding member of the IMO's Global Industry Alliance, now known as the IMO GreenVoyage2050 Project.

Academia

Researchers and scientists from leading academic institutions such as the Massachusetts Institute of Technology, the University of Miami, the University of Strathclyde, Aalto University and the World Maritime University play critical roles in our understanding of ocean and climate issues. For example, since the year 2000, the University of Miami's (UM) Rosenstiel School of Marine and Atmospheric Science has operated labs onboard several of our ships. With grants from Royal Caribbean Group, UM's OceanScope program (see [page 56](#)) has been collecting oceanographic, meteorological and atmospheric data important to climate change research using highly sophisticated instruments placed strategically throughout the participating ships.



RENEWING OUR PARTNERSHIP WITH WORLD WILDLIFE FUND

We began partnering with World Wildlife Fund (WWF) in 2016. With WWF's help, we set ambitious and measurable targets to reduce our environmental footprint and support ocean conservation projects around the world. Our two organizations bring different strengths to the table, but together have pushed forward a conservation agenda that requires both parties to listen, appreciate and accommodate each other's unique challenges and perspectives.

After making great strides in the first phase of our partnership, we renewed our partnership for another five years in 2022. In the process, we collaborated on new responsible tourism and sustainable sourcing targets and developed strategies to advance other Royal Caribbean Group initiatives like our Destination Net Zero initiative and Blue Green Promise. Throughout this report, you'll see highlights of our work together demonstrating the breadth of our partnership and our shared impact.

Making Engagement More Meaningful

Productive engagement with stakeholders has always been a Royal Caribbean Group priority. But as we've formalized our ESG objectives and world events have affected our business in profound ways, we've refined our stakeholder engagement process to be even more meaningful and robust.

Stakeholders with advanced knowledge of our business are also key to helping us execute our increasingly ambitious ESG agenda. We regularly engage with a variety of stakeholder groups in the interest of sharing information, gathering feedback and building relationships founded on trust and transparency. Examples of these groups include:

Policymakers

We see policymakers and government officials as partners toward our shared goals. We work with them to increase the amount of shore power at cruise terminals, and we provide input on future policies and regulations. For example, we engaged with the California Air Resources Board to understand the potential for expanding California renewable energy tax credits to make lower-carbon fuels as economically viable as traditional fuels for local maritime use. We also invite regulators at all levels — from municipal to federal — to tour our ships and learn about our environmental, health and safety, and other initiatives.

Destination Communities and Nonprofit Groups

We closely engage with our destination communities, so we can better understand their priorities and meet their long-term economic, environmental and social needs. Ultimately, these communities are our partners, and we want to empower their success, not stand in their way. We also engage organizations critical of the cruise industry, so they understand how we operate when seeking to hold us accountable. By helping all stakeholders understand who we are and what we're about, we believe we can be a catalyst for positive change in our industry.



Our Material Issues

Employee and guest health and safety, GHG emissions and climate strategy are among our stakeholders' top concerns.

Our Approach

We conduct materiality assessments to help us understand which topics are most relevant to our business and stakeholders today and which issues are likely to emerge in the future. This process helps us shape our sustainability strategy, prioritize our actions, determine gaps in our approach, and identify risks and opportunities that impact the long-term health of our business. It also informs the

targets we choose to pursue and how we measure our performance and progress.

Our most recent materiality assessment, conducted in 2021, engaged top Royal Caribbean Group executives, employees, guests, investors, non-governmental organizations, industry peers, suppliers, destination ports, shipyards, academia and other partners. The assessment helped identify key topics we consider material and our highest priority, based

on the deemed level of concern to our stakeholders and the degree of Royal Caribbean Group's environmental, social and economic impacts. Items in bold listed on the table below were identified as increasingly important over the next one to three years.

See Stakeholder Engagement on [page 10](#) for more on our methods of engagement. We plan to conduct a new materiality assessment in 2023.



ENVIRONMENTAL

Critical material topics

- Greenhouse gas emissions and energy
- Climate strategy
- Other air emissions
- Wastewater management

Other material topics

- Waste
- Environmental value chain impact
- Water withdrawal and consumption



SOCIAL

Critical material topics

- Guest safety, health and wellness
- Employee safety, health and wellness
- Ocean stewardship
- Guest satisfaction and experience

Other material topics

- Data privacy and security
- Human rights
- Responsible supply chain practices
- Responsible tourism and destination engagement and impact
- Human capital management



GOVERNANCE

Critical material topics

- Ethics, integrity and compliance
- Risk management

Other material topics

- Board and corporate governance
- Taxes, policy and advocacy

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 Royal Caribbean Group's environmental, social and economic impacts. The results are displayed in table format for easier comprehension.



Our Strategic ESG Framework

We're committed to being a leader in ethical, sustainable and responsible practices in the travel and tourism industry.

In 2021, based on our materiality assessment, we introduced a new strategic framework to better reflect our innovation and leadership in building a more sustainable cruise industry. Linked to our core business strategy, the framework provides a clear, actionable, multi-year roadmap to help strengthen our business, expand and deepen our commitments, and guide our long-term decision making.

Grounded in our values, our ESG framework is embedded in our culture and extends across every part of our operations. Our framework factors in widely adopted external standards such as the United Nations Sustainable Development Goals (SDGs), an ambitious plan to address global challenges and shift the world to a more sustainable and resilient path by 2030, while laying the foundation for our own goals. Learn more about how aspects of our business are aligned with individual SDGs on [page 74](#).

Advance Net Zero Innovation

We're committed to decarbonization through innovation, collaborative partnerships and a transition to cleaner fuels, smarter technologies and improved energy efficiencies.

Champion Communities and the Environment

We invest in our communities to foster culture and inclusive opportunities and protect the environment and ocean health for future generations.

Provide Unforgettable Cruise Experiences

We seek feedback from our guests, employees and communities to inform our practices related to their health, wellbeing, safety and security, so we can continue to deliver unforgettable cruise experiences.

Foster Human Rights and Be an Employer of Choice

We treat our employees, suppliers and the communities in which we operate with dignity and respect.

Govern Responsibly

We take an integrated approach to oversight, risk management and stakeholder engagement and embed appropriate policies and practices for ethics, compliance and data security within our operations.



ADVANCE NET ZERO INNOVATION

- Emissions Reduction
- Climate Strategy



CHAMPION COMMUNITIES AND THE ENVIRONMENT

- Circular Economy
- Water & Wastewater Management
- Destination Stewardship and Community Development
- Responsible Tourism
- Sustainable Sourcing



GOVERN RESPONSIBLY

- Board Oversight
- Ethics, Integrity & Compliance
- Enterprise Risk Management
- Stakeholder Engagement
- Transparency
- Data Security



PROVIDE UNFORGETTABLE CRUISE EXPERIENCE

- Guest Satisfaction
- Guest Health & Wellbeing
- Guest Safety & Security
- Food Quality and Safety



FOSTER HUMAN RIGHTS AND BE AN EMPLOYER OF CHOICE

- Human Rights
- Diversity, Equity & Inclusion
- Employee Health and Wellness



Our ESG Goals

GOAL	TARGET	2022 PROGRESS	STATUS
 EMISSIONS REDUCTION	Achieve net-zero GHG emissions	2050 Began reviewing and evaluating the Science-Based Targets initiative (SBTi) Maritime Sector Decarbonization methodology published in Nov. 2022 and assessing its application in our target-setting practices	Early stages
	Reduce our carbon intensity by double digits from 2019 baseline	2025 - Implemented energy- and fuel-efficiency advancements - Finalized supply chains for new liquefied natural gas-powered ships - New shore power agreements in progress in key destinations, including Galveston and Miami - Continued implementing initiatives for voyage and vessel operational efficiency, underwater hull performance, and energy savings	On track
	Net-zero cruise ship	2035 - Became a strategic partner in the Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping - Joint declaration with the Finnish Government and the Meyer Turku Oy shipyard for maritime green transition - First Movers Commitment for green shipping corridors in Pacific Northwest - OceanLeaf research project for net-zero ship - Renewable diesel pilot in California	Early stages
 WATER AND WASTEWATER MANAGEMENT	Increase or maintain 90% potable water production and reduce potable water bunkering in vulnerable areas	2025 - Produced 94% of freshwater used onboard¹ - Avoided bunkering in water-stressed areas	On track
	100% of fleet equipped with Advanced Wastewater Purification systems	2025 92% equipped	On track
	100% of fleet equipped with IMO and USCG Certified Systems for ballast water	2025 100% equipped with IMO Certified 67% equipped with USCG Certified	On track
WASTE MANAGEMENT	Reduce solid waste offloaded to landfill by 90% from the 2007 baseline	2025 - Reached 91% reduction from 2007 baseline - Expanded use of green hubs for recycling, reuse or energy recapture	Complete
CIRCULAR ECONOMY	Reduce 100% of single-use plastic	2025 60% reduction - Launched phase three of our initiative after returning to full service	On track

¹For Celebrity Cruises and Royal Caribbean International only. Silversea Cruises will integrate in the near future.



Our ESG Goals (continued)

GOAL		TARGET	2022 PROGRESS	STATUS
SUSTAINABLE SOURCING	Source 100% cage-free eggs globally	2025	• 52% sourced	On track
	Source 100% of chicken for U.S. operations from Global Animal Partnership Certified suppliers	2025	• 20% sourced	On track
	Source 100% gestation-crate-free pork globally	2025	• 15% sourced	On track
	Source 90% Marine Stewardship Council (MSC) certified wild-caught seafood and source 75% Aquaculture Stewardship Council (ASC) certified farm-raised seafood.	2025	• 83% of MSC certified wild-caught seafood sourced and 75% of ASC certified farm-raised seafood sourced	On track
	Obtain MSC and ASC chain of custody certification for our ships	2023	• Work conducted to develop chain of custody certification	On track
DESTINATION STEWARDSHIP AND COMMUNITY DEVELOPMENT	Advance destination stewardship and community development through partnerships, initiatives and responsible practices	2026	• Held multi-stakeholder workshop to identify key areas of impact	Early stages
RESPONSIBLE TOURISM	60% certification of RCG global tours to GSTC standards	2026	• Joint work with teams to develop 2026 target • 39% of tours certified as of end-of-year 2022	On track
	Support sustainable and resilient ocean communities , employee engagement and volunteering through the implementation of our Blue Green Promise SM	2024	• Implemented cultural and historical education activities for guests with local community participation in Labadee, Haiti • Implemented environmental improvements supporting conservation and efficiency at Perfect Day at CocoCay and Labadee sites • Supported student development through mentoring programs in South Florida — including Kids and the Power of Work (KAPOW) and Big Brothers Big Sisters — and our STEM for Oceans program in the Caribbean	Early stages
 DIVERSITY, EQUITY AND INCLUSION	Form an Executive Diversity Council , chaired by CEO	2023	• Council formed in 2022 (ahead of schedule)	Complete
	Review gender pay equity annually for all global employees, including shipboard crew	2024	• U.S. shoreside review completed	On track
	Implement program to foster an inclusive and diverse supply chain through our procurement process	2024	• Enhanced our supplier web portal to more accurately capture supplier classifications	Early stages
HUMAN RIGHTS	Publish updated human rights policy and conduct human rights impact assessments	2025	• Engaged with strategic partner and internal stakeholders; began developing roadmap for 2025 completion	On track
 ENTERPRISE RISK MANAGEMENT	Integrate ESG risks into enterprise risk management system	2023	• Started evaluating ESG risk priority areas • Mapped climate risks to risk owners and began assessing current and emerging risks to develop action plan	Early stages
TRANSPARENCY	Increase auditability of ESG data and improve climate-related disclosures	2026	• Increased number of 3rd-party verified metrics from 2021 ESG report • Developed company's first TCFD report, published in 2023	On track

For more details on our Key Performance Indicators for these and other topics, see [page 69](#).



Environment

Through our actions on climate, water, waste and more, Royal Caribbean Group is helping lead the way to a more sustainable cruise industry.

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- 31 Waste Management

Our journey to reduce our environmental footprint began more than 30 years ago with the introduction of Save the Waves. Originally a waste recycling program, the initiative grew into a company-wide approach to embedding environmental sustainability into the bedrock of the company's culture. Over the ensuing three decades, protecting the planet's finite natural resources evolved organically from a choice to a way of life for our company and employees.

To meet the urgency and scale of the world's environmental challenges, we must accelerate our pace. There's no time to waste. Climate change and environmental degradation are altering the ocean's chemistry and disrupting the marine environment, putting ecosystems, livelihoods and oceanside communities at risk. A changing climate could impact Royal Caribbean Group's operations and performance. Potential risks to our business from extreme weather events include higher operational costs, itinerary disruptions, increased climate regulations and the possibility that certain destinations could become less desirable or unavailable.

Ensuring the health of our oceans and planet requires continual, collective action. We're responding by accelerating our ongoing decarbonization strategies, embracing the opportunity to achieve net-zero emissions by 2050 and innovating with our partners to build a more sustainable cruise industry.

In 2022, we built on the Destination Net Zero vision we announced in late 2021. This year, we focused on operationalizing our strategy by developing a carbon reduction roadmap that covers energy and fuel efficiency, alternative fuels and technologies, and renewable energy sourcing. In the process, we amplified our partnerships, committing to new strategic collaborations and investments to catalyze zero-carbon innovation in the maritime sector.

To ensure the health and vitality of our oceans for generations to come, we also continued to develop new targets and technologies to help us conserve water, minimize waste and use other resources as efficiently as possible in the day-to-day operation of our ships. Currently, 48 of the 52 ships from our wholly owned brands are certified ISO 14001 for environmental management.²



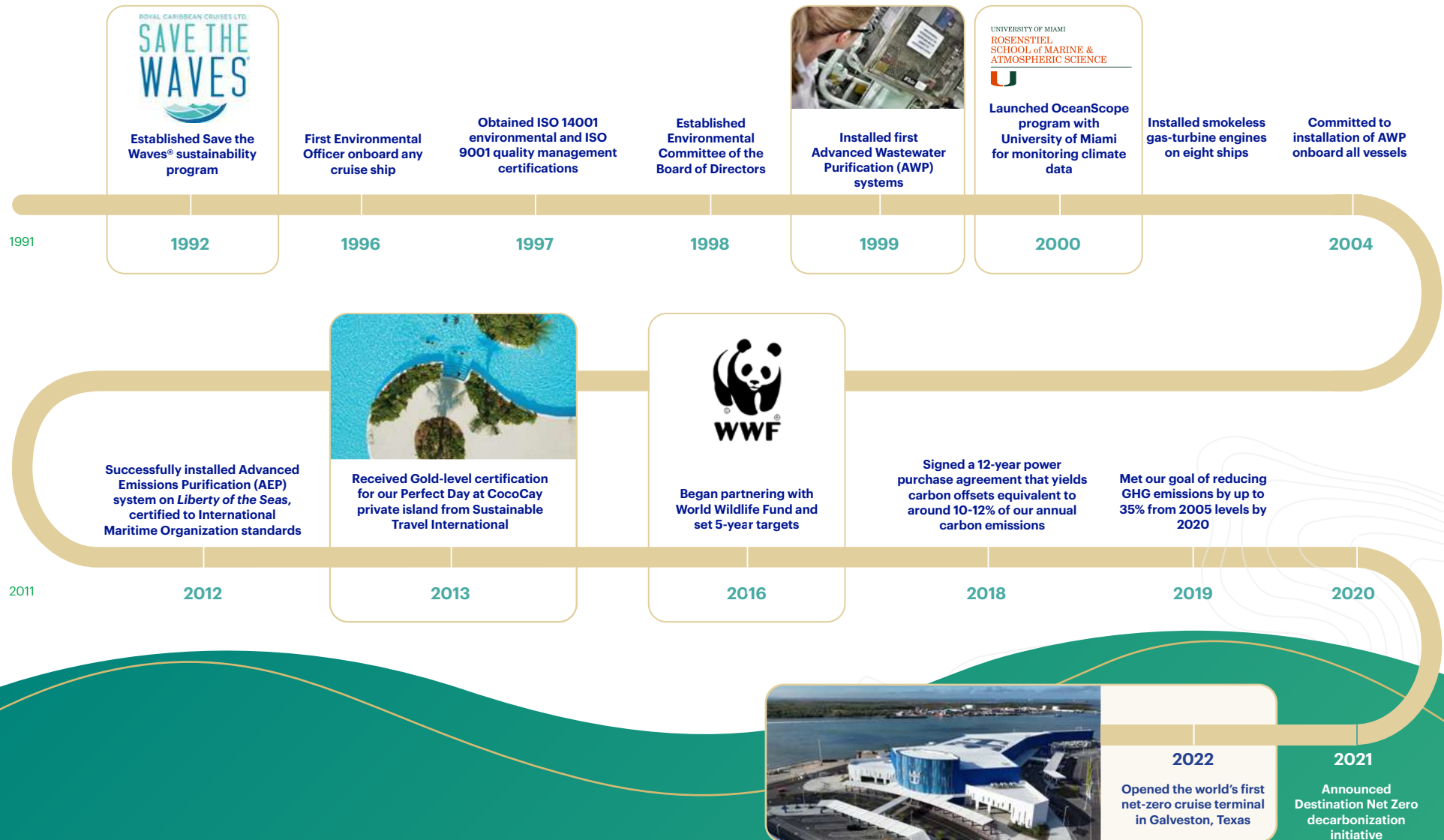
Read our [fact sheets](#) for more on our environmental practices.

² Ten Silversea ships obtained ISO 14001 certification in January 2023. The remaining four ships without ISO 14001 certification operate in the Galápagos and maintain the national park's certification.



Our Voyage to a More Sustainable Future

Over the past 30 years, we have increasingly strengthened our commitments and actions to reduce our environmental impact.



Advancing Net Zero Innovation

We're on a journey to achieve net-zero emissions by 2050.

GOAL	2022 PROGRESS
Achieve net-zero emissions by 2050	Began reviewing and evaluating the Science-Based Targets initiative (SBTi) Maritime Sector Decarbonization methodology published in Nov. 2022 and assessing its application in our target-setting practices
Reduce our carbon intensity by double digits from 2019 baseline by 2025	- Implemented energy- and fuel-efficiency advancements - Finalized supply chains for new liquefied natural gas-powered ships - New shore power agreements in progress in key destinations, including Galveston and Miami - Continued implementing initiatives for voyage and vessel operational efficiency, underwater hull performance, and energy savings
Deliver a net-zero cruise ship by 2035	- Became a strategic partner in the Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping - Joint declaration with the Finnish Government and the Meyer Turku Oy shipyard for maritime green transition - First Movers Commitment for green shipping corridors in Pacific Northwest - OceanLeaf research project for net-zero ship - Renewable diesel pilot in California



In October 2021, we announced a giant step on our sustainability journey with Destination Net Zero, our initiative to achieve net-zero carbon emissions by 2050.

Building on the progress we've already made in reducing our carbon footprint, the initiative lays out a pathway to reduce greenhouse gas (GHG) emissions, protect our oceans and ensure the viability of the destinations our guests and employees care deeply about. It's also a critical step in holding ourselves accountable to our goals and commitments as we invest in the technology and innovation necessary to achieve emissions-free cruising.

Our Pathway to Decarbonization

Our goal to reach net-zero emissions requires us to set a range of short-, medium- and long-term targets, with many milestones, strategies and investments to drive our progress at every stage. In 2022, we mobilized across the organization to develop a comprehensive carbon reduction roadmap for the next five years.

The roadmap focuses on four main areas:

- Advancements in energy and fuel efficiency
- The development of low-carbon fuels and sustainable technologies
- The pursuit of alternative energy sources
- Supplier engagement to shift to low-carbon processes

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There is no silver bullet to decarbonizing shipping or achieving low emissions. We are exploring all possible avenues and partnering with world-leading expertise on our journey to net zero.

— **HARRI KULOVAARA**,
Executive Vice President Maritime,
Royal Caribbean Group

The roadmap is rigorous and data driven, with tools, processes and policies currently known and available — both in our ships' operation and in how we measure our progress.

By following this roadmap, we expect to reduce our carbon intensity — which measures our ships' operational efficiency in kilograms of GHG emissions per gross tonnage distance traveled (in GT-NM) — by double digits by 2025 from a 2019 baseline. We also aim to level off, and potentially reduce, our absolute emissions in the near term, even as our organization grows. As alternative, lower-carbon fuels become more widely available and economically viable, we will assess the opportunity to set even more aggressive carbon reduction targets. We will continue to rely on the latest climate science for these targets as we accelerate toward our net-zero pledge.





Partnerships and Alliances

Achieving net zero by 2050 requires widespread collaboration, as no one company can do it alone. To achieve our objectives, we're forging strong partnerships with shipyards, governments, suppliers, academia and industry associations to develop zero-carbon technologies and solutions.

This includes joining alongside 230 other signatories in the Getting to Zero Coalition's [Call to Action](#), which calls on governments and industry to work together to decarbonize international shipping. In 2022, we entered into a formal partnership with the [Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping](#) and signed a maritime declaration with the public/private pairing of the [Finnish Government and shipyard Meyer Turku Oy](#). We're also on the board of [Ocean Exchange](#), a global ecosystem of innovators that seek to accelerate the adoption of breakthrough solutions for healthier oceans.

We continue to partner closely with [WWF](#) to refine our GHG emissions reduction targets and develop climate change strategies. The collaboration has generated valuable insights on the challenges and opportunities associated with the target-setting process. Royal Caribbean Group also participates in WWF's Climate Business Network, which allows us to collaborate with other WWF partner companies across the world to gain the knowledge and guidance needed to take credible climate action.

We believe our industry can be a powerful collective force to drive demand and incentivize these types of innovations. To help advance this process, we're also engaging with policymakers and international bodies like the [International Maritime Organization](#) to call for consistent standards and collaboration that will help us accelerate progress together.

See our ESG Governance section on page 63 to learn about our approach to Destination Net Zero governance.



Royal Caribbean Group provides unparalleled capabilities and insights to the decarbonization agenda. We welcome them onboard and look very much forward to the collaboration.

BO CERUP-SIMONSEN

CEO, Mærsk Mc-Kinney Møller
Center for Zero Carbon Shipping

COLLABORATING TO ADVANCE ZERO-CARBON SOLUTIONS

In 2022, we accelerated our commitment to climate action by signing a partnership agreement with the [Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping](#). With the agreement, we committed to a long-term strategic collaboration to develop zero carbon technologies and solutions for the maritime industry.

Leveraging our long history of innovation, we plan to share knowledge, drive innovation and participate in projects in areas related to ship design, emissions management, energy-efficient design and operation, and safety. We've also agreed to make our ships available to test promising low-carbon technologies, although the details have yet to be defined.

Our independent frameworks reflect similar visions. The Center's [Maritime Decarbonization Strategy 2022](#) outlines the actions the industry must take to meet the objectives of the Paris Agreement, including elevating energy efficiency, enabling alternative fuel pathways, and incentivizing emissions reduction through aggressive industry targets and regulatory reform.

We expect our collaborations to help us make significant gains in our pursuit of our net-zero targets. For example, the knowledge pooled by the Mærsk Mc-Kinney Møller Center includes the current readiness of a variety of [alternative fuel pathways](#), including feedstock availability, fuel production, fuel storage and logistics, onboard energy storage and fuel conversion, and vessel emissions — all critical elements in our pursuit of progress.



Our Journey to Destination Net ZeroSM

A giant step in our sustainability journey, Destination Net Zero is our initiative to achieve net-zero carbon emissions by 2050. Here's how we plan to do it.

Key Milestones

2025

By 2025, reduce our carbon intensity by double digits from a 2019 baseline

2035

By 2035, deliver a net-zero-emissions cruise ship

2050

By 2050, achieve net-zero emissions

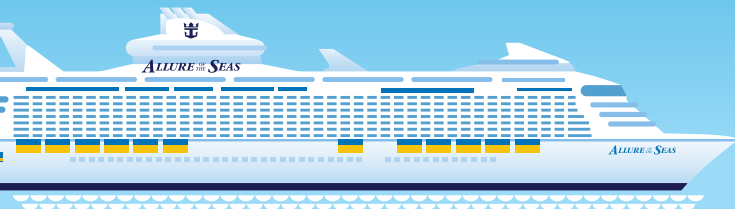
Continually Improve Energy and Fuel Efficiency

Energy-efficiency retrofits on existing ships

Route, voyage and hull performance optimization

Efficiency gains in design/build of new ships

Smart itinerary planning



Pursue Alternative Energy Sources

Shore power development

Onsite renewable energy

Renewable electricity certificates and other offsets



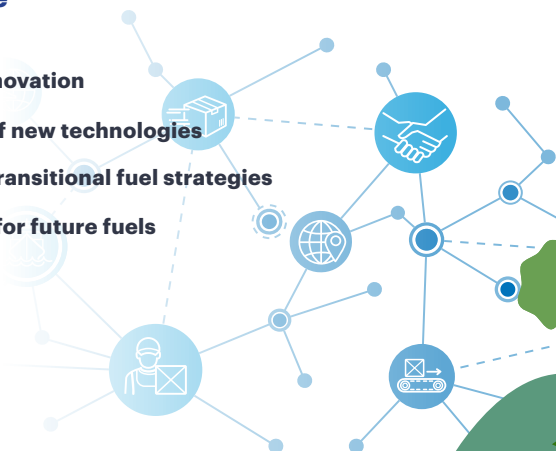
Transition to Alternative Fuels and Technologies

Partnerships to advance innovation

Piloting and development of new technologies

Alternative fuel pilots and transitional fuel strategies

Supply chain development for future fuels

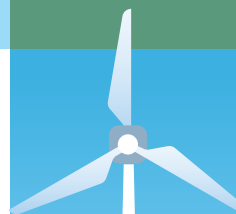


Engage Suppliers and Partners to Advance Our Carbon Goals

Engage suppliers in emissions reduction opportunities

Collaborate with suppliers on lowering emissions

Source from local suppliers



Energy Use and Air Emissions

Our climate strategies include a relentless focus on energy and fuel efficiency, advancements in ship design and collaborating on the development of alternative fuels.

The fuel consumed by our ships represents a significant portion of our total GHG emissions. That's why for decades we have pursued more fuel-efficient engines, energy-efficiency initiatives and advancements in ship design.

With Destination Net Zero, we've developed a more robust roadmap to further reduce emissions and air pollution using every tool at our disposal. Our biggest challenge — and our most promising long-term opportunity — is in transitioning to alternative fuels and energy solutions. At the same time, we're also amplifying our commitment to energy and fuel efficiency and alternative energy sourcing in our tenacious pursuit of a low-carbon future.



[Download our Energy Use and Air Emissions fact sheet.](#)

OUR GHG EMISSIONS

Royal Caribbean Group experienced a significant drop in direct (Scope 1) and indirect (Scope 2) emissions in 2020 and 2021 due to our suspension of global cruise operations in response to the COVID-19 outbreak. Our 2019 and 2022 emissions more accurately reflect our "business as usual" year-over-year performance.

In 2022, we inventoried our Scope 3 emissions for 2019 to capture pre-pandemic emissions outside of our direct physical footprint. 2019 offers a more accurate representation of our typical emissions than the COVID-affected 2020 and 2021. The results of this work established our baseline of 4,800,446 metric tonnes CO₂e. This is a crucial first step in our commitment to reduce emissions throughout our supply chain. We plan to calculate Scope 3 emissions for 2023 and beyond.

OUR GHG EMISSIONS	2022	2021	2020	2019
Total GHG emissions (metric tonnes CO ₂ e) using location-based Scope 2	4,989,942	2,590,041	2,502,145	4,834,768
Scope 1	4,979,842	2,579,274	2,493,580	4,820,278
Scope 2 (location-based)	10,100	10,767	8,565	14,490
Scope 2 (market-based)	10,167	10,900	8,690	15,251

CARBON INTENSITY

We're committed to reducing our carbon intensity by double digits by 2025 from a 2019 baseline. Our carbon intensity is calculated in kilograms of GHG emissions per gross tonnage distance traveled (in GT-NM). Our intensity increased from 2019 to 2020 due to suspending our operations for COVID-19 — resulting in a dramatic drop in our annual distance traveled — while still needing to maintain operations that use energy and produce emissions.

[See our Performance Tables on page 69 for more on our GHG and other air emissions.](#)



Elevating Energy and Fuel Efficiency

We challenge ourselves to enhance the energy efficiency of our fleet each year. Thanks to our culture of continuous improvement, each new class of Royal Caribbean Group ships is significantly more efficient than its predecessor class. With Destination Net Zero, we're making energy and fuel efficiency an even bigger priority, as we look to squeeze every ounce of efficiency out of our ships' operation.

Equipment and Design Solutions

- **Energy-efficient equipment:** We retrofit our existing fleet with a wide range of proven energy-saving technologies, including highly efficient AC chillers and HVAC automation systems. We use data and pilot programs to test, qualify and roll out applicable technologies to the fleet. These technologies are optimized through advanced digital and data analytics platforms, which help us benchmark and understand energy consumption at the equipment level for both propulsion and service power. We have completed over 500 energy-efficiency retrofit projects to date, including roughly 15 in 2022, with another 400-plus matured projects in the pipeline through 2027. We're also constantly pursuing new innovative solutions alongside our industry partners and knowledge experts.
- **New-build innovations:** Our newer ships showcase the latest in energy-efficient engine and equipment designs — and we're scaling up our ambitions even more for future new builds. Lessons learned and best practices are constantly exchanged between our operations and new builds teams. In 2022, our new builds achieved an average Energy Efficient Design Index (EEDI) rating approximately 40% better than the IMO's 2023 phase requirement, which called for a 30% reduction in carbon intensity from a 2008 baseline.

Data-Driven and Operational Solutions

- **Route optimization:** We use predictive analytics to determine the most energy- and fuel-efficient routes for our cruises, taking both external and internal ship factors into account. These include forecasted wind, wave height and currents; minimum depth; vessel draft; and the need to meet environmental regulations and avoid restricted and sensitive areas.

- **Onboard trim, speed and engine load optimizer:**

Our real-time data analytics platforms use ship-specific propulsion models and forecasted weather conditions to constantly advise the ship on ways to save energy.

- **Vessel operations optimization:** Operational data is collected remotely, normalized and benchmarked against the optimal and/or baseline performance to ensure our ships are operating as designed and meeting our energy-saving targets.

- **Advanced hull performance:** Data-driven analysis of our ships' hull and propeller performance helps us choose the optimal hull designs to efficiently propel our ships. We factor in elements like hull surface preparation at the drydock, hull coatings and technologies, and maintenance and inspection cadence.

- **Smart deployment and itinerary planning:** We deploy tools to help our planning teams understand the fuel usage and carbon impact of different itinerary choices. For example, by leaving earlier or arriving later, our ships can travel slower between ports, saving fuel and associated emissions.

The Next Generation in Efficient Cruising

Our latest ships continue to set new standards for energy and fuel efficiency. Launched in 2022, Royal Caribbean International's *Wonder of the Seas* has been fine-tuned to glide through the water thanks to an air lubrication system on the hull that uses millions of microscopic bubbles to reduce drag. The ship also uses heat waste from the engines to power an onboard turbine that can supply up to 15% of the hotel's power load.

Royal Caribbean International's *Icon of the Seas* will up the ante even further upon its release in 2024. In addition to its liquefied natural gas (LNG)-powered engine and fuel cell system, the ship will feature a robotic hull cleaner that removes debris and slime when the ship is docked in port, preventing an increase in drag. *Icon of the Seas* will also feature an "eco-mode" function that can automatically power down energy sources when passengers go ashore. Power in individual cabins can turn back on when passengers scan their SeaPass cruise card upon returning to the ship.

AN EFFICIENT SILVER LINING

When we suspended cruise operations during the COVID-19 pandemic, we moved to cut energy use on our ships to the absolute minimum. Reduction strategies included monitoring shipboard energy data to determine which equipment can be turned off or run at lower capacity during down periods; testing optimal speed, auxiliary power and engine usage for peak efficiency when moving crew or supplies or while idle; revising our service load baselines to monitor and track energy deviations; and accelerating our data analytics to improve our dashboarding and monitoring.

While we put some of our ships in dry dock, others remained at anchorage or operated with a scaled-back crew in port. We also used the layup period to evaluate new technologies and experiment with different power delivery systems.

Upon our return to full service, we launched Project Enhance for the operational fleet, a program designed to revive, reconnect and rejuvenate fleet energy efficiency. The objective was to bring the fleet's efficiency back to where it had been pre-pandemic. Project Enhance has performed beyond expectations, with teams advancing several of the digital tools and programs to make our ships even more energy efficient than they were before.

REDUCING EMISSIONS WITH ABATEMENT TECHNOLOGIES

To help mitigate emissions from our fuels and reduce related air and wash water pollution, we invest in and develop state of the art emissions abatement technologies. As of the end of 2022, 69% of our ships had been equipped with Advanced Emissions Purification (AEP) systems — often referred to as scrubbers — which remove approximately 98% of sulfur dioxides, 40% to 60% of total particulate matter, and up to 12% of nitrogen oxides from our air emissions. These hybrid systems can operate in an open or closed loop, depending on the requirements and rules of the geographical location. Nine of our ships had also been equipped with Selective Catalytic Reduction (SCR) systems, which reduce nitrogen oxides greater than 90%. All new builds will contain SCR systems.



See our [Energy Use and Air Emissions](#) fact sheet for more.

Transitioning to Low-Carbon Fuels and Technologies

Transitioning to alternative, low-carbon fuels and technologies is the linchpin of our long-term decarbonization strategy. Our teams are laying the groundwork for these future fuels now, including piloting the most promising short-term solutions, building alternative fuel supply chains and engaging in partnerships to advance the industry as a whole.

It's important to acknowledge that there is no miracle fuel on the horizon, and that no individual company can do it alone. Many alternative fuels and technologies are still in the development phase, and our pace is limited by their availability. We believe transportation companies will rely on a wide mix of lower carbon fuels in the future. To prepare, we're testing and future-proofing our new builds with fuel flexibility, so we can easily ramp up to the fuels that best meet our needs when they're available.

LNG-Powered Ships

We continue making progress on our plan to deliver new ships powered by a range of sustainable power sources like dual-fuel LNG engines, hydrogen-based fuel cells and battery technology. Leading the way on our transition to alternative fuels is LNG, the cleanest burning fossil fuel currently available.³ LNG-powered engines provide the best solution to future-proof our newbuilds as lower-emissions alternatives become commercially viable during the lifespan of the ship.

In 2022, we finalized the LNG supply chain for our first three LNG-powered ships: Silversea's *Silver Nova*, which debuts in 2023, and Royal Caribbean International's *Icon of the Seas* and *Utopia of the Seas*, both debuting in 2024 (see Sustainable Sourcing on [page 36](#) for more.) Two additional Royal Caribbean Group ships with LNG engines are currently on order for 2026.

LNG also supports pioneering technologies, such as fuel cells, that we're exploring for select ships. We anticipate that fuel cell systems and battery technology can help supplement some of the main energy supply needed to run our ships.

Two promising fuel cell systems are under development between multiple manufacturers, shipyards and Royal Caribbean Group. This complex and cutting-edge undertaking changes how energy traditionally has been generated and distributed onboard cruise ships. The task has been formidable, especially given the operational, testing and regulatory challenges involved in this type of innovation. With our partners, we are developing a fuel cell application for *Icon of the Seas* and *Silver Nova* that will be at a smaller scale to start, but as we conquer challenges with these alternative technologies, we plan to deploy more advanced fuel cell systems on future ships.

Preparing for Next-Generation Fuels

In late 2022, Royal Caribbean International's *Navigator of the Seas* became the first major cruise ship to sail from a U.S. port using renewable diesel to meet part of its fuel needs. Made from renewable raw materials like feedstocks, waste oil and unusable animal fats, the fuel emits less carbon than traditional marine fuels. Yet the production process makes the fuel molecularly identical to traditional marine gas oil — creating a "drop in" fuel that we can safely use with our ships' existing engines.

We plan to evaluate the feasibility of this lower-carbon fuel for long-term use, with ambitions to expand its usage to other ships across the fleet.

We also took our first step on a methanol-fueled pathway in 2022, making the decision to equip our future Celebrity Edge-class new build (2025 delivery) with newly developed tri-fuel engines with the ability to burn methanol. Together with methanol-ready fuel storage and delivery systems, this will give the ship unmatched fuel flexibility and ensure that we are ready to adapt and drive towards a more sustainable way of sailing as alternative, low-carbon solutions become more viable.

FIRST TO USE RENEWABLE DIESEL

Royal Caribbean International's *Navigator of the Seas* was the first major cruise ship to sail from a U.S. port using renewable diesel for part of its fuel needs.

³Switching from heavy fuel oil to LNG can reduce GHG emissions by up to 22% when including anticipated reductions of methane slip in the supply chain and improvements to combustion by 2030, according to the 2021 Sphera study "2nd Life Cycle GHG Emission Study on the Use of LNG as Marine Fuel." LNG also removes more than 90% of our ships' local emissions (sulfur oxides, nitrogen oxides, and particulate matter) while at port.





OceanLeaf Research Project for Net-Zero Cruise Ship

Building a net-zero cruise ship by 2035 is one of our most significant Destination Net Zero targets. In 2022, Royal Caribbean Group completed a joint development study called OceanLeaf with key partners Chantier de L'Atlantique and DNV to assess potential technologies and strategies for a net-zero ship concept. The project — which brought together experts in ship design/naval architecture, fuel systems, safety, rules and regulation — delivered three “future-proof” concept designs with the potential for delivery between 2030 and 2035.

The group considered alternative fuels LNG, methanol and ammonia for the concepts, with the goal of achieving net-zero GHG emissions for all ship operations and operating without emitting air pollutants such as sulfur dioxides and nitrogen oxides. The OceanLeaf project was an important step for Royal Caribbean Group, as we continue to explore all the viable pathways that can get us closer to zero carbon shipping.

Pursuing Alternative Energy Sources

In addition to pursuing energy efficiency and future fuels, we're scaling up our use of renewable energy to meet our Destination Net Zero targets. The use of renewable energy can help reduce or offset the emissions of our shoreside operations and can even help power our ships in some circumstances.

Enabling Shore Power

Royal Caribbean Group is committed to improving air quality and reducing GHG emissions by enabling shore power as an alternative energy source for our ships. Cruise ships traditionally run off their diesel auxiliary engines while at port. Shore power allows cruise ships to “plug into” to electricity at the port, so that the engines do not need to operate when the ship is embarking and disembarking passengers or loading supplies. Depending on the location and regional energy mix, local power grids may use a mix of renewable energy sources in addition to fossil fuels, potentially reducing our emissions.

Enabling shore power is complicated. Ports must build shore-power-ready terminals — which few have to date — while our ships must be equipped to use the power provided. On our end, 20 Royal Caribbean Group ships were equipped to use shore power by the end of 2022, with additional retrofits on the way as more ports add shore power capabilities. All new builds will have shore power connections. This includes ships owned by our joint ventures.

We frequently advocate for shore power when interacting with ports, such as working with the PortMiami in 2021 to begin construction on a shore-power-ready terminal for Royal Caribbean Group ships. In late 2022, we signed an agreement to help bring similar shore power capabilities to the Port of Galveston, Texas. The agreement gives Royal Caribbean International's *Allure of the Seas* shore power priority at the port once it becomes available.

We're also looking at alternative power options beyond the ports themselves. For example, we signed a 2022 memorandum of understanding with Shell to build a power barge fueled by renewable fuel cells. Rather than drawing power from the shoreside port terminal itself, the barge would essentially create our own floating source of energy.

PARTNERING TO EXPLORE ZERO-CARBON SHIPPING CORRIDORS

In 2022, we joined ports, industry, governments and decarbonization experts to explore the feasibility of the world's first cruise-led “green corridor” in the Pacific Northwest. A green corridor is a maritime route where zero GHG emission solutions are supported and enabled through technological, economic and regulatory collaboration. The project is aimed at accelerating the deployment of zero GHG emissions ships and operations between Alaska, British Columbia and Washington.

In 2021, the United States, Canada and 22 other countries signed the Clydebank Declaration to support the establishment of six green corridors by 2025. Our green corridors partnership — known as the First Movers Commitment — sets us on a path to collaborate, define and implement the optimum pathway for cruise corridors starting in the Pacific Northwest. The First Movers commitment is unique in that it focuses on cruise shipping in a regional market, rather than optimizing two or three ports (a corridor) on a global route.

In addition to further defining the scope and application of the green corridor concept, First Mover partners are also committed to enhancing and supporting each other's current emissions-reduction efforts and using the green corridor as a testbed for low- and zero GHG technologies and ships.

The First Mover Commitment in the Pacific Northwest is a demonstration of the collaboration and innovation needed between ports and the cruise industry to achieve our shared goals.

KELLY CRAIGHEAD

President and CEO of Cruise Lines International Association

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It has been a pleasure working with Royal Caribbean Group and Chantiers de l'Atlantique on this project. Combining our expertise to come up with tangible and practical solutions for future cruise ships using alternative and emerging fuels has never been more important.”

PAAL JOHANSEN

Senior Vice President and Global Cruise Ship Director, DNV



equipped to use shore power by the end of 2022, with many more on deck.

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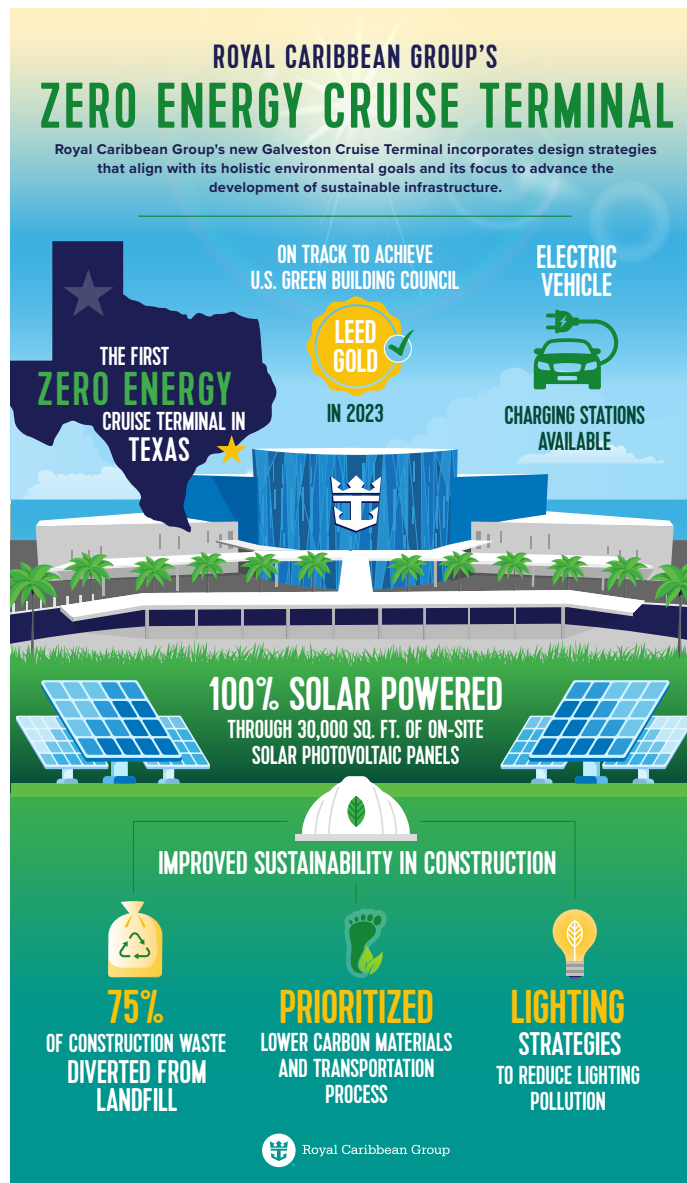
First Net-Zero Cruise Terminal

In addition to pursuing net-zero cruise ships, we're also pursuing LEED Zero Energy certification for some of our shoreside operations. This includes the use of onsite renewable energy at select locations. For example, our Port of Galveston terminal, which opened in late 2022, is the first cruise terminal in the world to generate 100% of its needed energy through onsite solar power. The terminal relies on 30,000 square feet of photovoltaic solar panels to create a net-zero energy balance. This is based on the quantity of renewable energy produced that displaces non-renewable energy on the grid.

Our fourth LEED-certified facility and our first Gold certified — with certification to be granted in 2023 — the Galveston terminal also features several design strategies aligned with our holistic environmental goals and commitment to sustainable infrastructure. The builders prioritized materials with a smaller carbon impact while diverting 75% of the project's waste from landfill. The terminal also boasts bicycle facilities and electric charging stations, promoting alternative means of transportation for guests and staff and reducing transportation-related carbon emissions.

Offsetting Emissions with Renewable Energy

We remain committed to our partnership with a 62-turbine wind power facility in Reading, Kansas, to partially offset our GHG emissions. We signed a 12-year power purchase agreement with the facility in 2018, which began commercial operations in May of 2020 with the goal of producing offsets equal to 10% to 12% of our annual emissions. The partnership has on average generated approximately 465,000 tons of carbon offset credits annually, which represents roughly 10% of our carbon emissions output during a normal operational year.



PARTNERING WITH CLIA AND INDUSTRY PARTNERS ON A MORE SUITABLE CARBON REDUCTION METRIC

The International Maritime Organization (IMO) has adopted ambitious targets to reduce GHG emissions from shipping, including a goal to cut the carbon intensity of all ships by at least 40% by 2030. While we support strong collective action, we believe the IMO methodology used to calculate carbon intensity is not appropriate for the cruise industry operations profile. In response, we're partnering with the Cruise Lines International Association (CLIA) to develop a cruise-specific methodology for decarbonization that levels the playing field.

The IMO's Annual Carbon Intensity Indicator (CII) ratio rewards shipping companies that emit the least amount of carbon from point A to B. The standard is applicable to every ship sailing the global oceans above a given gross tonnage. But cruise ships operate differently than traditional cargo ships. Our ships spend over 20% of their time at port annually, where they traditionally draw power from our diesel engines. Because we're not adding distance while at port, our CII ratio increases, which may bring us out of compliance with the IMO targets in some cases.

The formula also can produce negative incentives by encouraging ships to travel longer distances — thus decreasing the ratio while increasing absolute emissions. We're committed to meeting international decarbonization standards, but we also believe the standards should not be one-size-fits-all. In partnership with the CLIA, we're developing a new methodology to mitigate the difference between cargo and cruise lines while still helping the cruise industry meet the IMO's short-term decarbonization goals.

Breaking New Ground in Sustainable Shipbuilding

The carbon footprint of cruising includes not just the operation of our ships, but also the carbon impact of the materials, energy and techniques used to build them. In 2022, we entered the development phase of a new project to ascertain how we can construct ships more sustainably. The project goals include creating a new industry standard for low-carbon ship construction.

Initially we planned to follow systems such as the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) framework, which is used to help construct sustainable buildings on land. However, we soon realized that what happens on land cannot always be easily transferred to the sea. So, we set that aside and started working on a new system in collaboration with our major shipyard partners.

Phase one of the project is to work with shipyards to identify the baseline emissions from new builds and set targets for improvement. The second phase will factor in the carbon impact of building materials, so we can identify suppliers who produce lower-emissions steel and greener individual components.

Thanks to hard work from our teams and an enthusiastic response from shipyards, we've already made good progress on the baseline and framework for Royal Caribbean International's *Icon of the Seas*, which will launch in 2024. If testing goes well on *Icon of the Seas*, we expect to create formal guidelines, develop a verification process and test the framework on two or three additional new builds before adopting it on a large-scale basis.

We believe the framework could play a valuable role in helping us reduce Scope 3 emissions — and potentially serve as a universal framework for other companies in the cruise and shipping industries.

Charting a Course for Net-Zero Cruising

In late December 2022, we signed a maritime declaration with the Finnish government and the Meyer Turku Oy shipyard to chart a path for innovative and sustainable shipbuilding in Finland. The commitment is set to advance innovation, strengthen our competitiveness and bolster the maritime industry's ecosystem. The declaration announces several actions, including preparing a plan to produce net-zero ships in Finland; collaborating to curb economic challenges and secure the long-term viability of the maritime industry; and piloting and testing new innovations and technologies on Royal Caribbean Group ships.

**BUILDING
SUSTAINABLY**

We're partnering to create a new framework for sustainable ship construction akin to the LEED land-based guidelines.



Water and Wastewater Management

Water is a precious resource, both on our ship and off. We go to great lengths to ensure it's used efficiently.

GOAL	2022 PROGRESS
Increase or maintain 90% potable water production and reduce potable water bunkering in vulnerable areas by 2025	- Produced 94% of freshwater used onboard⁴ - Avoided bunkering in water-stressed areas
Equip 100% of fleet with Advanced Wastewater Purification systems by 2025	92% equipped
Equip 100% of our fleet with IMO and USCG Certified Systems for ballast water by 2025	100% equipped with IMO Certified 67% equipped with USCG Certified



On a ship, water is always top of mind. We must have a sustainable supply of freshwater for our guests and crew, while also being mindful of the water we discharge into the oceans.

Our water strategy is three-fold:

1. Conserve water as much as possible.
2. Produce most of the freshwater we need onboard.
3. Safely treat the water we discharge.

Water Conservation

We take steps to reduce water consumption on our ships using tools like aerators, low-flow showerheads, and reduced-flow dishwashers and laundry equipment. Aerators, for example, use air to create water pressure rather than forcing water out at high volumes, allowing our guests to shower comfortably while reducing overall water use. We also employ creative solutions, such as repurposing the condensation produced by our air-conditioning units for our laundry system.

Our crew is trained to conserve water on our ships, and we encourage our guests to do the same. Guests, for example, can save water by reusing towels, linens and sheets.

At our Perfect Day at CocoCay private destination, we reuse water from our wastewater treatment system to irrigate our landscaping. We also use Defender filters in our pools, which require much less water for operation than sand or paper filters.

Onboard Freshwater Production

Royal Caribbean Group ships produce 94% of the freshwater used on board via steam evaporation or reverse osmosis desalination systems. This water is used for drinking, showers, sinks, toilets, kitchen galleys, pools, technical machinery and spas. While we do occasionally need to bunker water — the term for loading locally sourced freshwater onto a ship in port — we avoid or reduce bunkering in areas facing water shortages.⁵

Wastewater Treatment

Our policy is to have no untreated wastewater on our ships go overboard. All our ships are equipped with wastewater treatment plants that take all international and maritime standards and law into account, and in many cases go above and beyond what's mandated by law.

As of 2022, 92% of our ships were equipped with Advanced Wastewater Purification (AWP) systems. These systems treat sewage and graywater — including water from sinks, showers and kitchen galleys — to standards twice as stringent as U.S. federal standards. We test this water effluent daily to ensure we're compliant with regulatory and Royal Caribbean Group standards. The results are verified by a third party every quarter to further validate our compliance.⁴ We're committed to equipping 100% of our fleet with AWP systems by 2025.

Treated wastewater from our AWP systems is discharged beyond three nautical miles from nearest land. All other treated wastewater and graywater is discharged a minimum of 12 nautical miles from land, compared with the three nautical miles required by applicable laws.

Ships that operate in the Baltic Sea are subject to stricter wastewater guidelines. In 2022, we upgraded Celebrity Cruises' *Celebrity Silhouette* and Royal Caribbean International's *Voyager of the Sea* with Baltic-compliant wastewater treatment systems.

Ballast Water Treatment

Ballast water is seawater brought onto a ship to help stabilize it. We're committed to treating ballast water, which reduces or eliminates its potential to discharge non-native species into other environments when our ships move from port to port. Currently, 100% of our fleet is equipped with ballast water treatment systems certified to meet International Maritime Organization requirements; 67% of these systems are also certified to meet United States Coast Guard requirements. We aim to install systems certified to meet both standards on 100% of our fleet by 2025.



Download our [Water and Wastewater Management](#) fact sheet

See our [Performance Tables](#) on [page 69](#) for more on our water and wastewater progress in 2022.

⁴For Celebrity Cruises and Royal Caribbean International only. Silversea Cruises will integrate in the near future.

⁵We use the World Resources Institute Aqueduct Water Risk Atlas 2.1 to determine whether an area is water stressed.

Waste Management

Our Save the Waves® program is the catalyst for making sure no solid waste goes overboard.

GOAL	2022 PROGRESS
Reduce solid waste offloaded to landfill by 90% by 2025 from 2007 baseline	- Reached 91% reduction from 2007 baseline - Expanded use of green hubs for recycling, reuse or energy recapture
Reduce 100% of single-use plastics by 2025	60% reduction of single-use plastic - Launched phase three of our initiative after returning to full service



2022 marked the 30th year of our Save the Waves program, our very first formal environmental initiative. Over the years, we've introduced rigorous waste management techniques and technologies, along with ambitious reuse and recycling programs, to reduce the amount of waste produced on our ships and divert the remaining waste from landfills.

Save the Waves has since evolved into a global commitment to ingrain sustainability practices into every aspect of Royal Caribbean Group's business and culture, but preventing waste remains one of its core missions. Today, 100% of our ships are equipped to be landfill-free, with systems and processes established to divert all waste streams from local landfills.

In 2022, we introduced a new process for how we calculate our waste baseline to improve accuracy. With a new conversion metric to align the weight and volumes of different waste categories, we're able to better understand all aspects of our waste streams, identify opportunities for improvement, and set and meet reduction targets.

Green Hubs

We are committed to divert 90% of our waste from landfills by 2025 (from a 2007 baseline). Green hubs will play a key role in enabling our landfill-free capabilities. Our green hub program collaborates with local waste vendors at select ports to verify — through periodic audits — that the waste offloaded from our ships is treated properly and diverted from a landfill. We send any solid waste that can't be recycled, reused or repurposed to waste-to-energy facilities in approved ports.

We currently maintain green hubs in ports across the United States, Europe and other regions, and are focusing on expanding the program's presence in the Mediterranean.

Emerging Waste Management Technologies

Royal Caribbean International's upcoming *Icon of the Seas* will introduce a first-of-its-kind waste management system that converts waste to energy onboard, allowing us to completely repurpose our waste to reduce our energy consumption. The system converts

solid and liquid waste into synthesis gas, or syngas, using controlled amounts of oxygen and/or steam. Because syngas is produced without combustion, it provides a low-carbon alternative to traditional marine incinerators. We can use this syngas as a fuel substitute to satisfy certain energy demands on our ships, such as powering our hotel facilities.

Reducing Single-Use Plastic

In 2022, we launched phase three of our initiative to eliminate single-use plastics on our ships. During the first two phases, we eliminated plastic straws, stirrers, steak markers, condiment packages, cutlery and shopping bags, helping reduce our single-use plastics onboard by 60% since 2019. Phase three focuses on eliminating plastic water bottles, food containers, cups and lids. Many of our ships have already switched to recyclable aluminum cans for drinking water.

Our target is eliminating 100% of single-use plastics from our ships by 2025, with the possible exception of disposable medical gloves and other items critical to health and safety. Upon the completion of phase three in 2023, we will reassess the program and determine our next steps.



Download our [Waste Management fact sheet](#).

See our [Performance Tables on page 69](#) for more on our waste progress in 2022.



**First cruise company to achieve
ISO 14001
certification for environmental
management.**



**Industry's first dedicated onboard
ENVIRONMENTAL
OFFICERS
to ensure waste standards
are met with daily monitoring,
testing and compliance controls.**



**Every crew member receives
IN-DEPTH SAVE THE
WAVES TRAINING
upon joining and is expected
to follow proper waste
management protocols.**



Supply Chain

We are committed to sourcing responsibly to protect people and the planet.

35 Supplier Management and Principles

36 Sustainable Sourcing

Our supply chain fuels everything we do. It also provides an opportunity to extend our positive impact well beyond the walls of our business by leveraging our approximately 10,000 supplier relationships in over 120 countries.

We seek to build a more responsible, resilient supply chain that promotes the wellbeing of workers, communities, our employees and the environment. In sourcing food, fuel, materials and other items for our ships, we strive to choose partners and products that adhere to sustainable practices. Our partnerships with WWF and the Humane Society have contributed to this effort, helping drive new ideas as we chart a course for a more sustainable food supply.

We also work diligently to build strong relationships with suppliers and business partners who share our commitment to ethical business practices and human and workplace rights.



Read our fact sheets for more on our supply chain practices.





Interview with Our Executive Vice President of Shared Services Operations

We chatted with Laura Hodges Bethge, Royal Caribbean Group's Executive Vice President of Shared Services Operations, on the role of the supply chain in creating a more sustainable economy.

Q: Our supply chain is essential to delivering the best vacations, responsibly. What role do you see it playing inside and outside our business?

A: For us, building a more responsible and resilient supply chain is a top priority when sourcing the food, fuel and supplies that contribute to an exceptional experience on our ships.

I believe our commitment to source responsibly is a unique opportunity to increase our positive impact and help protect our people and planet. In fact, this past year, we created robust supplier management plans and strategies that track our progress.

Q: Behind our seamless shoreside and onboard operations are devoted teams addressing numerous challenges. How does your team ensure that our operations meet and exceed industry standards?

A: Collaboration is essential to us because procuring resources for our cruise ships is a complex process with many moving parts. To maintain a balance between quality, service, pricing and social and environmental safety, our employees across teams and departments must effectively communicate and work together.

Recognizing the value of collaboration, we also partner with organizations that share our commitment to ethical and sustainable business practices. Our partnerships with World Wildlife Fund (WWF) and the Humane Society have been invaluable in driving new ideas and efforts on our journey to a more sustainable and humane food supply.

At Royal Caribbean Group, collaboration is integrated into every process in our business because we know that together, we can unlock innovative and holistic solutions to our biggest challenges.

Q: Where we source our food has become increasingly important. What would you say guides our sourcing decisions?

A: While we focus on the fuel that powers our ships, we are also passionate about the food that powers our guests. This year we continued to increase the percentage of sustainable seafood we serve on our ships, as sourcing from sustainable farms and fisheries is deeply important to us.

Our partnership with WWF helped us develop sustainable seafood targets and is helping us strengthen our seafood sourcing.

We're also looking at working with local vendors to source food and supplies. This helps lower our carbon footprint, supports local companies and communities, and gives exceptional culinary options to our guests. For example, our cruises on the Pacific Coast and Alaska enjoy locally grown fresh fruits and vegetables from family-owned businesses. We also source fresh wild-caught seafood from local fisheries.

Q: What achievements or initiatives from the past year make you most proud?

A: We are dedicated to creating a supply chain that not only delivers the greatest products but also fosters the health and well-being of our employees, communities and environment. This year we have made great progress. I'm especially proud that:

- We completed our Scope 3 emissions assessment — which is helping us define clear targets on our journey to Destination Net Zero — and shared the results in our first TCFD report.
- Royal Caribbean International's *Navigator of the Seas* became the first major cruise ship to sail from a U.S. port using renewable diesel. This was a significant step in exploring alternative fuels on our journey to net zero.



- We advanced our transition to alternative, low-carbon fuels, including finalizing our liquified natural gas (LNG) supply chain for our first LNG-powered ships: Silversea's *Silver Nova*, which debuts in 2023, and Royal Caribbean International's *Icon of the Seas* and *Utopia of the Seas*, both debuting in 2024.

Q: We love learning why employees choose to work at Royal Caribbean Group. Can you share your "Why RCG"?

A: Without a doubt it is our drive to innovate. Working with like-minded people who are eager to break new ground and evolve is motivating. I love that every day feels like we're on the brink of a new discovery.



Supplier Guiding Principles

Integrated tools and management strategies help us improve the performance of our supply chain and meet our responsible sourcing targets.

We manage our global operations with honesty, fairness, integrity and trustworthiness, and we expect and require our suppliers to do the same. To help ensure the integrity and performance of our supply chain, in 2022 we strengthened our supplier management foundation, creating a robust plan and strategies to systematically track our impact and progress.

Supplier Guiding Principles

We work diligently to build and maintain relationships with suppliers who share our commitments to fair labor practices, human rights, environmental stewardship and safety. Our [Supplier Guiding Principles](#) outline the minimum ethical standards and requirements for all Royal Caribbean Group suppliers. We encourage our suppliers to use these principles to guide their actions and to continuously raise standards throughout their organization.

Our Supplier Guiding Principles are consistent with the expectations put forth by the United Nations Global Compact, International Labor Conventions and our company's own [Code of Business Conduct and Ethics](#).

In addition to adhering to our guidelines, we expect suppliers to report any concerns or violations using our AWARE compliance and ethics third party 24/7 hotline or by email, phone or online.

New Supplier Screening

We maintain a comprehensive review process for suppliers who do business with us to ensure they share our commitment to human rights and doing business ethically. Suppliers are reviewed for their sustainability, operational, financial, ethical and regulatory standards. During the registration process, we request information on diversity, safety and environmental certifications, in addition to background on organizational structure, ownership, financial data, accreditations and licenses.

Enhanced End-to-End Management Tools

We further enhanced our supplier web portal in 2022, with the goal of full operational deployment in early 2023. Our portal provides a single, central hub for collecting information from suppliers, with classification data on supplier diversity, environmental practices and other decision-useful information. With an easily searchable database of information provided during the supplier intake process, we'll be better equipped to evaluate our supplier partnerships and meet our responsible sourcing targets.

The portal will be particularly valuable in helping us advance our work with our diverse supplier base, including small, minority-owned and local suppliers, which can spark economic development in our destination communities

and potentially reduce our GHG emissions. We're also integrating a business spend management platform, which will provide an end-to-end view of our supplier spend and help promote operational efficiencies across our supply chain.

Evaluating ESG Risk in Our Supply Chain

Given our dynamic and global supply chain, we're also looking at how to use the ESG information in our supplier portal most effectively to determine risk. In response to emerging, ESG-related supply chain risks identified by our Enterprise Risk Management program, we continued developing a more robust ESG Risk Framework in 2022. The ESG information and framework allows us to create a single aggregated view of supply-chain-wide operational, social, environmental and governance risks, helping us prioritize efforts and allocate resources to mitigate our risks.

Within the framework, our supply chain ESG Risk Register provides a construct of how to view risks. It also integrates third-party research and insights to ensure our information is actionable, current and accurate.

For information on our commitment to human rights, see [page 53](#). For more on our overall enterprise risk management process, see [page 65](#).





WWF: OUR PARTNER IN SUSTAINABLE SEAFOOD SOURCING

WWF works with companies like ours to trace foods and beverages from origin to the table, measuring the impacts along the way. WWF helped us develop our sustainable seafood targets and supports our efforts to source seafood from fishery and aquaculture improvement projects with sustainable and ethical sourcing practices. We're also working with WWF to achieve our chain of custody for seafood handling and launch our Marine Stewardship Council/Aquaculture Stewardship Council eco-label.

We have supported multiple fishery improvement projects in partnership with WWF, including working to transition mahi fisheries across Peru, Ecuador and Costa Rica and supporting more responsibly farmed salmon in Chile.

Sustainable Sourcing

We're committed to searching for more ways to provide sustainably and locally sourced food to our guests and establish more sustainable fuel sources.

GOAL	2022 PROGRESS
Source 100% cage-free eggs globally by 2025	• 52% sourced
Source 100% of chicken for U.S. operations from Global Animal Partnership Certified suppliers by 2025	• 20% sourced
Source 100% gestation-crate-free pork globally by 2025	• 15% sourced
Source 90% Marine Stewardship Council (MSC) certified wild-caught seafood and source 75% Aquaculture Stewardship Council (ASC) certified farm-raised seafood by 2025	• 83% of wild-caught seafood MSC certified and 75% of farm-raised seafood ASC certified
Obtain MSC and ASC chain of custody certification for our ships by 2023	• Work conducted to develop chain of custody certification



In making sourcing decisions, we evaluate products to ensure a balance of quality, service, price, and social and environmental responsibility. Our sustainable sourcing targets play a key role in helping us achieve this balance while driving transparency and accountability in our supply chain.

Sustainable Seafood

In 2022, we continued to increase the percentage of sustainable seafood we serve on our ships. Sourcing from sustainable farms and fisheries is a high priority for Royal Caribbean Group, as they help give species time to replenish their population and protect biodiversity. Several years ago, we set a 2020 target to source 90% of our wild-caught and 75% of our farm-raised seafood from sustainably certified sources. The target was postponed due to the COVID-19 pandemic; however, we remain committed to sourcing 90% of our wild-caught and 75% of our farm-raised seafood from sustainably certified sources by 2025.

Cruelty-Free Foods

We strive to improve the treatment of farm animals raised for the meat and eggs we procure for our ships. This includes committing to ensure that 100% of our pork is gestation-crate-free, 100% of our eggs are cage-free, and 100% of our chickens sourced for U.S. operations are certified by the Global Animal Partnership by 2025.

Procuring resources for our cruise ships is a complex process that involves diverse vendors across the globe. Our ships' guest capacity ranges from 100 to more than 7,000. To meet our guests' needs, we must ensure we have scalable, sustainable sources of food, fuel and other products for the duration of our cruises, which may range from a few nights to several weeks.



Local Product Sourcing

Where we source from is just as important as who we source from. We're exploring ways to procure food, beverages and other products from suppliers who operate near our cruise terminals around the world. Local sourcing helps reduce the carbon footprint of our supply chain, boost local businesses and communities, improve lives in the destinations we serve and expand culinary options for our guests.

For example, we supply our Pacific Coastal and Alaskan cruises with products from several family- and employee-owned businesses that deliver locally grown fresh fruits and vegetables, as well as local fresh milk, cheese, ice cream and other dairy products. In addition, we have engaged farmers in Puerto Rico to supply local dairy items and fresh vegetables for our ships through partnerships with local government agencies.

Future Fuel Supply Chains

While our shipbuilding and marine operations teams develop the technologies to power our ships with cleaner fuels, our supply chain team is working to establish reliable and sustainable sources for these fuels.

LNG Supply Chain

In 2022, we finalized our supply chain for LNG, the cleanest-burning fossil fuel currently available. This LNG supply chain will accommodate Silversea's *Silver Nova* and Royal Caribbean International's *Icon of the Seas* and *Utopia of the Seas* in Florida and the Caribbean. All three ships will debut in the next two years.

One of the keys to establishing LNG as a standard for powering cruise ships is building an extensive, safe and reliable supply chain infrastructure. For example, our LNG partners will provide state-of-the-art marine bunkering and gas delivery mechanisms to refuel *Icon of the Seas* at various Caribbean destinations. Royal Caribbean Group's Icon class ships will run primarily on LNG but can also run on distillate fuel for ports without LNG infrastructure. The LNG fuel will be sourced from facilities in Jacksonville, Florida, which eventually will incorporate renewable feedstocks in the fuel mix to further reduce its carbon footprint.

Other Future Fuels

LNG isn't the only alternative fuel on our current supply chain agenda. In 2022, we partnered to supply renewable diesel to Royal Caribbean International's *Navigator of the Seas*, the first trial of this nature in North America. We plan to expand our supply chain for renewable diesel to Europe in 2023 as we assess the fuel's feasibility for long-term use.

We're also evaluating the availability and compatibility of other alternative fuels for our new builds and existing fleet. Although many of these fuels and related technology are still in the developmental phase, we're committed to assessing their supply chain potential in advance, so we can hit the ground running when the fuels are available.



Download our Supply Chain fact sheet.





Social

We're committed to being a force for good for our employees, guests and destination communities.

- 40 Our Guests
- 43 Our People
- 53 Human Rights
- 55 Our Communities

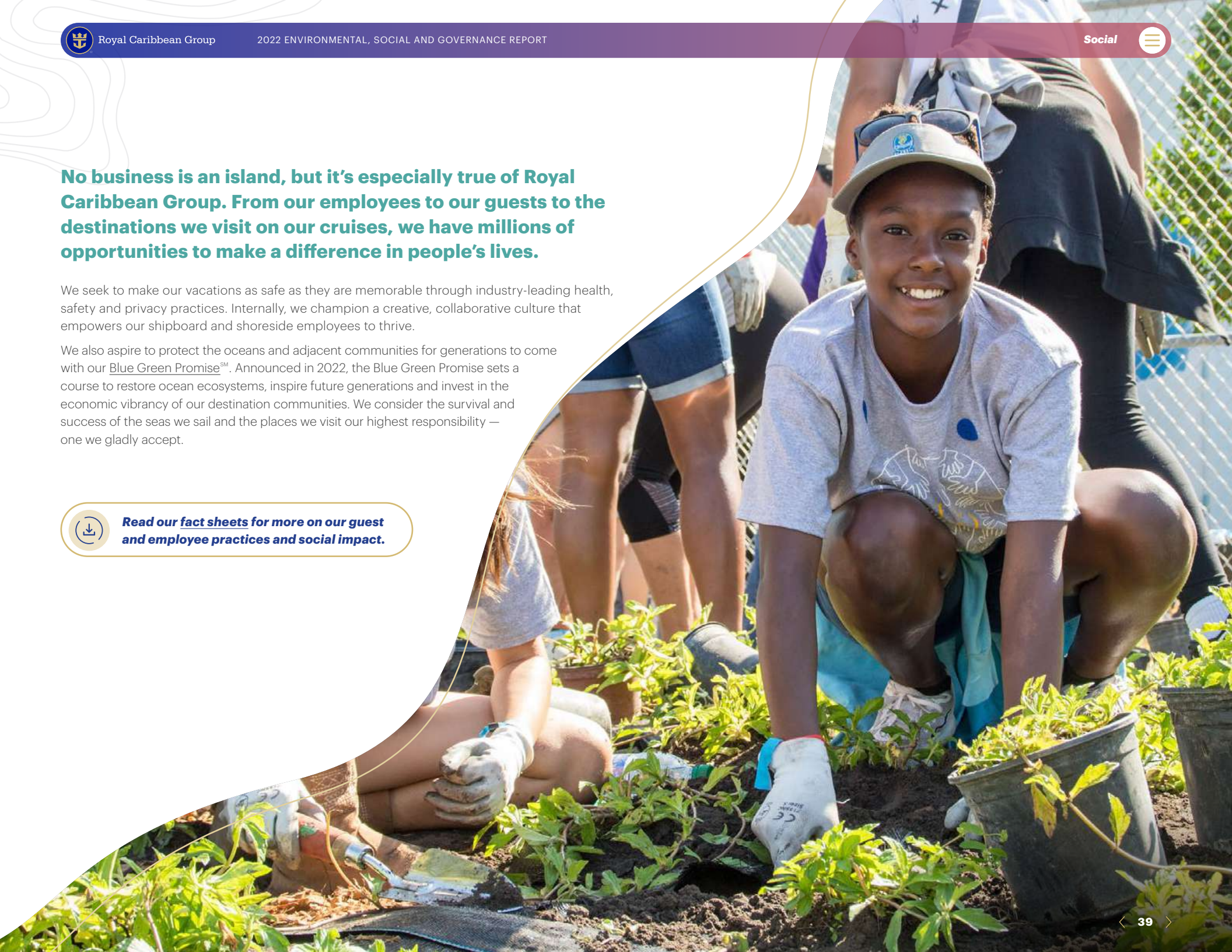
No business is an island, but it's especially true of Royal Caribbean Group. From our employees to our guests to the destinations we visit on our cruises, we have millions of opportunities to make a difference in people's lives.

We seek to make our vacations as safe as they are memorable through industry-leading health, safety and privacy practices. Internally, we champion a creative, collaborative culture that empowers our shipboard and shoreside employees to thrive.

We also aspire to protect the oceans and adjacent communities for generations to come with our Blue Green PromiseSM. Announced in 2022, the Blue Green Promise sets a course to restore ocean ecosystems, inspire future generations and invest in the economic vibrancy of our destination communities. We consider the survival and success of the seas we sail and the places we visit our highest responsibility — one we gladly accept.



Read our [fact sheets](#) for more on our guest and employee practices and social impact.



Our Guests

We go above and beyond to create a safe, healthy environment for guests and provide unforgettable cruise experiences.

When people choose to sail the world with us, we owe it to them to make their trips as relaxing, safe and healthy as possible. We honor their trust and loyalty by continually raising the bar in health and safety, data privacy and other areas central to our guests' wellbeing. In the wake of COVID-19, this included pioneering a dynamic onboard medical system with a state-of-the-art public health presence, enabling us to once again offer one of the world's safest vacation experiences.

Guest Health and Wellbeing

We've long maintained some of the industry's most rigorous and thoughtful health and safety protocols. Whether at sea or on land, we aspire to keep our guests and employees out of harm's way and ensure they're prepared in the event of an emergency or security incident.

The severity of COVID-19 required us to take our existing health and safety measures to the next level. We reevaluated our entire health and safety infrastructure and applied the best available science, technology, engineering and public health principles to make a range of improvements.

In 2022, we continued building on these enhancements with new equipment and strategies, as well as evolving our systems to be more flexible and responsive when public health crises arise.

State-of-the-Art Facilities and Staff

Our ships are equipped to manage a wide range of medical scenarios. Already state-of-the-art prior to the pandemic, our facilities were upgraded in 2021 to provide enhanced assessment, diagnosis, care and support for severe cases of COVID-19 or COVID-like illnesses. Staffed with highly credentialed doctors, nurses and other medical professionals, who are available 24/7, our facilities can support urgent and emergent care issues, as well as overnight patient care, when needed.

A More Flexible Care Model

Prior to the pandemic, our medical system was fairly reactive and defined: Guests received outstanding medical care when they needed it, but preventative care wasn't as much of a priority. COVID-19 compelled us to create a more dynamic care structure capable of responding to unforeseen crises, with an increased focus on preventing outbreaks before they happen.

Among our most consequential moves was adding Infection Control Officers to each ship in 2021. These officers are responsible for helping us adhere to the highest standards of public health and infectious disease protocols. In 2022, we began transitioning from a single officer per ship to a traveling team of Public Health Officers, who facilitate our evidence-based, data-driven infection prevention and control program in close coordination with our medical teams, shoreside public health officials, crew and other team members.

We've also enhanced our prevention protocols, including improving our inspection and surveillance capabilities to better detect COVID-19, gastroenteritis (GI) and other transmissible illnesses as early as possible. Improved testing of potable water, recreational water facilities and living areas — combined with our infectious care facilities — make us more capable of stemming outbreaks before they spread. This is important to our crew members as well, whose health is critical to delivering outstanding vacation experiences to our guests.

Evolving COVID Protocols

Improvements in our onboard protocols and processes — along with factors like increased vaccine protection and changing cultural attitudes — led us to ease up on some of our COVID protocols in 2022. We no longer automatically disembark anyone with COVID, as we're now capable of safely isolating patients onboard without increasing risk to crew or other guests. Our vaccination, surveillance testing and masking policies have changed as well. COVID case counts aboard our ships have continued trending lower as we've lifted our protocols, validating our ability to effectively manage cases without disruption.

Continuous Reporting and Monitoring

We currently monitor evolving COVID conditions, along with the percent of our guests who test positive. Our teams also continually monitor and evaluate our response protocols and actions to assess their effectiveness. We report all cases of COVID-19 and influenza-like illnesses to the appropriate authorities, as required.

For ships sailing in U.S. waters, GI cases are also reported to the CDC when a 2% threshold is reached. Thanks in part to our public health protocols, only one Royal Caribbean Group ship exceeded the GI threshold in 2022.

15-20x PER HOUR

Frequency of air changes in public spaces on our ships (and up to 12x in our staterooms)

TWICE the frequency recommended for public spaces like theaters and hotel lobbies*

(ASHRAE www.ashrae.org)

We also use advanced localized air filtration with MERV 13 filters and antimicrobial copper cooling coils to provide an additional layer of protection.

Guest Safety and Security

The safety and security of our guests is our highest priority and fundamental to our operations.

Emergency Preparedness

We take serious measures to ensure every person on board our ships is prepared for an emergency or security event. At the beginning of every cruise, all guests and crew must complete a drill known as the “muster” drill, to ensure they know what to do and where to go in the unlikely event of an emergency. We identify each guest’s muster location on individual key cards and on the back of every stateroom door. Guests also have access to pioneering eMuster technology which makes key elements of our safety drill available to guests via their mobile devices and stateroom TVs.

In addition to the muster drill for our guests, our officers and crew conduct weekly, monthly and annual drills on every ship, and complete extensive training, certification and scenarios in preparation for the very unlikely event of an emergency, including training on ship evacuation procedures. All our ships have sufficient lifesaving craft to accommodate every guest and crew member onboard, as well as additional capacity in reserve.

Best Practices from Leading Safety Organizations

All our ships are designed and operated in compliance with the strict requirements of the International Maritime Organization, the UN agency that sets global standards for the safety and operation of cruise ships, codified in the Safety of Life at Sea (SOLAS) Convention. This includes compliance with the International Ship & Port Facility Security Code (ISPS). In addition, our ships comply with the U.S. Cruise Vessel Security and Safety Act (CVSSA) requirements regardless of where they sail in the world, including requirements on railing heights, access control, closed circuit TV, medical preparedness, crime allegation reporting and crew training. Our own requirements generally exceed those specified within the CVSSA.

Guest Security

Our security teams go above and beyond to ensure guest safety. We were the first corporation to receive RAINN certification in 2015, providing a clear path for preventing and responding to sexual assaults. Our security guards are also required to wear body cameras for the protection of our guests and crew.⁶ We’re also evolving our approach to situation management, so we can better understand and prepare for the security risks our guests face both at sea and in our destination communities.

Data Privacy and Cybersecurity

Privacy is important to us and we are transparent around what personal information we collect and how we use it. Our [Privacy Policy](#) is available here.

Our privacy and cybersecurity programs are designed in line with applicable laws and regulations and serve to govern the collection and use of personal information and to maintain its availability, integrity and confidentiality.

This includes administrative controls such as policies, standards, procedures, and resiliency and recovery plans; technical controls such as encryption, access measures, vulnerability and patch management, security threat detection, and automated prevention and remediation tools; and physical controls such as CCTV, security guards, electronic access systems and high-tier data centers. In addition, we maintain organizational oversight through executive management and the Audit Committee on our Board of Directors.

NIST Cybersecurity Framework

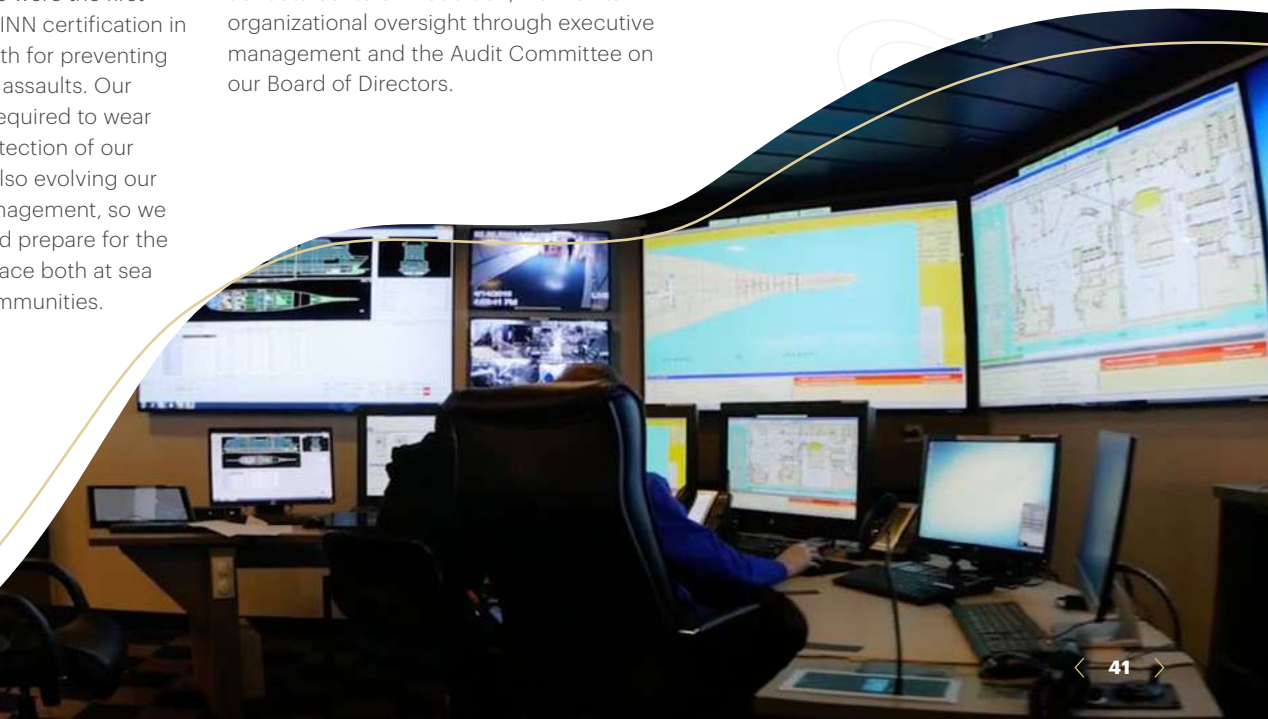
Our internal cybersecurity professionals leverage the National Institute of Science and Technology (NIST) cybersecurity framework and input from third-party cyber experts to define our cybersecurity program, our progress, and required changes based on an evolving external landscape and the risks most relevant to our business. We continuously monitor threat intelligence and take proactive steps to keep bad actors at bay. Our 24/7 Security Response Teams are responsible for assessing, documenting and responding to all cybersecurity incidents.

All employees are expected to attend mandatory cybersecurity training each year, as detailed in our employee [Code of Business Conduct and Ethics](#). We also offer targeted cybersecurity training for specific roles, along with “just-in-time” training that simulates specific cyberthreat scenarios to help employees stay current.



Download our Health, Safety and Security fact sheet for more on our guest safety practices.

⁶For Celebrity Cruises and Royal Caribbean International only. Silversea Cruises will integrate in the near future.



Accessible Cruising

Royal Caribbean Group is a global industry leader in providing innovative and accessible cruise vacations for people with disabilities, with a wide variety of accessible products and services designed to meet the needs of our guests with mobility, hearing, visual, neurological/neurodiverse and other disabilities. We also collaborate with our brands to develop global disability inclusion strategies and standards in the marketplace, including in the areas of digital accessibility and supplier diversity.

Accessibility Advancements for Our Ships and Destinations

Our newest ships continue to raise the bar in accessibility. Launched in 2022, Royal Caribbean International's *Wonder of the Seas* boasts 45 accessible staterooms, including two-story Crown Loft Suites featuring elevators with easy access to both levels and accessible bathrooms on each floor. *Celebrity Beyond*, Celebrity's newest Edge series ship, includes 28 accessible staterooms with automatic doors. The ship's Accessible Edge Staterooms feature Infinite Verandas that turn the guest quarters into a seamless space — from the room's door all the way to the water's edge — with no thresholds or ramps to the veranda.

We also enhanced accessibility at our private Perfect Day at CocoCay island. Paved pathways with accessible trams dot the island. We equipped the Oasis Lagoon Pool with two pool lifts, while the Coco Beach Club features an Infinity Pool with a lift, accessible routes to all floating and beach cabanas, ramps, lowered counters and an accessible restroom.

Accessible Trip Planning

Our 30-person Access Department includes a specialized pre-cruise contact center that helps guest and travel advisors plan accessible cruise vacations and shore excursions. Online microsites and brochures are also available with detailed information on accessible cruise options.

Award-Winning Autism-Friendly Program

Designed in collaboration with travel organization Autism on the Seas™, our Autism-Friendly Program is designed to address the many needs of individuals with autism, Down syndrome and other developmental disabilities. Both Royal Caribbean International and Celebrity Cruises offer a wide range of autism-friendly products and services, including sensory-friendly films and toys; special dietary menu options; and staff with autism-friendly training in our youth club.

Exclusive to Royal Caribbean International, most ships feature free on-demand access to The Autism Channel™, a streaming TV channel that provides information and resources on improving the lives of people with autism spectrum disorders.

On Celebrity Cruises, we partner with Fat Brain Toys® — one of the most highly regarded toy companies among occupational, physical and play therapists — on an exclusive autism-friendly toy lending program.

Guest Satisfaction

We continuously strive to enhance the guest experience and provide the best vacations possible. We measure our success through our Global Post Cruise Guest Feedback Program. Since 2014, we have collected, analyzed and taken action on survey feedback from over 11 million guests across 107 countries in 15 different languages.

At the conclusion of a cruise, each guest receives a survey covering all aspects of the guest experience, including boarding, dining, entertainment and leaving the ship. Guests have seven days to complete the survey, and responses are collected and shared in real time for the entire organization and crew to view.

Royal Caribbean Group has some of the most engaged guests in the travel industry. Over 50% of our guests completed the survey in 2022, more than twice the average industry response rate. More than 90% of guests who responded left a detailed comment about their experience.

Of course, responding to guest feedback is just as important as collecting it. Every employee from shipboard crew members to our CEO is given real-time access to the feedback after each sailing. Our employees logged in more than 900,000 times in 2022 to analyze ratings, read guest comments and act when necessary. Thanks to the efforts of this program and our dedicated crew, we have improved our key performance metrics by 30% since 2014.



Our People

We champion a strong, inclusive, employee-focused culture.

GOAL	2022 PROGRESS
Form an Executive Diversity Council, chaired by the CEO, by 2023	Council formed in 2022 (ahead of schedule)
Review gender pay equity annually for all global employees, including shipboard crew, by 2024	U.S. shoreside review completed
Implement program to foster an inclusive and diverse supply chain through our procurement process by 2024	Enhanced our supplier web portal to more accurately capture supplier classifications



~102,500
EMPLOYEES IN 2022

94,300
Crew members

8,200
Shoreside employees

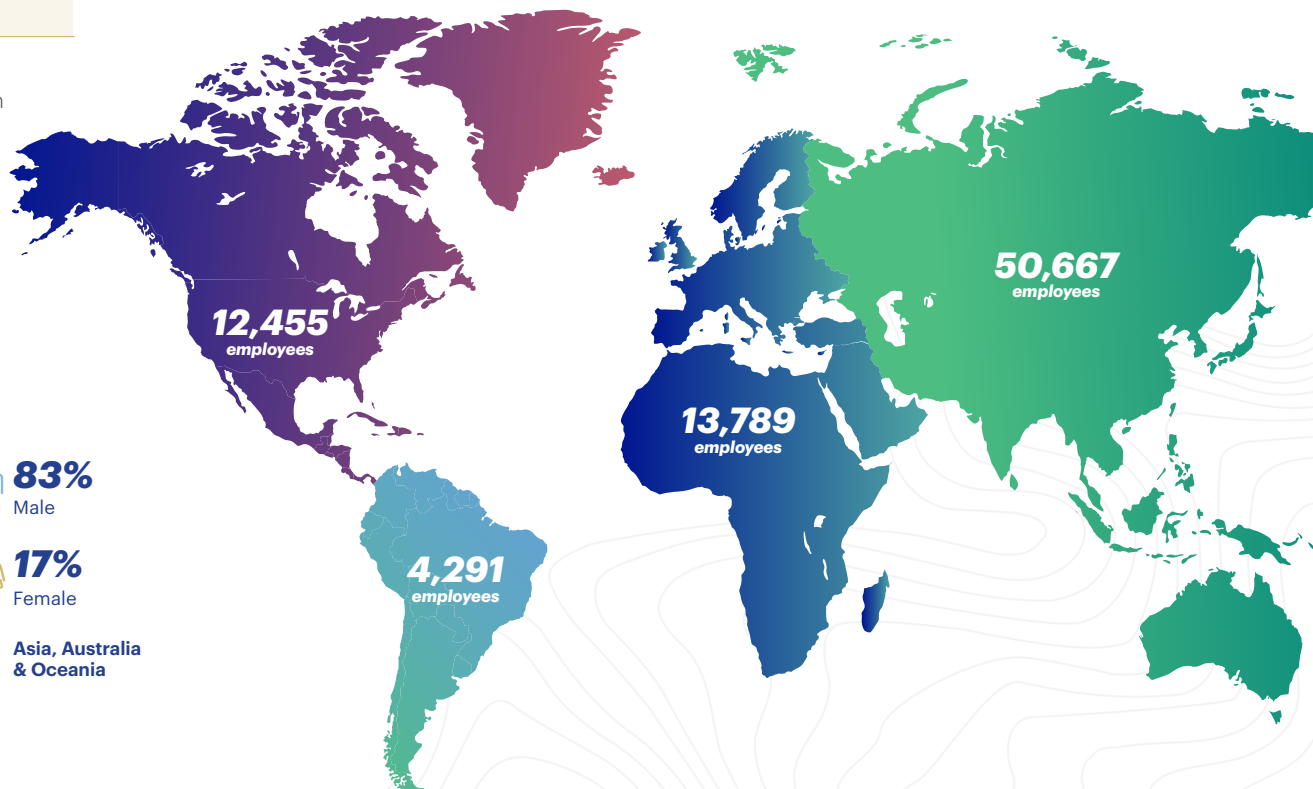
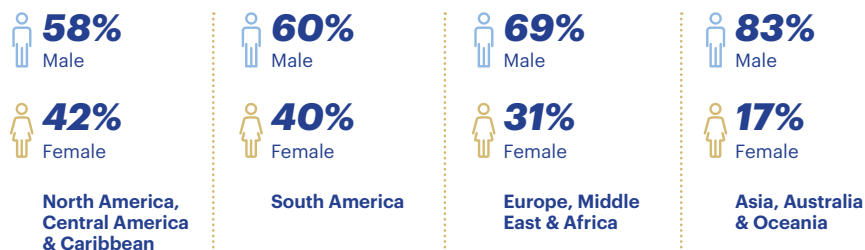
130+ COUNTRIES

Representing 60% of the world's nationalities

We travel most of the known world — and our team members are with us every step of the way. Their warmth, caring and professionalism is the reason our guests keep coming back for more.

To build the best possible team, we nurture a diverse, dynamic culture that reinforces collaboration, passion and innovation. We also take care of our people with industry-leading safety practices and world-class compensation and benefits, including numerous mental wellness resources to support our employees' overall wellbeing.

GENDER BREAKDOWN BY REGION



Download our [Workplace Culture fact sheet](#).

Interview with Our Chief People & Outreach Officer

We chatted with Dana Ritzcovan, Royal Caribbean Group's Chief People and Outreach Officer, on the importance of values, fostering creativity and our 2022 successes.

Q: In 2022, we returned to full operations and delivered memorable vacation experiences to five million guests, exceeding our own expectations. What is the north star guiding how we conduct our business?

A: Delivering the best vacations responsibly guides the company and our people, who — along with innovation — are at the core of everything we do. Our passion and the culture to deliver the best experiences for our guests, our employees and the communities we touch compel us to act responsibly and do the right thing across our business.

We recently introduced Propelled by People, a new program that's anchored in our values to put people first, achieve excellence together, grow with purpose, lead with integrity and be a force for the greater good.

The program encompasses our commitment to drive progress on the issues that matter most to our people and reinforce our culture of continuous improvement as we continue to introduce new, innovative experiences both for our employees and our guests.

Q: We drive innovations that revolutionize cruising. Do you feel a diverse and dynamic employee culture is important to foster creativity?

A: Every day we challenge ourselves and each other to unlock innovation and bring continuous improvement to our work. An integral part of doing this is bolstering a strong, inclusive and employee-centered culture.

In 2022, we employed more than 102,000 people from more than 130 countries, representing 60% of the world's nationalities. By empowering every team member to bring their full and authentic self to work, we gain breakthrough insights fueled by their unique ideas, experiences and cultures that catapults our vacation experiences to some of the best in the world.

Q: Royal Caribbean Group has a long track record of environmental programs and initiatives. How important is it to embed sustainability across an organization?

A: Since we introduced our Save the Waves environmental program decades ago, we knew our employees were at the heart of its success. That's why every crew member undergoes Save the Waves training onboard and plays a role in helping us achieve targets like our ambition to achieve zero landfill across the fleet.

Our shoresides teams are just as committed to being a force for the greater good. While this dedication is pervasive across Royal Caribbean Group, over the last few years we have expanded and created dedicated roles that are embedded in key functional areas across the company to continue to advance our efforts.

For example, several years back we expanded Environmental Officers from our ships to our private destinations. Since then, have added a dedicated shoreside private destination sustainability role.

Q: What achievements or initiatives from the past year make you most proud?

A: Early on in 2022, the return of our global fleet to services was a major milestone that can't be denied, but the year continued to bring moments that reinforced our values and made me proud to be a part of Royal Caribbean Group, including:

- We completed our 2022 gender pay equity assessment, which found that, on average, women are paid 99.98% of what men receive at Royal Caribbean Group.
- Our internship program — Search for Excellence and Adventure University (SEA-U) — brought 100-plus students to our campus from a diverse talent pipeline, including from Historically Black Colleges and Universities (HBCUs) and Hispanic Serving Institutions (HSIs).



- We introduced Royal Caribbean Group's Blue Green Promise to protect, inspire and empower ocean communities and made progress on our ongoing work around that commitment. This includes continuing to educate students at L'Ecole Nouvelle Royal Caribbean, our school located near our private destination in Labadee, Haiti. We also helped build resilience into the new Philipsburg Marketplace on St. Maarten, so vendors can safely store their goods in permanent, weather-resistant stalls.

Q: We love learning why employees choose to work at Royal Caribbean Group. Can you share your "Why RCG"?

A: For me, it's the people — the people we work with, the innovative work we do, the opportunities for growth and new challenges, and the devotion of everyone here to do the right thing.

Propelled by PeopleSM

Our Values

At Royal Caribbean Group, we deliver unforgettable vacations to guests who trust us with life's greatest moments. We build the best ships, and even better careers, all while doing the right thing. We are passionate. We are innovative. We are unstoppable. We open the world to our employees.

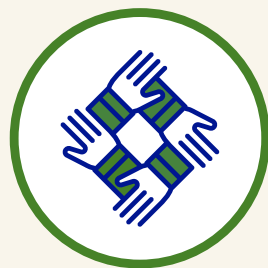


Every ship, every cruise, every day, we aspire to:



Put people first

We recognize the power of diverse teams and a culture that values the contribution of individual talents, skills and ideas, fosters belonging, trust, and respect for all.



Achieve excellence together

We embrace collaborating with our partners, creating a fun work environment and supporting our guests and each other with passion, pride and commitment.



Grow with purpose

We have the courage and humility to challenge ourselves and each other, unlocking innovation and continuous improvement in service of our guests, shareholders, our communities and other stakeholders.



Lead with integrity

Honesty, sound judgment, taking responsibility and operating with the highest ethical standards are core to our success.



Be a force for the greater good

It's in our DNA to make sure we are strong stewards of the environment, respect human rights and positively impact the people and communities we touch.

Diversity, Equity and Inclusion

As a global company with ships and offices around the world, we recognize the vital role that diversity, equity and inclusion (DEI) plays in our success. Studies show that organizations with strong DEI practices and inclusive cultures attract and retain the best talent and spur higher levels of innovation. To ensure Royal Caribbean Group accurately reflects the world we explore, we strive to attract talented professionals with a diversity of backgrounds, experiences and perspectives.

Our DEI strategy focuses on three areas:

- 1. Increase the diversity of our employee base and leadership** by recruiting from a wider, more diverse pool of talent.
- 2. Bolster our culture of inclusion** by empowering each team member to bring their full and authentic self to work.
- 3. Reflect the increasing diversity of our guests and partners** with DEI initiatives they truly value.

Increasing Employee and Leadership Diversity

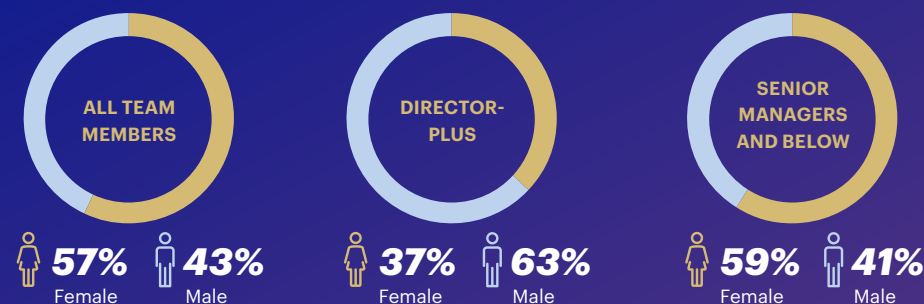
At Royal Caribbean Group, we're committed to increasing diversity across our organization and unlocking the potential of our team members. Through partnerships with Historically Black Colleges and Universities (HBCUs), Hispanic Serving Institutions (HSIs) and diversity recruiters, we're finding, hiring and retaining exceptional candidates from underrepresented groups. Leaders also have access to better data to help them assess the diversity of their teams and drive progress in meeting our DEI goals.

Executive Diversity Council

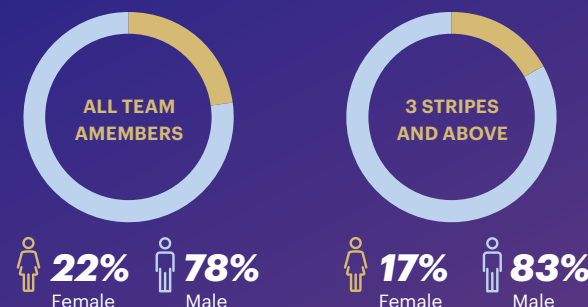
In 2022, we launched a new Executive Diversity Council intended to better integrate DEI into our business strategy and help us deliver measurable progress against our goals. Chaired by CEO Jason Liberty and composed of 11 senior leaders, the council is responsible for prioritizing the DEI initiatives that are most critical for our company and creating accountability for the results. Many of these initiatives are spearheaded by the council itself, which reports on their progress in employee newsletters, all-hands meetings, town halls and other company events.

2022 GLOBAL WORKFORCE ROLES BY GENDER

GLOBAL SHORESIDE



SHIPBOARD



2022 U.S. WORKFORCE BY ETHNIC DIVERSITY



*Diversity Index (DI) includes gender, ethnicity, veterans or people with disabilities

2022 BOARD DIVERSITY





PROMOTING WOMEN IN LEADERSHIP

On January 1, 2023, Barbara Muckermann transitioned from chief commercial officer to the president and CEO of Silversea Cruises. In doing so, Muckermann became the second woman to lead one of Royal Caribbean Group's three wholly owned brands, joining Lisa Lutoff-Perlo, president and CEO of Celebrity Cruises.

Attracting Diverse Candidates

We continued to broaden our talent pipeline in 2022 with programs to recruit diverse talent. This year marked the first full year of our Search for Excellence and Adventure University (SEA-U) internship program, which puts a strong focus on recruiting from HBCUs and HSIs. More than 100 interns participated in the 11-week summer program, including 28 graduating seniors, and we extended employment offers to roughly two-thirds of the interns. Our SEA-U program earned a [2022 Early Talent Award](#) from Handshake, which celebrates employers that launch careers for young people. The program also landed on Vault's 100 Best Internships for Diversity list, ranking #3 in [Diversity with Respect to Women](#), #8 in [Racial and Ethnic Diversity](#) and #29 overall.

We also continued helping veterans flourish in their careers through our partnership with the U.S. Department of Defense's SkillBridge program. The program enables active members of the military to obtain specialized training through apprenticeships and internships during their last six months of duty.

Strengthening Our Culture of Equity and Inclusion

We believe we're at our best when people have the support and opportunity to be their authentic selves. At Royal Caribbean Group, we champion equity and inclusion across our organization to create a workplace where everyone can thrive. This includes even small details, such as serving foods from our employees' home countries, so they feel at home wherever they are.



BEST FOR DISABILITY INCLUSION FOR SIX YEARS RUNNING

We were named one of the 2022 "Best Places to Work for Disability Inclusion" for the sixth year in a row by Disability:IN® and the American Association of People with Disabilities.



Employee Resource Groups

We promote Employee Resource Groups (ERGs) to foster inclusivity and build community among team members with shared backgrounds, affiliations or interests. Believing that grassroots efforts are one of the best ways to generate sustainable change, our leaders look to ERGs for feedback and guidance on creating inclusive business practices.

Seven ERGs are currently available to all employees, two of which were formed in 2022:



**Anchored in
Pride (LGBTQ+)**



**S.E.R.V.E.D.
(veterans)**



**Generation
to Generation
(multigenerational
professionals)**



**Black Originators
Leaders and Doers
(Black/African
American)**



**Network
of Women**



**SOMOS
(LatinX)**



**Royal Organization
for Abilities
Resources
(disabilities)**

99.98%

Our 2022 gender pay equity assessment for U.S. shoreside employees found that on average, women are paid 99.98% of what men receive at Royal Caribbean Group.

Gender Pay Equity

Closing the gender pay gap is both the right thing to do and good business. Studies show that achieving pay equity can increase innovation, spur productivity through improved team morale, attract better talent and motivate leaders from underrepresented groups to remain with a company. Royal Caribbean Group has reviewed U.S. shoreside employee compensation to ensure gender pay equity. We will continue to conduct this assessment annually going forward and are committed to making recommended adjustments as needed.

DEI Training

In addition to targeted efforts to attract diverse talent, we strive to create an inclusive environment where our employees can excel. To help foster this environment, we rolled out new unconscious bias training in 2022. Through examples that explore the most common forms of unconscious bias and its implications, participants are trained to recognize their own biases when making decisions and engaging with others.

Employee Health, Safety and Wellness

Whether at sea or on land, we are committed to creating a safe and healthy environment where our employees can thrive. From high-quality preventative and mental health care to a new pilot program to transform workplace safety, our employees' wellbeing is always top of mind.

Using Data to Improve Care

We increasingly use data from surveys, healthcare claims and other sources to improve health outcomes for our employees. For example, diabetes can be effectively managed if caught early, but can cause severe complications if detected late. An uptick in diabetes claims among our crew members led us to improve diabetes care offerings onboard our ships, with an emphasis on early detection. These modest improvements in preventative care can not only help our employees live healthier lives, but also prevent more expensive and complicated claims and lost workdays down the road.

Mental Health and Wellness

We also rely on data to help us better serve our employees' mental health and wellness needs. In response to surveys citing the emotional toll of COVID-19, time away from home and other stressors our crew members experience, we've started adding mental health systems with counseling support to many of our ships. These systems add to the many mental wellness programs we've created for both shoreside and shipboard employees in recent years.

In 2022, we made a conscious effort to change the dialogue around mental health by switching from disparaging terms such as "mental illness" to more uplifting terminology like "mental fitness," and encouraged employees to train their mental fitness in addition to their physical fitness. The slight change in verbiage — along with a consistent emphasis in our bi-weekly shoreside and monthly shipboard newsletters — sends a strong message to employees that Royal Caribbean Group cares about their wellbeing.

11th

HEALTHIEST WORKPLACE

We finished #11 in the Healthiest 100 Workplaces in America rankings from Healthiest Employers®, which recognizes organizations taking a more proactive approach to employee health.



Well Platform

Our Well Platform offers resources to support employees across eight dimensions of wellbeing: Physical, emotional, social, intellectual, occupational, financial, environmental and spiritual. Employees can access fitness classes, mediation sessions, personal training programs, personalized health tips and more — virtually and in person — all designed to uphold a high standard of wellness no matter where they are.

We made several improvements to our Well Platform in 2022, including:

- Discount offerings to wellness facilities
- Equipment upgrades in our fitness facilities, including at our Crew Medical Hotel and Perfect Day at CocoCay
- Onsite massages and chiropractic, vision, dental, and medical care
- Onsite flu shots for shoreside locations
- Integrated chiropractor and physical therapy services at our Production Studios to support injury prevention and maintenance for our entertainment crew
- Onsite breast cancer education
- Bi-weekly wellness educational seminars
- Monthly and quarterly financial wellness seminars

Healthy Living Rewards

Available through our Florida Blue insurer, Better You Strides invites our shoreside Florida employees to record their health journey through a fun, customizable rewards program. Participants earn points toward reducing medical costs, just for completing healthy activities such as preventative screenings, disease management, healthy eating, walking for wellness, managing stress, meal planning or reading nutrition labels.

Workplace Safety

We go the extra mile to make sure our marine work environments are as safe as possible for our crew. One oddity about shipboard safety, however, is that the Occupational Health and Safety Administration (OSHA) has released few maritime-specific safety regulations regarding ship operations. Most OSHA regulations focus on shipbuilding and other drydock concerns, not what actually happens at sea. While we follow our own rigorous Occupational and Guest Safety standards, we also recognize that there's always more to be done.

In late 2022, we initiated a pilot on Royal Caribbean International's *Oasis of the Seas*, *Harmony of the Seas* and *Freedom of the Seas* to strengthen our approach to occupational and guest safety across our fleet. Through multiple layers of risk

assessment, mitigation, monitoring and controls, the pilot focuses on the thousands of unique safety risks on a cruise ship — such as handling knives and chemicals, operating heavy machinery and installing AV equipment on our live entertainment stages.

The program's focus areas include:

- Injury prevention
- Risk assessment and policy development
- Robust education and training
- Clear responsibility and accountability for occupational and guest safety
- Validation and compliance monitoring
- Performance measurement

To help coordinate the program, we established a new Public Safety Officer aboard our ships. Currently a "proof of concept" position on the three ships, Public Safety Officers are responsible for monitoring ship-board compliance with our policies and standards, monitoring relevant injury issues and claims, and addressing the underlying root causes. The role also takes the lead on all injury-related investigations and associated responses onboard. Other responsibilities include training the staff, monitoring the ship's overall performance and addressing issues or trends identified during audits or quality control reviews.

We expect to deploy Public Safety Officers fleet-wide in early 2023.





Employee Benefits and Engagement

To help us attract and retain top talent, we maintain a compensation and benefits package for shoreside employees that's among the most generous in our industry. See our [Workplace Culture](#) fact sheet for details on our compensation package.

At sea, our crews have access to the same state-of-the-art medical facilities as our guests, including critical care equipment to provide appropriate assessment, diagnosis, care and support for severe cases of COVID-19 or other illnesses. Shoreside employees also have access to tailored care offerings designed to improve employees' quality of life.

We advocate for our employees' wellbeing in other ways. For example, we maintained consistent health care costs and coverage for our employees throughout COVID-19 and its aftermath, so they didn't bear additional burdens during an already difficult time. We also offer extra-special perks for new employees, such as giving employees and guests a complimentary seven-day cruise after starting at Royal Caribbean Group, plus discounts on future cruises.

Employees can also take advantage of flexible working arrangements that give them more control over how and when they like to work. Shoreside employees have the option to work from home on Fridays and can also work from anywhere in the world for two weeks out of the year.

Living Wage

As the cost of living increases in many of our communities, wages don't always follow. To ensure that our shoreside employees earn enough to live comfortably, we conducted an assessment in 2021 and implemented adjustments in 2022 for all U.S. employees. The wage is based on the hourly rate for two working adults with one child in the Miami area, according to the MIT Living Wage Calculator. We're working on similar policies for global shipboard and shoreside employees. All shipboard employees have guaranteed overtime included as part of their pay. We believe these policies are both good for our employees and good business in terms of rewarding and retaining talent.

Shipboard Benefits

Our shipboard employees work with us for specified contract periods and are also eligible for benefits. As of December 31, 2022, 88% of our shipboard employees were covered by collective bargaining agreements. Our competitive Total Rewards package for these employees includes pay, housing, meals, health care, savings programs, employee assistance programs, educational opportunities and more. These include medical coverage for the duration of the contract and access to a range of onboard amenities and services that vary by staff ranking and position. Eligible officers have access to year-round medical coverage under a group plan at their discretion.

We typically apply these same standards to crew members not covered by collective bargaining agreements.

Employee Engagement

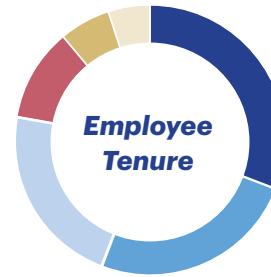
Listening to and acting on employee feedback is critical to our business. We regularly collect feedback from employees to better understand and improve their experiences and identify opportunities to strengthen our culture.

We rely on quarterly pulse surveys to gauge how our employees feel about their experience working for the company. Shipboard engagement is defined as being proud to work at Royal Caribbean Group and/or recommending working at Royal Caribbean Group to friends or family. Shoreside engagement is defined as being motivated to go above and beyond what's required in one's job. In 2022, our full-year engagement level was 86% for shoreside employees and 80.3% for shipboard. Both numbers are well above our targets and industry averages.

Learning and Professional Development

Our Learning and Development team is a catalyst for building a culture of continuous learning for both shipboard and shoreside employees, offering a diversified portfolio of opportunities — from in-person, instructor-led training sessions to anytime, anywhere online platforms for learning on the go.

In 2022 our workforce invested roughly 2.5 million hours in our online RCL University platform, which covers such topics as ethics, compliance, safety and security, professional development and leadership skills. In total, employees completed more than 1 million courses within our learning management system.



0-1 year	31%
1-5 years	25%
6-10 years	22%
11-15 years	11%
16-20 years	6%
20+	5%



Our workforce invested approximately 2.5 million hours in our online RCL University platform.



Download our Workplace Culture fact sheet





Achievements and Awards



Human Rights

We are committed to respecting human rights and maintaining ethical labor practices in our business operations and throughout our value chain.

GOAL	2022 PROGRESS
Publish updated human rights policy and conduct human rights impact assessments by 2025	Engaged with strategic partner and internal stakeholders; began developing roadmap for 2025 completion



At Royal Caribbean Group, we recognize and embrace our responsibility — alongside that of governments and domestic and international organizations — to respect, uphold and promote internationally recognized human rights standards as set out in the International Bill of Human Rights, the United Nations Guiding Principles on Business and Human Rights, and the principles concerning fundamental rights in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

We also place a high priority on conducting business in accordance with the highest standards of business ethics, core labor principles and general treatment of the people in our workplace. We expect our business partners and suppliers to do likewise.

Principles and Policies

Our respect for human rights is enshrined in our [Code of Business Conduct and Ethics](#), which is underpinned by a robust suite of corporate policies and procedures. Notable among them are our:

- [Human Rights Statement](#)
- [Supplier Guiding Principles](#)
- [AWARE Compliance and Ethics Hotline](#)
- [Modern Slavery Statement](#)
- Trainings that include human rights content

We're currently in the process of updating our human rights policy, which we expect to publish in 2025. We're also in the early stages of performing human rights impact assessments for our hiring partners and crew.



Safety & Quality Management System

Among the most important expressions of our respect for human rights is how we manage our crew members. We employ a Safety & Quality Management system (SQM) to standardize operations on ships across our Royal Caribbean International and Celebrity Cruises brands. Silversea Cruises uses a Vessel Management System (VMS) that's similar in design.

Our SQM is designed to ensure continuous compliance with laws, regulations, requirements and commitments applicable to the ships and our shipboard workforce, including the Maritime Labour Convention 2006 (MLC) — an International Labor Organization convention — and the laws and regulations of the vessel's flag state. Periodic audits ensure the system is working and provide the opportunity to identify system improvements.

Our global workforce is employed in compliance with applicable laws and regulations. Our crew is largely represented by seafarers' unions and employed under union-negotiated agreements that set forth comprehensive employment conditions that are consistent with or go beyond the requirements of the MLC.

All our hiring partners are MLC certified or audited for MLC compliance by Royal Caribbean Group. Additional efforts are made by Royal Caribbean Group to ensure that our hiring partners are operating consistently with our Supplier Guiding Principles.



Download our [Ethics and Compliance fact sheet.](#)

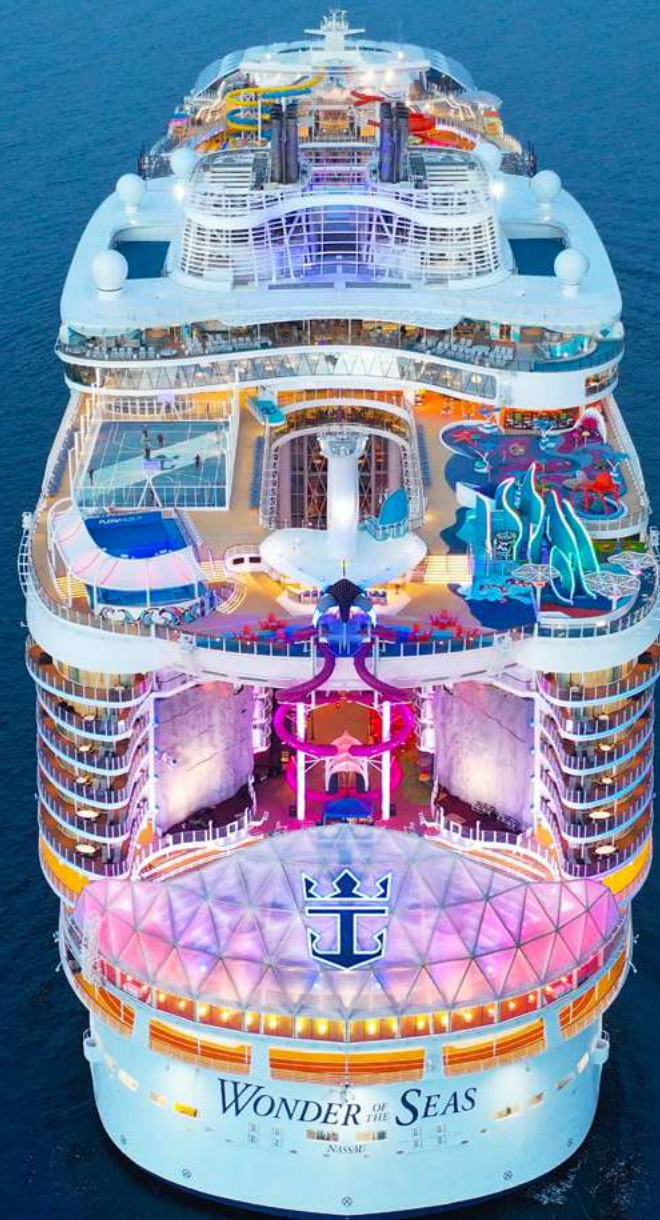
Preventing Human Trafficking

We are committed to respecting and protecting human rights wherever we operate and are taking steps to prevent human trafficking wherever possible. We recently began working directly with Customs and Border Protection (CBP) Washington on the [Blue Lightning Initiative \(BLI\)](#), which is affiliated with the Department of Homeland Security Blue Campaign. We are currently assessing how we may implement the BLI program, which helps train internal human resources professionals, crew and check-in staff to identify potential traffickers and human trafficking victims and report their suspicions to federal law enforcement. The training also covers best practices for reporting anonymous tips.

We also participate in a joint task force with the CBP and FBI to collaborate and share information on illegal activity, including patterns, nationalities and profiles of potential traffickers.

"Speak Up" Culture

We promote a "speak up" culture that encourages our global workforce to seek guidance and report issues or concerns. We provide several channels to do so. Dedicated Human Resources Managers on each vessel and in our shoreside offices address employee concerns. Managers receive specialized training to record employees' questions, issues and concerns and escalate when necessary. Employees can also report issues related to harassment and discrimination on our AWARE compliance and ethics hotline, available 24/7 by phone, email and online.





Our Communities

We're committed to empowering and inspiring the communities we visit, while protecting the oceans we sail.

GOAL	2022 PROGRESS
Certify 60% of RCG global tours to Global Sustainable Tourism Council (GSTC) standards by 2026	- Joint work with teams to develop 2026 target 39% of tours certified as of end-of-year 2022
Advance destination stewardship and community development through partnerships, initiatives and responsible practices	Held multi-stakeholder workshop to identify key areas of impact
Support sustainable and resilient ocean communities, employee engagement and volunteering through the implementation of our Blue Green PromiseSM by 2023-2024	- Implemented cultural and historical education activities for guests with local community participation in Labadee, Haiti - Implemented environmental improvements supporting conservation and efficiency at Perfect Day at CocoCay and Labadee sites - Supported student development through mentoring programs in South Florida — including Kids and the Power of Work (KAPOW) and Big Brothers Big Sisters — and our STEM for Oceans program in the Caribbean

As a cruise company that sails the world, we're only as vibrant as the seas we sail and the places we visit. We embrace our responsibility to connect our guests to the planet's most beautiful places and cultures — and do no harm in the process.

In 2022, we announced the Blue Green Promise, our commitment to supporting sustainable and resilient ocean communities around the world. The Promise is the outcome of in-depth stakeholder conversations to amplify our longstanding efforts in ocean conservation and community empowerment. The centerpiece of our community engagement efforts going forward, our Blue Green Promise encompasses three pillars:



Protecting Oceans

We're working to ensure our oceans' health and vitality for generations to come by protecting and restoring ecosystems, reducing marine pollution, advancing sustainable seafood and supporting biodiversity.

Inspiring Future Generations

We're investing in educational resources, supporting conservation education and providing skills training to help develop the next generation of leaders committed to healthy ocean communities.

Empowering Communities

We're partnering with the ocean communities we visit to ensure their continued cultural and economic vibrancy. Our approach includes supporting small businesses and local entrepreneurs and promoting economic growth through employment opportunities.

Protecting Oceans

Oceans serve as passageways to the world's most beautiful places, and we're committed to preserving their health and vitality. We've partnered on several initiatives over the years to restore and maintain a healthy ocean environment, minimize the impact of human activity on the oceans, and preserve marine biodiversity. We're currently evaluating new initiatives as we begin to implement our Blue Green Promise.

Our work with WWF is a cornerstone of our efforts to improve the health of the oceans. Since 2016, we've raised more than \$8.4 million with WWF to fund conservation efforts, and we've recently committed to another five years and \$5 million in support of this vital partnership. Many of our initiatives are ongoing, producing a ripple effect of progress each year.

Sea Turtles

Through our partnership with WWF, we're supporting important sea turtle conservation efforts across the globe, including reducing the entanglement of sea turtles in fishing nets and raising awareness of threats to leatherback egg harvesting. One fishery WWF worked with in Mexico reduced the unintentional catch in its nets by 80%. Thanks in part to a WWF initiative in Indonesia, the loss of leatherback eggs has decreased from 83% to less than 30% per season.

Recent wins also include the "Surrender Your Shell" initiative, a collaboration between Royal Caribbean Group's Australian team, WWF Australia and the Australian Museum Research Institute. As part of the initiative, the Australian government changed federal policy for six months, allowing Australians to send historically purchased tortoiseshell products to WWF Australia — along with details of where and when they were purchased — without the risk of prosecution. The information helped us create a

"ShellBank" database to identify vulnerable turtle populations and partner with local communities, governments and the tourism industry on turtle protection initiatives.

Whale Sharks

Travelers from across the world make their way to the small town of Donsol in the Philippines to see whale sharks, an endangered species. To help protect these magnificent creatures, we partner with WWF to gather information on local whale sharks — part of an effort to build up the whale shark ecosystem with the help of the local community. Since the start of the program, the ocean region surrounding Donsol has been protected by new regulations, helping protect the whale shark population. Tourism has flourished, boosting the economy and quality of life for locals.

Supporting Ocean Research

Starting with Royal Caribbean International's *Explorer of the Seas* in 2000, select Royal Caribbean Group ships

have been equipped with OceanScope, a comprehensive suite of oceanographic and meteorological instruments that record real-time data on ocean and atmospheric conditions. The instruments provide invaluable open-source data to scientists who are researching the effects of climate change. A partnership with the University of Miami's Rosenstiel School of Marine and Atmospheric Science, OceanScope is now featured on four of our ships, including Celebrity Cruises' *Celebrity Flora*, where it tracks the unique intersection of seven currents around the Galápagos Islands.

Galápagos Reforestation

Celebrity Cruises has partnered with the Galápagos National Park since 2014, giving guests the opportunity to plant trees to support the native *Scalesia* reforestation. The archipelago's *Scalesia* forests are incredibly biodiverse habitats that house a striking number of endemic plant and animal species, including the iconic Galápagos Giant Tortoise and some of the world's rarest birds.



TREES PLANTED IN THE GALÁPAGOS SINCE 2014



Inspiring Future Generations

We sail to destinations around the world, including to regions where educational infrastructure is limited. As a company that firmly believes a good education can change lives, we invest in education to help develop the next generation of leaders committed to healthy ocean communities.

Our focus areas include ensuring equitable access to educational resources, supporting educational initiatives related to ocean and local ecosystems, and providing skills training for community members. Many of our investments emphasize Science, Technology, Engineering and Math (STEM)-based learning as an avenue for economic vibrancy.

Mentorship Opportunities

Royal Caribbean Group teams up with organizations throughout Miami to empower kids to reach their full potential through fun and engaging educational opportunities. For the past 18 years, we've partnered with the local Big Brothers Big Sisters (BBBS) School-to-Work Program. The students, or "Littles," visit our offices monthly to shadow a mentor. This one-on-one mentorship promotes job readiness, reinforces the importance of training and education, and provides students with the knowledge to reach their career goals.

Continuing our promise to inspire the next generation of leaders, South Florida employees also mentor third graders through a partnership with Kids and the Power of Work (KAPOW). KAPOW consists of monthly visits to the classrooms that help students explore the link between success in the classroom, at work and in life.

Mentees in both programs get the unique opportunity to tour a cruise ship at the end of the school year to learn about the importance of education in a variety of fields.

STEM for Oceans

Launched in 2019 in the Bahamian Capital of Nassau, our STEM for Oceans initiative is designed to instill a lifelong love of science and oceanography in students ages five to 16 from underserved communities. Students attend camp where they learn to operate underwater rovers, explore sea grass, learn about mega- and miniature fauna of the sea, and collaborate on solutions for the preservation of coastal habitats and ecosystems. More than 1,000 students participated in our Bahamian STEM camps in 2022, with projects ranging from studying the impact of climate change on small island states to recreating marine landscapes with everyday household items.

In 2021, we expanded the program to Haiti and launched a STEM training course for Bahamian teachers. In the 2022 Haiti camp, 100 students — including 85 girls — participated in a tsunami simulation and learned about the five layers of the ocean. The STEM for Oceans initiative is a partnership with the Pan American Development Foundation (PADF).

L'Ecole Nouvelle Royal Caribbean

Since 2010, Royal Caribbean Group has funded and operated an elementary school that serves 300-plus students annually from surrounding villages near Labadee, our private destination on Haiti's northern coast. With our support, the school provides an education for children in kindergarten through fifth grade, including classes in English and environmental stewardship. When students complete primary school, we continue to support their education through scholarships to secondary schools in the town of Cap Haitien.

Sitka Sound Science Center

We provide funding for the Scientists in the Schools program, a flagship program of the Sitka Sound Science Center and part of the science curriculum for all students in Sitka, Alaska — one of the destination communities on our Alaska cruises. The award-winning program exposes every Sitka student to new scientific disciplines, research ideas, basic scientific concepts and educational and career paths in science, with age-appropriate content designed to meet state standards.





WWF: ELEVATING OUR APPROACH TO DESTINATION STEWARDSHIP

WWF supports Royal Caribbean Group's work with the [MAR Network](#), a project to promote sustainable tourism in the cruise hotspots of Cozumel, Mexico; Roatan, Honduras; and Belize City, Belize. WWF also continues to support our efforts to achieve GSTC-certification for destination tours to benefit local communities and reduce negative impacts to the environment.

We're also working with WWF to integrate sustainability and resilience principles into the planning, design, daily operations and decision-making of our private destinations and port projects. By improving these practices, we strengthen our ability to reduce environmental risks, build community trust and create better conservation outcomes.

Empowering Communities

From the Caribbean to Europe to the South Pacific, the destinations we visit are packed to the brim with rich culture, stunning beauty and compelling histories. We respect and celebrate these destination communities, and work closely with them to ensure their continued cultural and economic vibrancy.

Together with our partners, we seek to preserve and promote local cultures, create sustainable employment opportunities and catalyze economic growth among small businesses and local entrepreneurs. In each community, we work jointly with local leaders to understand the best way to support their needs.

Royal Caribbean Programs for Small Business Development

In 2021, we pooled resources with the Access Accelerator Small Business Development Centre in The Bahamas to launch the Royal Caribbean Program, which administers funding and training opportunities to small businesses on New Providence, Grand Bahama and the Berry Islands. After providing \$250,000 at launch, we invested an additional \$250,000 in 2022 to help incubate small businesses and bring additional jobs to the community. This year's grantees

included the owner of a small rental car facility and a local ice cream producer that needed additional equipment to handle demand.

We launched the Royal Caribbean Kickstarter Program in 2022 to give entrepreneurs with innovative, tourism-related business ideas the same type of boost. Twenty-five applicants participated in the program's initial eight-week bootcamp, learning to convert their ideas into investment-ready business models. Upon completion of the training camp, top performers competed for pre-seed funding to launch their businesses. Top finishers included One Big Nut, a fresh coconut franchise startup on New Providence that received \$15,000 in funding; Bahamoments, a bespoke tour/travel operator on New Providence that received \$10,000; and Lignum Vitae, a local products and produce startup that received \$7,500. Traveling Tots Rentals in New Providence and AMaziTours in Grand Bahama won \$5,000 each.

Revitalizing Local Economies

We invest in projects to reinvigorate marketplaces, boardwalks and natural areas in the communities we visit. In particular, we look to support local artisans and entrepreneurs who are the backbone of the local economy. We encourage our guests to immerse themselves in these destinations and buy from local businesses when possible.

Philipsburg Marketplace in St. Maarten

In 2022, we committed to help rebuild the Philipsburg Marketplace in St. Maarten, which sustained significant structural damage during Hurricanes Irma and Maria in

2017. A critical element of the reconstruction is ensuring the marketplace is strong enough to withstand high winds and inclement weather. In the new design, vendors will be able to store their goods safely within their stalls rather than removing items daily. St. Maarten is one of the top destinations we visit each year, and we expect the reconstruction to play a key role in boosting the island's economic productivity. We expect to formally announce the project details and timeline in 2023.

Alaska Travel Industry Association Foundation

The pause in sailing during COVID-19 put a financial strain on our cruise communities. Knowing that our return to service wouldn't make up for losses over a 16-month period, we partnered with the Alaska Travel Industry Association Foundation to assist more than 60 tourism-related businesses and community organizations in their pandemic recoveries. Recipients included small businesses, such as Sitka Bike and Hike and Chilkat River Adventures, as well as organizations supporting community needs, like Fairbanks Community Food Bank, Sunshine Station Child Care and Huna Heritage Foundation.

Many organizations came up with innovative uses for the funding. For example, Alaska Excursions developed a hydroelectric system to power their operations, while the Alaska Sealife Center in Seward developed online digital content to bring their natural history classes to remote learners.

Responsible Tourism

Tourism depends on the beauty of the environment and the vibrancy of local culture. We make a special effort to do no harm to the destinations we visit, so our guests can admire their charms for generations to come. We do this by working with local governments, tourism businesses, communities and our guests to build trust and engagement and effectively manage risks.

When feasible, we seek to generate a positive environmental impact by embedding sustainability and resilience principles into the planning, design and operation of our private destinations and port projects.

Private Destinations

In growing our portfolio of private destinations, we're seeking to advance sustainability from ship to shore and set a new environmental standard for the travel and tourism industry. To deliver on this goal, we've built a new private destination framework to anchor our environmental goals.

Principles in the framework include:

- Minimizing the environmental impact of design, construction and operation
- Reducing the waste we produce and the waste that reaches the landfill in our destinations
- Protecting the native species within our destinations, from construction through operations

To help us reach our environmental goals, we've adopted a simple, repeatable approach: Measure, reduce, offset, repeat.

Perfect Day at CocoCay

We've started applying this framework for new development projects at our Perfect Day at CocoCay destination. To help meet our Destination Net Zero commitments,

we are currently working to complete a full carbon assessment at Perfect Day at CocoCay that highlights opportunities to source alternative energy, reduce waste and develop onsite carbon-offset projects. Botanical and wildlife assessments led to the design of a Forest Management Plan that will help us conserve and restore the island's indigenous forest in partnership with the Bahamian government.

We also began updating Perfect Day at CocoCay's waste management capabilities, including installing a new wastewater treatment system in 2022 that processes 95% of all wastewater on the island above and beyond what's mandated by international standards and local regulations. We're currently reusing some of this treated effluent for local irrigation. A modernized waste management facility with an upgraded aerobic composter is next in our plans.

GSTC-Certified Tours

By 2021, we had more than doubled our 2020 goal of offering our guests 1,000 destination tours certified by the Global Sustainable Tourism Council (GSTC). GSTC-certified tour operators agree to protect the overall health of destinations, preserve local heritage, maximize social and economic benefits to the community and reduce negative impacts to the environment from travel-related waste. For us, GSTC certification is a great way to reduce our environmental impact and meet the environmental standards of our guests.

We deepened our commitment to responsible tourism this year with a new goal to certify 60% of Royal Caribbean Group's global tours to GSTC standards by 2026. We currently offer upwards of 3,500 total excursion tours.

ALASKA LISTENING TOUR

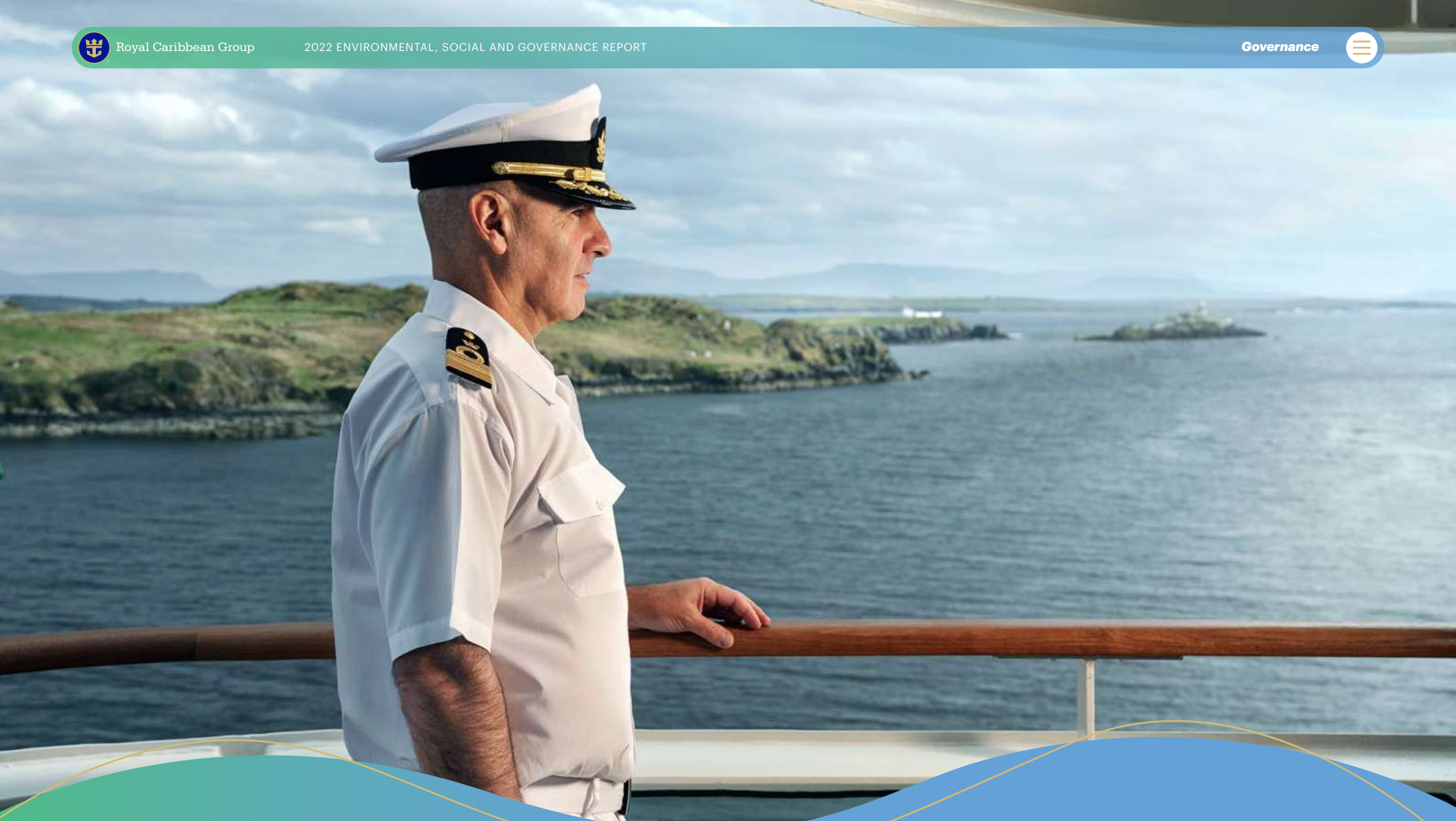
The ports we visit in Alaska are as special to us as the surrounding glaciers and mountains. Ketchikan is a hub for fishing and outdoor sports, but is also home to colorful, hand-carved totems that line the city's streets. Sitka's small-town appeal stems from a unique blend of Russian, Tlingit and American history evident in local galleries and architecture.

While our presence in port towns provides a boost to tourism, we realize it can disturb local routines and strain natural resources if not properly managed. To ensure we're making a positive, lasting impact on the places we visit, we embarked on a journey to engage local Alaska leaders and express our commitment to the long-term health and resilience of their communities.

We began with the opening of our new Sitka terminal in March 2022. To alleviate traffic congestion in the city's busiest area, we located our terminal outside the downtown area and are supporting Sitka Trail Works, a building connector road from our terminal to a trail that runs through the island. Our guests who want to visit downtown can take a tour bus or enjoy a hike or bike trip.

In addition, our Sitka terminal expands opportunities for small, Alaska-owned businesses and promises to make a significant economic impact in their community. Through a close partnership with community leaders, we developed the 40,000-square-foot facility to feature local retail shops and restaurants.

In June, to continue building a shared vision of the future, our executive team traveled to Alaska to engage with local leaders. Meeting with nearly 100 government, community and business representatives in Anchorage and Sitka, leaders shared their needs, priorities and concerns, giving us a firsthand look at our impact. Executives also immersed themselves in the local culture — including railroad tie competitions, homestead tours and wildlife excursions — to get a better sense for the values and customs we're working to preserve.



Governance

Our leaders drive our sustainability efforts, but our commitment to ESG is embedded in our business and culture at all levels.

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GOAL	2022 PROGRESS 
Integrate ESG risks into enterprise risk management system by 2023	• Started evaluating ESG risk priority areas • Mapped climate risks to risk owners and began assessing current and emerging risks to develop action plan
Increase auditability of ESG data and improve climate-related disclosures by 2026	• Increased number of 3rd-party verified metrics from 2021 ESG report • Developed company's first TCFD report, published in 2023

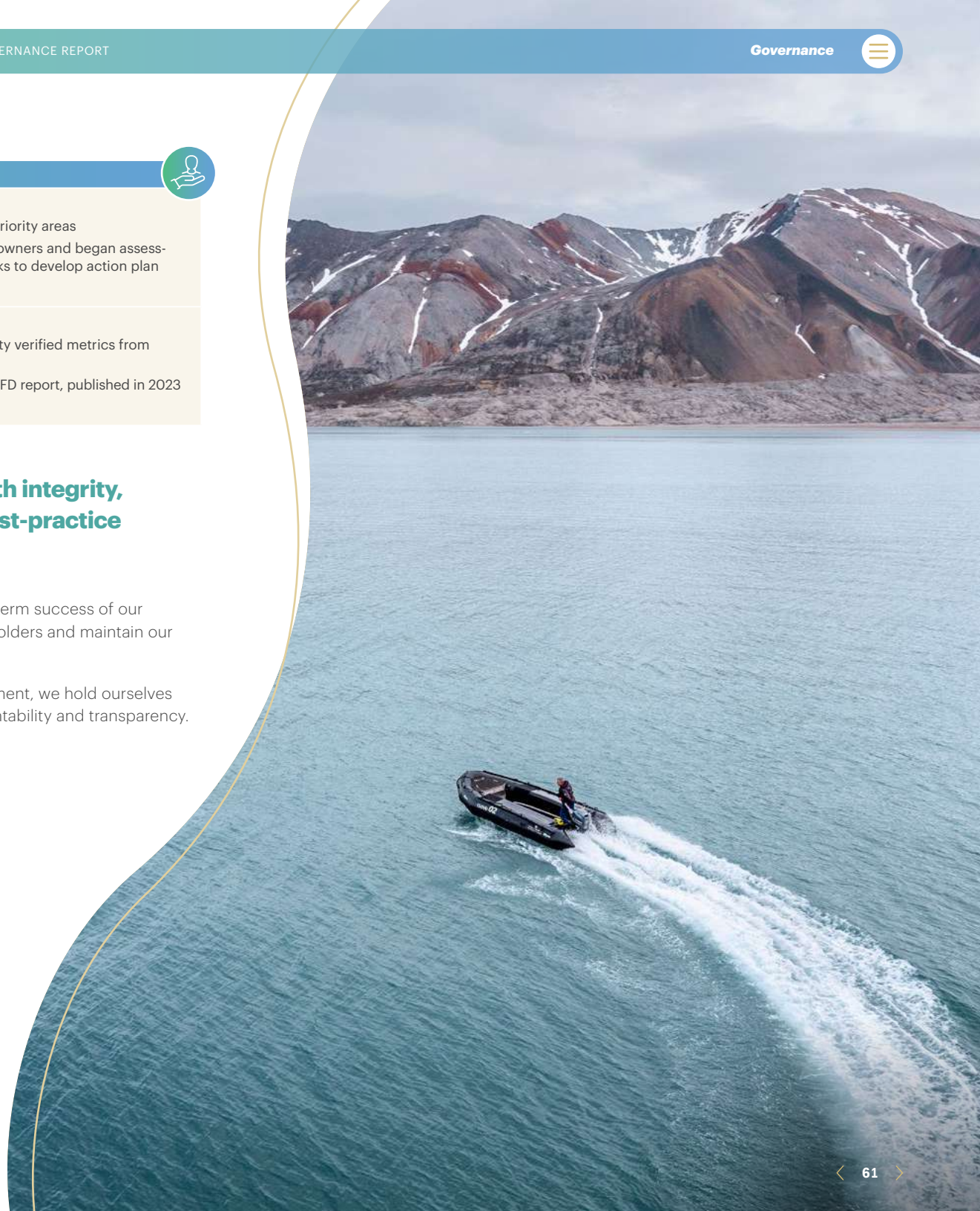
We are committed to running our business with integrity, honesty and transparency, and to applying best-practice governance principles across our operations.

Our corporate governance structure is designed to ensure the long-term success of our company and cruise brands, uphold our commitments to our stakeholders and maintain our strong reputation as a leader in the industry.

In fostering an innovative culture committed to continuous improvement, we hold ourselves and our partners to the highest standards in ethical behavior, accountability and transparency.



Download our Standards and Regulations fact sheet.





Board of Directors

Our Board is responsible for the control and direction of Royal Caribbean Group, with the goal of advancing the company's long-term value and meeting shareholder expectations.

Our Board consists of 14 directors, all of whom are independent under applicable NYSE standards of independence, other than Jason Liberty, president and CEO, and Richard Fain, our current chairman and former CEO. The board has established guidelines to assist in determining director independence in accordance with those standards, which are available on our [Corporate Governance](#) website.

The Board has four committees to help in discharging its duties: the Safety, Environment, Sustainability and Health Committee; the Talent and Compensation Committee; the Audit Committee; and the Nominating and Corporate Governance Committee.

Board Committee Charters

Learn more about the responsibilities of our Board committees.

[Safety, Environment, Sustainability and Health](#)

[Talent and Compensation](#)

[Audit Committee](#)

[Nominating and Corporate Governance](#)

Board Diversity

Diversity is as much a priority at the Board level as in the rest of the company. The Board recognizes the value of diversity and aims for a mix of individuals with varying skills and backgrounds — including diversity of race, gender and ethnicity — and experience in business and other areas that may be relevant to the company's activities. Whenever the Board conducts a search for a new director, the Board will consider at least one woman and one underrepresented minority in the slate of potential candidates. Three of our directors are ethnic/racial minorities (21%) and four are women (29%).

Visit the [Our Leadership](#) page on our website to learn more about individual Board members.

Performance

To ensure a consistent level of high-quality governance, the Board and each of its committees performs a self-evaluation each year. The committees report the results of these evaluations to the larger Board. More information about our Board and performance can be found in our proxy statement, available on our [SEC Filings](#) page.

Responsibilities

Our Board normally attends four regularly scheduled meetings per year. In these meetings, the Board reviews and discusses reports by management on the performance of the company, our plans and prospects, and issues we face. The Board also calls special meetings in accordance with the bylaws as necessary or desirable. Directors are expected to attend all scheduled Board and relevant committee meetings.

In addition to its general oversight of management, the Board performs a range of specific functions (directly and through committees):

- Selecting, evaluating and compensating the CEO and overseeing CEO succession planning

- Providing counsel and oversight on the selection, evaluation, development and compensation of senior executives
- Reviewing, approving and monitoring fundamental financial and business strategies and major corporate actions
- Ensuring management has a process in place to assess and manage the company's exposure to risk, with the understanding that senior management is responsible for assessing and managing our exposure to risk and our response
- Reviewing the processes in place for maintaining the integrity of the company, including the integrity of the financial statements and compliance with laws and ethics
- Reviewing the company's environmental, social and governance policies and practices with management
- Evaluating the Board and its committees' structure, processes and performance



ESG Governance

ESG management and performance is monitored by our Board with oversight by our Board Committees.

Primary oversight falls to our Safety, Environment, Sustainability and Health (SESH) Committee and our Talent and Compensation Committee to a lesser degree, but all committee charters are structured to ensure ESG topics receive dedicated attention.

ESG Steering Committee

Formed in 2021, our corporate ESG Steering Committee oversees our commitment to responsible environmental, social and governance policies and practices. The cross-functional committee provides a staff-level, company-wide framework and organizational structure to help guide our strategy, progress and reporting. Membership in the committee consists of corporate officers representing all relevant departments across the organization. The committee is chaired by Royal Caribbean Group CEO Jason Liberty. Additional subject matter experts, including external parties, may supplement the committee on an ad hoc basis.

Authority and Responsibilities

The primary focus of the ESG Steering Committee is to oversee activities related to developing and executing our ESG strategy and reporting. This includes operationalizing our strategy and providing direction on policies, processes and tools related to ESG. The ESG Steering Committee meets regularly and provides quarterly updates to the Board's SESH Committee. In addition to monitoring ESG progress, the SESH Committee reviews, monitors and provides feedback on our Seastainability report prior to release.

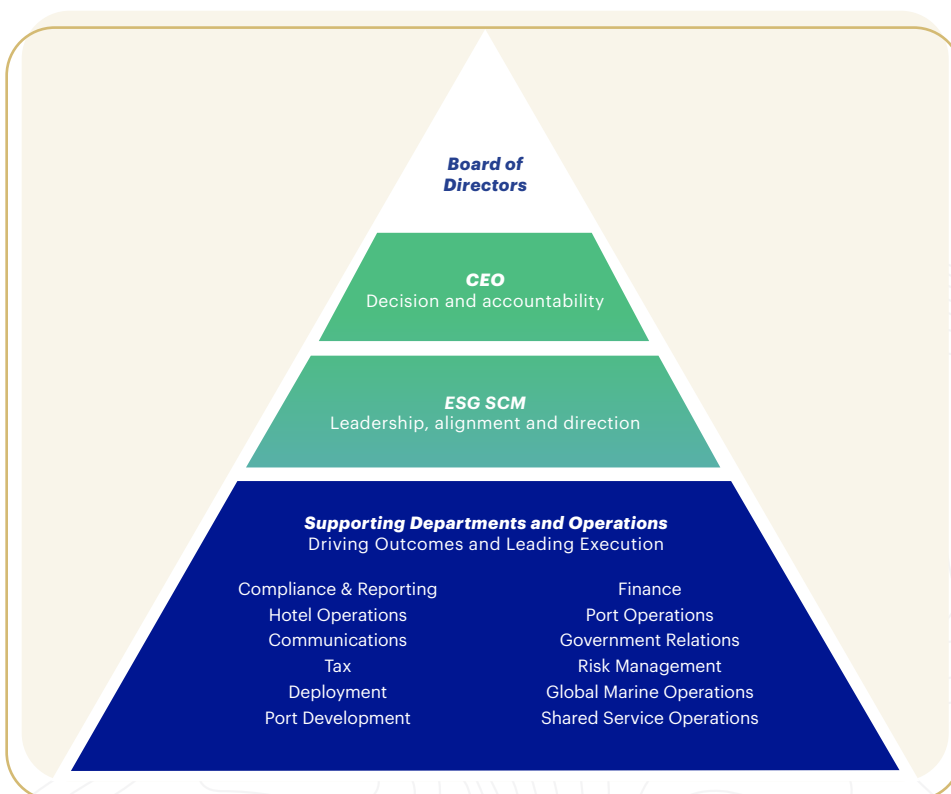
The ESG Steering Committee abides by the following guiding principles:

- **Value creation.** Always create value for the company with our ESG activities.
- **Continuous improvement.** Always be better tomorrow than we are today.
- **Ownership at all levels.** Ensure our commitment to strong ESG performance comes not just from the highest corporate levels but is embedded in the culture at all levels.

- **Partnerships.** Leverage partnerships with leading experts and engagement with employees, guests, shareholders, suppliers and local communities.
- **Science-based approach.** Ensure all decisions are supported by scientific facts.
- **Measurable performance.** Demonstrate in a measurable way how we are achieving our stated aspirations, goals and targets in everything we do.
- **Transparency.** Be transparent and open in all our ESG activities to both internal and external audiences, through third-party auditing and public communications.
- **Strategic fit.** Build on our strengths, history and culture in deciding which ESG actions to take to ensure the highest possible return on our activities for our company, our employees, the environment and local communities.

Destination Net Zero Governance

The execution of our Destination Net Zero strategy is led by a cross-organizational team that reports to the Board and our executive leadership. This team oversees departments and key work streams across the company. In the past two years, we've focused on building functional teams throughout the organization with the skills necessary to execute our Destination Net Zero strategy.



For more information, visit our [Corporate Governance website](#).



Ethics and Compliance

Integrity sails with us — every ship, every cruise, every day.



In 2023, Royal Caribbean Group was named one of the World's Most Ethical Companies for the eighth year in a row by the Ethisphere Institute.

At Royal Caribbean Group, we aspire to lead with integrity, grow with purpose and put people first in everything we do. This means not only being good at what we do, but how we do it.

Code of Business Conduct and Ethics

We are committed to conducting our operations with the highest standards of ethical behavior and in accordance with the law wherever we do business, and we expect all Royal Caribbean Group employees, officers and members of our Board to do the same. In recognition of our high ethical standards, in 2023 Royal Caribbean Group was named one of the World's Most Ethical Companies for the eighth year in a row by the Ethisphere Institute. We are very proud of this achievement.

Our [Code of Business Conduct and Ethics](#) ("Code") guides us on our journey by setting forth the standards we expect of each other. Along with our values, our Code shapes our culture and defines the character of our organization. We periodically update the Code to reflect changes in our company and the world at large. We released an updated Code in early 2023, alongside a new company purpose and values.

Reinforcing our commitment to ethics and compliance, all employees, both shoreside

and shipboard, must take mandatory training on our Code when hired and annually thereafter. In addition, we provide specialized training on specific subject matters to certain employees at periodic intervals.

Avoiding Conflicts of Interest

Royal Caribbean Group employees, officers and members of the Board of Directors must always work together in the best interests of the company and avoid conflicts of interest, including any situation where our personal interests interfere, or even appear to interfere, with the ability to make objective business decisions. We have procedures in place for the disclosure and review of conflicts of interest. This includes disclosing related party transactions in our annual proxy statement in accordance with applicable laws.

Reporting Unethical Behavior

Leading with integrity means creating an environment of open and honest communication where everyone is free to ask questions or raise concerns without fear of retaliation. We expect employees to report any known suspected misconduct, including concerns about our business partners, suppliers or anyone acting on behalf of the company. We maintain a 24/7 AWARE hotline administered through a third party through which concerns may

be reported confidentially via telephone, email or the internet. We review all reports, investigate and take appropriate remedial actions. The Audit Committee is charged with reviewing periodic reports on the Company's Ethics and Compliance Program and communicating concerns to the Board.

Political Contributions

Royal Caribbean Group does not make political contributions in connection with U.S. elections, though it may contribute to ballot measure campaigns or committees as permitted by applicable law. Any such contribution must be approved by the Senior Vice President of Corporate Affairs. Royal Caribbean Group's U.S. subsidiaries may, with their own funds, make political contributions as permitted by applicable law. Any such contribution must be approved by the most senior officer of the relevant U.S. subsidiary. All contributions are administered to ensure they comply with applicable federal, state and local laws and reporting requirements. It's Royal Caribbean Group policy not to make independent expenditures directly in support of or in opposition to any candidate. We do not sponsor any political action committees. For more information, see our [Political Contributions Policy](#).



Download our [Ethics and Compliance fact sheet](#).



Risk Management

We take action to mitigate risk throughout our operations and supply chain, including risks related to health and safety, climate change, human rights, ethics and cybersecurity.

With 64 ships transporting thousands of people around the world at any given time, we are exposed to various financial, strategic, operational and compliance-related risks. We respond with a rigorous risk management process that helps us identify and navigate through risk and take advantage of opportunities.

We seek optimal risk governance to enhance our decision-making and protect the value of our business and stakeholders. In addition to continually assessing our risk posture, we collaborate with risk owners to ensure that sufficient lines of defense are in place to manage our risks.

Our Process

Our Enterprise Risk Management team within our Audit and Advisory Services department performs enterprise-wide risk assessments twice per year, and continuously monitors risk drivers and variables that can affect performance and the execution of our corporate strategy. Risk assessments generally begin with research, which includes consideration of internal and externally published risk reports.

Risk topics and trends identified are then discussed and further evaluated with business leaders and key stakeholders through dynamic surveys, round-table discussions and interviews. Outreach also includes obtaining input from the Audit Committee and individuals with health,

safety, environmental, social and corporate governance responsibilities. Results are reported to management, our head of ESG, our ESG Steering Committee, and the Audit Committee for effective risk oversight.

Furthermore, our enterprise-wide risk assessment results give us an updated and prioritized inventory of risks, sub-risks and risk drivers, including those related to our ESG and IT security goals.

In 2022, we began a more comprehensive effort to integrate ESG risk into our enterprise risk management system, starting with mapping our climate risks to various risk owners and developing action plans for mitigation.

Our Enterprise Risk Management team leverages these risk assessments to inform and focus our risk monitoring and internal audit activities. As needed, we conduct topic-specific risk management reviews with teams across the organization and ensure appropriate mitigations are in place or are being implemented. We also perform an annual fraud risk assessment to ensure the company is responsive to recurring and emerging fraud risks.

Finally, our team reviews risk factor disclosures to ensure complete and accurate reporting by reconciling risk factors to our internal inventory of risks, to risks disclosed by others in the marketplace and to emerging risks published in external publications.

Our 2022 Risk Landscape

Royal Caribbean Group identified a range of risks in 2022 that continue to influence our ESG strategy. Physical risks and transitional risks, for example, can threaten our operations and result in financial consequences such as guest cancellations.

To help us better understand our climate risks, we conducted a qualitative climate-scenario analysis in 2022. Among the risks we identified were potential disruptions and uncertainties from climate-related weather events; operating and compliance costs associated with meeting climate-related regulations; acute physical risks to our infrastructure and destinations from hurricanes and extreme weather events; slow-moving development and deployment of technologies that support the transition to a low-carbon economy; and long-term shifts in sea-level rise that threaten the viability of our terminals, destination ports and private destinations.

See our [Advancing Net Zero Innovation section \(page 21\)](#), [Energy Use and Air Emissions section \(page 24\)](#), and our [TCFD Report](#) to see how we are managing our climate-related risks. See the [Water and Wastewater Management \(page 30\)](#), [Waste Management \(page 31\)](#), and [Supply Chain \(page 32\)](#) sections to learn more about how we are managing other ESG-related risks.

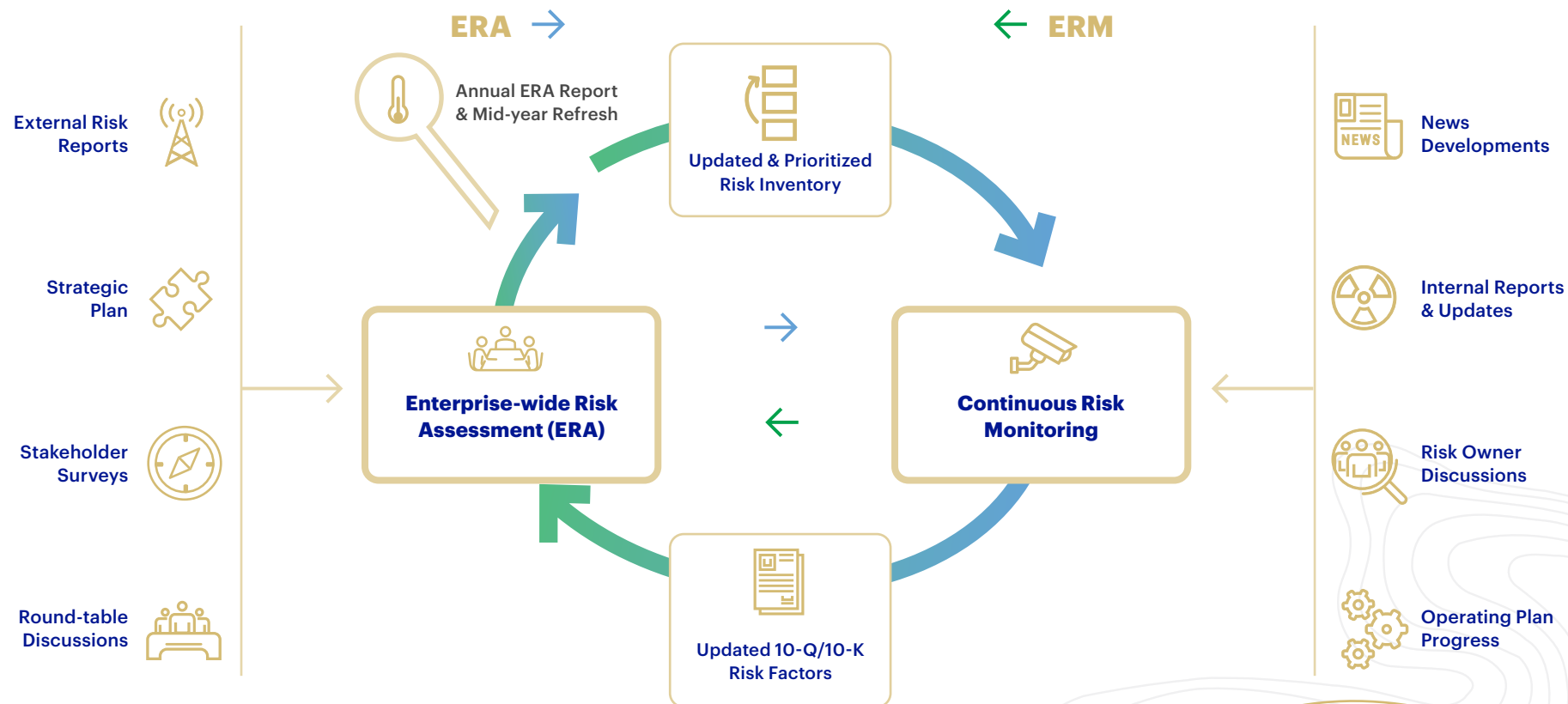
Like all companies, we face risks from cybersecurity attacks and data breaches, including the risks and costs associated with protecting our systems and maintaining integrity and security of our business information, as well as personal data of our guests, employees and business partners. See [page 41](#) to understand our approach to data privacy and cybersecurity.

For a more complete description of our entire risk landscape, please refer to our [10K filing with the SEC](#).



Enterprise Risk Management (ERM) Process Overview

One of our main guiding principles is value protection. We achieve this by continuously assessing risks and ensuring that sufficient lines of defense and risk management capabilities are in place to manage risks and variables that can affect the achievement of our goals and objectives.





Appendix

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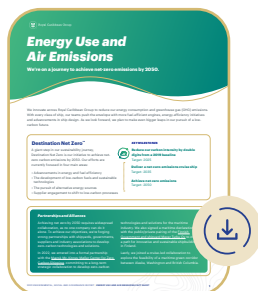


Fact Sheets

Learn more about our strategies, initiatives and approach to ESG across our business in our 2022 fact sheets:



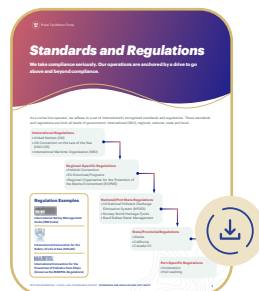
Ethics and Compliance



Energy Use and Air Emissions



Health, Safety and Security



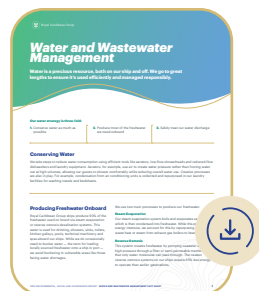
Standards and Regulations



Supply Chain



Waste Management



Water and Wastewater Management



Workplace Culture

Policies and Standards

Data Privacy

[Privacy Policy](#)

Ethics

[AWARE Compliance and Ethics Hotline](#)

[Code of Business Conduct and Ethics](#)

[Political Contributions Policy](#)

Guest Safety and Security

[Guest Conduct Policy](#)

Human Rights

[Human Rights Statement](#)

[Supplier Guiding Principles](#)

[Modern Slavery Statement](#)

Supply Chain

[Supplier Guiding Principles](#)

Environment

[Environmental Policy](#)

[Water Management Policy](#)

[Ship Recycling Policy](#)



Key Performance Tables


[Download as Excel Performance Table](#)

ENVIRONMENT

AREA	INDICATOR	2022	2021	2020	2019	FRAMEWORKS
Emissions Reduction	Total GHG emissions (Metric tonnes of CO ₂ e) using location-based Scope 2	4,989,942	2,590,041	2,502,145	9,635,214 ⁱⁱ	—
	Scope 1 (metric tons) ⁱ	4,979,842	2,579,274	2,493,580	4,820,278	TR-CL-110a.1 GRI 305-1
	Scope 2 (location based; metric tons) ⁱ	10,100	10,767	8,565	14,490	GRI 305-2
	Scope 2 (market based; metric tons) ⁱ	10,167	10,900	8,690	15,251	—
	Scope 3 (metric tons) ⁱⁱ	ⁱⁱ —	—	—	4,800,446 ⁱⁱ	GRI 305-3
	Emissions intensity in kilograms of CO ₂ e per ALB-km	0.225	0.279	0.334	0.244	GRI 305-4
	Emissions intensity in grams of CO ₂ e /(Gross Ton x Nautical Mile) ^{i, iii}	10.97	—	—	—	GRI 305-4
	Total energy consumed (MWh)	8,242,330	4,232,034	3,832,898	6,524,004	TR-CL-110a.3 GRI 302-1
	Total consumed of non-renewables fuels (MWh)	8,213,386	4,207,030	3,832,898	6,524,004	GRI 302-1
	% energy consumed of non-renewables fuels	100%	99%	100%	100%	TR-CL-110a.3
	Total energy consumed from onshore power supply (MWh)	28,944	25,003	0	0	GRI 302-1
	% energy consumed from onshore power supply	0.3%	1%	0%	0%	TR-CL-110a.3
	Total energy from renewable (MWh)	0	0	0	0	GRI 302-1
	% energy from renewable	0%	0%	0%	0%	TR-CL-110a.3
	Average Energy Efficiency Design Index (EEDI) for new ships	7.89	11.49	7.94		TR-CL-110a.4
	Energy intensity per available passenger cruise days (APCD)	0.199	0.359	0.449	0.157	GRI 302-3
Air Quality	Total SOx (metric tonnes)	229,961	114,821	103,215	285,167	TR-CL-120a.1 GRI 305-7
	Total NOx (metric tonnes)	65,102	32,777	30,326	67,522	TR-CL-120a.1 GRI 305-7
	Total particulate matter (metric tonnes)	6,956	3,469	3,133	7,453	TR-CL-120a.1 GRI 305-7
Waste Management	Solid waste to landfill (pounds per APCD)	0.19 ^{iv}	0.27	0.5	0.32	GRI 306-5
	Food waste (cubic meters)	53,655.60	22,505	28,141	75,520	GRI 306-3
	Total waste recycled (pounds in millions)	61.4 ^{iv}	14.3	11.5	46.9	GRI 306-4

**ENVIRONMENT (CONTINUED)**

AREA	INDICATOR	2022	2021	2020	2019	FRAMEWORKS
Water and Wastewater Management	Effluent quality for discharged process bilge water (parts per million)	1.79	1.5	1.5	1.5	TR-CL-160a.1 GRI 303-4
	Number of ships with Advanced Wastewater Purification system	48	42	41	38	GRI 303-4
	% of fleet with Advanced Wastewater Purification system ⁱ	92%	88%	87%	85%	TR-CL-120a.1 GRI 303-4
	Total amount discharged (metric tons)	11,015,565	4,539,306	5,444,800	14,081,711	GRI 303-4
	Total amount treated discharge (metric tons)	8,151,606	3,371,293	3,749,850	9,624,254	GRI 303-4
	% of wastewater treated prior to discharge ⁱ	74%	74%	69%	68%	TR-CL-160a.2
	Total amount untreated discharge (metric tons)	2,863,959	1,168,012	1,694,950	4,457,457	TR-CL-160a.3
	% of wastewater untreated prior to discharge	26%	26%	31%	32%	TR-CL-160a.4
	% of fleet with Ballast Water Management System (BWMS) installed ⁱ	100%	94%	81%	95%	GRI 303-3
	Cruise duration in marine-protected areas or areas of protected conservation status	In 2022, we finalized development of our methodology for capturing this data across our fleet, and will be implementing in 2023.	We do not have a standardized method for capturing this data across our fleet. However, we are evaluating methods that will allow us to report this in the coming years.	—	—	TR-CL-160a.4
	Number of Notices of Violation (NOV) received for dumping ⁱ	2	0	0	—	GRI 303-3
Environmental Management	Water withdrawal by source - produced water (percent) ^{i, iv}	94%	94%	90%	90%	—
	Number of ships certified to ISO 14001	48	—	—	—	—

SOCIAL

AREA	INDICATOR	2022	2021	2020	2019	FRAMEWORKS
Our Employees	Total number of employees	102,500	84,700	85,396	82,319	GRI 2-7
	Total number of supervised workers ^{iv, v}	11,951	9,300	5,525	5,737	—
	Employees working onboard our ships	94,300	77,000	78,453	74,240	SASB TR-CL-000.C
	Employees working at our shoreside operations and private destinations	8,200	7,700	6,943	8,400	—
	Full-time employees	102,400	84,600	85,315	82,194	GRI 2-7
	Part-time employees	100	100	81	108	GRI 2-7
	Male employees	77,085	64,000	60,843	60,533	GRI 2-7, GRI 405-1
	Female employees	25,479	20,700	19,183	21,728	GRI 2-7, GRI 405-1

**SOCIAL (CONTINUED)**

AREA	INDICATOR	2022	2021	2020	2019	FRAMEWORKS
Learning and Development	Total training hours - shipboard	2,425,311	—	—	—	—
	Total training hours - shoreside	29,759	—	—	—	—
	Average training hours per employee - shipboard	25.72	7 ^x	11	—	GRI 404-1
	Average training hours per employee - shoreside	3.63	12	19	—	GRI 404-1
Diversity, Equity and Inclusion	% of male and female employees	Female	Male			
	Shipboard: All team members ⁱ	22%	78%	22%F	21%F	—
	Shipboard: 3 stripes and above ⁱ	17%	83%	—	—	—
	Global shoreside: All team members ⁱ	57%	43%	—	—	—
	US shoreside: All team members ⁱ	56%	44%	58% F	57% F	—
	Global shoreside: Director+ ⁱ	37%	63%	—	—	—
	Global shoreside: Sr. Managers and below ⁱ	59%	41%	—	—	—
	Board of Directors	29%	71%	21% F	—	—
	Female Executive Leadership Team (reporting to CEO)	36%	64%	43% F	—	—
	Tenure of employees^{ix}	Female	Male	Total		
	North America, Central American and Caribbean	5,277	7,178	12,455	Total: 9,934	
	0-1 year	1,682	1,947	3,629	—	—
	1-5 years	1,362	1,467	2,829	—	—
	6-10 years	784	940	1,724	—	—
	11-15 years	536	944	1,480	—	—
	16-20 years	463	857	1,320	—	—
	20+	450	1,023	1,473	—	—
	South America	1,697	2,594	4,291	Total: 3,792	
	0-1 year	866	1,222	2,088	—	—
	1-5 years	388	627	1,015	—	—
	6-10 years	188	256	444	—	—
	11-15 years	194	312	506	—	—
	16-20 years	45	115	160	—	—
	20+	16	62	78	—	—

GRI 2-7

**SOCIAL (CONTINUED)**

AREA	INDICATOR	2022			2021	2020	2019	FRAMEWORKS	
Diversity, Equity and Inclusion (Continued)	Tenure of employees	Female	Male	Total				GRI 2-7	
	Africa/Europe	4,329	9,460	13,789	Total: 16,508				
	0-1 year	2,036	3,344	5,380	—	—	—		
	1-5 years	1,124	2,235	3,359	—	—	—		
	6-10 years	759	1,939	2,698	—	—	—		
	11-15 years	239	1,069	1,308	—	—	—		
	16-20 years	110	489	599	—	—	—		
	20+	61	384	445	—	—	—		
	Asia/Australia	8,491	4,276	50,667	Total: 47,031				
	0-1 year	2,916	11,262	14,178	—	—	—		
	1-5 years	2,736	10,419	13,155	—	—	—		
	6-10 years	1,915	10,985	12,900	—	—	—		
	11-15 years	514	5,270	5,784	—	—	—		
	16-20 years	270	2,577	2,847	—	—	—		
	20+	140	1,663	1,803	—	—	—		
	% of ethnically or racially diverse employees (US only)								GRI 405-1
	All team members ⁱ	55%			—	—	—		
	Director+ ⁱ	35%			—	—	—		
	Sr. Managers and below ⁱ	58%			—	—	—		
	Board of Directors	21%			14%	—	—		
Executive Leadership Team (reporting to CEO)	18%			31%	—	—			
Overall Diversity Index (gender, ethnicity, veterans, disabled) (US only)									
All team members	81%			—	—	—			
Director+	62%			—	—	—			
Sr. Managers and below	83%			—	—	—			
Number of countries our employees represent	139			130	—	126			
Distribution by age	Shipboard	Shoreside	Totals in percentages						
Under 30 ⁱ	38,652	1,568	39%	—	—	—			
30 - 50 ⁱ	51,790	4,159	55%	—	—	—			
Over 50 ⁱ	4,978	1,419	6%	—	—	—			

**SOCIAL (CONTINUED)**

AREA	INDICATOR	2022	2021	2020	2019	FRAMEWORKS
Guest Safety & Security	Number of alleged crime incidents involving passengers or employees	26	4	8	—	TR-CL-250a.1
	Fleet average CDC Vessel Sanitation Program inspection score, percentage of inspections failed ⁱ	98.3%; 0	0. No CDC inspections occurred during 2021.	95%	—	TR-CL-250a.2
	(1) Serious injuries per million passengers ^{vi}	5.1 ^{iv}	7.9 ^{iv, xi}	Information not disclosed	—	TR-CL-250a.3
	(2) number of voyages with a gastrointestinal illness count exceeding 2% ⁱ	1	0	0	—	TR-CL-250a.3
	Number of conditions of class or recommendations	114	120	219	—	TR-CL-540a.1
	Number of port state control (1) deficiencies and (2) detentions	(1) 137 ; (2) 1 ^{vii}	(1) 78; (2) 0	0	—	TR-CL-540a.2
Human Rights	Percentage of seafarers paid for overtime	100%	100%	Information not disclosed	—	TR-CL-310a.3
	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	In 2022, we did not disclose any monetary losses as a result of material legal proceedings associated with labor law violations.	In 2021, we did not disclose any monetary losses as a result of material legal proceedings associated with labor law violations.	In 2020, we did not disclose any monetary losses as a result of material legal proceedings associated with labor law violations.	—	TR-CL-310a.4
	Seafarer lost time incident rate (LTIR) ^{iv, viii}	1.98	—	—	—	TR-CL-320a.1
	% of employees covered by collective bargaining agreements	88%	86%	89%	89%	GRI 2-30

OTHER OPERATIONAL METRICS

AREA	INDICATOR	2022	2021	2020	2019	FRAMEWORKS
Activity Metric	Available lower berth kilometers (ALB-km)	22,199,586,149	9,281,945,422	7,484,211,023	—	TR-CL-000.A
	Available passenger cruise days (APCD)	41,197,650	11,767,441	8,539,903	—	TR-CL-000.B
	Number of shipboard employees	94,300	77,000	78,453	—	TR-CL-000.C
	Cruise passengers	5,536,335	1,030,403	1,295,144	—	TR-CL-000.D
	Number of vessel port calls	14,663	4,517	1,755	—	TR-CL-000.E

ⁱ Data has been third-party verified by DNV.ⁱⁱ In 2022, we inventoried our Scope 3 emissions baseline for 2019, the last year representative of pre-pandemic normal operations. We plan to calculate Scope 3 for 2023 and beyond.ⁱⁱⁱ New intensity metric starting 2022, in line with IMO's CII.^{iv} Data relates to Royal Caribbean International and Celebrity only.^v Supervised workers are shipboard contractors or concessionaires.^{vi} Serious injuries are defined as those resulting in treatment that requires debarkation or airlift for life-saving support.^{vii} Formal appeal under review in accordance with 46 CFR Subpart 1.03 "Right of Appeal".^{viii} LTIR is defined as the average lost time (difference from Assignment End date to Sign Off date) x number of signoffs /1M hrs^{ix} Data relates to all RCG employees minus Silversea shipboard.^x Correction of 2021 figure due to misprint.^{xi} Revised 2021 calculation to align with the methodology used in 2022, in line with SASB guidance.



United Nations Sustainable Development Goals Approach

Royal Caribbean Group supports the United Nations Sustainable Development Goals (SDGs). We referenced the SDGs when developing our Strategic ESG Framework. The goals below are ones where we feel we can have the most impact, or where efforts to achieve that goal can also influence our future business. This table references sections of this report that relate to each goal.

GOALS	OUR CONTRIBUTIONS
 7 AFFORDABLE AND CLEAN ENERGY Ensure access to affordable, reliable, sustainable and modern energy for all.	Advancing Net Zero Innovation, Energy Use and Air Emissions
 8 DECENT WORK AND ECONOMIC GROWTH Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	Our People, Human Rights, Our Communities
 11 SUSTAINABLE CITIES AND COMMUNITIES Make cities and human settlements inclusive, safe, resilient and sustainable.	Our Communities
 12 RESPONSIBLE CONSUMPTION AND PRODUCTION Ensure sustainable consumption and production patterns.	Breaking New Ground in Sustainable Ship Building, Waste Management, Sustainable Sourcing
 13 CLIMATE ACTION Take urgent action to combat climate change and its impacts.	Advancing Net Zero Innovation, Energy Use and Air Emissions
 14 LIFE BELOW WATER Conserve and sustainably use the oceans, seas and marine resources for sustainable development.	Water and Wastewater Management, Sustainable Seafood, Protecting Oceans
 15 LIFE ON LAND Protect, restore and promote sustainable use of ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.	Environment, Responsible Tourism
 17 PARTNERSHIPS FOR THE GOALS Strengthen the means of implementation and revitalize the global partnership for sustainable development.	Key Stakeholder Groups, Partnerships and Alliances, Partnering to Explore Zero-Carbon Shipping Corridors



SASB Table

GREENHOUSE GAS EMISSIONS

SASB CODE	INDICATORS	2022 DISCLOSURE	2022 NOTES
TR-CL-110a.1	Gross global Scope 1 emissions	4,979,842	Our 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 response to the CDP Climate Change Information Request. See the Energy Use and Air Emissions section of this report, page 24 .
TR-CL-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	See Advancing Net Zero Innovation (page 21) and Energy Use and Air Emissions (page 24) sections of this report. Also see our TCFD report here .	
TR-CL-110a.3	(1) Total energy consumed, (2) percentage heavy fuel oil, (3) percentage onshore power supply (OPS), (4) percentage renewable	(1) 29,568,189.6 gigajoules (GJ); other indicators not currently disclosed	See the Energy Use and Air Emissions section of this report, page 24 .
TR-CL-110a.4	Average Energy Efficiency Design Index (EEDI) for new ships	7.89	Based on gross tonnage weighted average. This is 40% better than the EEDI required.

AIR QUALITY

TR-CL-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N ₂ O), (2) SOx, and (3) particulate matter (PM ₁₀)	(1) 65,102 metric tonnes, (2) 229,961 metric tonnes, (3) 6,956 metric tonnes	See the Energy Use and Air Emissions section of this report, page 24 .
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DISCHARGE MANAGEMENT AND ECOLOGICAL IMPACTS

TR-CL-160a.1	Total amount of ship waste discharged to the environment, percentage treated prior to discharge	11,015,565 cubic meters; 74% of waste treated prior to discharge	See the Waste Management section of this report, page 31 .
TR-CL-160a.2	Percentage of fleet implementing ballast water (1) exchange and (2) treatment	(2) 100%	This is inclusive of our wholly owned and operated brands. See the Water Management section of this report, page 30 .
TR-CL-160a.3	Cruise duration in marine-protected areas or areas of protected conservation status	In 2022, we finalized development of our methodology for capturing this data across our fleet, and will be implementing in 2023.	
TR-CL-160a.4	Number of notices of violations received for dumping	2	This is third-party verified by DNV

**DISCHARGE MANAGEMENT AND ECOLOGICAL IMPACTS**

SASB CODE	INDICATORS	2022 DISCLOSURE	2022 NOTES
TR-CL-160a.1	Total amount of ship waste discharged to the environment, percentage treated prior to discharge	11,015,565 cubic meters; 74% of waste treated prior to discharge	See the Waste Management section of this report, page 31 .
TR-CL-160a.2	Percentage of fleet implementing ballast water (1) exchange and (2) treatment	(2) 100%	This is inclusive of our wholly owned and operated brands. See the Water Management section of this report, page 30 .
TR-CL-160a.3	Cruise duration in marine-protected areas or areas of protected conservation status	In 2022, we finalized development of our methodology for capturing this data across our fleet, and will be implementing in 2023.	
TR-CL-160a.4	Number of notices of violations received for dumping	2	This is third-party verified by DNV

CUSTOMER HEALTH AND SAFETY

TR-CL-250a.1	Number of alleged crime incidents involving passengers or employees	26	All crimes reported using the CVSSA definition for reportable crimes for all RCG vessels. See the Guest Safety and Security section of this report, page 41 .
TR-CL-250a.2	Fleet average CDC Vessel Sanitation Program inspection score, percentage of inspections failed	98.25%, 0	Performance table, page 73 .
TR-CL-250a.3	(1) Serious injuries per million passengers and (2) number of voyages with a gastrointestinal illness count exceeding 2%	(1) 5.1 (2) 1	See the Guest Health and Wellbeing, page 40 and Guest Safety and Security section of this report, page 41 .

LABOR PRACTICES

TR-CL-310a.1	Average hourly wage for seafarers, by region	Our competitive Total Rewards package includes pay, housing, meals, health care, savings programs, employee assistance programs, educational opportunities, and more. Approximately 88% of our workforce is covered by a collective bargaining agreement that includes many of these benefits. These programs are frequently reviewed to ensure we are the employer of choice.	See the Employee Benefits and Engagement section of this report, page 50 .
TR-CL-310a.2	Percentage of seafarers working maximum hours	Working and rest hours are closely monitored and regulated under the Maritime Labor Convention (MLC), an international labor convention adopted by the International Labor Organization (ILO) that sets out seafarers' rights to minimum working and living conditions.	
TR-CL-310a.3	Percentage of seafarers paid for overtime	All shipboard employees have guaranteed overtime included as part of their pay.	See the Employee Benefits and Engagement section of this report, page 50 .
TR-CL-310a.4	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	Our material legal proceedings are disclosed in our SEC reports. In 2022, we did not disclose any monetary losses as a result of legal proceedings associated with labor law violations.	

**EMPLOYEE HEALTH AND SAFETY**

SASB CODE	INDICATORS	2022 DISCLOSURE	2022 NOTES
TR-CL-320a.1	Seafarer lost time incident rate (LTIR)	1.98 **	See the Employee Health, Safety and Wellness section of this report, page 48 .

ACCIDENT MANAGEMENT

TR-CL-540a.1	Number of conditions of class or recommendations	114	Performance table, page 73 .
TR-CL-540a.2	Number of port state control (1) deficiencies and (2) detentions	"(1) 137 (2) 1****	Performance table, page 73 .
TR-CL-540a.3	Number of marine casualties, percentage classified as very serious	Information not currently disclosed.	

ACTIVITY METRIC

TR-CL-000.A	Available lower berth kilometers (ALB-km)	22,199,586,149	
TR-CL-000.B	Available passenger cruise days (APCD)	41,197,650	
TR-CL-000.C	Number of shipboard employees	94,300	Performance table, page 70 .
TR-CL-000.D	Cruise passengers	5,536,335	
TR-CL-000.E	Number of vessel port calls	"14,663	

*In 2022, we inventoried our Scope 3 emissions baseline for 2019, the last year representative of pre-pandemic normal operations. We plan to calculate Scope 3 for 2023 and beyond.

****LTIR includes data for Royal Caribbean International and Celebrity Cruises only. It is the average lost time in months (difference from Assignment End date to Sign Off date) x number of signoffs.

**Formal appeal under review in accordance with 46 CFR Subpart 1.03 "Right of Appeal."



GRI Index

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S) AND/OR URL(S)
GENERAL DISCLOSURES		
GRI 2: General Disclosures 2021	2-1 Organizational details	ESG report page 8 2022 Fiscal Year 10-K page 2
	2-2 Entities included in the organization's sustainability reporting	ESG report page 8
	2-3 Reporting period, frequency and contact point	Reporting period for sustainability reporting: January 1, 2022 – December 31, 2022 Frequency of reporting: Annual Reporting period for financial reporting: January 1, 2022 – December 31, 2022 Publication date: April 2023 Contact: sustainability@rccl.com
	2-4 Restatements of information	There are no restatements of information in this report.
	2-5 External assurance	ESG report pages 83-87
	2-6 Activities, value chain and other business relationships	ESG report page 8 , 12 , 22 , 33-37 2022 Fiscal Year 10-K page 2
	2-7 Employees	ESG report pages 70-72
	2-8 Workers who are not employees	ESG report page 70
	2-9 Governance structure and composition	ESG report pages 62-63 Corporate Governance Our Leadership
	2-10 Nomination and selection of the highest governance body	Nominating and Corporate Governance Committee Charter
	2-11 Chair of the highest governance body	ESG report page 63 Corporate Governance Our Leadership
	2-12 Role of the highest governance body in overseeing the management of impacts	ESG report pages 62-63 Corporate Governance
	2-13 Delegation of responsibility for managing impacts	ESG report pages 62-63
	2-14 Role of the highest governance body in sustainability reporting	ESG report page 63 Safety, Environment, Sustainability, and Health Committee Charter
	2-15 Conflicts of interest	ESG report page 64 Corporate Governance
	2-16 Communication of critical concerns	ESG report page 64
	2-18 Evaluation of the performance of the highest governance body	ESG report page 62
	2-19 Remuneration policies	Talent and Compensation Committee Charter
	2-20 Process to determine remuneration	ESG report page 62 Talent and Compensation Committee Charter
	2-22 Statement on sustainable development strategy	ESG report page 3



GRI STANDARD	DISCLOSURE	PAGE NUMBER(S) AND/OR URL(S)
GENERAL DISCLOSURES (CONT.)		
GRI 2: General Disclosures 2021	2-23 Policy commitments	ESG report page 33 , 53-54 , 64 Code of Business Conduct and Ethics Human Rights Statement and Core Labor Principles
	2-25 Processes to remediate negative impacts	ESG report pages 53 , 64
	2-26 Mechanisms for seeking advice and raising concerns	ESG report pages 53 , 64 AWARE Compliance and Ethics
	2-27 Compliance with laws and regulations	ESG report page 70
	2-28 Membership associations	ESG report pages 12 , 28
	2-29 Approach to stakeholder engagement	ESG report pages 10-13
	2-30 Collective bargaining agreements	ESG report page 73
MATERIAL TOPICS		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	ESG report page 14
	3-2 List of material topics	ESG report page 14 There have been no changes compared to previous reporting period
Economic performance		
GRI 3: Material Topics 2021	3-3 Management of material topics	2022 Fiscal Year 10-K Royal Caribbean Group Reports 2022 Results and Provides Forward Guidance
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	ESG report pages 19 , 65 2022 Fiscal Year 10-K p. 20 TCFD report
Procurement practices		
GRI 3: Material Topics 2021	3-3 Management of material topics	ESG report page 35
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	ESG report page 37
Tax		
GRI 3: Material Topics 2021	3-3 Management of material topics	2022 Fiscal Year 10-K pages 18-20 Audit Committee Charter
GRI 207: Tax 2019	207-1 Approach to tax	2022 Fiscal Year 10-K pages 18-20 Audit Committee Charter



GRI STANDARD	DISCLOSURE	PAGE NUMBER(S) AND/OR URL(S)
MATERIAL TOPICS (CONT.)		
Energy		
GRI 3: Material Topics 2021	3-3 Management of material topics	ESG report pages 24-29 Energy Use and Air Emissions Fact Sheet
GRI 302: Energy 2016	302-1 Energy consumption within the organization	ESG report page 69
	302-3 Energy intensity	ESG report page 69
	302-5 Reductions in energy requirements of products and services	ESG report pages 26-29
Water and effluents		
GRI 3: Material Topics 2021	3-3 Management of material topics	ESG report page 30 Water and Wastewater Management Fact Sheet
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	ESG report page 30
	303-2 Management of water discharge-related impacts	ESG report page 30
	303-3 Water withdrawal	ESG report page 70
	303-4 Water discharge	ESG report page 70
Emissions		
GRI 3: Material Topics 2021	3-3 Management of material topics	ESG report pages 21-29 TCFD report
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	ESG report page 69 TCFD report CDP report
	305-2 Energy indirect (Scope 2) GHG emissions	ESG report page 69 TCFD report CDP report
	305-3 Other indirect (Scope 3) GHG emissions	ESG report pages 24, 69
	305-4 GHG emissions intensity	ESG report page 69
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	ESG report page 69
Waste		
GRI 3: Material Topics 2021	3-3 Management of material topics	ESG report page 31 Waste Management Fact Sheet
GRI 306: Waste 2016	306-2 Management of significant waste-related impacts	ESG report page 31
	306-4 Waste diverted from disposal	ESG report page 69
	306-5 Waste directed to disposal	ESG report page 69



GRI STANDARD	DISCLOSURE	PAGE NUMBER(S) AND/OR URL(S)
MATERIAL TOPICS (CONT.)		
Occupational health and safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	ESG report pages 48-49, 54
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	ESG report pages 48-49, 54
	403-3 Occupational health services	ESG report page 49 Health, Safety and Security fact sheet
	403-5 Worker training on occupational health and safety	ESG report page 49
	403-6 Promotion of worker health	ESG report pages 48-49
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	ESG report page 49
Training and education		
GRI 3: Material Topics 2021	3-3 Management of material topics	ESG report page 48, 51
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	ESG report pages 51, 71
Diversity and equal opportunity		
GRI 3: Material Topics 2021	3-3 Management of material topics	ESG report page 46
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	ESG report pages 46, 70-72 2022 Fiscal Year 10-K page 15
	405-2 Ratio of basic salary and remuneration of women to men	ESG report page 48
Local communities		
GRI 3: Material Topics 2021	3-3 Management of material topics	ESG report page 55
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	ESG report pages 53, 55-59
Supplier social assessment		
GRI 3: Material Topics 2021	3-3 Management of material topics	ESG report page 35 Supplier Guiding Principles
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	ESG report page 35
Public policy		
GRI 3: Material Topics 2021	3-3 Management of material topics	Political Contributions Policy
GRI 415: Public Policy 2016	415-1 Political contributions	ESG report page 64



GRI STANDARD	DISCLOSURE	PAGE NUMBER(S) AND/OR URL(S)
MATERIAL TOPICS (CONT.)		
Customer health and safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	ESG report pages 40-42
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	ESG report pages 40-41, 73
Customer privacy		
GRI 3: Material Topics 2021	3-3 Management of material topics	ESG Report page 41 Code of Business Conduct and Ethics page 22
Guest satisfaction		
GRI 3: Material Topics 2021	3-3 Management of material topics	ESG Report page 42
Guest Satisfaction		ESG Report page 42
Accessible cruising		
GRI 3: Material Topics 2021	3-3 Management of material topics	ESG Report page 42
Accessible Cruising		ESG Report page 42



Assurance Statements



WHEN TRUST MATTERS

Independent Assurance Statement

DNV Business Assurance USA, Inc. ("DNV", "us" or "we") has been commissioned by the management of Royal Caribbean Cruises Ltd. (RCCL) to carry out an independent limited level assurance engagement on Selected Information for calendar year 2022 as presented in the Royal Caribbean Group's "2022 Sustainability Report," ("the Report"). The work was carried out February-March, 2023.



Our Conclusion: Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information is not fairly stated and has not been prepared, in all material respects, in accordance with the Criteria. This conclusion relates only to the Selected Information, and is to be read in the context of this Assurance Statement, in particular the inherent limitations explained below.

Selected Information

The scope and boundary of our work is restricted to the 2022 performance data included within the Report (the "Selected Information"), listed below:

Data verified for the period January 1, 2022-December 31, 2022:

- Environmental Metrics
 - Percent of fleet with Ballast Water Management System (BWMS) installed
 - Percent of fleet equipped with Advanced Wastewater Purification System (AWPS)
 - Percent of wastewater treated prior to discharge
 - Notices for Violation of Dumping (into water)
 - Water withdrawal by source
- Diversity & Inclusion Metrics
 - 2022 US Shoreside Employee Representation by Ethnicity
 - 2022 US Shoreside Employee Representation by Ethnicity, Leadership: Directors & Above
 - 2022 US Shoreside Employee Representation by Ethnicity, Non-Leadership: Sr. Managers & Below
 - 2022 US Shoreside Employee Representation by Gender
 - 2022 Global Shoreside Employee Representation by Gender
 - 2022 Global Shoreside Employee Representation by Gender, Leadership: Directors & Above
 - 2022 Global Shoreside Employee Representation by Gender, Non-Leadership: Sr. Managers & Below
 - 2022 Global Shipboard Employee Representation by Gender
 - 2022 Global Shipboard Employee Representation by Gender, Leadership: 3 Stripes and Above
 - 2022 Global Employee Representation by Age
- Health & Safety Metrics
 - 2022 Number of Voyages with Acute Gastroenteritis (AGE) illness count exceeding 2%
 - 2022 Number of failed United States Public Health (USPH) inspections
 - 2022 Average Vessel Sanitation Program (VSP) inspection score, Royal Caribbean International and Celebrity

In addition, DNV has conducted verification on the following 2022 GHG emissions and carbon intensity related indicators: GHG Emissions Scope 1 and 2 in accordance with ISO 14064-3; Available lower berth double occupancy; Distance travelled in kilometers; and Distance travelled in nautical miles. Our opinion for the GHG emissions related data in Scope 1 and 2 is provided in a separate statement dated March 30, 2023 for publication with the 2022 Report and reporting to sustainability disclosures such as The CDP. We do not express any conclusions on any other information that may be published on RCCL's website or the Report for the current reporting period.



WHEN TRUST MATTERS

Scope and approach

We performed a **limited level** assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 revised – "Assurance Engagements other than Audits and Reviews of Historical Financial Information" (revised), issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance.

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021-1:2015 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The boundary of our work includes global operations for all Selected Information in scope except for Shoreside Operations by Ethnicity which includes US operations only.

Selected Information

Environmental

2022 Percent of fleet with Ballast Water Management System (BWMS) installed	100%
2022 Percent of fleet equipped with Advanced Wastewater Purification System (AWPS)	92%
2022 Percent of wastewater treated prior to discharge	74%
2022 Number of notices for violation of dumping (into water)	2
2022 Water withdrawal by source - Produced water (percent)	94%

Diversity & Inclusion

2022 US Shoreside Employee Representation by Ethnicity	55%
2022 US Shoreside Employee Representation by Ethnicity, Leadership: Directors & Above	35%
2022 US Shoreside Employee Representation by Ethnicity, Non-Leadership: Sr. Managers & Below	58%
2022 US Shoreside Employee Representation by Gender	56%
2022 Global Shoreside Employee Representation by Gender, Leadership: Directors & Above	57%
2022 Global Shoreside Employee Representation by Gender, Non-Leadership: Sr. Managers & Below	59%
2022 Global Shipboard Employee Representation by Gender	22%
2022 Global Shipboard Employee Representation by Gender, Leadership: 3 Stripes and Above	17%
2022 Global Employee Representation by Age, Under 30	39%
30-50	55%
Over 50	6%

Health & Safety

2022 Number of voyages with Acute Gastroenteritis (AGE) illness count exceeding 2%	1
2022 Number of failed United States Public Health (USPH) inspections	0
2022 Average Vessel Sanitation Program (VSP) inspection score, Royal Caribbean International and Celebrity	98.3%

Responsibilities of the Directors of RCCL and DNV

The Directors of RCCL have sole responsibility for:

- Preparing and presenting the Selected Information in accordance with the Criteria;
- Designing, implementing and maintaining effective internal controls over the information and data, resulting in the preparation of the Selected Information that is free from material misstatements;
- Measuring and reporting the Selected Information based on their established Criteria; and
- Contents and statements contained within the Reports and the Criteria.

Our responsibility is to plan and perform our work to obtain limited assurance about whether the Selected Information has been prepared in accordance with the Criteria and to report to RCCL in the form of an independent limited assurance conclusion, based on the work performed and the evidence obtained. We have not been responsible for the preparation of any statements or data included in the Report.

Level of Assurance

We are providing a **'limited level'** of assurance. We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our assurance conclusion, so that the risk of this conclusion being in error is reduced but not reduced to very low. A 'reasonable level' of assurance would have required additional work at headquarters and site levels to gain further evidence to support the basis of our assurance conclusion. DNV's assurance engagements are based on the assumption that the data and information provided by the client to us as part of our review have been provided in good faith. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.



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Basis of our conclusion

We are required to plan and perform our work in order to consider the risk of material misstatement of the Selected Information; our work included, but was not restricted to:

- Conducting interviews with RCCL's management and data owners, to obtain an understanding of the key processes, systems and controls in place to generate, aggregate and report the Selected Information;
- Performing limited substantive testing on the most significant contributors to check that their data had been appropriately measured, recorded, collated and reported;
- Reviewing that the evidence, measurements and the context provided to us by RCCL for the Selected Information is prepared in line with the Criteria;
- Assessing the appropriateness of the Criteria for the Selected Information;
- Reviewing the Report and accompanying narrative to the Selected Information in regard to the Criteria;
- Reviewing HR Database to determine diversity and inclusion values.

For and on behalf of DNV Business Assurance USA, Inc.

DNV Business Assurance USA, Inc.
Katy, TX
27 March 2023



Inherent Limitations

All assurance engagements are subject to inherent limitations as selective testing (sampling) may not detect errors, fraud or other irregularities. Non-financial data may be subject to greater inherent uncertainty than financial data, given the nature and methods used for calculating, estimating and determining such data. The selection of different, but acceptable, measurement techniques may result in different quantifications between different entities. Our assurance relies on the premise that the data and information provided to us by RCCL have been provided in good faith. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Limited Assurance Statement.

DNV Business Assurance

DNV Business Assurance USA, Inc. is part of DNV – Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. www.dnv.com

This Statement is for the sole use and benefit of the party contracting with DNV Business Assurance USA, Inc. to produce this Statement (the "Client"). Any use of or reliance on this document by any party other than the Client shall be at the sole risk of such party. In no event will DNV or any of its parent or affiliate companies, or their respective directors, officers, shareholders, employees or subcontractors, be liable to any other party regarding any statements, findings, conclusions or other content in this Statement, or for any use of, reliance on, accuracy, or adequacy of this Statement.



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Appendix A. RCCL's "Criteria"

The table below has been prepared by RCCL. It is intended to provide readers with a summary of the methodologies used by RCCL to prepare the Selected Information:

Specified Information	Definition	Methodology
2022 Percent of fleet with Ballast Water Management System (BWMS) installed	Percent of ships with approved BWMS installed as per the International Ballast Water Management certificate (third-party certified by DNV) as compared to total fleet within wholly owned and operated brands within the reporting boundary. The International Ballast Water Management certificate fulfils the requirements for the International Convention for the Control and Management of Ships' Ballast Water and Sediments for ships of 400 gross tonnage and above.	2022 number of ships with Ballast Water Treatment Systems on their International Ballast Water Management Certificate / 2022 Total count of fleet X 100
2022 Percent of fleet equipped with Advanced Wastewater Purification System (AWPS)	Percent of ships with International Sewage Pollution Prevention (ISPP) certificate (third-party certified) which are equipped with approved Advanced Wastewater Purification Systems as compared to total fleet within wholly owned and operated brands within the reporting boundary. An ISPP certificate is issued in conformity with Annex IV to MARPOL	2022 number of ships with AWP Systems on their ISPP certificate / 2022 Total count of fleet x 100
2022 Percent of Wastewater treated prior to discharge	The percentage of ship wastewater discharged to the environment that was treated prior to Discharge. Scope of disclosure is as per Scope of disclosure is as per Sustainability Accounting Standard Board (SASB), Cruise Line Standard, 2018 TR-CL-160a.1 Part 2	2022 weight of waste material treated prior to discharge / 2022 total weight of waste material x 100
2022 Number of Notices for Violation of Dumping (into water)	Notices of violations include those issued by the entity's flag state and by any government enforcement agency at ports where the entity's vessels visit. Scope of disclosure is as per Sustainability Accounting Standard Board (SASB), Cruise Line Standard, 2018 TR-CL-160a.4	Total number of notices of violations received for dumping in 2022.
2022 Water withdrawal by source, percent of produced water	Percentage of produced water for 2022 voyages as compared to total water withdrawn (water produced and bunkered) for 2022 voyages. Note: Only for Royal Caribbean International and Celebrity.	2022 total produced water withdrawn / (total produced water + total bunkered water withdrawn) x 100
2022 US Shoreside Employee Representation by Ethnicity	Percentage of US Regular Employees that self-identify as one or more of the following ethnicity categories, as compared to the total count of US Regular Employees. List A:	(2022 Total US only, shoreside only, employees self identifying as one or more of the options provided in List A / Total US only, shoreside only employees) X 100



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	- American Indian or Alaska Native - Asian - Black or African American - Hispanic or Latino - Native Hawaiian or Other Pacific Islander - Two or more races Total count of US Regular employees includes the following additional categories: List B: - White (not Hispanic or Latino) - I choose not to self-identify my race/ethnicity Note: All shipboard employees are considered regular employees. The "regular employee" classification only pertains to shoreside. All shipboard employees include those from Royal Caribbean International, Silversea, and Celebrity.	
2022 US Shoreside Employee Representation by Ethnicity, Leadership: Directors & Above	Percentage of US only Leadership Regular Employees self-identifying as one of the below ethnicity categories and holding one of the below job titles. List A: - American Indian or Alaska Native - Asian - Black or African American - Hispanic or Latino - Native Hawaiian or Other Pacific Islander - Two or more races Job level, Directors and Above: • Associate Vice President • Chief Executive Officer • Director • Executive Vice President • President • Senior Director • Senior Vice President • Vice President Note: All shipboard employees are considered regular employees. The "regular employee" classification only pertains to shoreside. All shipboard employees include those from Royal Caribbean International, Silversea, and Celebrity.	Total US only, shoreside only, leadership employees self-identifying as any of the options from List A and holds a Job Level of Directors and Above / by Total US only, shoreside only leadership employees X 100
2022 US Shoreside Employee Representation by Ethnicity, Non-Leadership: Sr. Managers & Below	Percentage of US only Non Leadership Regular Employees self-identifying as one of the below ethnicity categories and holding one of the below job titles. List A: - American Indian or Alaska Native	Total US only, shoreside only, leadership employees self-identifying as any of the options from List A and holds a Job Level of Sr. Managers and Below / by Total US only, shoreside only leadership employees X 100

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	- Asian - Black or African American - Hispanic or Latino - Native Hawaiian or Other Pacific Islander - Two or more races Non-Leadership Job level, Sr. Managers and Below: • Clerical • Coordinator / Admin (INTL) • Coordinator / Admin (US) • Lead • Lead – IC • Manager • Manager – IC • Non-Level • Professional • Specialist • Sr. Analyst • Sr. Analyst – IC • Sr. Manager • Supervisor Note: All shipboard employees are considered regular employees. The "regular employee" classification only pertains to shoreside. All shipboard employees include those from Royal Caribbean International, Silversea, and Celebrity.	
2022 US Shoreside Employee Representation by Gender	Percentage of Total US Shoreside Employees that have a Birth Gender of Female, as compared to Total US Shoreside Employees Note: All shipboard employees are considered regular employees. The "regular employee" classification only pertains to shoreside. All shipboard employees include those from Royal Caribbean International, Silversea, and Celebrity.	Total US Shoreside female workforce count / Total US Shoreside workforce count X 100
2022 Global Shoreside Employee Representation by Gender	Percentage of global shoreside employees self-identifying as female at birth, as compared to global shoreside employees Note: All shipboard employees are considered regular employees. The "regular employee" classification only pertains to shoreside. All shipboard employees include those from Royal Caribbean International, Silversea, and Celebrity.	Global Shoreside female workforce count / Global Shoreside workforce count X 100
2022 Global Shoreside Employee Representation by Gender, Leadership: Directors & Above	Percentage of global shoreside employees self-identifying as female at birth and hold a leadership role (job level of Directors and above), as compared to global shoreside employees	Global shoreside leadership employees self-identifying as female / by Global shoreside leadership employees X 100

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	Leadership Job level, Directors and Above: • Associate Vice President • Chief Executive Officer • Director • Executive Vice President • President • Senior Director • Senior Vice President • Vice President Note: All shipboard employees are considered regular employees. The "regular employee" classification only pertains to shoreside. All shipboard employees include those from Royal Caribbean International, Silversea, and Celebrity.	
2022 Global Shoreside Employee Representation by Gender, Non-Leadership: Sr. Managers & Below	Percentage of global shoreside employees self-identifying as female at birth and hold a leadership role (job level of Directors and above), as compared to global shoreside employees Non-Leadership Job level, Sr. Managers and Below: • Clerical • Coordinator / Admin (INTL) • Coordinator / Admin (US) • Lead • Lead – IC • Manager • Manager – IC • Non-Level • Professional • Specialist • Sr. Analyst • Sr. Analyst – IC • Sr. Manager • Supervisor Note: All shipboard employees are considered regular employees. The "regular employee" classification only pertains to shoreside. All shipboard employees include those from Royal Caribbean International, Silversea, and Celebrity.	Global shoreside leadership employees self-identifying as female / by Global shoreside leadership employees X 100
2022 Global Shipboard Employee Representation by Gender	Percentage of global shipboard employees self-identifying as female at birth, as compared to global shipboard employees Note: All shipboard employees are considered regular employees. The "regular employee" classification only pertains to shoreside.	Global shipboard employees self-identifying as female / by Global shipboard employees X 100



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	All shipboard employees include those from Royal Caribbean International, Silversea, and Celebrity.	
2022 Global Shipboard Employee Representation by Gender, Leadership: 3 Stripes and Above	Percentage of global shipboard employees self-identifying as female at birth and hold a leadership role (job level 3 stripes and above), as compared to global shipboard employees Leadership Job level, 3 stripes and above: • 3, 3.5, 4, 4.5 stripes Note: All shipboard employees are considered regular employees. The "regular employee" classification only pertains to shoreside. All shipboard employees include those from Royal Caribbean International, Silversea, and Celebrity.	Global shipboard employees self-identifying as female and hold 3 stripes and above / Global shipboard employees X 100
2022 Total Employee Representation by Age	Percentages of total (shoreside + shipboard) Employees within each of the following age categories, as compared to the total (shoreside + shipboard) count of Employees - Under 30 - 30-50 - Over 50 Note: All shipboard employees are considered regular employees. The "regular employee" classification only pertains to shoreside. All shipboard employees include those from Royal Caribbean International, Silversea, and Celebrity.	Under 30: (Total shoreside under 30 + total shipboard under 30) / (Total shoreside employee count + Total shipboard employee count) X 100 30-50: (Total shoreside 30-50 + total shipboard 30-50) / (Total shoreside employee count + Total shipboard employee count) X 100 Over 50: (Total shoreside over 50 + total shipboard over 50) / (Total shoreside employee count + Total shipboard employee count) X 100



DNV

STATEMENT

Introduction

DNV Business Assurance USA, Inc. (DNV) has been commissioned by the management of Royal Caribbean Cruises Ltd. (RCCL) to carry out an independent verification of its GHG emissions (Scope 1 and 2). These assertions are relevant to the 2022 calendar year.

Verification 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 inventory of GHG emissions; any significant changes in the organization's GHG emission inventory since the last reporting period; and the organization's GHG-related controls.

Verification Scope

2022 Greenhouse Gas (GHG) emissions inventory Scope 1 and 2
Available lower berth double occupancy
Distance travelled in kilometers for 2022
Distance travelled in nautical miles for 2022

Verification Level of Assurance

The verification was conducted by DNV to a limited level of assurance with the qualification reported in the below Verification Conclusions.

Materiality Level

Errors / omissions which represent, single or aggregated, the 5% of total emissions are considered material.

Verification Criteria / Reporting Criteria

- World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol, Corporate Accounting and Reporting Standard (Scope 1 & 2)

Verification Protocols

- ISO 14064-3: 2019: Greenhouse gases -- Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions

DNV Business Assurance USA, Inc., 1400 Ravello Drive, Katy, TX 77449

VERIFICATION STATEMENT

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DNV

Operational Boundary

- Financial control
- Global sites/Vessels
- Reporting Period: 1 January 2022 to 31 Dec 2022

Data Verified

Greenhouse Gas Emissions

Scope 1 Emissions	4,979,842 (MtCO ₂ e)
Scope 2 Emissions (Location based)	10,100 (MtCO ₂ e)
Scope 2 Emissions (Market based)	10,167 (MtCO ₂ e)
Number of Available lower berth double occupancy	130,924
Distance travelled in kilometers for 2022	7,529,718 km
Distance travelled in Nautical Miles for 2022	4,065,724 Nautical Miles
Emissions (Well to Wake) per gross tonnage x Nautical Miles	10.97 g CO ₂ e/(GT*NM)

Assurance Opinion

Based on the verification process conducted by DNV, we provide a Limited Assurance of the GHG Emissions Inventory for RCCL. DNV 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 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 Business Assurance USA, Inc.
March 30, 2023

Lead Verifier
Kyle Silon

Technical Reviewer
Weidong Yang

Approver
David Tellez
Regional Manager, DNV Business Assurance USA, Inc.

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

DNV Business Assurance USA, Inc., 1400 Ravello Drive, Katy, TX 77449

VERIFICATION STATEMENT

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