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Norwegian Cruise Line Holdings Publishes 2023 “Sail & Sustain” Report Showcasing Progress in Sustainability Initiatives

In addition to underpinning the Company’s “Charting the Course” strategy, the “Sail & Sustain” program reinforces the Company’s commitment to pursue net zero by 2050.

Among highlights, the Company achieves key milestone ahead of schedule with 50% of fleet equipped for shore power, targeting 70% by 2025.

MIAMI, June 05, 2024 (GLOBE NEWSWIRE) -- Norwegian Cruise Line Holdings Ltd. (NYSE: NCLH) (the “Company”), a leading global cruise company which operates the Norwegian Cruise Line, Oceania Cruises, and Regent Seven Seas Cruises brands, today published its 2023 “Sail & Sustain” Report, which details the Company’s progress in its global sustainability program, emphasizing the Company’s dedication to driving positive environmental and societal impact. This effort is a cornerstone of the recently unveiled “Charting the Course” strategy, guiding the Company’s mission for guests to “Vacation Better, Experience More.”

"Sustainability is at the core of our 'Charting the Course' strategy, which is built on four key pillars: people, product, platform, and performance, all deeply rooted in the foundation of our Sail & Sustain program. We understand that the success of our business is inextricably linked to the health of our planet and communities, and that’s why we are dedicated to holistically integrating sustainability into our business strategy," said Harry Sommer, President and CEO of Norwegian Cruise Line Holdings Ltd. "Our commitment to sustainability drives us to maintain high standards of operational excellence, achieve results responsibly, and create lasting value for our business and stakeholders."

The [2023 Sail & Sustain Report](#) highlights key advancements and commitments across the five pillars of Sail & Sustain: Reducing Environmental Impact, Sailing Safely, Strengthening Our Communities, Empowering People, and Operating with Integrity and Accountability.

Norwegian Cruise Line Holdings has received recognitions for its advancements through the “Sail & Sustain” program, earning accolades such as the [ESG Leader Gold Award](#) at the 2024 ESG Shipping Awards, as well as being listed in Forbes’s Best Employer Lists in [2023](#) and [2024](#).

Key highlights from the 2023 Report under each pillar:

Reducing Environmental Impact:

- **Active Steps Toward Climate Action:** In 2023, Norwegian Cruise Line Holdings introduced short- and near-term GHG intensity reduction targets to guide its path toward net zero by 2050. The net zero ambition applies to shipboard and shoreside

operations (Scopes 1 & 2) and the value chain (Scope 3) including supply chain, well-to-wake fuel emissions, business travel, and more. Short- and near-term targets include reducing GHG intensity¹ by 10% by 2026 and 25% by 2030, compared with a 2019 baseline.

- **Expanding Shore Power Capabilities:** By the end of 2023, the Company achieved its 2024 target of equipping 50% of the fleet with shore power technology and remains on track to equip ~70% by 2025.
- **Exploring Alternative Fuels:** In 2023, we achieved our goal to test 20% of the fleet with a biodiesel blend by expanding tests to four ships throughout the year. Our new target is for 40% of the fleet to test biodiesel by 2024.
- **Boosting Onboard Water Production:** In 2023, the Company consumed ~7.6 million cubic meters of fresh water on board, with ~89% produced on board through evaporators and reverse osmosis plants, reducing the need to bunker fresh water. The target is to reduce bunkering by 4% by 2025, compared with 2019.
- **Improving Waste Management:** The Company is committed to reducing onboard waste, successfully recycling, incinerating, or donating ~48% of total ship waste in 2023 through innovative technologies, staff training, and stringent recycling programs.
- **Enhancing Greenhouse Gas Emissions Reporting:** Annually, the Company's Scope 1, Scope 2, and relevant Scope 3 emissions are measured, estimated, and independently verified. Since 2019, emissions data and other climate-related information have been disclosed to the CDP, with the most recent submission earning a climate change score of "B," higher than the Marine Transport Sector, North America, and global averages.
- **Sourcing Responsibly:** In 2023, supplier diversity efforts allowed more than \$635 million to be spent with small businesses and businesses with minority, veteran, or economically disadvantaged qualifications.

Sailing Safely:

- **Strengthening Health and Safety Oversight:** The Health Safety Environment & Security Committee oversees the implementation of established standards for safe ship operations, pollution prevention, and security.
- **Maintaining Robust Public Health Protocols:** Norwegian Cruise Line Holdings operates a comprehensive public health program with a 24/7/365 compliance culture, including external and internal public health professionals who regularly visit each ship.
- **Providing Excellent Medical Care:** Each ship is equipped with a state-of-the-art medical center staffed by highly qualified doctors and nurses, providing high-quality care for guests and crew.

Strengthening Our Communities:

- **Committing to Charitable Giving:** In 2023, the Company gave nearly \$1.6 million in cash, cruise, and other in-kind donations to various causes. This includes significant contributions to disaster relief efforts, such as for the wildfires in Maui, and support for local communities.

- **Recognizing Educators through the Giving Joy Program:** Norwegian Cruise Line's Giving Joy Program honored 20 educators with a free weeklong cruise for their dedication to education and expanded the program to provide discounts and onboard credits for teachers.
- **Supporting Military Families:** The Norwegian Military Appreciation Program extends exclusive cruise fare discounts to military members, veterans, and their spouses, with over 220,000 registered since the program's launch in 2022.
- **Supporting Renewable Energy Projects:** We successfully purchased 3 million carbon offsets, contributing to 16 projects globally. The offsets not only support our decarbonization journey but invest in cleaner energy sources and local job creation in these communities.

Empowering People:

- **Promoting Diversity, Equity, and Inclusion:** The Company launched a Corporate Leadership Diversity Initiative to reinforce inclusive hiring practices. In 2023, of the new hires and promotions in shoreside positions, 51% and 62%, respectively, were women. Additionally, the Company supports five Team Member Resource Groups (TMRGs) to connect and support employees.
- **Enhancing Employee Benefits:** Benefits include fully paid maternity, paternity, and adoption leave, and family planning assistance for full-time U.S. shoreside team members. In 2023, the Company's team member cruise benefit program was revamped to include new deeply discounted rates at Norwegian Cruise Line and interline rates at Regent Seven Seas Cruises.

Operating with Integrity and Accountability:

- **Maintaining Diverse Board Composition:** 50% of the Board of Directors' seats are held by women and/or underrepresented minorities.
- **Upholding Ethical Conduct:** Norwegian Cruise Line Holdings emphasizes conducting business legally and ethically, requiring all team members, executives, and directors to adhere to the Code of Ethical Business Conduct at all times.

About Sail & Sustain

Sail & Sustain is Norwegian Cruise Line Holdings' global sustainability program centered around its commitment to drive a positive impact on society and the environment while delivering on its vision to allow its guests to "Vacation Better, Experience More." This program is structured around five pillars developed through cross-functional collaboration with key internal and external stakeholders. The pillars include: Reducing Environmental Impact, Sailing Safely, Empowering People, Strengthening our Communities and Operating with Integrity and Accountability.

About Norwegian Cruise Line Holdings Ltd.

Norwegian Cruise Line Holdings Ltd. (NYSE: NCLH) is a leading global cruise company which operates Norwegian Cruise Line, Oceania Cruises and Regent Seven Seas Cruises. With a combined fleet of 32 ships and approximately 66,500 berths, NCLH offers itineraries to approximately 700 destinations worldwide. NCLH expects to add 13 additional ships across its three brands through 2036, which will add approximately 41,000 berths to its fleet. To learn more, visit www.nclhltd.com.

Cautionary Statement Concerning Forward-Looking Statements

Some of the statements, estimates or projections contained in this release are “forward-looking statements” within the meaning of the U.S. federal securities laws intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts contained, or incorporated by reference, in this release, including, without limitation, our expectations regarding our future financial position, including our liquidity requirements and future capital expenditures, plans, prospects, expected fleet additions and cancellations, including expected timing thereof, our expectations regarding the impact of macroeconomic conditions and recent global events, and expectations relating to our sustainability program, corporate social responsibility initiatives, the impacts of climate change, and decarbonization efforts may be forward-looking statements. Many, but not all, of these statements can be found by looking for words like “expect,” “anticipate,” “goal,” “project,” “plan,” “believe,” “seek,” “will,” “may,” “forecast,” “estimate,” “intend,” “future” and similar words. Forward-looking statements do not guarantee future performance and may involve risks, uncertainties and other factors which could cause our actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied in those forward-looking statements. Examples of these risks, uncertainties and other factors include, but are not limited to the impact of: adverse general economic factors, such as fluctuating or increasing levels of interest rates, inflation, unemployment, underemployment and the volatility of fuel prices, declines in the securities and real estate markets, and perceptions of these conditions that decrease the level of disposable income of consumers or consumer confidence; implementing precautions in coordination with regulators and global public health authorities to protect the health, safety and security of guests, crew and the communities we visit and to comply with related regulatory restrictions; our indebtedness and restrictions in the agreements governing our indebtedness that require us to maintain minimum levels of liquidity and be in compliance with maintenance covenants and otherwise limit our flexibility in operating our business, including the significant portion of assets that are collateral under these agreements; our ability to work with lenders and others or otherwise pursue options to defer, renegotiate, refinance or restructure our existing debt profile, near-term debt amortization, newbuild related payments and other obligations and to work with credit card processors to satisfy current or potential future demands for collateral on cash advanced from customers relating to future cruises; our need for additional financing or financing to optimize our balance sheet, which may not be available on favorable terms, or at all, and our outstanding exchangeable notes and any future financing which may be dilutive to existing shareholders; the unavailability of ports of call; future increases in the price of, or major changes, disruptions or reduction in, commercial airline services; changes involving the tax and environmental regulatory regimes in which we operate, including new regulations aimed at reducing greenhouse gas emissions; the accuracy of any appraisals of our assets; our success in controlling operating expenses and capital expenditures; trends in, or changes to, future bookings and our ability to take future reservations and receive deposits related thereto; adverse events impacting the security of travel, or customer perceptions of the security of travel, such as terrorist acts, armed conflict, such as Russia’s invasion of Ukraine or the Israel-Hamas war, or threats thereof, acts of piracy, and other international events; public health crises, including the COVID-19 pandemic, and their effect on the ability or desire of people to travel (including on cruises); adverse incidents involving cruise ships; our ability to maintain and strengthen our brand; breaches in data security or other disturbances to our information technology systems and other networks or our actual or perceived failure to comply with requirements regarding data privacy and protection; changes in fuel prices and the type of fuel we are permitted to use and/or other cruise operating costs; mechanical malfunctions and repairs, delays in our shipbuilding program, maintenance and

refurbishments and the consolidation of qualified shipyard facilities; the risks and increased costs associated with operating internationally; our inability to recruit or retain qualified personnel or the loss of key personnel or employee relations issues; impacts related to climate change and our ability to achieve our climate-related or other sustainability goals; our inability to obtain adequate insurance coverage; pending or threatened litigation, investigations and enforcement actions; volatility and disruptions in the global credit and financial markets, which may adversely affect our ability to borrow and could increase our counterparty credit risks, including those under our credit facilities, derivatives, contingent obligations, insurance contracts and new ship progress payment guarantees; any further impairment of our trademarks, trade names or goodwill; our reliance on third parties to provide hotel management services for certain ships and certain other services; fluctuations in foreign currency exchange rates; our expansion into new markets and investments in new markets and land-based destination projects; overcapacity in key markets or globally; and other factors set forth under “Risk Factors” in our most recently filed Annual Report on Form 10-K and subsequent filings with the Securities and Exchange Commission. The above examples are not exhaustive and new risks emerge from time to time. There may be additional risks that we consider immaterial or which are unknown. Such forward-looking statements are based on our current beliefs, assumptions, expectations, estimates and projections regarding our present and future business strategies and the environment in which we expect to operate in the future. These forward-looking statements speak only as of the date made. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement to reflect any change in our expectations with regard thereto or any change of events, conditions or circumstances on which any such statement was based, except as required by law.

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¹ GHG intensity is measured by MTCO₂e on a per Capacity Day basis. The short- and near-term targets cover the Company’s emissions from its fleet of ships, islands and facilities (Scopes 1 & 2) as well as upstream fuel- and energy-related activities, including well-to-tank emissions (portion of Scope 3). Capacity Days is defined as berths available for sale multiplied by the number of cruise days for the period for ships in service.



Source: Norwegian Cruise Line Holdings Ltd.