

CLIMATE ACTION STRATEGY

As leaders in the cruise industry, we believe it is our responsibility to take an active role in addressing climate change. We have a long-term climate action strategy with a goal to reach carbon neutrality through reducing carbon intensity, identifying and investing in technology including exploring alternative fuels and implementing a voluntary carbon offset program. We comply with applicable regulations, quantify and report our greenhouse gas emissions (GHG) and continuously seek new cost-effective ways to reduce or minimize our footprint. In 2018, we also signed the Cruise Lines International Association (CLIA) historic commitment to reduce the carbon emissions rate industry-wide by 40% by 2030. This CLIA commitment was created as a first step to contribute to the International Maritime Organization's (IMO) vision of a carbon-free shipping industry by the end of the century.

NCLH

NORWEGIAN CRUISE LINE HOLDINGS LTD.



LONG-TERM CLIMATE ACTION STRATEGY:



Reduce Carbon Intensity

We continually seek opportunities to reduce our overall footprint by minimizing fuel consumption and increasing energy efficiency. Ongoing investments in systems and technologies have resulted in a reduction of fuel consumption per capacity day of approximately -17% from 2008 to 2019 for our entire 28-ship fleet. In addition, we achieved an estimated -14% reduction in CO₂ emissions per capacity day across our fleet between 2015-2019. As nine new and more fuel-efficient vessels are introduced to the fleet through 2027, this rate is expected to further decrease.



Invest in Technology and Explore Alternative Fuels

We have partnered with CLIA and other maritime organizations to propose the establishment of a collaborative \$5 billion shipping research & development fund dedicated to the ultimate goal of eliminating CO₂ emissions from international shipping. These funds will be used to finance the accelerated development of zero and near-zero GHG fuels and propulsion technologies. As new alternative fuel sources become available at sufficient scale in the future, we will evaluate how these can accelerate our long-term carbon reduction strategy.



Implement Voluntary Carbon Offset Program

We have committed to purchase verified carbon credits to offset three million metric tons of carbon dioxide equivalent (MTCO₂e) over a three-year period beginning 2021 to help bridge the gap in decarbonization efforts until new technology becomes available. Offset purchases are expected to ramp up in future years to reach the goal of carbon neutrality.¹ We have partnered with World Kinect Energy Services to launch our carbon offset program and have invested in various types of projects (forestry, solar, wind etc.) across the globe.

¹Based on Scope 1 emissions which account for -95% of our footprint.