

ROYAL CARIBBEAN CRUISES LTD. CORPORATE GOVERNANCE PRINCIPLES

Governance Principles

The following principles have been approved by the Board of Directors and, along with the charters and key practices of the Board committees, provide the framework for the governance of Royal Caribbean. The Board recognizes that there is an on going and energetic debate about corporate governance, and it will review these principles and other aspects of Royal Caribbean governance annually or more often if deemed necessary.

1. Role of Board and Management. Royal Caribbean's business is conducted by its employees, managers and officers, under the direction of the chief executive officer (CEO) and the oversight of the Board, to enhance the long-term value of the company for its shareholders. The Board of Directors is elected by the shareholders to oversee management and to assure that the long-term interests of the shareholders are being served. Both the Board of Directors and management recognize that the long-term interests of shareholders are advanced by responsibly addressing the concerns of other stakeholders and interested parties including our employees, guests, suppliers, Royal Caribbean communities, government officials and the public at large.

2. Functions of Board. The Board of Directors has regularly scheduled meetings during the year (normally four scheduled meetings) at which it reviews and discusses reports by management on the performance of the company, its plans and prospects, as well as immediate issues facing the company. Directors are expected to attend all scheduled Board and relevant committee meetings. In addition to its general oversight of management, the Board also performs a number of specific functions (directly and through committees), including:

- selecting, evaluating and compensating the Chairman and overseeing Chairman succession planning;
- providing counsel and oversight on the selection, evaluation, development and compensation of senior management;
- reviewing, approving and monitoring fundamental financial and business strategies and major corporate actions;

assessing major risks facing the company – reviewing options for their mitigation; and ensuring processes are in place for maintaining the integrity of the company – the integrity of the financial statements, the integrity of compliance with law and ethics, the integrity of relationships with guests and suppliers; and the integrity of relationships with other stakeholders.

3. Qualifications. Directors should possess the highest personal and professional ethics, integrity and values, and be committed to representing the long-term interests of the shareholders. The Board endeavors to have a Board representing diverse experience in business and in other areas that may be relevant to the company's activities.

Directors must be willing to devote sufficient time to carrying out their duties and responsibilities effectively, and should be committed to serve on the Board for an extended period of time. Directors should offer their resignation in the event any significant change in their personal circumstances makes them unable to devote sufficient time to their responsibilities as a Board member.

The Board does not believe that arbitrary restrictions on other activities of the Board members, arbitrary term limits on directors' service or mandatory retirement age are appropriate, nor does it believe that directors should expect to be renominated annually until they resign. However, every director must notify the Nominating and Corporate Governance Committee of any material change in professional roles and responsibilities which would impact the company's disclosures. The committee shall evaluate the continued appropriateness of Board membership under the new circumstances and shall make a recommendation to the Board as to any action to be taken with respect to continued Board membership. No member of the Audit Committee shall simultaneously serve on the audit committee of more than three public companies unless the Board determines that such simultaneous service would not impair the ability of such member to serve on the Audit Committee. In addition, the Board self-evaluation process described below will be an important determinant for Board tenure.

There exists a shareholders agreement under which the two principal shareholders of Royal Caribbean have agreed to vote their shares for election as directors of a specified number of individuals proposed by each of them or upon whom they each agree. Although this agreement limits the ability of the Board to identify all Board nominees, the Board is nonetheless

committed to ensuring that all Directors satisfy the qualifications described above.

4. Independence of Directors. A majority of the directors of Royal Caribbean Cruises Ltd. (“Royal Caribbean”) shall be independent directors under the New York Stock Exchange (NYSE) rules. Directors who do not meet the NYSE's independence standards also make valuable contributions to the Board and to the company by reason of their experience and wisdom, and the Board expects that some minority of its Board will not meet the NYSE’s independence standards.

To be considered independent under the NYSE rules, the Board must determine that a director does not have any direct or indirect material relationship with Royal Caribbean or any of its subsidiaries (collectively, the “Royal Caribbean Group”). The Board has established these guidelines to assist it in determining director independence in accordance with those rules:

- a. A director will not be independent if:
 - (i) the director is, or has been within the preceding three years, an employee of the Royal Caribbean Group, or an immediate family member is, or has been within the preceding three years, an executive officer of the Royal Caribbean Group, other than in each instance as interim Chairman, interim Chief Executive Officer (“CEO”) or other interim executive officer;
 - (ii) the director or an immediate family member has received during any twelve-month period within the preceding three years more than \$120,000 in direct compensation from the Royal Caribbean Group other than (A) director and committee fees, (B) pension and other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service), (C) compensation for former services as an interim Chairman, interim CEO or other interim executive officer or (D) compensation to an immediate family member for service as a non-executive employee of the Royal Caribbean Group;
 - (iii) the director is a current partner or employee of Royal Caribbean’s internal or external auditor (in either case, the “Auditor”) or has an immediate family member who is either (A) a current partner

of the Auditor or (B) a current employee who personally works on Royal Caribbean's audit;

- (iv) the director or an immediate family member was within the last three years a partner or employee of the Auditor and personally worked on Royal Caribbean's audit within that time;
- (v) the director or an immediate family member is, or has been within the preceding three years, employed as an executive officer of another company where any of Royal Caribbean's current executive officers at the same time serves or served on the compensation committee of that other company; or
- (vi) the director is an employee of another company that does business with the Royal Caribbean Group, or the director has an immediate family member that is an executive officer of another company that does business with the Royal Caribbean Group and, in either case, the annual payments to, or payments from, the Royal Caribbean Group within any of the three most recently completed fiscal years exceed two percent or \$1,000,000 (whichever is greater) of the annual consolidated gross revenues of the other company.

- b. The following commercial relationships will not be considered to be material relationships that would impair a director's independence: (i) if a Royal Caribbean director is an employee of another company that does business with the Royal Caribbean Group and the annual payments to, or payments from, the Royal Caribbean Group are less than two percent or \$1,000,000 (whichever is greater) of the annual consolidated gross revenues of the company he or she serves as an employee; (ii) if a Royal Caribbean director is an employee of another company which is indebted to the Royal Caribbean Group, or to which the Royal Caribbean Group is indebted, and the total amount of indebtedness to the other is less than two percent or \$1,000,000 (whichever is greater) of the total consolidated assets of the company he or she serves as an employee; and (iii) if an immediate family member of a director is an executive officer of another company that does business with the Royal Caribbean Group, and the annual payments to, or payments from, the Royal Caribbean Group, are less than two percent or \$1,000,000 (whichever is greater) of the annual

consolidated gross revenues of the company the immediate family member serves as an executive officer.

Each director will regularly disclose to the Board whether his or her relationships satisfy these independence tests. The Board will review these disclosures and make its independence determinations. These determinations will be made public annually prior to Board elections.

In accordance with the Sarbanes Oxley Act, the company will not make any personal loans or extensions of credit to directors or executive officers.

5. Size of Board and Selection Process. The directors are elected by the shareholders of Royal Caribbean at the annual meeting of shareholders. The Board of Directors is divided into three classes, and the term of directors in each class is three years. At each annual meeting, the Board proposes a slate of nominees to the shareholders for election to the class whose term of office is expiring. The Board currently consists of 11 persons, and the Board believes that this is an appropriate size for Royal Caribbean.

Subject to the shareholders agreement between the principal shareholders of Royal Caribbean, the Board will annually review and decide upon whether the number of directors on the Board should be modified based upon the size, breadth and needs of Royal Caribbean.

6. Board Committees. The Board has established the following committees to assist the Board in discharging its responsibilities: (i) Audit, (ii) Compensation, (iii) Environmental, Safety and Security and (iv) Nominating and Corporate Governance. The current charters of these committees are posted on the Royal Caribbean website, and will be mailed to shareholders on written request. The committees regularly report highlights of their meetings to the full Board. The committees may hold meetings in conjunction with the full Board.

7. Independence of Committee Members. In addition to the requirement that a majority of the Board satisfy the independence standards discussed in section 4 above, members of the Audit Committee must also satisfy additional independence requirements. Specifically, they may not directly or indirectly (i) receive any consulting, advisory or other compensatory fee from the company other than their directors' compensation, or (ii) be an

affiliate of Royal Caribbean, as such term is defined under the applicable rules of the Securities and Exchange Commission.

8. Meetings of Non-Management Directors and Independent Directors.

The Board will have, in addition to the scheduled Board meetings, two regularly scheduled meetings a year for the non-management directors and two regularly scheduled meetings a year for the independent directors, in each case without management present. The committee chair of the Nominating and Corporate Governance Committee will preside at such meetings. The non-management directors and/or the independent directors may meet without management present at such other times as determined by the committee chair.

9. Self-Evaluation. The Board and each of the committees will perform an annual self-evaluation. These evaluations will be discussed annually with the Board.

10. Setting Board Agenda. The Chairman or committee chair, as appropriate, shall determine the agenda for each scheduled Board or committee meeting. Directors are urged to make suggestions for agenda items, or additional pre-meeting materials, to the Chairman or appropriate committee chair at any time.

11. Ethics and Conflicts of Interest. The Board expects Royal Caribbean directors, as well as officers and employees, to act ethically at all times and to acknowledge their adherence to the policies comprising Royal Caribbean's corporate Code of Business Conduct and Ethics posted on the company website. Any waiver of this policy for executive officers or directors may be made only by the Audit Committee, except that any waiver of any policy for any member of the Audit Committee will be made only by the Board. Any waiver for an executive officer or a director will be promptly disclosed to shareholders. If an actual or potential conflict of interest arises for a director, the director shall promptly inform the Chairman. All directors will recuse themselves from any discussion or decision affecting their personal, business or professional interests. The Audit Committee shall resolve any conflict of interest question involving the CEO and the CEO shall resolve any conflict of interest issue involving any other officer of the company.

12. Reporting of Accounting or Auditing Concerns. Anyone who has a concern about Royal Caribbean's accounting, internal accounting controls or auditing matters may communicate that concern directly to an Ethics Contact identified in the Code of Business Conduct and Ethics (the "Code"). Such communications may be confidential or anonymous, and may be e-mailed, submitted in writing, or reported by phone as provided in the Code. Concerns relating to accounting, internal controls, auditing or officer conduct shall be sent immediately by the Ethics Contact to the Chairman and to the chair of the Audit Committee. The Audit Committee chair may direct that certain matters be presented to the Audit Committee or the full Board and may direct special treatment, including the retention of outside advisors or counsel, for any concern addressed to them. The Code prohibits any employee from retaliating or taking adverse action against anyone for raising or helping in good faith to resolve an integrity concern.

13. Compensation of Board. The Compensation Committee shall have the responsibility for recommending to the Board compensation and benefits for non-management directors. In discharging this duty, the committee shall be guided by three goals: compensation should fairly pay directors for work required in a company of Royal Caribbean's size and scope; compensation should align directors' interests with the long-term interests of shareholders; and the structure of the compensation should be simple, transparent and easy for shareholders to understand. At the end of each year, the Compensation Committee shall review non-employee director compensation and benefits.

14. Stock Ownership. Each director is required to accumulate \$150,000 worth of Royal Caribbean common stock, including restricted stock, within three years of becoming a director of Royal Caribbean. If the value of a director's stock should fall below this amount, the director shall not be permitted to sell any Royal Caribbean stock until the value once again exceeds this amount.

15. Succession Plan. The Board shall discuss succession plans for the CEO, including succession plans in emergency situations.

16. Annual Compensation Review of Senior Management. The Compensation Committee shall annually approve the goals and objectives for compensating the CEO. That committee shall evaluate the CEO's performance in light of these goals before setting the CEO's salary, bonus and other incentive and equity compensation. The committee shall also

annually approve the compensation structure and shall evaluate the performance of the company's senior executives before approving their salary, bonus and other incentive and equity compensation.

17. Access to Senior Management. Non-management directors are encouraged to contact senior managers of the company as they deem necessary.

18. Access to Independent Advisors. The Board and its committees shall have the right at any time to retain independent outside financial, legal or other advisors.

19. Director Orientation. The Chairman shall be responsible for providing an orientation for new directors, and for periodically providing materials or briefing sessions for all directors on subjects that would assist them in discharging their duties.

20. Shareholder Communications. Shareholders who wish to communicate with non-management directors can address their communications to the attention of Royal Caribbean's corporate secretary. The corporate secretary will maintain a record of all such communications and promptly forward to the Chairman of the Nominating and Corporate Governance Committee those that the corporate secretary believes requires immediate attention. The corporate secretary shall periodically provide the Chairman of the Nominating and Corporate Governance Committee with a summary of all such communications. The Chairman of the Nominating and Corporate Governance Committee shall notify the Board of Directors or the chairs of the relevant committees of the Board of those matters that he or she believes are appropriate for further action or discussion.