



SUSTAINABILITY ACCOUNTING STANDARD
SERVICES SECTOR

CRUISE LINES

Sustainability Accounting Standard

Sustainable Industry Classification System™ (SICS™) #SV0205

Prepared by the
Sustainability Accounting Standards Board®

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Provisional Standard

CRUISE LINES

Sustainability Accounting Standard

About SASB

The Sustainability Accounting Standards Board (SASB) provides sustainability accounting standards for use by publicly listed corporations in the U.S. in disclosing material sustainability information for the benefit of investors and the public. SASB standards are designed for disclosure in mandatory filings to the Securities and Exchange Commission (SEC), such as the Form 10-K and 20-F. SASB is an independent 501(c)3 non-profit organization. Through 2016, SASB is developing standards for more than 80 industries in 10 sectors.

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INTRODUCTION

Purpose & Structure

This document contains the SASB Sustainability Accounting Standard (SASB Standard) for Cruise Lines.

SASB Standards are comprised of **(1) disclosure guidance and (2) accounting standards on sustainability topics** for use by U.S. and foreign public companies in their annual filings (Form 10-K or 20-F) with the U.S. Securities and Exchange Commission (SEC). To the extent relevant, SASB Standards may also be applicable to other periodic mandatory filings with the SEC, such as the Form 10-Q, Form S-1, and Form 8-K.

SASB's disclosure guidance identifies sustainability topics at an industry level, which may be material—depending on a company's specific operating context—to a company within that industry.

Each company is ultimately responsible for determining which information is material and is therefore required to be included in its Form 10-K or 20-F and other periodic SEC filings.

SASB's accounting standards provide companies with standardized accounting metrics to account for performance on industry-level sustainability topics. When making disclosure on sustainability topics, companies adopting SASB's accounting standards will help to ensure that disclosure is standardized and therefore useful, relevant, comparable, and auditable.

Industry Description

The Cruise Lines industry comprises companies that provide passenger transportation and leisure entertainment, including deep sea cruises and river cruises. Cruises aim to provide a luxury resort experience for thousands of passengers at a time, typically in an exotic location. North America is the dominant market for the industry, with the most popular destinations being the Caribbean and Europe. The Cruise Lines industry has been the fastest-growing segment of the travel industry.

Guidance for Disclosure of Material Sustainability Topics in SEC Filings

1 . Industry-Level Sustainability Disclosure Topics

For the Cruise Lines industry, SASB has identified the following sustainability disclosure topics:

- Fuel Use & Air Emissions
- Discharge Management & Ecological Impacts
- Shipboard Health & Safety Management
- Fair Labor Practices
- Accident Management

2 . Company-Level Determination and Disclosure of Material Sustainability Topics

Sustainability disclosures are governed by the same laws and regulations that govern disclosures by securities issuers generally. According to the U.S. Supreme Court, a fact is material if, in the event such fact is omitted from a particular disclosure, there is “a substantial likelihood that the disclosure of the omitted fact would have been viewed by the reasonable investor as having significantly altered the ‘total mix’ of the information made available.”^{1,2}

SASB has attempted to identify those sustainability topics that it believes may be material for all companies within each SICS industry. SASB recognizes, however, that each company is ultimately responsible for determining what is material to it.

Regulation S-K, which sets forth certain disclosure requirements associated with Form 10-K and other SEC filings, requires companies, among other things, to describe in the Management’s Discussion and Analysis of Financial Condition and Results of Operations (MD&A) section of Form 10-K “any known trends or uncertainties that have had or that the registrant reasonably expects will have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations. If the registrant knows of events that will cause a material change in the relationship between costs and revenues (such as known future increases in costs of labor or materials or price increases or inventory adjustments), the change in the relationship shall be disclosed.”²

Furthermore, Instructions to Item 303 state that the MD&A “shall focus specifically on material events and uncertainties known to management that would cause reported financial information not to be necessarily indicative of future operating results or of future financial condition.”²

In determining whether a trend or uncertainty should be disclosed, the SEC has stated that management should use a two-part assessment based on probability and magnitude:

- First, a company is not required to make disclosure about a known trend or uncertainty if its management determines that such trend or uncertainty is not reasonably likely to occur.
- Second, if a company’s management cannot make a reasonable determination of the likelihood of an event or uncertainty, then disclosure is required unless management determines that a material effect on the registrant’s financial condition or results of operation is not reasonably likely to occur.

¹ TSC Industries v. Northway, Inc., 426 U.S. 438 (1976).

² C.F.R. 229.303(item 303)(a)(3)(ii).

3 . Sustainability Accounting Standard Disclosures in Form 10-K

a. Management's Discussion and Analysis

Companies should consider making disclosure on sustainability topics as a complete set in the MD&A, in a sub-section titled **"Sustainability Accounting Standards Disclosures."**³

b. Other Relevant Sections of Form 10-K

In addition to the MD&A section, companies should consider disclosing sustainability information in other sections of Form 10-K, as relevant, including:

- **Description of business**—Item 101 of Regulation S-K requires a company to provide a description of its business and its subsidiaries. Item 101(c)(1)(xii) expressly requires disclosure regarding certain costs of complying with environmental laws:

Appropriate disclosure also shall be made as to the material effects that compliance with Federal, State and local provisions which have been enacted or adopted regulating the discharge of materials into the environment, or otherwise relating to the protection of the environment, may have upon the capital expenditures, earnings and competitive position of the registrant and its subsidiaries.

- **Legal proceedings**—Item 103 of Regulation S-K requires companies to describe briefly any material pending or contemplated legal proceedings. Instructions to Item 103 provide specific disclosure requirements for administrative or judicial proceedings arising from laws and regulations that target discharge of materials into the environment or that are primarily for the purpose of protecting the environment.
- **Risk factors**—Item 503(c) of Regulation S-K requires filing companies to provide a discussion of the most significant factors that make an investment in the registrant speculative or risky, clearly stating the risk and specifying how a particular risk affects the particular filing company.

c. Rule 12b-20

Securities Act Rule 408 and Exchange Act Rule 12b-20 require a registrant to disclose, in addition to the information expressly required by law or regulation, "such further material information, if any, as may be necessary to make the required statements, in light of the circumstances under which they are made, not misleading."

More detailed guidance on disclosure of material sustainability topics can be found in the **SASB Conceptual Framework**, available for download via <http://www.sasb.org/approach/conceptual-framework/>.

³ SEC [Release Nos. 33-8056; 34-45321; FR-61] [Commission Statement about Management's Discussion and Analysis of Financial Condition and Results of Operations](#): "We also want to remind registrants that disclosure must be both useful and understandable. That is, management should provide the most relevant information and provide it using language and formats that investors can be expected to understand. Registrants should be aware also that investors will often find information relating to a particular matter more meaningful if it is disclosed in a single location, rather than presented in a fragmented manner throughout the filing."

Guidance on Accounting of Material Sustainability Topics

For sustainability disclosure topics in the Cruise Lines industry, SASB identifies accounting metrics.

SASB recommends that each company consider using these sustainability accounting metrics when disclosing its performance with respect to each of the sustainability topics it has identified as material.

As appropriate—and consistent with Rule 12b-20⁴—for each sustainability topic, companies should consider including a narrative description of any material factors necessary to ensure completeness, accuracy, and comparability of the data reported. Where not addressed by the specific accounting metrics, but relevant, the registrant should discuss the following, related to the topic:

- The registrant's **strategic approach** to managing performance on material sustainability issues;
- The registrant's competitive positioning;
- The **degree of control** the registrant has;
- Any measures the registrant has undertaken or plans to undertake to improve performance; and
- Data for the registrant's **last three completed fiscal years** (when available).

SASB recommends that registrants use SASB Standards specific to their primary industry as identified in the [Sustainable Industry Classification System \(SICSTM\)](#). If a registrant generates significant revenue from multiple industries, SASB recommends that it consider the materiality of the sustainability issues that SASB has identified for those industries and disclose the associated SASB accounting metrics.

Users of the SASB Standards

The SASB Standards are intended for companies that engage in public offerings of securities registered under the Securities Act of 1933 (the Securities Act) and those that issue securities registered under the Securities Exchange Act of 1934 (the Exchange Act),⁵ for use in SEC filings, including, without limitation, annual reports on Form 10-K (Form 20-F for foreign issuers), quarterly reports on Form 10-Q, current reports on Form 8-K, and registration statements on Forms S-1 and S-3. Nevertheless, disclosure with respect to the SASB Standards is not required or endorsed by the SEC or other entities governing financial reporting, such as FASB, GASB, or IASB.

⁴ SEC Rule 12b-20: "In addition to the information expressly required to be included in a statement or report, there shall be added such further material information, if any, as may be necessary to make the required statements, in the light of the circumstances under which they are made, not misleading."

⁵ Registration under the Securities Exchange Act of 1934 is required (1) for securities to be listed on a national securities exchange such as the New York Stock Exchange, the NYSE Amex, and the NASDAQ Stock Market or (2) if (A) the securities are equity securities and are held by more than 2,000 persons (or 500 persons who are not accredited investors) and (B) the company has more than \$10 million in assets.

Scope of Disclosure

Unless otherwise specified, SASB recommends:

- That a registrant disclose on sustainability issues and metrics for itself and for entities in which the registrant has a controlling interest and therefore are consolidated for financial reporting purposes (controlling interest is generally defined as ownership of 50% or more of voting shares);⁶
- That for consolidated entities, disclosures be made, and accounting metrics calculated, for the whole entity, regardless of the size of the minority interest; and
- That information from unconsolidated entities not be included in the computation of SASB accounting metrics. A registrant should disclose, however, information about unconsolidated entities to the extent that the registrant considers the information necessary for investors to understand its performance with respect to sustainability issues (typically, this disclosure would be limited to risks and opportunities associated with these entities).

Reporting Format

Activity Metrics and Normalization

SASB recognizes that normalizing accounting metrics is important for the analysis of SASB disclosures.

SASB recommends that a registrant disclose any basic business data that may assist in the accurate evaluation and comparability of disclosure, to the extent that they are not already disclosed in the Form 10-K (e.g., revenue, EBITDA, etc.).

Such data—termed “activity metrics”—may include high-level business data such as total number of employees, quantity of products produced or services provided, number of facilities, or number of customers. It may also include industry-specific data such as plant capacity utilization (e.g., for specialty chemical companies), number of transactions (e.g., for Internet media and services companies), hospital bed days (e.g., for health care delivery companies), or proven and probable reserves (e.g., for oil and gas exploration and production companies).

Activity metrics disclosed should:

- Convey contextual information that would not otherwise be apparent from SASB accounting metrics.
- Be deemed generally useful for users of SASB accounting metrics (e.g., investors) in performing their own calculations and creating their own ratios.
- Be explained and consistently disclosed from period to period to the extent they continue to be relevant. However, a decision to make a voluntary disclosure in one period does not obligate a continuation of that disclosure if it is no longer relevant or if a better metric becomes available.

⁶ See US GAAP consolidation rules (Section 810).

Where relevant, SASB recommends specific activity metrics that—at a minimum—should accompany SASB accounting metric disclosures.

ACTIVITY METRIC	CATEGORY	UNIT OF MEASURE	CODE
Available Lower Berth kilometers (ALB-KM) ⁷	Quantitative	ALB-KM	SV0205-A
Average Passenger Cruise Day (APCD) ⁸	Quantitative	Passenger days	SV0205-B
Shipboard employees ⁹	Quantitative	Number	SV0205-C
Cruise guests ¹⁰	Quantitative	Number	SV0205-D
Number of vessel port calls	Quantitative	Number	SV0205-E

Units of Measure

Unless specified, disclosures should be reported in International System of Units (SI units).

Uncertainty

SASB recognizes that there may be inherent uncertainty when disclosing certain sustainability data and information. This may be related to variables such as the imperfectness of third-party reporting systems or the unpredictable nature of climate events. Where uncertainty around a particular disclosure exists, SASB recommends that the registrant should consider discussing its nature and likelihood.

Estimates

SASB recognizes that scientifically-based estimates, such as the reliance on certain conversion factors or the exclusion of *de minimis* values, may be necessary for certain quantitative disclosures. Where appropriate, SASB does not discourage the use of such estimates. When using an estimate for a particular disclosure, SASB expects that the registrant discuss its nature and substantiate its basis.

Timing

Unless otherwise specified, disclosure shall be for the registrant's fiscal year.

⁷ **Note to SV0205-A:** Available Lower Berth (ALB) is a measure of the standard capacity of a cruise ship, usually assuming two people per available cabin. It takes into account changes in fleet size, itineraries, and passenger capacity.

⁸ **Note to SV0205-B:** Average Passenger Cruise Day (APCD) is the number of available lower berths on a ship times the number of days that those berths are available to passengers per year.

⁹ **Note to SV0205-C:** Shipboard employees is the number of employees working aboard the registrant's vessels (including contract employees).

¹⁰ **Note to SV0205-D:** Cruise guests is the number of guests aboard the registrant's vessels, excluding employees.

Limitations

There is no guarantee that SASB Standards address all sustainability impacts or opportunities associated with a sector, industry, or company, and therefore, a company must determine for itself the topics—sustainability-related or otherwise—that warrant discussion in its SEC filings.

Disclosure under SASB Standards is voluntary. It is not intended to replace any legal or regulatory requirements that may be applicable to user operations. Where such laws or regulations address legal or regulatory topics, disclosure under SASB Standards is not meant to supersede those requirements. Disclosure according to SASB Standards shall not be construed as demonstration of compliance with any law, regulation, or other requirement.

SASB Standards are intended to be aligned with the principles of materiality enforced by the SEC. However, SASB is not affiliated with or endorsed by the SEC or other entities governing financial reporting, such as FASB, GASB, or IASB.

Forward-looking Statements

Disclosures on sustainability topics can involve discussion of future trends and uncertainties related to the registrant's operations and financial condition, including those influenced by external variables (e.g., environmental, social, regulatory, and political). Companies making such disclosures should familiarize themselves with the safe harbor provisions of Section 27A of the Securities Act and Section 21E of the Exchange Act, which preclude civil liability for material misstatements or omissions in such statements if the registrant takes certain steps, including, among other things, identifying the disclosure as "forward-looking" and accompanying such disclosure with "meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those in the forward-looking statements."

Assurance

In disclosing to SASB Standards, it is expected that registrants disclose with the same level of rigor, accuracy, and responsibility as they apply to all other information contained in their SEC filings.

SASB encourages registrants to use independent assurance (attestation); for example, an Examination Engagement to AT Section 101.

The following sections contain the disclosure guidance associated with each accounting metric such as guidance on definitions, scope, accounting, compilation, and presentation.

The term "shall" is used throughout this document to indicate those elements that reflect requirements of the Standard. The terms "should" and "may" are used to indicate guidance, which, although not required, provides a recommended means of disclosure.

Table 1. Sustainability Disclosure Topics & Accounting Metrics

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE
Fuel Use & Air Emissions	Gross global Scope 1 emissions	Quantitative	Metric tons CO ₂ -e	SV0205-01
	Description 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	Discussion & Analysis	n/a	SV0205-02
	Total energy consumed, percentage from (1) heavy fuel oil, (2) onshore power supply (OPS), and (3) renewables	Quantitative	Gigajoules, Percentage (%)	SV0205-03
	Air emissions for the following pollutants: NO _x , SO _x , and particulate matter (PM)	Quantitative	Metric tons (t)	SV0205-04
	Average Energy Efficiency Design Index (EEDI) for new ships	Quantitative	Grams of CO ₂ per ton-nautical mile	SV0205-05
Discharge Management & Ecological Impacts	Amount of ship waste discharged to the environment, percentage treated prior to discharge	Quantitative	Metric tons, Percentage (%)	SV0205-06
	Percentage of fleet implementing (1) ballast water exchange and (2) ballast water treatment	Quantitative	Percentage (%)	SV0205-07
	Cruise duration in marine protected areas and areas of protected conservation status	Quantitative	Number of travel days	SV0205-08
	Number of notices of violations received for dumping ¹¹	Quantitative	Number	SV0205-09
Shipboard Health & Safety Management	Number of alleged crime incidents involving passengers or employees	Quantitative	Number	SV0205-10
	Fleet average CDC Vessel Sanitation Program inspection score, percentage of inspections failed	Quantitative	Number, Percentage (%)	SV0205-11
	Number of (1) serious injuries per million customers and (2) voyages with a gastrointestinal illness count exceeding 2%	Quantitative	Rate, Number	SV0205-12
	Seafarer lost time injury rate	Quantitative	Rate	SV0205-13

¹¹ Note to **SV0204-09** - Disclosure shall include a description of significant penalties and corrective actions implemented in response to events.

Table 1. Sustainability Disclosure Topics & Accounting Metrics (Continued)

Fair Labor Practices	Average hourly wage for seafarers, by region	Quantitative	U.S. Dollars (\$) per hour	SV0205-14
	Percentage of seafarers working maximum hours	Quantitative	Percentage (%)	SV0205-15
	Percentage of seafarers paid for overtime	Quantitative	Percentage (%)	SV0205-16
	Amount of legal and regulatory fines and settlements associated with labor law violations ¹²	Quantitative	U.S. Dollars (\$)	SV0205-17
Accident Management	Number of Conditions of Class or Recommendations	Quantitative	Number	SV0205-18
	Number of port state control (1) deficiencies and (2) detentions	Quantitative	Number	SV0205-19
	Number of accidents and incidents ¹³	Quantitative	Number	SV0205-20

¹² Note to **SV0205-15** – Disclosure shall include a description of fines and settlements and corrective actions implemented in response to events.

¹³ Note to **SV0205-18** – Disclosure shall include a description of serious marine accidents, outcomes, and corrective actions implemented in response.

Fuel Use & Air Emissions

Description

Cruise Lines companies generate emissions mainly from the combustion of diesel in ship engines. The industry's reliance on heavy bunker fuel—a relatively “dirty” fuel source—is important to manage due to intensifying emissions regulations and rising fuel costs. Recent environmental regulations on greenhouse gas (GHG) reporting and limits on emissions of SO_x, NO_x, and PM are driving adoption of more fuel-efficient engines, use of cleaner burning fuels, and engine retrofits. Furthermore, fuel constitutes a major expense for industry players, providing another significant incentive for fuel efficiency. Companies may be penalized for exceeding emissions limits at ports and other restricted areas. Companies are managing these risks by commissioning more energy efficient vessels, retrofitting existing fleets, and using onshore power when it is available at ports.

Accounting Metrics

SV0205-01. Gross global Scope 1 emissions

- .01 The registrant shall disclose gross global Scope 1 GHG emissions to the atmosphere of the six GHGs covered under the Kyoto Protocol (carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride).
- Emissions of all gases shall be disclosed in metric tons of carbon dioxide equivalents (CO₂-e) calculated in accordance with published global warming potential (GWP) factors. To date, the preferred source for GWP factors is the IPCC's Second Assessment Report (1995).
 - Gross emissions are GHGs emitted to the atmosphere before accounting for any GHG reduction activities, offsets, or other adjustments for activities in the reporting period that have reduced or compensated for emissions.
 - Disclosure corresponds to section CC8.2 of the Carbon Disclosure Project (CDP) Questionnaire and section 4.25 of the Climate Disclosure Standards Board (CDSB) Climate Change Reporting Framework (CCRF).¹⁴
- .02 Scope 1 emissions are defined by the World Resources Institute and the World Business Council on Sustainable Development (WRI/WBCSD) in [*The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition*](#), March, 2004 (hereafter, the “GHG Protocol”).
- These emissions include direct emissions of GHGs from stationary or mobile sources that include, but are not limited to, equipment, production facilities, office buildings, and transportation (i.e., marine, road, or rail).

¹⁴ An update to the responses for CDP Questionnaire section 4.25 of the CDSB CCRF shall be updated to the response to SV0205-01.

- .03 GHG emission data shall be consolidated according to the approach with which the registrant consolidates its financial reporting data, which is generally aligned with:
- The Financial Control approach defined by the GHG Protocol and referenced by the [CDP Guidance for companies reporting on climate change on behalf of investors & supply chain members 2013](#) (hereafter, the “CDP Guidance”).¹⁵
 - The approach detailed in Section 4.23, “Organizational boundary setting for GHG emissions reporting,” of the CDSB *Climate Change Reporting Framework (CCRF)*.¹⁶
- .04 The underlying technical approach to data collection, analysis, and disclosure shall be consistent with the CDP Guidance.
- The registrant shall consider the CDP Guidance as a normative reference, thus any updates made year-on-year shall be considered updates to this guidance.
- .05 The registrant should discuss any change in its emissions from the previous fiscal year, such as explaining if the change was due to emissions reductions, divestment, acquisition, mergers, changes in output, and/or changes in calculation methodology.
- .06 In the case that current reporting of GHG emissions to the CDP or other entity (e.g., a national regulatory disclosure program) differs in terms of the scope and consolidation approach used, the registrant may disclose those emissions. However, primary disclosure shall be according to the guidelines described above.
- .07 The registrant should discuss the calculation methodology for its emission disclosure, such as noting if data is from continuous emissions-monitoring systems (CEMS), engineering calculations, mass balance calculations, etc.

SV0205-02. Description 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

- .08 The registrant shall discuss the following, where relevant:
- The scope of its activities, particularly if strategies, plans, and/or reduction targets pertain differently to different business units, geographies, or emissions sources;
 - If strategies, plans, and/or reduction targets are related to or associated with an emissions disclosure (reporting) or reduction program (e.g., E.U. ETS, RGGI, WCI, etc.), including regional, national, international, or sectoral programs; and

¹⁵ “An organization has financial control over an operation if it has the ability to direct the financial and operating policies of the operation with a view to gaining economic benefits from its activities. Generally an organization has financial control over an operation for GHG accounting purposes if the operation is treated as a group company or subsidiary for the purposes of financial consolidation.” *Guidance for companies reporting on climate change on behalf of investors & supply chain members 2013*, p. 95.

¹⁶ This is based on the requirements of International Accounting Standards/International Financial Reporting Standards (IAS/IFRS) for consolidation and equity accounting and is consistent with how information relating to entities within a group or interest in joint ventures/associates would be included on consolidated financial statements, as per the CDSB *Climate Change Reporting Framework*.

- The activities and investments required to fulfill the plans and any risks or limiting factors that might affect fulfillment of the plans and/or targets.

.09 For emissions-reduction targets, the registrant shall disclose:

- The percentage of emissions within the scope of the reduction plan;
- The percentage reduction from the base year, where:
 - The base year is the first or starting year against which emissions are evaluated toward the achievement of the target;
- Whether the target is absolute or intensity-based, and the metric denominator if it is an intensity-based target;
- The timelines for the reduction activity, including the start year, the target year, and the base year. Disclosure shall be limited to activities that were ongoing (active) or reached completion during the fiscal year; and
- The mechanism(s) for achieving the target, such as energy efficiency efforts, energy source diversification, carbon capture and storage, etc.

.10 Where necessary, the registrant shall discuss any circumstances in which the target base year emissions have been or may be recalculated retrospectively or in which the target base year has been reset.

.11 Disclosure corresponds with:

- CDSB Section 4, "Management actions"¹⁷
- CDP questionnaire CC3, "Targets and Initiatives"

.12 Relevant initiatives to discuss may include, but are not limited to, route optimization, use of alternative fuels and energy sources, system improvements, and optimization of ship operation. Ship-related efforts can include improving efficiency through ship design and propulsion systems (including hull and propeller improvements) and upgrading the fleet to new ships.

¹⁷ "Disclosure shall include a description of the organization's long-term and short-term strategy or plan to address climate change-related risks, opportunities, and impacts, including targets to reduce GHG emissions and an analysis of performance against those targets." *Climate Change Reporting Framework – Edition 1.1*, October 2012, CDSB.

SV0205-03. Total energy consumed, percentage from (1) heavy fuel oil, (2) onshore power supply (OPS), and (3) renewables

- .13 The registrant shall disclose total energy consumption from all sources as an aggregate figure in gigajoules or their multiples.
- The scope includes energy purchased from sources external to the organization or produced by the organization itself (self-generated).
 - The scope includes only energy consumed by entities owned or controlled by the organization.
 - The scope includes energy from all sources including direct fuel usage, purchased electricity, and heating, cooling, and steam energy.
- .14 In calculating energy consumption from fuels and biofuels, the registrant shall use higher heating values (HHV), also known as gross calorific values (GCV), which are directly measured or taken from the Intergovernmental Panel on Climate Change (IPCC), the U.S. Department of Energy (DOE), or the U.S. Energy Information Administration (EIA).
- .15 The registrant shall calculate the percentage of energy from heavy fuel oil as the energy content of heavy fuel oil consumed divided by the energy content of all fuel consumed.
- .16 Heavy fuel oil is defined as heavier residual fuel oils that remain after distillate fuel oils and lighter hydrocarbons are distilled away in refinery operations, and which conform to residual fuel categories in ISO 8217:2012, Petroleum products – Fuels (class F) – Specifications of marine fuels, and include all six categories of residual fuel.
- .17 The registrant shall disclose OPS electricity consumption as a percentage of its total energy consumption.
- OPS includes the shoreside electrical power consumed by a ship at berth while its main and auxiliary engines are turned off.
- .18 The registrant shall disclose renewable energy consumption as a percentage of its total energy consumption.
- The scope of renewable energy includes renewable fuel the registrant consumes and renewable energy the registrant directly produces, purchases through a renewable power purchase agreement (PPA) that explicitly includes renewable energy certificates (RECs), or for which Green-e Energy Certified RECs are paired with grid electricity.
 - For any renewable electricity generated on-site, any RECs must be retained (i.e., not sold) and retired on behalf of the registrant in order for the registrant to claim them as renewable energy.
 - For renewable PPAs, the agreement must explicitly include and convey that RECs be retained and retired on behalf of the registrant in order for the registrant to claim them as renewable energy.
 - The renewable portion of the electricity grid mix that is outside of the control or influence of the registrant is excluded from disclosure.

.19 Renewable energy is defined as energy from sources that are capable of being replenished in a short time through ecological cycles, such as geothermal, wind, solar, hydro, and biomass.

- For the purposes of this disclosure, the scope of renewable energy from hydro and biomass sources is limited to the following:
 - Energy from hydro sources that are certified by the Low Impact Hydropower Institute.
 - Energy from biomass sources is limited to sources that are considered “eligible renewables” according to the Green-e Energy National Standard Version 2.4 or that are eligible for a state Renewable Portfolio Standard.

.20 The registrant shall apply conversion factors consistently for all data reported under this disclosure, such as the use of HHVs for fuel usage (including biofuels) and conversion of kWh to gigajoules (including for electricity from solar or wind energy).

SV0205-04. Air emissions for the following pollutants: NO_x, SO_x, and particulate matter (PM)

.21 The registrant shall disclose its emissions released to the atmosphere of air pollutants associated with its activities, including:

- Direct air emissions from stationary or mobile sources that include, but are not limited to, ships, equipment at port sites, office buildings, truck fleets, and moveable equipment.

.22 The registrant shall disclose emissions released to the atmosphere by emissions type. Substances include:

- Oxides of nitrogen (including NO and NO₂ and excluding N₂O), reported as NO₂;
- Oxides of sulfur (SO₂ and SO₃), reported as SO₂;
- Particulate matter (PM); reported as the sum of PM₁₀ and PM_{2.5}, or all particulates less than 10 micrometers in diameter.

.23 This scope does not include CO₂, methane, and nitrous oxide, which are disclosed in SV0205-01 as Scope 1 GHG emissions.

.24 Air emissions data shall be consolidated according to the approach with which the registrant consolidates its financial reporting data, which is aligned with the consolidation approach used for SV0205-01.

.25 The registrant should discuss the calculation methodology for its emissions disclosure, such as whether data are from CEMS, engineering calculations, mass balance calculations, etc.

SV0205-05. Average Energy Efficiency Design Index (EEDI) for new ships

.26 The registrant shall disclose EEDI as a simple average of the EEDI value of all new vessels.

.27 The registrant shall calculate the EEDI for each new vessel in its fleet and report the average EEDI value in grams of CO₂ per ton-nautical mile, where:

- New vessels are those built after 2013 and for which the International Maritime Organization (IMO) has adopted EEDI as a metric.

.28 EEDI is calculated as: (power installed * specific fuel consumption * carbon conversion) / (available capacity * vessel speed at design load), reported in grams of carbon dioxide per ton-nautical mile.

.29 The registrant shall follow calculation methodologies outlined in IMO MEPC.1/Circ. 681 [Interim Guidelines on the Method of Calculation of the Energy Efficiency Design Index for New Ships](#).

Discharge Management & Ecological Impacts

Description

Cruise vacations offer unique access to pristine ocean waters and destinations with delicate ecosystems. However, these sensitive ecosystems can be threatened by the size of the ships, the influx of foreign tourists, and the scale of the resources consumed and waste generated on board. Cruise ships discharge many types of treated and untreated wastewater at sea and non-degradable solid wastes on land. Careful management of ship discharge and mitigation of the ecological impacts of Cruise Lines companies' operations will ensure continued access to key ports and will help preserve the natural beauty that their guests wish to see.

Accounting Metrics

SV0205-06. Amount of ship waste discharged to the environment, percentage treated prior to discharge

.30 The amount of ship waste discharged to the environment shall be calculated in metric tons and defined as anything used on board the ship (or intended for use on the ship) for which the registrant has no further use and which is discarded or released to the environment.

- The scope includes sewage, bilge water, ballast water, graywater, hazardous waste, used oil, food, packaging, other solid waste, etc.
- This disclosure excludes any portions of waste that are reused or recycled by vendors or partners, as well as any waste disposed of on shore.
- Portions of products and materials that are disposed of at sea or in landfills are included in the scope. Only the portions of reused and recycled products that are directly incorporated into new products, co-products, or by-products shall be excluded from the scope.
- The scope excludes gaseous wastes.

.31 The percentage treated prior to discharge shall be calculated as the weight of waste material that was treated by the registrant to at least minimum legal requirements set by MARPOL and other relevant regulation, divided by the total weight of waste material, where:

- For the purposes of this disclosure, incineration is not considered a treatment of solid waste, even if the incinerated waste may be legally discharged at sea.
- Materials incinerated, including for energy recovery, shall be counted in the total amount of ship waste discharged to the environment, but not in the percentage treated. Energy recovery is defined as the use of combustible waste as a means to generate energy through direct incineration with or without other waste but with recovery of the heat.

SV0205-07. Percentage of fleet implementing (1) ballast water exchange and (2) ballast water treatment

- .32 The registrant shall disclose the percentage of its fleet that has (1) implemented ballast water exchange as well as the percentage that has (2) implemented ballast water treatment in accordance with the IMO Ballast Water Management Convention (BWMC).
- .33 Ballast water exchange is defined by Regulation D1 of the BWMC and requires that ships performing ballast water exchange do so with an efficiency of at least 95 percent volumetric exchange of ballast water. The three accepted methods of ballast water exchange are the sequential method, the flow-through method, and the dilution method.
- .34 The percentage of the fleet implementing ballast water exchange is calculated as the number of ships in the registrant's fleet that have implemented ballast water exchange that meets the Regulation D1 performance standard divided by the total number of ships in the fleet.
- .35 Ballast water treatment is defined as any integrated system of ballast water treatment equipment that is type-approved by the U.S. Coast Guard or foreign administration to meet the performance criteria in Regulation D2 of the BWMC, which are:
- The system treats ballast water to an efficacy of not more than 10 viable organisms per m³ that are greater than or equal to 50 micrometers in minimum dimension, and
 - Not more than 10 viable organisms per milliliter that are less than 50 micrometers in minimum dimension and greater than or equal to 10 micrometers in minimum dimension.
- .36 The percentage of the fleet implementing ballast water treatment is calculated as the number of ships in the registrant's fleet that have implemented ballast water treatment systems that meet the Regulation D2 performance standard divided by the total number of ships in the fleet.

SV0205-08. Cruise duration in marine protected areas and areas of protected conservation status

- .37 The registrant shall disclose the cruise duration spent in marine protected areas and areas of protected conservation status, where:
- Cruise duration is the sum of the travel days (24-hour periods or fractions thereof) spent in either type of area.
 - Duration includes time spent docked at ports.
- .38 A marine protected area is defined according to the International Union for Conservation of Nature (IUCN) as any area of the intertidal or subtidal terrain, together with its overlying water and associated flora, fauna, and historical and cultural features, which has been reserved by law or other effective means to protect part or all of the enclosed environment.
- .39 Marine protected areas include areas internationally established and regulated in IMO Conventions as well as areas established nationally by member states, such as:

- Particularly Sensitive Sea Areas (PSSAs) designated by the Marine Environment Protection Committee of the IMO in accordance with IMO Guidelines for the Identification and Designation of Particularly Sensitive Sea Areas (resolution A.982(24))
- Special Areas designated under the International Convention for the Prevention of Pollution from Ships (MARPOL Annexes I, II, and IV)
- Emission Control Areas under MARPOL Annex VI
- Areas to be Avoided established by IMO Safety of Life at Sea Convention (SOLAS), Chapter V, regulation 10
- No Anchoring Areas established by IMO SOLAS Chapter V, regulation 10
- Areas with Mandatory Ship Reporting Systems established by IMO SOLAS, Chapter V, regulation 11

.40 An area is considered to be of protected conservation status if it is located within:

- Marine sanctuaries
- National parks
- IUCN Protected Areas (categories I-VI)
- Ramsar Wetlands of International Importance
- UNESCO marine World Heritage sites
- Biosphere Reserves recognized within the framework of UNESCO's Man and the Biosphere (MAB) Programme
- Marine Natura 2000 sites
- Other areas where discharges are restricted or subject to local agreements
- Sites that meet the IUCN's definition of a protected area: "A protected area is a clearly defined geographical space, recognized, dedicated, and managed, through legal or other effective means, to achieve the long-term conservation of nature with associated ecosystem services and cultural values"¹⁸
 - These sites may be listed in the World Database of Protected Areas (WDPA) and mapped on ProtectedPlanet.net

¹⁸ N. Dudley (ed.), *Guidelines for Applying Protected Areas Management Categories*, (Gland, Switzerland: IUCN, 2008), pp. 8-9.

- .41 The registrant may choose to separately identify cruise duration in areas with additional ecological, biodiversity, or conservation designations such as those listed by the [A-Z Guide of Areas of Biodiversity Importance](#), prepared by the United Nations Environment Programme's World Conservation Monitoring Centre (UNEP-WCMC).
- .42 The registrant may choose to provide discussion around its cruise activities in marine protected areas and areas of protected conservation status that present low risk to biodiversity or ecosystem services.
- .43 The registrant may choose to provide discussion around its cruise activities in areas that have no official designation of high biodiversity value but that present high biodiversity or ecosystem services risks.

SV0205-09. Number of notices of violations received for dumping

- .44 The registrant shall disclose the total number of notices of violations received for dumping, where:
 - Notices of violations include those issued by the registrant's flag state and any government enforcement agency at ports where the registrant's vessels visit.
 - Notices include those for violations of MARPOL Annexes I through V, or other relevant national or regional environmental legislation (including Alaska Department of Environmental Quality Notices of Violations)
 - The scope of notices of violation excludes those received for excessive emissions and air quality violations.
 - Dumping means any deliberate disposal at sea of wastes or other matter from vessels, aircraft, platforms, or other man-made structures at sea; "Dumping" does not include the disposal at sea of wastes or other matter incidental to, or derived from, the normal operations of vessels, aircraft, platforms, or other man-made structures at sea and their equipment, other than wastes or other matter transported by or to vessels, aircraft, platforms, or other man-made structures at sea, operating for the purpose of disposal of such matter or derived from the treatment of such wastes or other matter on such vessels, aircraft, platforms or structures; nor does it include the placement of matter for a purpose other than the mere disposal thereof, provided that such placement is not contrary to the aims of the London Dumping Convention¹⁹
 - Notices include but are not limited to those for wastewater pollution, illegal dumping of oil, untreated sewage, hazardous waste, other pollutants including nickel, copper, zinc and ammonia, or the falsifying of Oil Record Books
- .45 An incident of non-compliance shall be disclosed regardless of whether it resulted in an enforcement action (e.g., fine, warning letter, etc.).

¹⁹ MARPOL Prevention of Pollution From Ships [Subpart 15\(A\), Article 15.1 Definitions](#)

Note to **SV0205-09**.

- .46 The registrant shall discuss any significant violations, outcomes, and corrective actions implemented in response to events.
- .47 Significant violations can include those that resulted in a significant fine, penalty, or harm to the environment.
- .48 The registrant shall describe any corrective actions it has implemented as a result of each incident. This may include, but is not limited to, specific changes in operations, management, processes, products, business partners, training, or technology.

Shipboard Health & Safety Management

Description

Companies in the Cruise Lines industry offer a variety of luxury experiences and activities to their customers, including elaborate shows, casinos, fine dining, indoor skydiving, spa treatments, swimming, and fitness facilities. Each activity comes with its own set of health risks and safety challenges and liabilities that cruise companies must navigate. A commitment to providing a clean and sanitary environment on board is important for mitigating passenger and crew health risks. Additionally, cruise companies operate a uniquely transitory service that requires them to provide all the safety oversight of a small city, including addressing all medical and security needs. Consumer expectation of safety and comfort is high, so issues such as health risks and physical safety risks are especially important to avoid. Highly publicized cases of crimes, injuries, and illnesses onboard cruise ships can have serious impacts of brand value and ticket sales.

Accounting Metrics

SV0205-10. Number of alleged crime incidents involving passengers or employees

.49 The registrant shall disclose the total number of alleged crime incidents involving passengers or employees, where:

- “Alleged crimes” include homicide, suspicious death, a missing U.S. national, kidnapping, assault resulting in serious bodily injury, sexual assault, firing or tampering with a vessel, or theft of money and property in excess of \$10,000, consistent with the Cruise Vessel Security and Safety Act of 2010 (CVSSA), Pub. L. No. 111-207.

.50 The scope of disclosure includes incidents on cruise ships that do not embark and disembark in the United States, and are therefore outside of the scope of the CVSSA.

- In this case, the registrant shall use data from the appropriate oversight authority for cruise ship criminal activity in the jurisdiction where the crimes occurred.

SV0205-11 Fleet average CDC Vessel Sanitation Program inspection score, percentage of inspections failed

.51 The registrant shall disclose the Center for Disease Control Vessel Sanitation Program (VSP) inspection score as a fleet average, where:

- The fleet average is calculated as the sum of inspection scores for all inspected ships divided by the number of ships that were inspected. For ships that were inspected multiple times during the fiscal year, the average annual inspection score for that ship shall be included in the calculation of the fleet average score (i.e., the average of averages when multiple inspections occurred during the fiscal year).

.52 The registrant shall disclose the percentage of inspections conducted by a relevant regulatory oversight authority that received a failing sanitation inspection score, where:

- A failing score for the CDC VSP is 85 or less.

- The percentage is calculated as the total number of inspections that received a failing score, divided by the total number of inspections that were conducted. For ships that were inspected multiple times during the fiscal year, the lowest inspection score shall be included for that ship in the calculation.
- The scope of disclosure includes any ship that was inspected for public health, food safety, and/or environmental sanitation during the fiscal year. Examples of agencies that may have conducted such inspections include, but are not limited to, the U.S. CDC VSP, the Health Canada Cruise Ship Inspection program, the Brazilian ANVISA program, or the European SHIPSAN program.

SV0205-12. Number of (1) serious injuries per million customers and (2) voyages with a gastrointestinal illness count exceeding 2%

.53 The registrant shall disclose the total number of serious injuries per million customers, where:

- Serious injuries are defined as injuries resulting in incapacitation for more than 72 hours commencing within seven days from the date of injury, consistent with the IMO Safety Code.
- The scope includes serious injuries to guests that are caused by, or in connection with, the operations of a ship.

.54 The registrant shall disclose the total number of voyages on which the gastrointestinal illness count exceeded two percent of the total number of passengers and crew on board.

- The CDC VSP defines gastrointestinal illness (GI) cases as those evaluated by the medical staff before the ship arrives at a U.S. port when sailing from a foreign port.
- The number of GI cases used in the calculation shall be the total for the entire voyage and not the number of active (symptomatic) GI cases at any given port of call or at disembarkation.
- Two percent of the total number of passengers and crew on board represents the threshold for which a separate notification is required by the cruise ship.

SV0205-13. Seafarer lost time injury rate

.55 The registrant shall disclose its lost time injury rate (LTIR), as the number of lost time incidents per one million working hours, where a lost time incident is an incident that results in absence from work beyond the date or shift when it occurred.

- The rate shall be calculated as: (lost time incidents) / (1,000,000 hours worked).

.56 The registrant should refer to organizations such as the International Chamber of Shipping and the IMO International Safety Management Code (ISM Code) for guidance on implementing lost time incident reporting.

.57 The registrant should disclose its process for classifying, identifying, and reporting lost time incidents.

.58 The scope includes all shipboard employees, domestic and foreign.

Definitions

The VSP applies to ships with more than 13 passengers that are either flagged in the U.S. or are foreign ships that have U.S. ports on their itineraries. Under the program, ships must follow guidelines for public health practices, submit to both scheduled and unannounced inspections, and report GI outbreaks.

Additional References

IMO Safety Code: [RESOLUTION A.849\(20\) Code for the Investigation of Marine Casualties and Incidents, adopted on 27 November 1997](#)

Cruise Vessel Security and Safety Act of 2010 (CVSSA): [Pub. L. No. 111-207 \(July 27, 2010\) \(codified at 46 U.S.C. Sections 3507, 3508\)](#)

Fair Labor Practices

Description

Cruise Lines employ thousands of workers for onboard operations. Most ships are registered abroad in countries where labor laws allow flexibility in many dimensions including pay, hours, fair treatment, and termination. Shipboard crews are truly multi-national, and many are hired on a contract basis. Workers often work long hours for months at a stretch and stay in shared quarters, which can make it difficult to recuperate. Some companies employ a gratuity-based wage structure, which reduces payroll costs. Language barriers and the complexity of flag-state laws and the laws in workers' home countries can make it difficult for workers to file charges in the case of labor law violations.

Accounting Metrics

SV0205-14. Average hourly wage for seafarers, by region

.59 The registrant shall disclose the average hourly wage, in U.S. dollars, for seafarers for each geographic region for which it conducts segment financial reporting, where:

- Seafarers are defined as non-manager or director-level shipboard employees
- The scope of disclosure excludes shoreside and corporate employees

.60 The average hourly wage is calculated as the total seafarer wages for the fiscal year, including gratuities, divided by the number of hours worked by seafarers during the fiscal year.

SV0205-15. Percentage of seafarers working maximum hours

.61 The registrant shall disclose the percentage of seafarers that worked maximum allowable hours at least once during the fiscal year, where:

- The maximum allowable hours of work for seafarers are 14 hours of work per 24-hour period and 72 hours of work per 7-day period, consistent with the Maritime Labour Convention, Standard A2.3, Paragraph 5(a), "Hours of work and hours of rest."²⁰
- The scope includes all shipboard employees.

SV0205-16. Percentage of seafarers paid for overtime

.62 The registrant shall disclose the percentage of seafarers who have been paid for overtime at least once during the fiscal year, where:

- Overtime means time worked in excess of the normal hours of work.

²⁰ http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:91:0:::P91_SECTION:MLC_A2

- Overtime shall be calculated in accordance with Maritime Labour Convention Guideline B2.2.2, "Calculation and payment."
- The scope includes all shipboard employees.

SV0205-17. Amount of legal and regulatory fines and settlements associated with labor law violations

- .63 The registrant shall disclose the amount (excluding legal fees) of all fines or settlements associated with labor law violations, including, but not limited to, violations of the Fair Labor Standards Act, U.S. Seaman's Wage Act, ILO Maritime Labour Convention, and any other relevant regulation such as those relating to wages, work hours, overtime, and meal and rest breaks.
- .64 Disclosure shall include civil actions (e.g., civil judgment, settlements, or regulatory penalties) and criminal actions (e.g., criminal judgment, penalties, or restitutions) taken by any entity (government, businesses, or individuals).

Note to SV0205-17

- .65 The registrant shall briefly describe the nature (e.g., guilty plea, deferred agreement, or non-prosecution agreement) and context (e.g., improper working conditions, unfair compensation, etc.) of fines and settlements.
- .66 The registrant shall describe any corrective actions it has implemented as a result of each incident. This may include, but is not limited to, specific changes in operations, management, processes, products, business partners, training, or technology.

Accident Management

Description

Statistically, cruising is one of the safest forms of travel for vacationing and is even perceived by anxious flyers as a safer way to see exotic locations. However, the industry competes largely on customer experience and satisfaction, and given the scale of the ships and the vulnerability of passengers at sea, it may only take one mismanaged accident to shake consumer confidence in a company. The Cruise Lines industry places safety management as a top priority and while major accidents are rare, they have the potential to affect not only a company's revenues and reputation, but those of the industry as a whole. Proper equipment maintenance, staff training, and use of the latest safety technologies and methods across the entire fleet can improve a cruise lines company's safety record and enhance the customer experience.

Accounting Metrics

SV0205-18. Number of Conditions of Class or Recommendations

- .67 The registrant shall disclose the number of Conditions of Class or Recommendations it has received from a Flag Administration or a Recognized Organization (RO), such as a Classification Society, that has been delegated the authority to issue such findings.
- .68 Conditions of Class and Recommendations are understood to be interchangeable terms, defined as requirements imposed by an Administration (or its delegate) that are to be carried out within a specific time limit in order to retain vessel Class, including:
- Repairs and/or renewals related to damages that affect Classification (e.g., grounding, structural damages, machinery damages, wastage over the allowable limits, etc.)
 - Supplementary survey requirements
 - Temporary repairs
- .69 The registrant shall disclose Conditions of Class regardless of whether they resulted in withdrawal, suspension, or invalidation of a vessel's Class certificate.

SV0205-19. Number of port state control (1) deficiencies and (2) detentions

- .70 The registrant shall disclose the number of deficiencies it has received from regional port state control (PSC) organizations, where:
- A deficiency is defined as a condition found not to be in compliance with the requirements of one or more of the following conventions:
 - International Convention for the Safety of Life at Sea (SOLAS)
 - International Convention on Load Lines (Load Lines)

- International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocols of 1978 and 1997 relating thereto, as amended (MARPOL)
- International Convention on Standards of Training, Certification, and Watchkeeping for Seafarers, 1978, as amended (STCW)
- International Convention on Tonnage Measurement of Ships, 1969 (Tonnage)
- International Convention on the Control of Harmful Anti-Fouling Systems on Ships (AFS)
- ILO Maritime Labour Convention, 2006

.71 The registrant shall disclose the number of detentions it has received from regional PSC organizations, where:

- A detention is defined as an intervention action by the port state, taken when the condition of a ship or its crew does not correspond substantially with the applicable conventions, that ensures that the ship will not sail until it can proceed to sea without presenting a danger to the ship or persons on board, or without presenting an unreasonable threat of harm to the marine environment, whether or not such action affects the normal schedule of the ship's departure.

.72 The scope of disclosure includes deficiencies and detentions issued by PSC organizations that are signatories to memoranda of understanding (MoU) of regional PSC (i.e., Paris MoU, Tokyo MoU, Acuerdo de Viña del Mar, Caribbean MoU, Abuja MoU, Black Sea MoU, Mediterranean MoU, Indian Ocean MoU, or Riyadh MoU) or the U.S. Coast Guard (USCG) in the United States.

SV0205-20. Number of accidents and incidents

.73 The registrant shall disclose the total number of accidents and incidents in which its fleet was involved.

.74 An accident or incident is defined, based on the U.S. Code of Federal Regulations 46 CFR 4.03-1 definition, as any event involving the registrant's vessels that includes:

- Any accidental grounding, or any occurrence involving a vessel that results in damage by or to the vessel, its apparel, gear, or cargo, or injury or loss of life of any person, including, among other things, collisions, strandings, groundings, foundering, heavy weather damage, fires, explosions, failure of gear and equipment, and any other damage that might affect or impair the seaworthiness, efficiency, or fitness of the vessel. The definition also includes any incident involving significant harm to the environment (as defined in 46 CFR 4.03-65).

Note to SV0205-20

.75 The registrant shall describe serious marine accidents, including their root causes, outcomes, and any corrective actions implemented in response.

.76 A serious marine incident is defined, based on the U.S. Code of Federal Regulations 46 CFR 4.03-2 definition, as any event involving the registrant's vessels that results in:

- A marine casualty or an accident that results in any of the following:

- One or more deaths
- An injury to a crewmember, passenger, or other person that requires professional medical treatment beyond first aid, and, in the case of a person employed on board a vessel in commercial service, that renders the individual unfit to perform routine vessel duties
- Damage to property in excess of \$100,000
- Actual or constructive total loss of any self-propelled vessel of 100 gross tons or more
- A discharge of oil of 10,000 gallons or more, whether or not it results from a marine casualty
- A discharge of a reportable quantity of a hazardous substance (per U.S. regulation) or a release of a reportable quantity of a hazardous substance into the environment (per U.S. regulation), whether or not it results from a marine casualty.

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