

Diversity, equity and inclusion at Carnival UK Fleet

March 2024



Welcome

Carnival UK is part of Carnival Corporation, the world's largest travel and leisure company. You might know us better by our brands, Cunard and P&O Cruises. We create unforgettable holiday happiness for our guests by delivering extraordinary cruise holidays every day. With this purpose comes a responsibility to reduce our impact on the environment, respect the communities we touch and invest in our people to deliver positive change – not just for today, but for the long term.

Within these pages, you'll find out more about how we're championing diversity, equity and inclusion (DEI) across our fleet, including information on our gender pay gap report. We've work to do, but together we're committed to closing our gap by attracting and supporting women to progress their careers with us. We also recognise the importance of intersectionality in our DEI strategy and how acts of inclusion across protected characteristics can have a halo effect on all underrepresented groups.

Our people are the heart of our business. Our goal is to create an environment where everyone can be themselves and for Carnival UK to be known and chosen for its inclusive culture. Not only is this imperative for our future performance and success as a sustainable and profitable organisation, but it's simply the right thing to do.

Part Lunth

Paul Ludlow President, Carnival UK

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Diversity, equity and inclusion



What is diversity, equity and inclusion?

Diversity, equity and inclusion (DEI) means ensuring everyone – no matter their beliefs, background or preferences – feels welcome, respected and protected at work, with the resources they need to achieve their goals.

Diversity is the mix of people. A diverse organisation includes a large mix of people with a variety of different characteristics, such as age, disability, race, socio-economic background, religion and faith, sexual orientation, sex or gender identity.

Equity is about giving everyone equal possible outcomes. While equality means giving everyone access to the same thing, equity ensures all individuals have the support and tools they need to get to the same place.

Inclusion is the culture in which everyone feels invited, welcome and respected at work. By creating an environment where everyone feels safe to be themselves and is given equal opportunities, they can work in a way that best suits them and delivers business needs. Inclusion ensures everyone feels valued and adds value.

At Carnival UK, we take an intersectional approach to inclusion. This means we have initiatives in place to promote different aspects of DEI across all areas of our business, rather than solely focusing on a single characteristic such as gender. We all identify with a variety of characteristics, so it's important that we understand the diversity of our organisation, offer spaces for everyone to share their views and be heard, and create opportunities for connection between different groups. To support this, we have a Culture team at Carnival UK who are committed to supporting a culture of collaboration and togetherness with DEI at its heart.

Why does DEI matter?

If you've ever felt left out, excluded, ignored, unsafe, unwelcome or underappreciated, then you'll most likely understand why inclusion is so important.

Many of us spend a large amount of our time at work, so it's important that we all feel included, safe and valued there. Not only is it the right thing to do, but the advantages of DEI in the workplace are numerous. A diverse group of people will bring a diversity of skills and experiences, different perspectives and more innovative ideas. DEI also matters to prospective talent and is key to an organisation's success and sustainability.

You can read one business case for inclusion and diversity from our partner Inclusive Employers <u>here.</u>

How are we championing DEI?



Our Culture Essentials

It's up to all of us at Carnival UK to drive an inclusive culture. We encourage our people to uphold our cultural expectations through our Culture Essentials.

Our Culture Essentials are the key actions and behaviours that guide us to create a culture of trust, openness and care. They're all about our relationships with each other, and they are the principles for how we interact with the places we travel and the people we meet there. With an operation of this scale, Health, Environment, Safety and Security are central to everything we do.

Ensuring our decisions today benefit tomorrow is critical for our future success. By upholding our cultural expectations, we can create unforgettable holiday happiness in ways that are good for our people, the planet and profit now and for years to come.



Every brand in our Carnival family champions our Culture Essentials so we can build an

even stronger culture, together:

Our Culture Essentials underpin our policies. You can read more about our Culture Essentials on our websites:









Our leaders

What have we done?

- Welcomed Cunard President Katie McAlister to Carnival UK in August 2023 which has positively increased female representation on the Executive Leadership Team
- Announced Cunard's first female captain of our new ship Queen Anne, Captain Inger Thorhauge
- Continued to measure performance for Officers in line with our Culture Essentials
- Trialled and launched the first rollout of our Leadership and Management Essentials programme on board in 2024. This programme sets clear expectations for line managers, including how to demonstrate inclusive leadership and support the performance and development of diverse teams
- Shared profiles and stories from our diverse leaders via our employee intranet to provide aspirational role models and encourage colleagues from all communities to progress their careers. We also launched a 'Captain's log' with Captain Thorhauge via our employee intranet to share her updates and insights into Queen Anne's progress
- Hosted a panel discussion on Cunard's Queen Mary 2 in partnership with The Prince's Trust USA in December 2023. The event focused on the future of work for young women and included contributions from Katie McAlister, Cunard President
- Created a video testimony with Martel Fursdon, Deputy Captain of P&O Cruises Ventura, which was shared with EU parliament to promote empowering women in the Maritime industry in June 2023. This contributed to a debate in the EU Parliament – organised to raise awareness among the maritime community and policy makers about the importance of attracting women and young people to the maritime sector
- Named Employer of the Year at the Maritime UK Solent Awards in October 2023. This is the most prestigious event in the region's maritime calendar and recognises our commitment to creating an inclusive culture.





Our people

We've over 80 different nationalities in our ships' company. We're proud of our diverse teams and the variety of perspectives, values and skills our people bring to Carnival UK. As we welcome colleagues from all over the world, we're committed to ensuring everyone living and working on our ships feels respected, protected and included at all times.

What have we done?

- Held an extensive range of in-person events across our ships for all colleagues to champion key DEI dates and inclusion theme such as religious festivals, national independence days and belonging
- Role-modelled inclusion as headline sponsors of Southampton Pride; our ship and shore colleagues proudly marched in the parade and represented our brands as inclusive places to work
- Updated our induction training to focus on the importance of our Culture Essentials; this training is completed by all colleagues at the start of every contract
- Partnered with TellJane to create guidance on how to prevent and manage instances of sexual harassment, including an in-depth guide and a suite of training videos which are mandatory for all colleagues to complete
- Enhanced our Fleet Pregnancy and Primary Carer Leave Policy, including how we monitor the early stages of pregnancy and support parents to return to work up to five years after their baby is born (applicable to mothers, fathers and adoptive parents)
- Shared resources and learning on health and wellbeing topics, including women's health and menopause, through our onboard medical teams
- Updated our Fleet Equality and Inclusion policy to demonstrate how we support equality and fairness for all colleagues
- Updated our Fleet Transgender Equality and transitioning at Work policy to explain how we support our people who identify as transgender and who may be proposing to, or are going through, gender reassignment

- Continued to offer our Crew Assistance Programme (CAP) which provides counselling and other services. Our CAP is run by ComPsych and can be confidentially accessed 24 hours a day, seven days a week
- Introduced two HR Officer roles to support our people and inclusion activity
- Trialled two Welfare Officer roles to drive inclusion and support the wellbeing of our colleagues living and working on board
- Continued our well-established charity partnerships with The Prince's Trust and Teenage Cancer Trust. As well as supporting with crucial fundraising, Cunard offered employability workshops to help equip young people across the UK with the skills and confidence to enter the travel industry and supported The Trust's Australian Get Into Maritime project which trains young First Nations people in the maritime industry.

- Continue our charity partnerships with Teenage Cancer Trust and The Prince's Trust, supported by fundraising activity on board our ships
- Re-embed our inclusion and respect activity see page 9 to find out more
- Drive initiatives to improve women's experience on board see page 10 to find out more.



Our talent attraction

What have we done?

- Used relevant insights to inform our employer brand narrative and our proposition so we attract more diverse talent. We also increased our DEI messaging in our employer brand activities to communicate that inclusion matters to our organisation
- Created a promotional careers video featuring female colleagues to encourage more women to apply for our opportunities on board
- Provided our recruitment teams with the tools and guidance to remove gender-biased language from job descriptions and role advertisements
- Ensured diversity is reflected in our recruitment materials across all ranks and roles
- Reviewed language used in interviews for certain roles to ensure they were accessible, particularly where English may not be an applicant's first language
- Used a culture mapping tool to help us identify and map the cultures and nationalities we recruit into our organisation. This allowed us to: consider more inclusive recruitment practices and provide relevant materials and brand marketing to our Global Talent Partners; better understand the cultures we are interacting with; and work towards more effectively attracting and welcoming an even more diverse talent pool onto our ships
- Established a People Insight function which conducts research activity in order to understand sentiment, particularly in underrepresented groups, towards careers in the cruise industry and our brands
- Supported individuals from a variety of backgrounds to start their career at sea via our in-house Carnival Cadet programme. Our programme funds tuition fees so talented individuals can train in maritime colleges while earning a salary and obtaining practical experience on our ships. We support Deck, Engine and Electro-Technical Cadets through the HND (Higher National Diploma), Foundation Degree, Scottish Diploma and Honour Degree routes
- Launched our new Engineer Graduate Cadetship programme to fast-track individuals with an engineering qualification to gain their Engineering Officer of the Watch Certificate of Competency

- Congratulated Kristy Dawson Manager, Maritime Early Careers & Professional Development at Carnival UK – as she was named a Travel Pride Champion in 2023 for significantly increasing gender diversity in early careers at Carnival UK. Kristy designed a female-led recruitment campaign to positively spotlight female mariners. This resulted in a cohort of 2023 Cadets featuring 40% females, dramatically rising from a 2019 to 2022 average of 15%
- Partnered with non-profit organisation Ductu which brings big-brand employers into the education sector. We supported with the filming of our colleagues on board our ships and at Carnival House to create an interactive learning module which introduces various roles and areas of cruise holidays. This included filming of one of our female cadets with the goal to promote opportunities for women in Deck and Technology roles. These modules are focused on SENDs (Special Educational Needs and Disabilities) children and increase students' understanding of the opportunities available to them
- Participated in the Maritime Roadshow for Girls, which was attended by Captain Louise Sara. The roadshow aimed to encourage Key Stage 3 girls to choose STEM subjects and give students greater awareness of career opportunities across the maritime industry
- Our talent acquisition team attended colleges to talk about careers at sea and on shore at Carnival UK
- Hosted Maritime Mondays at Carnival House in March 2024. Organised by Maritime UK Solent and Solent Careers Hub, this gave secondary school and college teachers, tutors, careers advisers and careers leaders the opportunity to visit a maritime site and learn more about opportunities at Carnival UK
- Partnered with Solent Maritime Education to utilise an already existing careers network to showcase Carnival UK careers to young people, individuals returning to work and careers advisers, all in the local Solent region.

- Reviewing our recruitment tools, materials and guidance on an ongoing basis
- Strategic workforce planning for targeted areas of our business, which will highlight additional opportunities for attracting diverse talent to our ships.



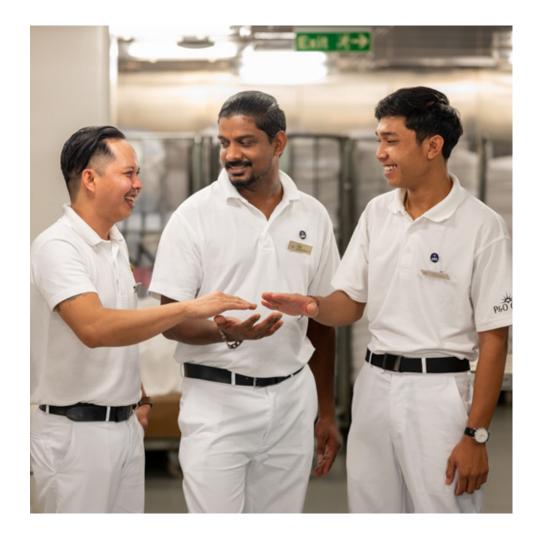
Inclusion and respect

The diversity of our people is one of the things that makes us great. To ensure everyone feels included and respected while living and working on board our ships, we encourage our people to stay curious and learn more about DEI and each other's cultural values, similarities and differences.

What have we done?

- Introduced a range of learning resources, toolkits, videos and activities to help our people build their knowledge and play a part in building a more inclusive culture. Topics included:
 - Favouritism and bias
 - Improving how we work across cultures
 - Inclusive language
 - How to Speak Up
 - Learning about each other's cultural values

- Continue our long-term programme of activity to drive inclusion and respect. As well as launching activity on how to understand when jokes go too far, we will relaunch and embed existing content with our colleagues to encourage inclusive conversations
- Track visits to our Culture hub on our employee intranet, sentiment from employee engagement surveys and insights from Speak Up reports to understand the impact of our inclusion and respect activity and identify opportunities to improve.





Women's experience

According to the BIMCO International Chamber of Shipping report 2021, the representation of women on board our ships is 10 times higher than the numbers quoted for the global seafarer workforce. However, women are still significantly underrepresented across our fleet. As these patterns are seen across the industry, they require a long-term strategy to address them.

Alongside our work to attract diverse talent to our organisation (see page 8), we're committed to better understanding and improving women's experience on board.



What have we done?

- Supported the launch of a Women's Officers Network in March 2023 as a safe and confidential online platform for Officers to connect across the Carnival Corporation brands. The network offers a means to contact other Officers of similar ranks, participate in discussions, meet potential mentors and promote female role models through engagement
- Applied demographics to insights from our Life on Board surveys and Speak Up reports alongside ad hoc feedback from colleagues to identify the challenges experienced by many women on board and opportunities for improvement
- Ran confidential feedback sessions with members of our Women Officer's Network to further understand women's experiences on board
- Launched free period products in shared toilets to ensure these products are available for all colleagues on board (supply became available for all Carnival UK ships in early 2024). We also reviewed period products available to order on our ships to ensure a sufficient range of sanitary products are available to purchase in our on-board shops
- Gathered feedback on uniforms to understand improvements we need to make to ensure women and non-binary individuals have options that are as suitable as those available to male colleagues. To ensure all colleagues are aware or what's available to them, we created a clear guide to help people find what they need.

We've committed to:

 Introduce women's forums across our fleet to ensure that supporting women's experiences remains a priority on all of our ships. These forums will be responsible for organising events and activities for women and non-binary individuals to socialise, connect, learn, share challenges, locate resources and find consistent support.



Our engagement

What have we done?

- Sustained a regular drumbeat of communications on the topic of inclusion via our Internal Communications team, including templates to support the promotion of key dates relating to DEI, case studies, success stories, engagement events and thought leadership
- Ran a Life on Board Survey twice a year to understand colleague's experiences on board and create relevant action plans
- Captured Speak Up themes and used them to focus further actions on our policies, communications and learning
- Shared our organisation's experiences and developed organisational subject matter knowledge through external events including D&I Leaders Forum and WiHTL (Women in Hospitality, Tourism and Leisure)
- Accredited Bronze by Inclusive Employers in March 2024 as part of their Inclusive Employers Standard an evidence-based workplace accreditation tool for inclusion and diversity.

- Progress our DEI strategy by understanding bespoke, action-focused feedback following the results of our Inclusive Employers Standard submission and accreditation
- Continue our relationship with WiHTL and Inclusive Employers to continue education across all DEI topics and keep up to date with industry best practices.





Gender pay gap report



What is this report about?

This report provides details of the gender pay gap for a snapshot of crew working on Carnival UK's ships Arvia, Britannia and Iona as of April 2023. The crew included in this snapshot work on our ships, but they are employed by Fleet Maritime Services International (FMSI) and Fleet Maritime Services Bermuda (FMSB). This report only includes data from ships registered in the United Kingdom at the time of the snapshot.

We welcome pay gap reporting, as we're committed to closing our gender pay gap with long-term solutions focussed on supporting women to progress their careers with us. You can read more about how we're championing diversity, equity and inclusion across our fleet on pages 4-11.

Gender pay is different to equal pay. Equal pay is when there is no difference in pay between men and women who carry out the same or similar jobs. Our compensation is informed by an external job evaluation methodology, salary benchmarking and associated guidelines to guide objective gender-neutral decision-making around pay.

We recognise that the current gender pay gap legislation does not consider individuals who identify as non-binary. However, as an inclusive employer we strive for inclusion and fairness regardless of how individuals identify.

Mean gap explained

The 'mean' is the 'average'. The mean gender pay gap for salaries is found by comparing the mean female salary with the mean male salary, for which we look at the average hourly rate of pay of women and men at Carnival UK in April 2023. The same calculation is applied to determine the mean gender pay gap for bonuses, but for this we look at bonuses paid over a 12-month period up to April 2023.

Median gap explained

The 'median' is the 'middle point' and best understood by thinking in terms of a list. If we listed the salaries of all female crew in order of highest to lowest and did the same for all male crew, the median gender pay gap is calculated by taking the salary that falls in the middle of each list and comparing them. The same calculation is also applied to determine the median gender pay gap for bonuses paid, but for this we look at bonuses paid over a 12-month period up to April 2023.

A summary

Key dates

- The 2023 snapshot was taken on 5 April 2023. Therefore, April payroll data has been used to calculate the gender pay gap
- Bonuses earned from 6 April 2022 5 April 2023 have been used to calculate the bonus gap
- The data is limited to Fleet Maritime Services International (FMSI) and Fleet Maritime Services Bermuda (FMSB) employed ship's company on board Arvia, Britannia and Iona at the snapshot date
- Unlike the 2022 snapshot, the 2023 snapshot includes employees from FMSB. This is because a minimum of 250 employees is needed to disclose a gender pay gap, and the introduction of P&O Cruises newest ship Arvia in December 2022 increased the number of FMSB employees on UK flagged ships to enough to disclose the gender pay gap.

Headlines for FMSI

- The median pay gap has decreased from 5% to 0% and the mean pay gap has increased from -1.5% to 4%
- The median bonus gap has decreased from 18% to 17% and the mean bonus gap has decreased from 16% to 9%
- The 2023 snapshot includes 3,368 relevant employees for pay (almost 1,700 more colleagues than the 2022 snapshot)
- 50% of male employees received some kind of bonus, and 53% of female employees received some kind of bonus.

Headlines for FMSB

- The median pay gap in the 2023 snapshot is 46% and the mean pay gap is 43%
- The median bonus gap is 34% and the mean bonus gap is 22%
- The 2023 snapshot includes 268 relevant employees for pay
- 27% of male employees received some kind of bonus, and 11% of female employees received some kind of bonus
- The large difference in headlines for FMSI and FMSB is likely due to the low reportable numbers for FMSB. This means we've a limited number of colleagues and roles included in this April snapshot which may not be reflective of all colleagues working for FMSB on our UK flagged ships in 2023.



Gender pay gap

Getting into the detail

Year-on-year comparisons of the gender pay gap for colleagues employed by FMSI on Britannia – and as of the 2023 snapshot, Arvia and Iona – don't provide us with a useful trend in data.

This is because of the variance of colleagues who make up this group and the fluid nature with which they move around the fleet. The colleagues on board can change significantly each year depending on who happens to be working on our UK registered ships in various roles at the time of the April snapshot. We've also welcomed UK flagged ships Arvia and Iona to P&O Cruises fleet which significantly increases the number of colleagues included in our 2023 snapshot for FMSI. As of April 2023, this challenge when comparing year-on-year data will also apply for FMSB.

Fleet Maritime Services International (FMSI)

| Year | Number of colleagues included in the snapshot | UK registered ships included in the snapshot | Mean | Median |
|------|---|---|-------|--------|
| 2023 | 3,368 | Arvia, Britannia and Iona | 4% | 0% |
| 2022 | 1,671 | Britannia and Iona | -1.5% | 5% |
| 2021 | 233 (of which only 22 were female)* | Britannia | 17% | 52% |
| 2020 | 965 | Britannia | 13% | -1% |
| 2019 | Not included due to data retention | Britannia | 13% | 19% |
| 2018 | Not included due to data retention | Britannia | 11% | 10% |

*During the pandemic, our fleet operations were paused. This meant that Britannia was in lay up during the time of the snapshot and the entirety of the period of the bonus year, meaning we only had essential crew members on board to look after the ship.

Fleet Maritime Services Bermuda (FMSB)

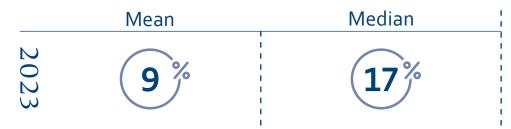
| Year | Number of colleagues included in the snapshot | UK registered ships included in the snapshot | Mean | Median |
|------|---|---|------|--------|
| 2023 | 268 | Arvia, Britannia and Iona | 43% | 46% |



Gender bonus gap

Fleet Maritime Services International (FMSI)

As of the 2023 snapshot, the bonus gap for FMSI is:



Fleet Maritime Services Bermuda (FMSB)

As of the 2023 snapshot, the bonus gap for FMSB is:



When calculating the gender bonus gap, bonuses...

- include vouchers, money or securities
- relate to profit sharing, productivity, performance, incentive or commission
- include 'token' amounts, e.g. long service awards
- include those received between 6 April 2022 to 5 April 2023.

Statutory declaration and further information

If you would like to know more about the gender pay gap reporting regulations, further details can be found <u>here</u>.

ACAS has also provided a full description of the reporting requirements and the distinction between gender pay reporting and equal pay <u>here</u>.

As outlined on page 13, this report provides details of the gender pay gap for a snapshot of crew as of April 2023. The crew included in this snapshot are employed by Fleet Maritime Services International (FMSI) and Fleet Maritime Services Bermuda (FMSB) for United Kingdom flagged ships Arvia, Britannia and Iona. I confirm the information in this statement as required by the Gender Pay Gap Reporting Regulations is accurate.)

Paul Ludlow President, Carnival UK



Want to find out more?

Head to the diversity and inclusion pages on our websites where you can also discover more about our DEI activity shoreside:





