



This statement, pursuant to Australia’s Modern Slavery Act 2018 and the United Kingdom’s Modern Slavery Act 2015, sets out the actions taken by Carnival Corporation and plc to address the risks of modern slavery and human trafficking in our operations and in our supply chains over the financial year ending 30 November 2020 (“**the reporting period**”).

## **Carnival Plc’s structure, operations, and supply chains**

### Structure

Carnival plc, together with Carnival Corporation, operate a dual listed company, whereby the businesses of Carnival Corporation and Carnival plc are combined through a number of contracts and through provisions in Carnival Corporation’s Articles of Incorporation and By-Laws and Carnival plc’s Articles of Association. The two companies operate as if they are a single economic enterprise with a single senior executive management team and identical Boards of Directors, but each has retained its separate legal identity. Carnival Corporation and Carnival plc are both public companies with separate stock exchange listings and their own shareholders. Carnival Corporation was incorporated in Panama in 1974 and Carnival plc was incorporated in England and Wales in 2000.

More information on the structure of Carnival Corporation and Carnival plc, including a full list of Carnival Corporation and Carnival plc’s subsidiaries, can be found in our Annual Report (Form 10-K) available [here on our website](#). Carnival Corporation and Carnival plc are referred to collectively throughout this statement as “**our**”, “**we**” and “**us**”.

For the purposes of this statement, the reporting entity is Carnival plc. However, given the structure of our business, many of the policies, procedures and initiatives are applied across both Carnival plc and Carnival Corporation.

### Operations

We are one of the world’s largest leisure travel companies with operations in North America, Europe, Australia and Asia. We operate a portfolio of leading global, regional and national cruise brands that sell tailored cruise products, services and vacation experiences. Our portfolio of cruise line brands includes:

- [Carnival Cruise Lines](#)
- [Princess Cruises](#)
- [Holland America Line](#)
- [Seabourn](#)
- [P&O Cruises \(Australia\)](#)
- [Costa Cruises](#)
- [AIDA Cruises](#)
- [P&O Cruises \(UK\)](#)
- [Cunard](#)

Together, these brands have a fleet of 88 cruise ships (as at 30 November 2020) visiting over 700 ports around the world.

Our company operates in Australia and the United Kingdom through the Carnival plc arm of Carnival Corporation and plc. Carnival plc is registered in England with its registered office at Carnival House, 100 Harbour Parade, Southampton, SO15 1ST United Kingdom and is a registered foreign company in Australia with an Australian branch office located at 465 Victoria Ave, Chatswood, NSW 2067. Carnival plc’s UK operation represents group cruise brands in the UK and European markets, including Carnival Cruise Line, Cunard, Holland America Line, P&O Cruises (UK), Princess Cruises and Seabourn. Carnival plc’s Australian office represents seven cruise brands in the Australian and New Zealand market,



including Carnival Cruise Line, Cunard, Holland America Line, P&O Cruises (Australia), P&O Cruises (UK), Princess Cruises and Seabourn.

### Supply Chains

To provide unforgettable holiday experiences for our guests, we source significant quantities of goods and services from a vast global supply base. During our pre-pandemic operations, we worked with over 20,000 business partners worldwide, managed by our supply chain and sourcing teams. Our supply base is diverse and many of our business partners provide goods and services across multiple brands within our portfolio of cruise brands.

Our global operations can be classified into three key areas:

<b>1.</b>	<b>People:</b> Guests, Shore side (Offices and staff), Cruise Ships (Seafarers/ Crew)	Managed at local cruise brand level
<b>2</b>	<b>Maritime:</b> Fuel, Shipbuilding, Industry Compliance, Technology	Managed by Carnival Corporation and plc's 'All Brands Group' and at the local cruise brand level
<b>3</b>	<b>Hospitality, Travel and Leisure:</b> Food & Beverage, Hotel Supplies, Ship Furnishings, Travel Services, Entertainment, Tour Operations	Managed by Carnival Corporation and plc's 'All Brands Group' and at the local cruise brand level

We intend to progressively develop a more comprehensive map of our supply chains, including the categories of products and services sourced and their geographic locations.

### COVID-19

2020 was an unprecedented year for us with significant impacts on our business from the effects of COVID-19. In response to the global pandemic, we paused our guest cruise operations in mid-March 2020. During the following months, we returned over 260,000 guests home, repatriated 90,000 crew members, processed billions of dollars of guest refunds and cruise credits, accelerated the exit of 19 vessels from our fleet, negotiated the delay of 16 ships on order and moved our entire fleet into full pause status. We also implemented significant changes to our sourcing activities due to the reduced operational demand for goods and services during the pause.

We are working closely with governments and health authorities around the world on the development of enhanced health and hygiene protocols to help facilitate a safe and healthy return to cruise vacations. We anticipate a gradual return to service over time, varying by geographic location, however, as we have never previously experienced a complete cessation of our guest cruise operations, we cannot predict the timing of our complete return to service and when various ports will reopen to our ships.

During the COVID-19 crisis and cessation of our operations, we have focused on the health and well-being of our shipboard employees including the implementation of mental health wellness programs designed to enhance the conditions on our ships during the repatriation process and the pause in guest operations. We have implemented processes for sharing of best practice initiatives throughout our brands and we continue to monitor the success of these programs and adapt measures as required. We have listened and responded to concerns raised by our shipboard employees through a number of channels, including our Compliance Hotline (see below for further details).

### **Potential modern slavery risks in our operations and supply chains and of the entities we own/control.**



### Our Operations

Our shipboard and shoreside employees are sourced from over 100 countries. In the reporting period, we had an annual average of 58,000 employees onboard the ships we operated and 11,000 full-time and 1,000 part-time/seasonal employees in our shoreside operations.

We comply with the requirements of the Maritime Labour Convention 2006 ('MLC') from the International Labour Organisation ('ILO') which sets minimum international standards for working and living conditions of seafarers. A complete overview of the applicable MLC standards in the cruise industry as well as specific standards across Carnival Corporation and plc can be found in our current sustainability report available [here on our website](#). We also maintain good relationships with relevant unions and work in partnership to ensure we comply with relevant national employment law requirements.

The recruitment of officers and crew for our shipboard positions is particularly challenging due to intense competition for skilled labour in the maritime industry. To recruit strong candidates, we often partner with global talent partners to help us find the best talent, hiring the majority of our crew members through these employment agencies that act on our behalf. Though many nationalities are represented among our crew, our company has worked with the same primary employment agencies in a number of countries including Indonesia, India, Vanuatu and the Philippines for several decades.

We recognise that modern slavery risks exist in the jurisdictions from which our crew are recruited and are particularly conscious of the risks of human trafficking, child labour and other coercive practices in relation to the recruitment of individuals.

### Fraudulent Employment Offers

We are aware of instances of unauthorised and fraudulent employment offers being made to individuals for positions onboard our ships via unconnected third parties. This involves unsolicited offers of employment, purportedly on behalf of our cruise brands, being published or circulated via email falsely advertising shipboard roles. In our experience, these emails or advertisements are generally directed towards jurisdictions with high unemployment rates and a prevalence of vulnerable workers. We are mindful that such fraudulent employment practices can be vehicles for human trafficking, servitude or other exploitative practices. We are aware of some instances where individuals have been instructed to provide their passport and to pay an upfront 'fee' to the fraudulent recruiter. In light of the effects COVID-19 has had on the employment market, and the inherent enhanced risk, we are currently monitoring this situation very closely and working with our employment agencies to address any issues that arise.

### Our Supply Chain

Carnival plc recognise that modern slavery is an ongoing and growing global issue, which can potentially affect all of our operational areas and associated supply chains. Through the development of our approach we intend to follow the United Nations Guiding Principles on Business and Human Rights (UNGPs) on how to identify risk, prevent, address and remedy human rights abuses.

We are aware that risks and impacts will vary across our global operations and associated supply chains. We expect that risks could include issues such as forced labour and human trafficking, amongst other social injustices. Additionally that risk will also be influenced by a variety of factors. For example location, industry and culture. We are therefore working to develop our understanding of potential risk, by being mindful of this and by defining the most common, and highest areas of risk within our global operations. This in turn will enable us to better understand impacts and identify appropriate next phases of activity.



As an initial step, we have compiled a summary of our ‘top spend’ business partners across our organisation. We have begun a review of these business partners to start identifying the specific risks in our direct supply chains. Future statements will update on progress made.

We recognise our responsibility to take appropriate action across all areas of our operations and associated supply chains and are committed to the continuous improvement in our approach. Additionally we recognise the importance of measuring and assessing the effectiveness of our actions, to enable us to continue to refine our approach. Future statements will also update on our response.

### **Actions that Carnival plc has taken to assess and address potential modern slavery risks.**

#### Enhancing our Ethics and Compliance Framework

Prior to the reporting period we enhanced our compliance framework and significantly increased the resources we devote to our compliance function by creating an Ethics and Compliance Department which includes leadership in our central ‘All Brands Group’ operation and in each of our operating companies. Our Chief Ethics and Compliance Officer, a member of the executive leadership team, leads the effort to promote a strong culture of compliance and further develop our ethics and compliance governance function throughout the company. This function involves compliance risk management, improved compliance training programs for our employees, thorough investigations and efforts to strengthen our corporate culture.

The Ethics and Compliance function’s initial strategic plan set out the following four goals:

- Align and build upon fundamental principles - strengthen culture to support ethics and compliance
- Be proactive and embrace a risk-based approach - develop a more strategic mindset
- Assemble the people, platform and processes - organise ethics and compliance leadership, governance and procedures
- Listen and learn - promote open communications: speaking-up, listening, learning and responding

To strengthen the focus on ethics and compliance, the Board of Directors established the Compliance Committees, which oversee the Ethics and Compliance Department function, maintain regular communications with the Chief Ethics and Compliance Officer and ensure implementation of the Ethics and Compliance function’s strategic plan.

During the reporting period, in light of impacts of COVID-19, we developed an interim strategic plan, called the Pause Priorities Plan, which included various improvements to be made during the pause in guest cruise operations. One area of focus was on strengthening our corporate culture. We developed a Culture Action Plan, which consists of various activities undertaken throughout 2020 and expected to continue into 2021, including efforts to highlight and incentivize key actions and behaviours, new training for managers and leaders, more frequent communications, revised performance evaluations, and culture surveys to measure progress. The Ethics and Compliance function is currently developing a revised strategic plan to outline ethics and compliance priorities for the upcoming years.

Our Ethics and Compliance framework creates a strong foundation which enables us to recognise and progressively remediate the risks of modern slavery in our operations and our supply chain.

#### Strengthening Policies and Procedures

We have a comprehensive set of policies and procedures in place that demonstrate our commitment to ethical conduct and respecting human rights. Our policies and procedures apply to all subsidiaries of Carnival Corporation and plc.



During the reporting period, we updated our Corporate Vision Statement to recognise our renewed commitment to acting ethically and in compliance everywhere we operate in the world. Our Corporate Vision Statement is:

At Carnival Corporation & plc, our highest responsibility and top priorities are to operate safely, to protect the environment and to be in compliance everywhere we operate in the world. On this foundation, we aspire to deliver unmatched joyful vacations for our guests, always exceeding their expectations and in doing so, driving outstanding shareholder value. We are committed to a positive and just corporate culture, based on inclusion and the power of diversity. We operate with integrity, trust and respect for each other – seeking collaboration, candor, openness and transparency at all times. And we intend to be an exemplary corporate citizen leaving the people and the places we touch even better.

In addition, we rolled out our ‘Culture Essentials’, which are six behaviours that we have adopted to strengthen our culture of integrity and compliance. Our six Culture Essentials are: Speak Up, Respect and Protect, Improve, Communicate, Listen and Learn and Empower. These, along with our Corporate Vision Statement, set out our expectations for team members to act ethically and in compliance with applicable laws and regulations in the jurisdictions in which we operate, including laws prohibiting modern slavery.

Our employees are also subject to and expected to follow our Code of Business Conduct and Ethics (“**Code of Conduct**”). Our Code of Conduct requires employees to act with the utmost integrity when dealing with fellow employees, guests, global communities, government agencies, vendors, contractors, service providers, agents and other business partners. Our Code of Conduct explicitly condemns all forms of child exploitation and forced labour and sets out our commitment to complying with the international network of regulations intended to help prevent human trafficking. Any employee that has witnessed or has information regarding the exploitation of children, forced labour or human trafficking is required to report the situation immediately. Further information on reporting can be found below.

Our Code of Conduct, which is available to our employees on our intranet sites and publicly on our website, is provided to all new employees during the on-boarding process and is regularly promoted in emails and news articles posted on our intranet sites. In addition, our employees are required to complete a computer based training course on our Code of Conduct every two years and pass the corresponding knowledge check.

We also expect our business partners to respect and follow applicable laws and regulations and to promote ethical decisions in all aspects of their business. These requirements are documented in our Business Partner Code of Conduct and Ethics (“**Business Partner Code of Conduct**”). Our Business Partner Code of Conduct prohibits any use of forced labour, human trafficking or child exploitation in our supply chains. It is available publicly on our cruise brands’ websites and our online business partner and travel agent portals, as well as being communicated in our contracts and standard terms and conditions with business partner.

During the reporting period, we worked on revising our Code of Conduct and Business Partner Code of Conduct to include a stronger emphasis on the protection of human rights and the condemnation of all forms of child exploitation, slavery and human trafficking. Our revised Code of Conduct and Business Partner Code of Conduct are due to be published in 2021. We also commenced drafting a new Human Rights Policy, which will embed the responsibility to protect human rights throughout all business functions.



#### Reinforcing reporting channels and obligations

We have an independently administered Compliance Hotline and website available 24 hours a day, 7 days a week, which is regularly promoted to our employees and business partners. All reports to the hotline are reviewed, investigations and corrective actions being undertaken where appropriate. Hotline data is also analysed for trends, which give the company visibility and oversight of high frequency or systemic issues.

Our employees are required to report any violation of law or non-compliance with our Code immediately to their local management team, our Compliance Department or through our Compliance Hotline. Our business partners are also strongly encouraged to report any concerns to our Compliance Hotline or their local business contact. Reports can be made anonymously and our company does not tolerate retaliation of any kind.

During the reporting period, we promoted the Compliance Hotline through the following activities:

- Displaying posters onboard our ships and in our corporate offices showing the Compliance Hotline telephone number and website and encouraging individuals to report concerns.
- Sending awareness messages to employees reminding them to speak up and report concerns through the Compliance Hotline (or other appropriate channels).
- Conducting regular testing to ensure the Compliance Hotline is functioning and can be reached from our ships and our offices.

#### Increasing training and awareness

During the reporting period, we commenced providing specialised training to our supply chain and procurement teams on the risks of modern slavery in our supply chain.

In addition to this targeted training for supply chain and procurement, all employees are required to complete ethics training courses to help them understand the company's expectations and the importance of conducting business in an ethical and responsible manner. We intend to include specific education on modern slavery risks in our next revision of this general training.

In addition, we conducted Ethics and Compliance Week activities in our offices and onboard our ships in order to promote awareness of ethics and compliance issues. The theme for Ethics and Compliance Week 2020 was celebrating and strengthening our culture. Through awareness messages, videos and other activities we emphasised the importance of ethical culture and the obligation we all share to speak up and report concerns.

#### Strengthening business partner contractual terms and conditions

During the reporting period, we strengthened our contracts and standard terms and conditions to include a requirement that our direct business partners comply with our Business Partner Code of Conduct, which condemns all forms of modern slavery and requires our business partners to know and comply with applicable employment laws. We also communicated this requirement through our online business partner and travel agent portals.

We will continue to look for opportunities to strengthen our contractual terms to ensure our business partners are contractually bound to compliance with applicable laws.

#### Undertaking due diligence

We require our business partners to complete a due diligence questionnaire and we reserve the right to decline to enter or continue business with any business partner who fails to meet our standards.

During the reporting period, we commenced a review and update of our existing due diligence questionnaire to incorporate questions on compliance with modern slavery laws. The revised processes will be implemented in 2021 and will improve our visibility of potential modern slavery and human rights issues within our supply chain.

#### Addressing recruitment risks

In order to address modern slavery risks in our shipboard recruitment activities, we require our employment agencies to be certified in line with the Maritime Labor Convention 2006 ('MLC'). The MLC establishes standards regarding the minimum working and living conditions of seafarers including:

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

The minimum age of employment within our fleet is 21, with the exception of cadets in training, new officers coming from the cadet program, who must be 18 or over.

We also perform our own audits of these agencies on a regular basis, monitoring their job assignment processes, recordkeeping, pre-employment screening and post-employment follow-up. Detailed crew employment records are maintained in local recruiting offices and at our headquarters.

#### Addressing fraudulent employment offer risks

Although fraudulent employment practices are not part of our operations or our supply chain, we have taken a number of steps in an effort to reduce the risks of modern slavery associated with them. In particular, we have:

- Reported the activity to the relevant law enforcement agencies where appropriate and advised individuals to report to authorities in their home jurisdictions
- Reported the activity to the relevant regulators responsible for scams
- Worked with Facebook to expedite removal of fraudulent pages referencing our brands
- Created posts for brand careers social media sites to alert candidates to the risk of fraudulent adverts or job offers
- Placed notices on our 'careers' web pages advising that we do not send out unsolicited offers of employment and advising individuals not to respond to any emails or offers of this nature
- Reported or sought to deregister any email addresses or domains we believe are involved in distributing fraudulent employment offers
- Sent cease and desist notices to the email accounts associated with the fraudulent offers
- Advised affected individuals who have contacted us in relation to these fraudulent offers on how to report and respond to them

#### Other initiatives

During the reporting period, we commenced development on an Ethical and Responsible Sourcing Standard. The Standard will be implemented by Carnival plc in the United Kingdom and we will review opportunities to extend its operation to our other locations.

The Standard will set out our expectations for the fair treatment of workers and communities connected to our key Hospitality, Travel and Leisure supply chains. These expectations are based on the Ethical



Trading Initiative's 'Base Code', on good labour standards and the fair treatment of workers and communities connected to the supply chain, which in turn is founded on the conventions of the International Labour Organisation.

The Standard will be gradually implemented commencing in 2021. We will hold conferences to engage with relevant business partners and plan to update our standard terms and conditions to require our business partners to work with us in meeting the Standard.

As part of the roll out of the Standard we intend to progressively develop a more comprehensive map of our UK supply chain, by building data and insights on the categories of products and services sourced, their geographic locations and business partners' due diligence practices. This will be achieved through a business partner questionnaire and indicator led approach.

Through this process we plan to use insights to set a more formal benchmark for determining risk, build a risk management framework that will enable us to plan next phases of activity, and better monitor and govern risk, and work towards preventing, addressing, and remedying key issues.

#### **Carnival Plc's Key Performance Indicators and effectiveness measurements**

Carnival plc is committed to the continuous improvement of our response to modern slavery risks in our operations and supply chains. We recognise the importance of measuring and assessing the effectiveness of our actions to enable us to continue to revise and refine our approach to such risks.

#### Analysing trends in our reporting channels

We regularly analyse and report on trends in our hotline reporting data to provide visibility of high frequency or systemic issues. During the reporting period, we reported no complaints related to modern slavery practices or concerns within our operations or supply chains.

#### Monitoring training completion

We regularly monitor and track our completion rates of ethics training courses assigned to our workforce. This training is essential in maintaining our strong culture of ethics and compliance.

#### Auditing our employment agencies

During the reporting period, we performed a number of audits on our employment agencies to assess their compliance with job assignment processes, record keeping, pre-employment screening and post-employment follow-up.

#### Tracking our due diligence processes

As we continue to enhance our due diligence and remediation processes, we intend to develop a more structured approach to measuring effectiveness of these programs. We anticipate our abilities to track the progress of these programs will mature over time.

#### **Process of consultation with any controlled entities.**

This Statement has been made on behalf of Carnival plc in consultation with Carnival Corporation and plc's 'All Brands Groups' headquarters based in Miami, United States. Carnival Corporation and plc's Board of Directors approved this statement on 17<sup>th</sup> May 2021. Going forward, in view of our global





operations, we plan to implement a more extensive consultation process across Carnival Corporation and plc as we develop a more comprehensive map of our supply chain.

**Signed and Dated by Arnold W. Donald**

**President and Chief Executive Officer**

Updated: May 17, 2021