



**The power of connection**



# About this report

This Corporate Responsibility Report provides an overview of Cheniere’s approach and progress in relation to environmental, social and governance (ESG) topics for calendar year 2022, unless noted. The scope of this report covers Cheniere Energy, Inc. (Cheniere), its subsidiaries and joint ventures that are operated by Cheniere.

Our approach to ESG reporting and disclosure is guided by the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the Global Reporting Initiative (GRI) Standards, Ipieca’s sustainability reporting guidance for the oil and gas industry, and relevant standards of the Sustainability Accounting Standards Board (SASB). We have received limited assurance for selected metrics from KPMG LLP and Darlene Walker and Associates. (see [p. 47](#)).

The Cheniere ESG reporting suite is available online and provides detailed information on our ESG approach and progress.

## CHENIERE’S ESG REPORTING SUITE

- 2022 Corporate Responsibility Report (this report)
- Our [Responsibility website](#): more detailed information on how we manage ESG topics, responses to frequently asked questions and analyst criteria and supporting case studies
- Guided by third-party reporting standards ([Ipieca](#), [GRI](#), [SASB](#), [TCFD](#))
- [Performance Data Table \(Excel\)](#): Complete ESG performance metrics
- ESG-related policies:
  - [Health, Safety and Environmental Policy](#)
  - [Code of Business Conduct and Ethics](#)
  - [Discrimination and Harassment Policy](#)
  - [Equal Employment Opportunity Policy](#)
  - [Supplier Code of Conduct](#)
- [2022 U.K. Modern Slavery Act Statement](#)

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# Letter from the Chairman of our Board and the CEO

Cheniere’s 2022 Corporate Responsibility report showcases our ongoing journey to grow a sustainable LNG business that is meeting the global economy’s need for secure, cleaner, and flexible energy. Our talented and committed workforce continues to make substantial improvements across all facets of our business, from safety to community involvement, fulfilling our corporate mission and demonstrating our values.

A sustainable business starts with good governance that works in the best interests of shareholders and stakeholders alike. We have refreshed our Board of Directors, promoting a continued influx of new ideas and perspectives, delivered in part through increasing the diversity of Board members who bring rich experience and valuable viewpoints. Our Board is actively engaged in overseeing our ESG focus areas, including climate related risks and opportunities, workforce talent and DEI opportunities, and ensuring that we continue our robust compliance programs. Open, direct and challenging discussion by the Board with senior company leadership continues to ensure that ESG matters are focused on our primary risks, current and future. The Board enhanced corporate-wide accountability by expanding the weight of ESG metrics in the annual performance scorecard that applies to every employee at Cheniere. This helps ensure that all Cheniere employees contribute to

continuous improvement in our ESG performance across the entire organization, which we believe will help enhance long-term value to all stakeholders.

We continue to follow a climate strategy based on transparency, science, and seeking data-driven, actionable improvements. In June of 2022, we began issuing our Cargo Emissions Tags to all long-term customers, a first-of-its-kind program that clearly provides the estimated greenhouse gas emissions associated with each cargo produced at our facilities. And in late 2022, we joined the Oil and Gas Methane Partnership (OGMP 2.0), the United Nations Environment Programme’s flagship oil and gas methane emissions reporting and mitigation initiative. Looking towards the future, our recently announced Sabine Pass Liquefaction Expansion Project is being designed with accommodations for waste heat recovery and carbon capture, which have the potential to reduce the greenhouse gas emissions of that facility. We look forward to sharing additional details of this important project as it progresses.

Recognizing that our work begins at home — near our operational sites, offices and in our communities — we’re driving down our safety incident numbers and increasing our community involvement. We are proud of achieving a record safety performance in 2022 with a Total Recordable Incident Rate of just

0.05, achieving our sixth consecutive year of improvement. This is a testament to our safety-first culture that prioritizes the lives and safety of our day-to-day operations. In the communities where we live and work, we finalized Cheniere’s community need assessment framework to guide our community investments. We expanded our stakeholder engagement process to explicitly include the identification of disadvantaged communities and environmental justice considerations. Our employees showed their own commitment to communities by volunteering more than 15,000 hours. And we contributed \$1 million to DEI-focused community projects, including expanding our Thurgood Marshall College Fund scholarship program to enhance our commitment to a diverse talent pipeline and embed DEI principles throughout the company.

The world is more connected than ever. At Cheniere, we are committed to fostering a culture where those connections are understood, nurtured, and treated with thoughtfulness and respect. We celebrate a diversity of ideas, culture, and perspectives, because we know that strengthening our connections to each other will enrich the work we do and promote the greatest possible outcomes.



*G. Andrea Botta*  
**G. Andrea Botta**  
Chairman of the Board



*Jack A. Fusco*  
**Jack A. Fusco**  
President and CEO



# Our approach to corporate responsibility

Our vision is to provide clean, secure and affordable energy to the world. In living up to this vision, we are responding to the world’s shared energy challenges: increasing energy security and affordability, improving air quality and supporting the transition to a lower-carbon future.

## RECOGNIZED FOR OUR ESG PERFORMANCE

### “AA” rating

In 2022, Cheniere received a rating of AA (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment.<sup>1</sup>



### Sustainalytics “industry top rated”

As of April 2023, Cheniere received an ESG Risk Rating of 22.5 from Sustainalytics and was assessed to be at medium risk of experiencing material financial impacts from ESG factors by Sustainalytics.<sup>2</sup>



### “JUST 100” leader

Designated a 2023 “JUST 100” leader by JUST Capital, placing first in our industry and 93rd overall of more than 950 rated companies.



### Top ESG company

Ranked as a top 3 ESG company for the energy sector by [Investor’s Business Daily](#).

INVESTOR'S BUSINESS DAILY

### Best ESG program for 2023

Ranked best ESG program for 2023 in the natural gas sector by Institutional Investor; also ranked best CEO, CFO, Company Board, IR professional, IR team and analyst/investor team event.



### Energy Transition Award

Winner of the 2022 award from Platts Global Energy Awards.



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# Highlights — 2022



## Expanding global access to clean, secure and affordable LNG

638 cargoes

of liquefied natural gas (LNG) exported from Cheniere facilities,<sup>3</sup> with more than 2,300 trillion British thermal units (TBtu) of gas were delivered to 32 countries and regions, accounting for about 11% of the global LNG supply.

>70%

of cargoes in 2022 went to Europe, providing a secure and reliable energy supply in response to the European energy crisis.

~8 billion cubic feet per day

of natural gas was procured from more than 100 counterparties.



<sup>3</sup> For the 12 months ended Dec. 31, 2022.  
<sup>4</sup> Wang et al. (2022), "Multiscale Methane Measurements at Oil and Gas Facilities Reveal Necessary Frameworks for Improved Emissions Accounting." *Environ. Sci. Technol.* 2022, 56, 20, 14743-14752.  
<sup>5</sup> University of Texas (2023), "[New Data Lab to Tackle Oil & Gas Greenhouse Gas Emissions Accounting.](#)"  
<sup>6</sup> An estimate for people in the U.K. or Germany based on publicly available government data.  
<sup>7</sup> TRIR top quartile is based on Bureau of Labor Statistics data available (2017) for companies with 1,000+ employees and various North American Industry Classification System codes.  
<sup>8</sup> 2022 ESG metrics for annual performance scorecard includes progress on climate strategy, DEI initiatives, safety performance and governance of regulatory issues.



## Supporting the energy transition

Began issuing **Cargo Emissions Tags (CE Tags)**, providing long-term customers with estimated greenhouse gas (GHG) emissions data associated with each LNG cargo produced at our liquefaction facilities. From the first tag issued in June 2022 to the end of the year, 100% of cargoes loaded from our Corpus Christi and Sabine Pass liquefaction facilities were provided with CE Tags, with 270 CE Tags issued across our free-on-board (FOB) and delivered ex-ship (DES) cargoes.

Implemented **Quantification, Monitoring, Reporting and Verification (QMRV) projects** to improve the overall understanding of GHG emissions across our own supply chain and further the deployment of advanced monitoring technologies and protocols across our natural gas supply chain, including at our own Corpus Christi and Sabine Pass facilities. Findings are published in a peer-reviewed journal.<sup>4</sup>

Joined **Oil & Gas Methane Partnership 2.0 (OGMP)** the United Nations Environment Programme's flagship oil and gas methane emissions reporting and mitigation initiative intended to improve the accuracy and transparency of methane emissions reporting in the oil and gas sector.

Co-founded and sponsored the **Energy Emissions Modeling and Data Lab (EEMDL)**, a new, multidisciplinary research and education initiative led by the University of Texas at Austin in collaboration with Colorado State University and the Colorado School of Mines.<sup>5</sup> EEMDL's goal is to provide reliable, science-based, transparent and measurement-informed GHG assessments by developing publicly available models and data sets.



## Delivering stakeholder value

Heat for 1 million Europeans/month

each cargo provides enough heat for one million people in Europe for one winter month<sup>6</sup>

Top-quartile safety performances<sup>7</sup>

0.05

Total Recordable Incident Rate (TRIR)

0.00

Lost Time Incident Rate (LTIR)

During 2022, the Cheniere team supported our communities with

>15,000 hours

volunteering

\$5.6 million

direct giving including matching gifts

182%

five-year total return on common stock from 2018-2022

30%

of 2022 compensation related to annual performance scorecard for all employees was tied to ESG metrics<sup>8</sup>

# About our business

Cheniere is the largest LNG producer and exporter in North America and the second-largest LNG exporter globally. Since we began exporting LNG in 2016, we have produced and exported more than 2,770 LNG cargoes, totaling more than 200 million metric tons.<sup>9</sup> We procure natural gas from the North American market, process and liquefy it into LNG, and offer our customers the ability to load the LNG onto their vessels or have us deliver it to regasification facilities around the world. We operate two LNG facilities on the U.S. Gulf Coast — our Sabine Pass LNG facility in Louisiana and our Corpus Christi LNG

facility in Texas — as well as pipelines that deliver natural gas to our LNG facilities. With the addition of a sixth train at our Sabine Pass facility, which reached substantial completion in February 2022, we produce more than 10% of global LNG and more than 55% of all U.S. LNG.<sup>10</sup> Further, our daily average gas purchases account for more than 8% of total daily U.S. gas production. We source natural gas from more than 100 counterparties<sup>11</sup> in North America and manage natural gas deliveries through more than 30 different pipelines, connecting North American producers to the global market.



## ESG management

We are committed to the management of our ESG impacts, risks and opportunities. Our approach to corporate responsibility is guided by our Climate and Sustainability Principles: Transparency, Science, Supply Chain and Operational Excellence. These efforts are underpinned by regular stakeholder engagement to maintain the responsiveness of our approach as well as close collaboration with our suppliers and customers.

### Read More

- ➔ [Board and management oversight of ESG topics](#)
- ➔ [Embedding a focus on ESG issues across our organization](#)
- ➔ [Relevant ESG topics assessment process](#)

### Board and executive oversight

The Board of Directors provides oversight to Cheniere’s sustainability considerations, including the management of relevant ESG issues. The Governance and Nominating Committee of our Board is responsible for reviewing the company’s climate and sustainability policies, strategies and actions. Executive-level officers oversee our major ESG focus areas and brief the Board on these topics regularly.

In 2022, the Board received updates from executive-level management on climate, including risks and opportunities, environmental management, human capital, safety, community, governance and Cheniere’s broader sustainability performance.

To help embed a culture of sustainability throughout our organization, we have a cross-functional corporate responsibility program of leaders and subject matter experts covering a range of business units to help integrate our approach across the company.

Our commitment to the responsible management of our ESG impacts, risks and opportunities is enshrined in our policies, including our [Health, Safety and Environmental Policy](#), [Code of Business Conduct and Ethics](#), [Discrimination and Harassment Policy](#), [Equal Employment Opportunity Policy](#) and our [Supplier Code of Conduct](#).

In 2022, 30% of annual performance scorecard compensation for all employees was tied to ESG metrics.<sup>12</sup>

### Understanding ESG impacts, risks and opportunities

We focus our ESG efforts and reporting on the topics that are most relevant to our business and stakeholders and the creation of long-term shareholder value. We undertake a structured assessment process with a goal of identifying these considerations, which includes extensive engagement with external stakeholders. This informs our overall strategy development and the content of this report.

### Stakeholder engagement

We proactively engage with our stakeholders to build constructive relationships focused on mutually beneficial outcomes. Stakeholder feedback helps shape our approach to sustainability and informs our ongoing efforts to responsibly manage our impacts and to deliver value for all our stakeholders. For further information, see the Communities and Governance sections of this report as well as our [website](#).

### Our Climate and Sustainability Principles

In 2018, we first published our Climate and Sustainability Principles to provide the foundation for how we identify, understand and address our risks and opportunities related to ESG topics. These principles underpin our strategic, collaborative approach across both our own operations and our supply chain. They provide the “north star” that guides our actions and helps us execute our strategies to benefit both internal and external stakeholders. The principles require us to ground our actions and decisions on science and data, and work to continuously improve our performance. Lastly, they set out our commitment to open, honest and proactive communication with all of our stakeholders.

<sup>9</sup> As of May 1, 2023.  
<sup>10</sup> Internal analysis based on 2022 Kpler data.  
<sup>11</sup> “Counterparties” includes producers, marketers, processors and pipelines.  
<sup>12</sup> ESG metrics for annual performance scorecard include progress on climate strategy, DEI initiatives, safety performance and governance of regulatory issues.



# Cheniere’s LNG: powering a secure energy transition

Cheniere’s position as one of the world’s largest LNG producers provides **the power of connection** by linking the U.S. energy supply with markets worldwide and helping our customers answer their energy challenges, today and tomorrow.

Countries around the world are facing multiple energy-related challenges: the need to increase energy security and affordability, reduce carbon emissions and improve local air quality. Major events in 2022 — in particular, the war in Ukraine, an energy crisis in Europe and extreme weather events — underscored the criticality of natural gas, and especially LNG, as a long-term, flexible solution that helps to meet the world’s evolving energy needs now and throughout the global energy transition.

Cheniere is doing its part to address all three fronts of this energy “trilemma.” We connect the world with energy: the LNG we produce and export around the globe provides a clean, secure and affordable energy supply that displaces coal and other more carbon dioxide (CO<sub>2</sub>) emissions-intensive fuels and can flexibly be deployed where it is needed most.

## Secure connections: how we support energy security

Cheniere’s LNG is playing a vital role in addressing energy security challenges around the world, especially as dynamic economic and geopolitical challenges have made meeting growing energy demands ever more complex.

Cheniere pioneered the U.S. LNG model of destination flexibility, which was a critical market mechanism in 2022, with more than 70% of cargoes produced by Cheniere landing in the European region to help address supply shortfalls. Our flexible commercial model enables customers to reroute cargoes as needed, allowing Cheniere to help alleviate energy security concerns while countries and customers navigate their evolving energy landscapes. Our business model also supports LNG affordability. About 90% of our LNG is sold on a long-term basis, providing customers with reliable and affordable supplies far below the extreme spot prices observed in 2022.

Cheniere’s LNG plays a critical part in meeting the world’s energy needs by providing clean, secure and affordable energy that is able to go where it is needed most.

## Clean connections: how we support the energy transition

LNG provides an immediate, cost-effective means to lower global emissions by displacing coal and other more emissions-intensive fuels. Natural gas reduces GHG emissions by approximately 50% compared to coal when producing electricity and by over 30% compared to coal when providing heat.<sup>13</sup> The International Energy Agency (IEA) estimates that switching from coal to natural gas has helped limit the rise in global CO<sub>2</sub> emissions since 2010 and avoided more than 699 million metric tons of CO<sub>2</sub> emissions between 2010 and 2020.<sup>14</sup>

According to the IEA, “more than 95% of global coal consumption occurs in countries that have net zero emissions pledges.”<sup>15</sup> Increased use of natural gas and LNG can help these countries transition away from coal in support of their environmental goals. As of year-end 2022, 91% of countries receiving Cheniere’s LNG cargoes had GHG reduction targets. Of these countries, 59% have a net zero target set for 2050 or sooner.

Natural gas also helps improve air quality when replacing more emissions-intensive energy sources. On a life cycle basis, natural gas reduces nitrogen oxide (NO<sub>x</sub>) emissions by 82%, sulfur dioxide (SO<sub>2</sub>) emissions by 99% and mercury emissions by nearly 100% compared to coal when used in combined cycle power plants.<sup>16</sup> Increasing the use of LNG in place of other more emissions-intensive fuels can help companies and communities improve air quality and related health issues.

Due to energy supply disruptions in recent months, elevated energy demand and prices have led to delays in planned reductions in coal use, and even switching from natural gas back to coal.<sup>17</sup> In fact, global coal use hit an all-time high in 2022. By flexibly delivering cleaner energy where it’s needed, LNG can help reduce backsliding on climate progress and support the critical need to advance and accelerate the transition to cleaner energy sources.

Cheniere’s LNG is produced from North American natural gas, which is subject to multiple state and federal rules on environmental and safety regulations. Cheniere supports reasonable regulatory efforts to improve emissions measurement and reduce emissions across the value chain.<sup>18</sup>

As the energy transition progresses, we recognize the need to expand the use of alternate sources of energy in order to meet the world’s climate goals. Cheniere’s LNG supports the use of renewables such as wind and solar by providing a flexible, reliable and on-demand energy source for these intermittent technologies. With its combination of quick-to-ramp-up power, low capital cost, high efficiency and lower emissions, natural gas is uniquely positioned to support renewables because it can quickly compensate for dips in solar or wind power supply and rapidly respond to sudden increases in demand. By providing this reliability, Cheniere believes that LNG reinforces the expansion of renewable technologies and will remain in demand as the global energy mix continues to evolve.

13 IEA (2019, July), [The Role of Gas in Today’s Energy Transitions](#).

14 IEA (2019, July), [The Role of Gas in Today’s Energy Transitions](#). Additional provisional data for 2021 was provided by the IEA (February 2021).

15 IEA (2022), [Coal in Net Zero Transitions Strategies for rapid, secure and people-centred change](#).

16 International Gas Union (2019), [Global Natural Gas Insights — 2019 Edition](#); National Energy Technology Laboratory (2016), [Grid Mix Explorer Version 3](#); National Petroleum Council (2011), [Prudent Development: Realizing the Potential of North America’s Abundant Natural Gas and Oil Resources](#).

17 IEA, [Gas Market Report, Q3-2022](#).

18 The White House (2023), [Building a Clean Energy Economy: A Guidebook to the Inflation Reduction Act’s Investments in Clean Energy and Climate Action](#); HR 4346 Chips and Science Act; Federal Register (2022), [Standards of Performance for New, Reconstructed, and Modified Sources and Emissions Guidelines for Existing Sources: Oil and Natural Gas Sector Climate Review](#).



# Communities

The power of connection starts in the communities where we live and work, where the relationships we build provide the foundation for our success.

We focus on driving community development through local skills training opportunities, job creation and targeted community investment. This helps support the long-term growth of our local communities and fosters critical relationships. Our community investment strategy supports our business success, including by building local talent pipelines to power our organization and industry.

We take a comprehensive approach to community engagement to build respectful, collaborative relationships and respond proactively to our communities' needs and concerns. We strive to avoid and minimize negative community impacts and to address them promptly and thoroughly if they do occur.



## PROGRESS AND HIGHLIGHTS

Finalized the Cheniere Social Performance Framework to guide our community investments, partnerships, outreach and engagement.

Contributed \$1 million to historically underserved communities.

Partnered with universities and state organizations in Texas and Louisiana to help small businesses build capacity to support our local supply chain needs and boost the local economy.

Established an LNG industry apprenticeship program at Lamar State College in Port Arthur, Texas, as an addition to our existing program at SOWELA Technical Community College in Lake Charles, Louisiana.

Expanded our stakeholder engagement process to explicitly include the identification of disadvantaged communities and environmental justice (EJ) considerations.

Updated the social impact assessment for our Corpus Christi LNG facility to consider whether and how impacts from the construction and operations of the facility expansion could affect surrounding communities.



## Social performance

In 2022, we formalized our Social Performance Framework, which lays out our commitment to ongoing community investment, engagement and impact mitigation, and our related management processes. The framework outlines our approach to strategically align our community investments with areas of potential social risk, in consultation with community stakeholders. It also includes a commitment to proactively engage with communities across the life cycle of our operations, and to identify, manage and mitigate potential environmental and social risks in the communities where we operate, in accordance with applicable law. Additionally, the framework gives consideration to potential impacts on communities who may be historically underrepresented. This includes considering impacts on minority and economically disadvantaged communities and other relevant EJ issues. It also outlines our commitment to respect the human rights of all stakeholders, including Indigenous communities and groups that may be impacted by our operations, and to develop and maintain effective feedback mechanisms at project locations to understand and address community concerns.



## Community development

We are committed to community development, aligning community investments with local needs and building connections with our neighbors in support of sustainable local economic development. Many of our community contributions represent multi-year commitments, further strengthening relationships and positive impacts. One priority of our community efforts is building the local workforce and supplier base, which benefits both our business and our communities. In 2022, we executed our corporate giving strategy to align many new community investments with our DEI priorities. We achieved our goal to contribute \$1 million in 2022 toward programs and initiatives that promote DEI in our local communities.

Our Social Performance Framework formalizes our approach to keeping our community investments grounded in our core values and relevant environmental, sustainability and corporate responsibility policies. It outlines our commitment to invest in projects that strive for long-term sustainable benefits. It also creates a system for routinely reporting on performance, and it encourages us to review any social risk assessments and commitments, in line with addressing the needs of neighbors as well as our own operations.



Developing future LNG professionals and local job opportunities

We invest in opportunities to help local students gain specialized skills and create local jobs. For example, we sponsor apprenticeship programs at SOWELA Technical Community College in Lake Charles, Louisiana, and Del Mar College in Corpus Christi, Texas. In 2022, we added to that by establishing a process technology and instrumentation apprenticeship program at Lamar State College in Port Arthur, Texas. The program, funded by a \$70,000 investment from Cheniere, is open to qualified students who graduated in May 2023. Apprentices who complete the two-semester program, which includes training, on-site learning experience and mentorship, will receive grants to offset tuition costs. These programs are structured to provide a direct pathway to employment at Cheniere. Since beginning our apprenticeship program in 2018, 36 people, or 57% of eligible apprentices, have been hired by Cheniere.<sup>19</sup> We also sponsor internships for high school students from underserved Houston communities in partnership with Genesys Works.

>99%

of employees at our LNG facilities are local<sup>20</sup>

19 Apprentices become eligible for hire once they have graduated and completed on-the-job training.  
20 Calculated as the total number of employees living in Texas or Louisiana divided by the total number of employees working in Texas or Louisiana.

Working with Lamar University

In 2022, we worked with engineering faculty at Lamar University in Beaumont, Texas, to establish the Cardinal Energy Club to help students understand the natural gas industry and learn about related career opportunities. Approximately 75 students joined the club in its inaugural year, which we supported with scholarships and project sponsorships.

“Cheniere has broadened our horizons and expanded our opportunities when it comes to the natural gas industry, especially in the role that Cheniere holds in the future of clean, affordable energy. Not many students were aware of the LNG industry or the promising role Cheniere holds in the future of energy before the Cardinal Energy Club was established. It simply isn’t talked about enough, but now the students are getting exposure from the fastest-growing worldwide LNG company!”

— EMILY JONES, PRESIDENT, CARDINAL ENERGY CLUB

Supporting local suppliers

To advance our local supplier base and help small businesses gain the capacities they need to compete for industry-wide opportunities, we have partnered with the Coastal Bend Business Innovation Center at Texas A&M University-Corpus Christi to create the “Doing Business with Giants” professional development program. This program helps local entrepreneurs and small businesses develop business models that align with and fulfill industry supply chain needs. Participants who complete the series of six workshops, which cover everything from cash-flow management to business planning, are eligible for Cheniere-funded grants of up to \$20,000. Nearly \$90,000 was awarded to local small businesses who applied for grants through this program in 2022.

We also participated in the Louisiana Economic Development (LED) Mentor-Protégé Recognition Program, which pairs small businesses with established companies to build capacity to compete for local opportunities. As part of this program, our Health and Safety team supported a local logistics company owned by a woman of color in the development of a health and safety plan and job hazard analysis to minimize on-site risks.

We recognize that we have a responsibility to help our local communities. The LED Mentor-Protégé Recognition Program is one way Cheniere helps build a small business community in Louisiana and stay connected to our local suppliers, while also providing them with the skills and tools needed to enhance their capabilities to supply large-scale businesses. One of our protégé companies is a small, woman-owned business, Wright Management Solutions.

“Cheniere Energy provided me with the foundation, knowledge, tools and resources for our safety program. We were able to get our teams focused on safety and put in place programs and practices that can sometimes be overlooked by smaller companies.”

— CAROLETTE WRIGHT, WRIGHT MANAGEMENT SOLUTIONS, LLC



# Community engagement and impact mitigation

Guided by our Social Performance Framework, we regularly engage with local community members throughout the life cycle of our projects, from the earliest planning stages through permitting and construction, and on an ongoing basis once operations begin. We prioritize building relationships with stakeholders to understand and address potential concerns with

our projects, such as light, noise, air quality and commuter traffic. We seek to maintain an ongoing dialogue with residents to understand and address potential concerns, and we have formal feedback mechanisms in place. We follow location-specific stakeholder engagement plans at each of our LNG facilities.

## Engaging communities during Corpus Christi liquefaction facility expansion

Cheniere is committed to building constructive and collaborative relationships with local governments, community organizations, business groups and other key stakeholders through ongoing, two-way engagement, proactive communications and prompt, solution-oriented responses to issues or concerns.

We extended our community engagement and outreach efforts to support the Corpus Christi Stage 3 project, which began construction in 2022.

Our outreach efforts in the eight surrounding communities included conversations with community advisory panel (CAP) members and city and county officials, informational presentations and public forums, as well as outreach by email, phone and other channels. We proactively reached out to EJ communities in the area through bilingual informational mailings and notices with local Spanish-speaking media outlets.

Based on feedback received through community forums, we updated our social impact assessment (SIA) for the project with Stage 3-specific concerns. The SIA addendum includes mitigation solutions for potential impacts ranging from traffic congestion to biodiversity to housing. Highlights include a design change to ground-level flares, alignment with stringent Equator Principles requirements for community engagement and risk mitigation, and forming an awareness-building partnership with the Coastal Bend Air Quality Partnership.

The Corpus Christi community stakeholder engagement plan is developed and implemented by an on-site Local Government and Community Affairs Manager, under the direction of our VP of State Government and Community Affairs.

## Social impact assessments

Our Social Performance Framework sets out our commitment to identify, manage and mitigate potential environmental and social risks in the communities where we operate. We assess risks and impacts on an ongoing basis to maintain our understanding of potential risks and update our mitigation efforts accordingly.

We have conducted SIAs for both our Sabine Pass and Corpus Christi LNG facilities. This included a reassessment of potential community impacts and

risks, evaluation of the effectiveness of existing mitigations, community engagement and feedback processes, and the development of recommendations to address certain identified impacts and enhance management proficiency. We considered the potential for impacts on job creation, flaring, lighting, shipping and traffic. Our social risk and impact assessment process includes human rights considerations and is guided by international standards including the Equator Principles<sup>21</sup> and the International Finance Corporation's (IFC) Environmental and Social Performance Standards.

## Social impact assessment and impact management



21 Certain Cheniere projects are subject to the Equator Principles as required by financing institutions.



## Our commitment to environmental justice

In alignment with the [U.S. Environmental Protection Agency's \(EPA\) Office of Environmental Justice](#), we believe in “the fair treatment and meaningful involvement of all people, regardless of race, color, national origin or income, with respect to the development, implementation and enforcement of environmental laws, regulations and policies.”

Cheniere is committed to identifying, respectfully listening and responding to the concerns of our stakeholders to understand their unique values and interests, including those concerning environmental issues. We strive to identify and consider EJ issues throughout the project life cycle. Our site-specific SIAs consider community-focused environmental and social impacts of our operations. This includes evaluating the presence of EJ communities based on local demographics and identifying the adverse cumulative impacts (e.g., those related to human health, the environment and climate) upon these communities. We also consider the accompanying economic challenges of such impacts. We strive to conduct these assessments at the early stages of project planning and update them throughout ongoing operations. Our approach is guided

by international best practices, including the IFC's Environmental and Social Performance frameworks, Organisation for Economic Co-operation and Development's (OECD) guidance and the Equator Principles.

In 2022, we conducted third-party analyses of EJ indicators using the EPA's EJSCREEN tool as a supplement to previous reviews, which confirmed our existing understanding of communities near our operations and their unique EJ considerations. Our evaluations and third-party assessments have found no evidence that nearby communities would be disproportionately affected by our operations. Nonetheless, we have implemented a range of mitigation initiatives aimed at addressing community needs and concerns. These include changing facility design to reduce visual impacts, funding the installation of a local air quality monitor in a nearby EJ community, investing in community infrastructure and ecosystem conservation, and supporting focused scholarships toward historically underserved communities and skill development in our local communities. See our [website](#) for more on how we expanded our approach to address EJ issues in 2022.

## Our commitment to human rights in our communities

We are committed to respecting human rights in the communities where we operate. We undertake meaningful consultation with potentially affected groups and other relevant stakeholders to understand potential impacts, risks and concerns. We have a due diligence process in place that includes implementing SIAs at liquefaction sites to understand community-focused environmental and social risks, including those related to human rights, and the development of any mitigation and management plans based on the results of these assessments (see [p. 11](#)). These assessments are guided by international best practices, including the IFC and OECD guidance and the Equator Principles. Addressing potential environmental impacts is included in our targeted stakeholder engagement efforts and grievance mechanism, or stakeholder feedback processes.

In 2022, we conducted a human rights related risk screening in compliance with the Equator Principles' updated “EP4” standards as part of the financing requirements for our Corpus Christi Liquefaction Stage 3 expansion.

We seek to maintain multiple channels of communication with stakeholders, including a formal feedback mechanism (community feedback mechanism) in place at all site locations. We update our stakeholder feedback processes and other stakeholder engagement channels as needed, such as when we begin a new construction project or undertake new operations. Our feedback mechanism is aligned with international best practices, including the U.N. Guiding Principles, Equator Principles, IFC and Ipieca industry guidelines.

Finally, we respect the rights and culture of Indigenous peoples. Proactive engagement with these communities, when relevant based on the locations of our operations, is an important element of our overall stakeholder engagement, consultation and feedback processes (see [p. 13](#)).

Ongoing, two-way communication

We use a variety of formal and informal forums to promote ongoing, two-way communication with local communities, including public safety workshops, public presentations and site tours for community organizations and stakeholders. These forums help to inform community members about our company and operations and help Cheniere better understand their needs and concerns. In 2022, we participated in more than 1,400 stakeholder engagements.

Stakeholder feedback mechanisms

We have a formal stakeholder feedback mechanism for each of our LNG facilities. These enable community members to provide feedback on our operations by email, toll-free phone numbers and other avenues. Once received, we follow a formal process to collect, record, categorize, investigate, escalate and respond to issues. We log and track community feedback in a database and strive to address concerns in a timely and transparent manner. Feedback received in 2022 included comments regarding flaring, noise, vehicle traffic, marine traffic and related impacts to waterways, air quality and dust. We take this feedback into account when identifying community projects that may address these issues, and we also consider how to address these concerns through operational planning and proactive, transparent communication.

Community advisory panels

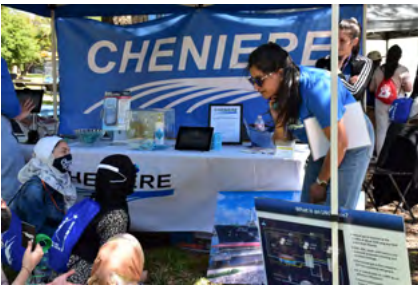
In 2018, we established a formal CAP representing residents from communities near our Corpus Christi facility to provide a forum for stakeholders to ask questions and share feedback with site leaders. It also provides a forum for Cheniere to present

information on current and upcoming activities with potential community impacts. In 2021, we helped form a regional CAP with community members and representatives from other nearby facilities to collectively understand and work to address the cumulative impacts and opportunities of our operations on nearby communities. We participate in a similar forum at our Sabine Pass facility that meets quarterly with community leaders.

In 2022, based on feedback from our CAPs, we continued to expand our efforts to monitor local air quality and address concerns about noise and dust.

Tribal engagement

We respect the rights of Indigenous peoples and recognize the importance of preserving the cultural heritage of Indigenous communities and lands of historic tribal importance in proximity to our operations. Our operations in Texas and Louisiana are not located on or near designated Native American lands and none of our operations have caused resettlement of Indigenous peoples. We have an interest in Midship Holdings, LLC, which manages the business and affairs of the Midship Pipeline in Oklahoma, located near lands of historic tribal importance. That project followed a rigorous and proactive process for understanding and incorporating tribal community concerns and preferences.



Stakeholder feedback mechanisms

As part of our effort to respond to community needs, we established a formal stakeholder feedback mechanism for each LNG facility and the Midship Pipeline in Oklahoma.

The formal process allows us to collect, record and address community input. We value and consider all feedback from our stakeholders and offer a range of communication channels for them, such as email, toll-free phone numbers, social media and websites.

Our stakeholder feedback mechanism considers the following steps:





Community investment highlights

Our community investment efforts focus on responding to local needs in partnership with community organizations.

Examples of our 2022 investments include the following:

Funded the improvement of public waterway access infrastructure on the Sabine-Neches waterway

in partnership with the Texas Parks and Wildlife Foundation, City of Port Arthur, Jefferson County and Sabine Pass Port Authority.

Supported hyperlocalized education initiatives to break negative generational cycles often found in EJ communities

by providing a grant to the Girlie Girls Mentoring Program, an organization dedicated to building academic and social excellence in young women 8-18 years of age.

Supported Louisiana Wildlife & Fisheries Foundation

with their oyster reef, marsh and wetland restoration project.

Continued support to Star of Hope’s Love-in-Action Van fleet, helping case managers in the field assist individuals experiencing homelessness

by transporting clothing, blankets, water and nutritious snacks to more than 250 individuals during freezing temperatures in December 2022.

Supported the Corpus Christi International Seamen’s Center

by providing grants to fund renovations to the main lounge area as well as a new van to transport visiting seafarers in the Coastal Bend.

Supported the Coastal Bend Bays & Estuaries Program

in their shoreline planning and engineering efforts to improve waterway access at Violet Andrews Park in Portland, Texas, as well as an oyster reef restoration project in St. Charles Bay, Texas.

Supported DC Greens in the development of The Well at Oxon Run

an urban farm and community gathering space that is now a home for seasonal crop production, a pick-your-own flower garden, a farm stand and a large youth garden with an outdoor classroom, library and performance spaces.

Partnered with Texas A&M-Corpus Christi to create a program to help local small businesses

grow their capacities to compete for opportunities with industries in the region.

Supported the work of FareShare in the U.K.

to reduce food waste by redistributing surplus food to charities that repurpose it into meals.





# Climate

Cheniere is helping to meet the world's most pressing shared energy challenges, now and into the future.

As the leading U.S. LNG producer and exporter, we connect customers to a secure source of affordable, reliable and cleaner-burning energy, supporting our customers' energy needs and helping to power the global transition to a lower carbon future. In order to

improve the climate benefits of our product and ensure the long-term resilience of our business, we have initiated and invested in a number of specific programs, both in our facilities and throughout our supply chain.

## PROGRESS AND HIGHLIGHTS

In 2022, more than 70% of cargoes produced by Cheniere went to Europe, providing the region with a clean and secure energy supply during its time of energy crisis. Each cargo provides enough heat for approximately 1 million Europeans for one average winter month.<sup>22</sup>

Commenced issuing Cargo Emissions Tags (CE Tags) to all long-term customers.

Initiated Quantification, Monitoring, Reporting and Verification (QMRV) projects with midstream partners and at Cheniere's liquefaction facilities, complementing our upstream QMRV program launched in 2021.

Published the first in a series of peer-reviewed studies of QMRV application in the oil and gas production segment.<sup>23</sup>

Joined the Oil & Gas Methane Partnership 2.0 (OGMP 2.0), the U.N. Environment Programme's global framework for transparent measurement, reporting and mitigation of methane emissions from the oil and gas sector.

Published peer-reviewed paper on the first-ever study to directly measure GHG emissions on an LNG carrier.<sup>24</sup>

Founding member of the Energy Emissions Modeling and Data Lab (EEMDL), a collaboration between the University of Texas at Austin, Colorado State University and the Colorado School of Mines to develop a comprehensive suite of tools for reliable, independent, transparent and measurement-based GHG emissions assessments for the oil and gas supply chain.

<sup>22</sup> An estimate for people in the U.K. or Germany based on publicly available government data.

<sup>23</sup> Wang et al. (2022), "Multiscale Methane Measurements at Oil and Gas Facilities Reveal Necessary Frameworks for Improved Emissions Accounting." *Environ. Sci. Technol.* 2022, 56, 20, 14743-14752.

<sup>24</sup> Balcombe, Heggo and Harrison (2022), "Total Methane and CO2 Emissions from Liquefied Natural Gas Carrier Ships: The First Primary Measurements." *Environ. Sci. Technol.* 2022, 56, 13, 9632-9640.





# Governance

## Board oversight

Cheniere’s Board of Directors oversees the development and execution of our climate strategy and regularly reviews progress. Although the full Board is actively engaged on climate issues, the Governance and Nominating Committee has the formal responsibility for reviewing climate strategy, performance and progress. The Audit Committee oversees Cheniere’s enterprise risk assessment (ERA) process, which includes consideration of climate-related risks. Members of the leadership team including our Senior Vice President (SVP) of Policy, Government and Public Affairs (PGPA) provide updates to the Board and relevant committees on climate-related risks and opportunities, as well as Cheniere’s climate strategy and performance, at least quarterly. In 2022, quarterly updates to the Board included updates on Cheniere’s climate projects and emerging climate-related risks and opportunities. The Board also oversees Cheniere’s progress against internal goals and the annual performance scorecard, which is based in part on key elements of our climate strategy.

## Executive oversight

Subject to the formal oversight of our Board of Directors, our executive leaders are directly responsible for identifying, assessing and managing climate-related risks and opportunities, and implementing our climate strategy.

The SVP of Corporate Development and Strategy and SVP of PGPA lead the development and execution of our climate strategy. Executives across our business functions, including Finance, Commercial, Trading, Gas Supply, Legal and Operations, help guide this effort. Our executive leadership team reports directly to our CEO on climate strategy and planning on a regular basis.

In 2022, 30% of the annual performance scorecard for our CEO, other executives and all employees was determined by ESG-related performance, including goals related to our climate strategy such as progress on our QMRV and CE Tags projects.

# Strategy

At Cheniere, a central part of our climate strategy is to measure, understand and mitigate emissions in effort to ensure our LNG supplies remain economically and climate-competitive in a lower carbon future, providing energy, economic and environmental security to our customers across the world. This strategy is reflected in a cadence of actions that focus on evidence-based science, operations excellence and transparent collaboration along our supply chain<sup>25</sup> to better understand the emissions profile of the LNG we deliver to our customers and to identify strategic and cost-effective opportunities to improve emissions performance by undertaking a collaborative approach with our supply chain. To maximize the environmental benefits of our LNG, we believe it is critical to develop future

climate goals and strategies based on an accurate and holistic assessment of the emissions profile of our LNG business, accounting for all steps in the supply chain.

Driven by our position at the fulcrum between the North American natural gas market and LNG-importing countries and regions around the world, we employ a value chain approach to understanding and mitigating GHG emissions. By providing our natural gas supply chain partners with actionable emissions data, we are supporting opportunities for improved emissions performance beyond our immediate operations. We believe this is where we can have the greatest and most immediate climate impact.

## Joining the Oil & Gas Methane Partnership 2.0

In 2022, Cheniere joined OGMP 2.0, a multistakeholder initiative launched by the U.N. Environment Programme and the Climate and Clean Air Coalition. OGMP 2.0 is a comprehensive, measurement-based framework intended to improve the accuracy and transparency of methane emissions reporting in the oil and gas sector. Joining OGMP 2.0 is consistent with and enhanced by Cheniere’s climate strategy initiatives, including our collaborative QMRV programs to better calculate emissions across the supply chain in partnership with natural gas suppliers, midstream companies, shipping companies and academic institutions.



**“The OGMP 2.0 reporting framework is an important tool to establish more accurate and transparent information about methane emissions on a global scale.”**

— HELGE HAUGANE, SENIOR VICE PRESIDENT FOR GAS AND POWER AT EQUINOR

**“We are very pleased to have Cheniere as part of our global initiative, which allows member companies to target strategic action to mitigate methane emissions and allocate capital efficiently.”**

— GIULIA FERRINI, OGMP 2.0 PROGRAMME MANAGER, UNEP

<sup>25</sup> Supply chain includes production through liquefaction for free-on-board (FOB) LNG cargoes and includes shipping for delivered ex-ship (DES) cargoes.



Measurement

Reliable, science-based measurement is a critical foundation of our strategy. We are expanding our understanding of GHG emissions across our supply chain, using our power of connection as the largest physical processor of natural gas in the U.S. and the second-largest LNG exporter in the world. We are advancing measurement capabilities that generate actionable, accurate data to directly inform strategic and cost-effective mitigation actions and allow reliable verification of data. An emphasis on measurement will also help prepare us for the increasing focus of domestic and international policymakers on measured, as opposed to estimate-based, data.

26 Roman-White et al. (2021), "LNG Supply Chains: A Supplier-Specific Life-Cycle Assessment for Improved Emission Accounting." ACS Sustainable Chem. Eng. 2021, 9, 32, 10857-10867.

27 CE Tags are calculated utilizing Cheniere's LCA model. See Roman-White et al. (2021) for modeling framework method.

Key elements of our approach include:

LCA

We developed a life cycle assessment (LCA) model as the foundational analytical tool for our climate strategy and continue to update the LCA to better understand our GHG emissions profile across the entire value chain. In 2021, we sponsored the publication of a first-of-its-kind supplier-specific LCA in a peer-reviewed scientific journal (co-authored by scholars from the University of Texas at Austin, Queen Mary University of London and Duke University).<sup>26</sup>

This year we updated our LCA based on new data, continued to enhance data collection from suppliers, improved the granularity of data and developed tools to use LCA findings in our own operational decisions. One intended use of the LCA is to help assess project emissions impacts and inform business decisions, capital projects and policy analysis.

QMRV

Our QMRV program tests multiple emissions measurement methods, models and technologies in an effort to provide more accurate, timely and measurement-informed emissions inventories of our own and our supply chain's GHG emissions. This improved data will help to inform our climate strategies and mitigation programs, as well as those of our supply chain partners and other stakeholders.

In 2022, we completed the initial QMRV program with our upstream natural gas producers. We also initiated the QMRV program with midstream partners, which includes QMRV assessments of our own midstream assets. Finally, we initiated the QMRV program at our own Sabine Pass liquefaction and Corpus Christi liquefaction facilities.



"Collaborating with Cheniere on the QMRV pilot project has helped Williams further refine its use of methane detection and quantification technologies, ensuring that we are matching the best technology with meaningful strategies to facilitate and deliver NextGen Gas for our customers through certified low-emission pathways."

— MARK GEBBIA, VICE PRESIDENT, ENVIRONMENTAL, REGULATORY AND PERMITTING AT WILLIAMS

CE Tags

In 2022, Cheniere began providing our long-term customers with CE Tags showing the estimated GHG emissions associated with each cargo produced at our facilities. These CE Tags are calculated from our supplier-specific LCA model and provide a value chain emissions estimate from wellhead to point of delivery, supplying our customers with actionable information about life cycle emissions and input to better understand their own estimated supply chain emissions profile.<sup>27</sup>



EEMDL

In 2022, we co-founded and sponsored a new, multidisciplinary research and education initiative led by the University of Texas at Austin in collaboration with Colorado State University and the Colorado School of Mines. EEMDL's goal is to provide reliable, science-based, transparent, measurement-informed GHG assessments by developing publicly available models and data sets.

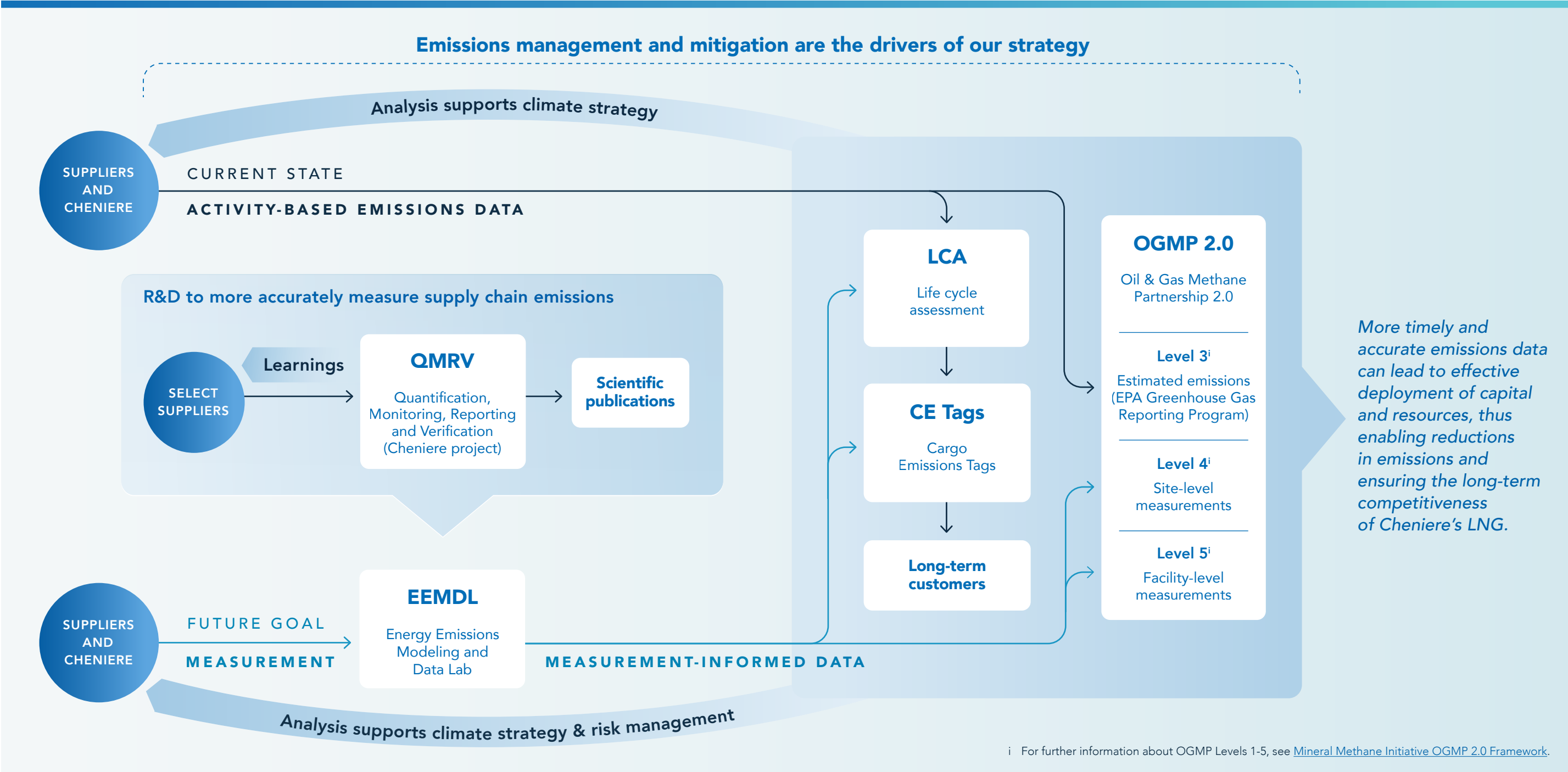


"Developing transparent tools to integrate real-time methane measurements across oil and gas supply chains is critical to building trust in global methane accounting."

— ARVIND RAVIKUMAR, ASSOCIATE PROFESSOR, UNIVERSITY OF TEXAS AT AUSTIN



Cheniere climate strategy: measurement-informed data to support emissions management and mitigation across the supply chain



## Mitigation

Our efforts to more accurately measure supply chain GHG emissions are helping us build a data-driven approach that leverages our unique position within the LNG supply chain. We collaborate with our suppliers, scientific experts and customers to improve the climate competitiveness of our LNG and strengthen the resilience of our business over the long term. As we help develop decision-useful emissions information to provide the foundation for effective and targeted long-term mitigation strategies, we are also focusing on what we can do right now to minimize and mitigate our environmental impacts.

We continue working to reduce GHG emissions intensity from our own operations through facility design and the use of advanced technologies to actively monitor emissions at our facilities and along pipelines. See our [website](#) for more information.

Our LCA shows that approximately 75% of the total emissions profile of Cheniere's LNG supply chain (from production to the regasification terminal) originates outside our primary operations. We are therefore working closely with suppliers and other partners on the projects described above to understand our supply chain emissions and help us develop collaborative emissions reduction strategies.

## Risk management

We have built our strategy to respond to climate-related risks and opportunities, support the long-term resilience of our business and address the world's shared energy challenges. We regularly assess these risks and opportunities through our enterprise risk assessment, climate-specific scenario analysis and other processes and are committed to managing the risks and opportunities we identify. We integrate climate-related risks and opportunities into our business strategy and financial planning. We have also conducted a series of engagements with key external stakeholders, including our largest investors and lenders, to better understand their perspectives on the most important risks and opportunities for our business.

### Enterprise risk assessment

We incorporate climate-related risks and opportunities as a discrete component of our annual ERA process, which is overseen by our Chief Risk Officer (CRO) and reviewed by the Board of Directors. Our ERA process focuses on identifying short- and medium-term risks within a 5-year time horizon, including their related potential financial and reputational impacts. We undertake our ERA process annually, with a midyear review, to determine if there have been any significant changes in the risks identified, potential impacts or mitigating measures.

Individuals responsible for the oversight of climate risk can bring any significant changes to the attention of the CRO at any time. If necessary, the CRO will immediately notify executive-level officers of the change in risk profile. The SVP of Corporate Development and Strategy, SVP of PGPA and CRO are responsible for assessing climate-related risks as part of the overall ERA process.

### Identifying and managing climate-related risks and opportunities

The Task Force on Climate-related Financial Disclosures (TCFD) defines potential climate-related risks and opportunities according to two categories: transition risks and physical risks. Transition risks are those that stem from regulatory, economic, market, technological and other societal changes associated with the transition to a lower-carbon economy. Physical risks are those associated with physical impacts from climate change, such as increases in severe weather events or changes in weather patterns. We consider these risks over the short, medium and long term, including potential financial impacts.

In April 2021, we published a report entitled [Climate Scenario Analysis: Transitional Risk](#), informed by the recommendations of the TCFD,

which analyzed the long-term resilience of Cheniere's business under multiple long-term climate scenarios, including a trajectory consistent with the goals of the Paris Agreement to limit global warming to well below 2°C compared to preindustrial levels. Our climate scenario analysis informs our strategy for managing these potential transitional and physical impacts and assesses the resilience of our business model under a range of scenarios. Under all scenarios evaluated and subject to the assumptions contained therein, the report concluded that Cheniere is positioned to help meet growing demand for LNG through 2040. The analysis validates our belief in the long-term resiliency of our business through at least 2040, even under a well below 2°C pathway and a major transformation of the global energy system.

We also consider physical risks such as hurricanes, floods and other extreme weather events in our design and operations. We design our facilities to withstand a variety of extreme weather conditions and we implement appropriate risk mitigation and management measures. These efforts help inform our strategy and business planning.

**"Understanding and reducing GHG emissions along the LNG supply chain is where we believe we can have the greatest and most immediate climate impact."**

— JULIE NELSON, SVP POLICY, GOVERNMENT AND PUBLIC AFFAIRS



Our strategy responds to climate-related risks and opportunities

As recommended by the TCFD, we identify potential climate-related risks and opportunities and mitigation strategies that are relevant for our business. While we have not incurred material direct capital expenditures related to climate change, we strive to conduct our business in a safe and responsible manner and be proactive in our management of environmental impacts, risks and opportunities. Please see Item 1A. Risk Factors in our 10-K (p. 18-29) for additional discussion.

Climate-related risks

- Changing customer and financial market sentiment, including customer and stakeholder desire to improve GHG emissions profiles, resulting in reduced demand, reduced access to capital and reduced prices associated with competing lower- or zero-carbon energy sources and technologies.
- Increased carbon and methane regulations across the supply chain, resulting in increased costs of production, increased U.S. LNG prices and reduced access or increased shipping cost to LNG export destinations.
- Certain business and operational risks associated with physical impacts from climate change, such as increases in severe weather events or changes in weather patterns, in addition to transition risks.
- Exposure to allegations by investors, regulators or private litigants that climate change mitigation efforts, including GHG reduction efforts, amount to greenwashing (i.e., misleading or overstating our ESG efforts, including those related to climate change).

Climate-related opportunities

- A growing demand among oil and coal users for lower-carbon energy products.
- Increasing regulatory pressure to reduce the use of more carbon-intensive fossil fuels.
- Increased customer and government focus on secure and reliable cleaner energy sources.
- Growing and sustained role of LNG in the energy transition and in addressing renewable generation intermittency.
- Opportunity for Cheniere to differentiate itself based on our approach to evidence-based measurement, collaboration and mitigation.

How our climate strategy responds

Integrating governance and business

- Drawing on dedicated departments to assess, engage and integrate climate strategies, with regular oversight from our leadership team and Board of Directors.

2022 Examples

- Increased the percentage of our annual performance scorecard compensation linked to ESG performance to 30%, holding all Cheniere executives and employees accountable for progress on climate initiatives.
- Used LCA analysis to assess project emissions impacts and inform business decisions, capital projects and policy analysis.

Advancing emissions measurement and transparency

- Using our LCA and QMRV programs to inform the most effective emissions reduction strategies across our supply chain and more accurately track mitigation impacts.
- Engaging with our customers, supply chain partners, academics and think tanks to understand and reduce GHG emissions.
- Transparently disclosing estimated cargo emissions to long-term customers via CE Tags to drive improvement.

2022 Examples

- Supported academic experts in conducting and publishing the first QMRV production and LNG shipping study in peer-reviewed journal; initiated midstream and liquefaction QMRV projects.
- Joined OGMP 2.0, furthering our science- and data-driven work on methane emissions.
- Co-founded EEMDL, a multidisciplinary research initiative to provide reliable, science-based, transparent, measurement-informed GHG assessments by developing publicly available models and datasets.

Mitigating emissions

- As of May 1, 2023, 84% of Cheniere’s long-term chartered fleet is made up of XDF/MEGI vessels, the most efficient vessels available on the market.
- Facility design and technologies to improve efficiency and reduce emissions.

2022 Examples

- Reduction in compressor blowdowns
- Flare optimization
- Process optimization
- Fugitive emissions reduction program

Addressing physical risks

- Mitigating physical risks through the location, design and construction of our facilities to avoid or withstand extreme weather.
- Purchasing property and casualty and business interruption insurance to protect ourselves from loss.

2022 Examples

- We conducted a physical risk screening as part of our preparation for the design and construction of the Corpus Christi Stage 3 project. The project was designed to withstand extreme winds, storm surge, sea level rise, flood risk and other weather-related events as identified by the risk assessment.

Metrics and targets

We believe it is critical to develop future climate goals based on an accurate and holistic assessment of the emissions profile of our LNG business, accounting for all steps in the supply chain.

Accordingly, through our QMRV program we have launched evidence-based measurement, collaboration and mitigation efforts with our suppliers and customers on emissions — both upstream and downstream of our facilities — with the shared goal of improving environmental performance by focusing on emissions measurement and mitigation, as well as management of climate risk. A reliable, accurate accounting of emissions is also an essential element in setting any emissions reduction targets.

The OGMP 2.0 provides a consistent global reporting framework that relies on measurement-informed data sets. EEMDL, a new, multi-disciplinary research and education initiative led by the University of Texas at Austin in collaboration with Colorado State University and the Colorado School of Mines, will provide reliable, science-based, transparent, measurement-informed GHG assessments by developing publicly available models and data sets. Combining measurement-informed data sets from EEMDL through our LCA and reporting under the OGMP 2.0 framework will enable Cheniere to develop appropriate, data-driven climate strategies.

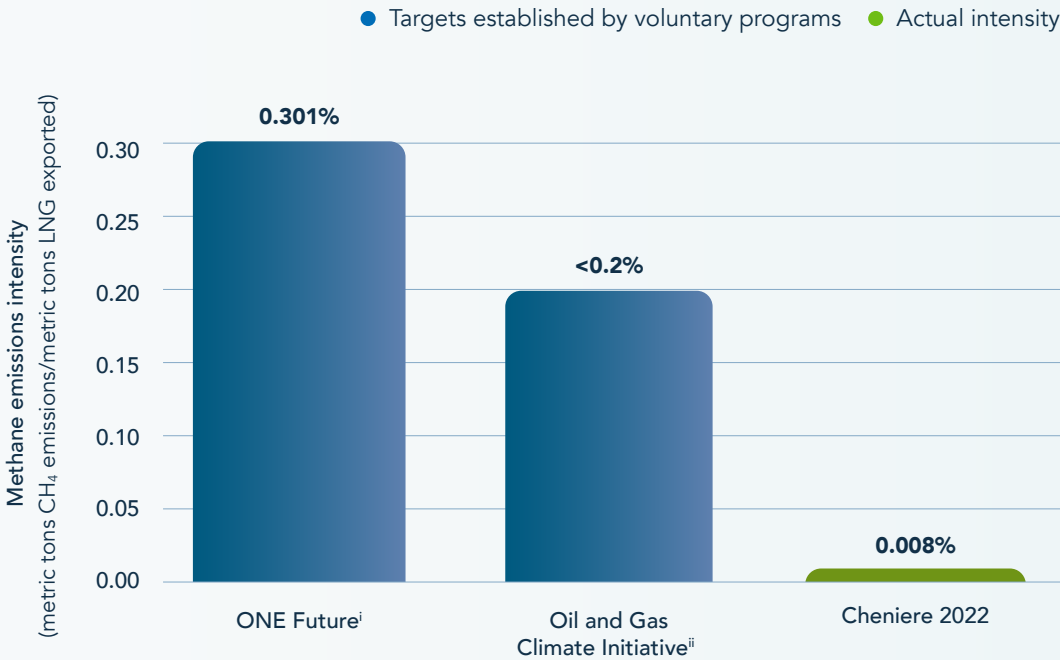
We report our absolute Scope 1 and 2 GHG emissions and our Scope 1 methane emissions (see p. 47). We also use Scope 1 GHG emissions intensity metrics to assess our year-on-year performance, since an intensity metric offers more meaningful insight into our performance as we expand our LNG production capacity. The methane

intensity reported by Cheniere in 2022 is lower than voluntary methane intensity targets recommended by the Oil and Gas Climate Initiative and Our Nation’s Energy (ONE) Future.

In 2022, we began reporting our total Scope 1 GHG emissions. This includes sources and facilities that

are not required to be reported under the Environmental Protection Agency (EPA) Greenhouse Gas Reporting Program (GHGRP). We have also included Scope 1 GHG emissions as reported to the GHGRP here and in past Corporate Responsibility Reports. In both cases, our GHG emissions reporting is based on [operational control](#).

2022 METHANE EMISSIONS INTENSITY VS. VOLUNTARY TARGETS



i Our Nation’s Energy (ONE) Future Transmission and Storage sector target. ONE Future, (2021), [One Future 2021 Methane Emissions Intensities Report](#), p. 5.  
ii Oil and Gas Climate Initiative, (2021), [Accelerating Ambition & Action, A Progress Report from the Oil and Gas Climate Initiative](#), p. 15.

GHG INTENSITY (TONNES CO<sub>2</sub>e/TONNES LNG EXPORTED)<sup>iii</sup>



iii As estimated under OGMP 2.0 guidelines covering Scope 1 GHG and methane emissions from assets under operational control.  
iv The reporting boundary for this metric is inclusive of emissions reported to the EPA’s GHGRP and includes emissions not required to be reported to GHGRP: sites that emit less than 25,000 MtCO<sub>2</sub>e and for individual sources not covered by GHGRP.





# Environment

We are committed to responsibly managing our environmental impacts.

Building collaborative connections is key to our approach. This includes working across internal functional teams and with our suppliers to identify opportunities to improve performance, as well as fostering relationships with community organizations to support the conservation and restoration of local ecosystems.

Our commitment to environmental stewardship is supported by our [Health, Safety and Environmental \(HSE\) Policy](#) and by our comprehensive environmental management system (EMS), which is aligned with the ISO 14001 EMS standard.

Our commitment includes the proactive identification and management of environmental risks and opportunities across the life cycle of our operations, as well as appropriate engagement with internal and external stakeholders on environmental issues.



## PROGRESS AND HIGHLIGHTS

Established employee-led Sustainability Committees at each of our liquefaction sites to support the identification and implementation of beneficial sustainability projects.

As part of our SPL sustainability initiatives, we repurposed 629,595 pounds of natural gas condensate from dry flares that would have been disposed as hazardous waste and recycled it to the market as fuel.

## ~6 million pounds

of waste recycled from our Sabine Pass and Corpus Christi liquefaction facilities in 2022.

### Read More

- [Board oversight and executive management of environmental topics](#)
- [Health, Safety and Environmental Policy](#)
- [Environmental management system](#)



# Environmental management

As outlined in our HSE Policy, Cheniere is committed to conducting our business in a safe and environmentally responsible manner. This commitment is operationalized into our daily work through environmental standards and an EMS, both of which are integrated into the [Cheniere Integrated Management System \(CIMS\)](#). As outlined in these standards, our executive leadership team oversees and has accountability for environmental issues. Our Board of Directors reviews these issues regularly and receives updates on a selection of environmental performance metrics quarterly. Our policies, standards, EMS and other expectations are communicated to employees internally through annual environmental training, orientations and regular operational management meetings.

We monitor compliance with environmental management standards and processes through regular assurance assessments and audits. Assurance priorities are determined annually using a risk-based approach. We undertake both internal and third-party audits. We prioritize and track corrective actions through to completion, and lessons learned are shared across the wider organization.



## Cross-functional sustainability committees support enhanced environmental performance

We are using **the power of connection** to influence change from the ground up. In 2022, we formed employee-led, internal Sustainability Committees — cross-functional teams at each liquefaction site that help to identify local or site-based environmental risks, opportunities and impacts and to single out locally impactful sustainability projects.

# Biodiversity

We strive to minimize our impacts on biodiversity. The construction of our LNG terminals and natural gas pipelines is our most impactful phase to ecosystems. To help avoid adverse impacts, we have chosen previously disturbed brownfield sites for the locations of our liquefaction facilities, and we endeavor to colocate our pipeline facilities adjacent to existing pipelines to the maximum extent practicable. We apply intensive assessment, avoidance and mitigation measures to reduce any potential negative impacts on local ecosystems and voluntarily support biodiversity protection projects near our areas of operation. We communicate regularly with landowners and community members on our efforts to avoid and minimize adverse land impacts. Our approach, which applies a well-defined biodiversity mitigation hierarchy, is applied across the life cycle of our operations and includes the following steps.

## Pre-project assessments

All Cheniere projects undergo biodiversity-related assessments through which we identify and seek to avoid high-priority, critical habitats and identify potential impacts on sensitive species and ecosystems. We undertake detailed environmental impact assessments or environmental assessments, as applicable, as part of the National Environmental Policy Act (NEPA) project planning and permitting process to assess potential impacts of construction and ongoing operations on water ecosystems, biodiversity — including threatened and endangered species and migratory birds — air quality and other environmental impacts, as well as socioeconomic and cultural impacts. These assessments include developing mitigation measures as necessary

to minimize impacts and involving the public in identifying significant impacts.

We also evaluate cumulative risk assessments to understand potential risks to biodiversity that could occur near to, but outside, our own operations. We incorporate these risks into our impact avoidance and mitigation plans.

## Impact management

We aim to minimize biodiversity impacts to the maximum extent practicable and to mitigate unavoidable impacts. Our LNG facilities and pipelines were sited in order to avoid protected conservation and/or critical habitat areas.

## Land and ecosystem restoration

Most of our ongoing operations do not result in further land disturbance, but certain activities such as routine dredge maintenance of operating berths and new facility construction can affect ecosystems. Where this is the case, we develop biodiversity management plans and restore disturbed land to preconstruction conditions, where possible. We also actively monitor the outcomes of our efforts and report to relevant regulatory agencies. We seek opportunities to restore and rebuild ecosystems in our broader areas of operation, both as a beneficial outcome of our construction projects and through voluntary investments unrelated to our facility construction.



## Water, effluents and waste

Our operations pose limited risks of hydrocarbon spills in comparison with most traditional fossil fuel energy companies. Effluents from our operations primarily relate to our sanitary wastewater treatment systems, stormwater runoff and the use of a reverse osmosis process to treat water provided to us by local utilities. These pose only a limited risk to the environment, given the nature of the potential contaminants in the effluents.

### Water management

Cheniere strives to avoid or minimize adverse environmental impacts associated with water use, including impacts related to water quality and quantity of water used. Our Environmental Water Quality and Use Standard outlines our management requirements for the water and effluents at all company-owned and operated facilities, including construction sites. We carefully manage any wastewater generated by our operations that contains small amounts of potentially hazardous pollutants.

We develop facility-specific effluent management and monitoring plans and review the effectiveness and implementation of these plans regularly, updating them as needed. We also maintain robust incident tracking, investigation and corrective action plans to address events when they occur.

This year, we began decommissioning the wastewater treatment facility at our Corpus Christi location. Our infrastructure will tie into municipal water treatment systems that are well equipped to manage the resulting wastewater stream. This will eliminate a significant effluent source, decreasing the potential for effluent-related impacts.

Cheniere has conducted a water risk analysis to confirm that we do not operate in areas of high water stress. Further, our strong spill and release management programs are designed to minimize our potential impacts on local water resources through releases.<sup>28</sup> For more information, see our [Water Risk Analysis](#).



<sup>28</sup> Cheniere utilized the Aqueduct Water Risk Atlas and other resources to conduct this assessment.

### Waste management

Each facility develops, follows and regularly updates waste management plans that include carefully labeling, managing and disposing of hazardous and nonhazardous waste at permitted treatment, storage and disposal facilities. We develop waste minimization plans, which are required by regulatory agencies and are reviewed every year to help us identify and reduce the quantity and toxicity of the waste and increase recycling when economically feasible. We contract qualified and licensed third parties to transport and dispose of hazardous wastes and follow strict regulatory tracking and reporting requirements. We have also implemented a range of recycling and waste diversion programs. In 2022, we recycled more than 6 million pounds of waste from our Sabine Pass and Corpus Christi liquefaction facilities (SPL and CCL, respectively). In 2022, we undertook an analysis of opportunities to enhance our recycling programs, which led to increased funding and a significant expansion of our recycling program at SPL.

### Spill prevention and response

Our spill risks are limited, based on the products and materials we handle. Our primary product, LNG, dissipates if released and does not pose a significant risk of surface contamination. Still, we maintain site-specific spill prevention, control and countermeasure plans as required by law. We manage spills through an enterprisewide environmental and safety incident management system, which includes developing and tracking the implementation of corrective actions. We also maintain and implement stormwater pollution prevention plans.

A healthy and accessible marine environment is integral to the cultural heritage of fishing communities in southwest Louisiana and southeast Texas. The Mesquite Point and Broadway boat launches were severely deteriorated due to damage from hurricanes and erosion, posing safety concerns for boaters and anglers in Port Arthur and Sabine Pass. Cheniere provided grants to the Texas Parks and Wildlife Foundation to help rebuild the two boat launches that serve as main access points to the Gulf of Mexico so that residents could have safe access to Gulf Coast resources.

**“These new facilities will be a huge improvement for boaters and anglers who want to enjoy the water and fisheries resources of Sabine Lake and the Gulf of Mexico. We are grateful that Cheniere and local elected officials understand and appreciate the value of these boat ramps to the local community and all those who visit.”**

— DR. CAREY GELPI, TEXAS PARKS AND WILDLIFE DEPARTMENT SABINE LAKE ECOSYSTEM LEADER

# Air quality

Natural gas significantly reduces sources of localized air pollution: when compared to coal on a life cycle basis, natural gas produces 82% less nitrogen oxide (NO<sub>x</sub>), 99% less sulfur dioxide (SO<sub>2</sub>) and nearly 100% less mercury emissions when used in combined cycle power plants.<sup>29</sup> This helps our LNG customers meet their environmental goals to reduce air pollution and improve public health.

## Managing criteria air emissions from operations

Our operations generate criteria air pollutant emissions, including NO<sub>x</sub>, sulfur oxides (SO<sub>x</sub>), volatile organic compounds (VOCs), carbon monoxide (CO) and particulate matter (PM). The natural gas powered turbines that run our Sabine Pass and Corpus Christi LNG liquefaction processes are the primary source of these emissions; smaller amounts are emitted through our pipeline operations and at turbine compressor stations.<sup>30</sup> We actively work to limit our criteria emissions and impacts on local air quality. We also support local air quality monitoring and awareness programs.

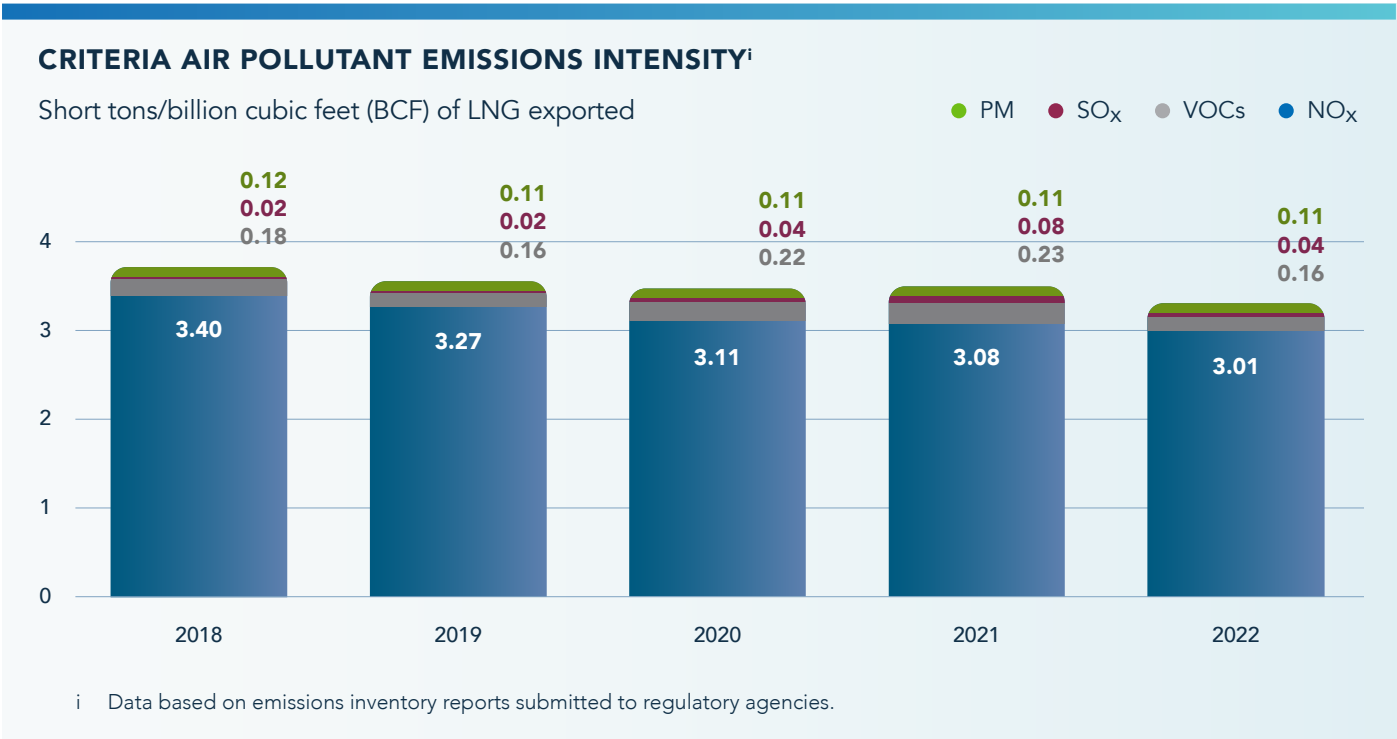
Our LNG production facilities were designed to comply with strict emissions limits. We have implemented a range of NO<sub>x</sub> and VOC emission-control technologies and work practices across our operations. For example, at our pipeline compressor stations, we utilize turbine compressor drivers with integrated combustion technology to reduce NO<sub>x</sub> emissions.

In 2022, the EPA removed an 18-year stay on implementation of 40 CFR Subpart YYYY, a regulation that applies to the turbines used at our liquefaction facilities. Testing determined that all of our turbines at CCL are in compliance and the majority of our turbines at SPL are as well. We continue to work with the Louisiana Department

of Environmental Quality under a compliance order to ensure that all turbines at SPL comply with the regulation. As of the publication of this report, performance testing has determined that 43 of 44 turbines at SPL are below the Subpart YYYY standard.

[Read More](#)

[Air quality management](#)



<sup>29</sup> National Energy Technology Laboratory (2016), [Grid Mix Explorer Version 3](#); National Petroleum Council (2011), [Prudent Development: Realizing the Potential of North America's Abundant Natural Gas and Oil Resources](#).

<sup>30</sup> Small volumes of natural gas condensate extracted from the natural gas feed are exported from the liquefaction trains into third-party pipelines.





# Health & Safety

Safety is a core value and we are committed to a safety-first culture in all aspects of our business.

Our commitment to protecting the safety and well-being of our employees, contractors, communities and customers starts at the top, as our leadership team champions the ongoing development of a strong safety-first culture through regular engagement and communication with our workforce and communities.

This commitment is embedded in our work at every level of the organization through our [Health, Safety and Environmental \(HSE\) Policy](#) and the [Cheniere Integrated Management System \(CIMS\)](#),

which define our management standards and processes for occupational health and safety and process safety as well as incident management and emergency response.

The strength of our safety program is rooted in our ability to work together for the common goal of keeping each other safe. We take a collaborative approach to safety and consider it a central responsibility of everyone in our workforce. To drive accountability, safety is included in the annual performance scorecard for every

Cheniere employee. Collectively, we have surpassed these targets, improving our safety performance every year since first publishing targets in 2017. In addition, contractors working on Cheniere sites are expected to comply with our HSE Policy and are fully integrated into our safety management systems and processes. We undertake regular internal and external audits of compliance with occupational and process safety requirements. Read more about the governance and oversight of HSE on our [website](#).



## PROGRESS AND HIGHLIGHTS

Achieved a combined (employees and contractors) Total Recordable Incident Rate (TRIR) of 0.05 and Lost Time Incident Rate (LTIR) of 0.00, achieving our sixth consecutive year of improvement and performing well within the top quartile of our industry.

Exceeded our safety target every year since first publishing one in 2017.

Experienced zero Tier 1 process safety incidents in 2022.

Implemented new peer-to-peer review and assistance initiative and Good Catch safety program to facilitate sharing of lessons learned and continuous improvement.

In the first quarter of 2023, we initiated "Injury Free in 23," a companywide program that supports each employee's personal commitment to safety in operations and the workplace.

### Read More

[Board oversight and executive management of health and safety](#)

# Occupational health and safety

Protecting our people’s health and safety is a core value that guides our work every day. We support the development of a safety-first culture by empowering every employee to identify and communicate potential health and safety risks, and by providing site- and role-specific training.

Our approach is underpinned by CIMS, which includes a comprehensive set of standards and procedures that set out how occupational health and safety is managed across our business.

These standards and procedures are aligned with applicable Occupational Safety and Health Administration (OSHA) and Pipeline and Hazardous Materials Safety Administration (PHMSA) requirements (read more about CIMS on [p.41](#)).

Our approach to building a safety-first culture across our workforce is based on the following core processes and initiatives of our health and safety management systems.

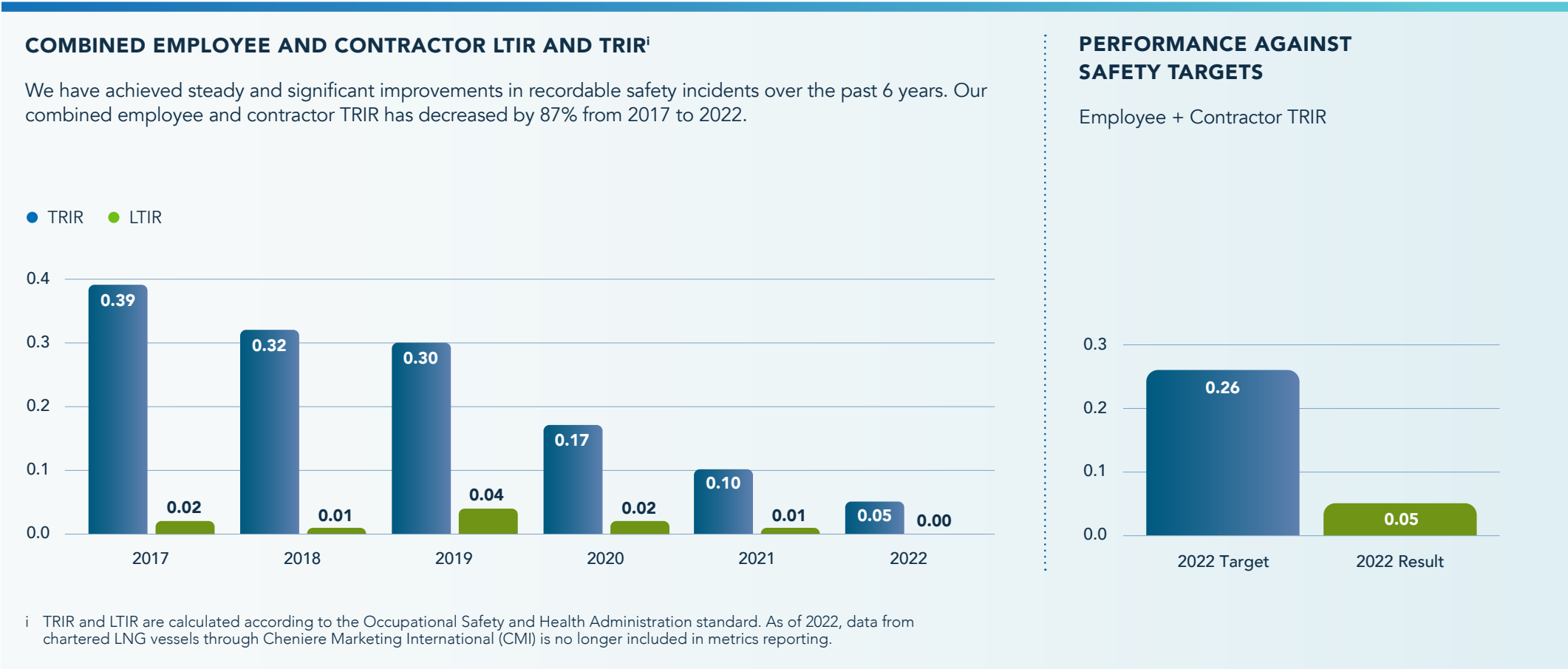
## Life saving rules

We have implemented a set of life saving principles and rules to help employees identify and respond to key hazards across three focus areas: controlling work, controlling energy and controlling equipment. These rules and principles provide a quick reference guide to safety processes for potentially high-risk categories, including working at heights, confined spaces, excavation and trenching, energy isolation, bypass overrides, driving safety, mobile equipment and lifting operations.

## Hazard identification and mitigation

Every member of our workforce is responsible for identifying and reporting potential hazards and working with management to develop solutions, including through daily hazard reviews and pre-job assessments. All employees and contractors have the authority and obligation to stop work at any time if they see a potential hazard or unsafe workplace behavior. Our employees and contractors may work with or alongside heavy equipment, moving parts, hazardous and nonhazardous materials, and at heights or in confined spaces, all of which present potential safety risks. We plan and prepare for each of these scenarios to help ensure that tasks are performed safely and efficiently. This year, we enhanced our Good Catch program, which builds on our near miss reporting by encouraging early detection of workplace hazards and quick implementation of preventative actions. We track and analyze these observations to identify trends in hazards and develop mitigations including training and operational changes. For example, in response to Good Catch program outcomes, we made improvements to defensive driving training with the goal of reducing workplace accidents.

To drive performance and accountability, achievement of TRIR performance targets is factored into executive and employee compensation. We have exceeded our safety target every year since first publishing one in 2017.





### Safety tracking and reporting

Our process is to document, investigate and report workplace safety incidents, including near misses and high-potential incidents. Based on this information, we implement any necessary corrective actions and share lessons learned to avoid future incidents. Additionally, we report follow-up mitigations across the organization to improve accountability and foster companywide awareness and knowledge sharing. We continue to track and focus on leading indicators to further support a proactive safety culture that is focused on prevention.

### Safety assessments and audits

We assess the effectiveness of our safety management systems through regular internal and external assessments and audits. We use a risk-based assurance and audit process to assess our health and safety management systems, policy and performance, and to identify opportunities to improve our processes and programs. We conduct ongoing assurance processes including site-level self-assessments, process verification and management reviews by site leadership teams.

### Contractor safety management

All individual contractors working on Cheniere sites are integrated into our safety management systems and processes. Contractors are required to follow our health and safety programs and HSE Policy. They are expected to actively participate in meeting or exceeding our safety

performance objectives. Compliance with our safety requirements is included in our supplier and subcontractor agreements. Prior to working on site, contractors are required to complete Cheniere site-specific HSE training.

We monitor and evaluate contractors’ health and safety performance. If a contractor company does not meet our safety criteria, we work with it to put a mitigation plan in place, and we reserve the option to terminate a contract if issues are not corrected. We foster open communication and shared understanding of our expectations and processes by hosting regular work-site safety meetings with employees and contractors, including Cheniere and contractor managers. We also hold quarterly contractor meetings to reinforce our expectations and commitment to safety, including discussions of safety metrics, incident reviews, upcoming activities and any recent incidents or safety concerns. See [p. 45-46](#) for more on our contractor management process.

### Operational safety training

We conduct enterprisewide safety training based on a role-specific qualification and competency matrix to facilitate compliance with internal standards and applicable regulations. We implemented a peer-to-peer review and assistance program through which employees from our two liquefaction sites met to review and discuss procedures, best practices and lessons learned and develop ideas for continuous improvement on safety and other core elements of operational performance.

### Maintaining safety in our marine operations

We follow a robust marine assurance process for all vessels and terminals that interact with Cheniere assets and chartered vessels, including ships coming to our liquefaction facilities, fuel vessels supplying our chartered fleet and downstream terminals, and air boats serving our pipeline assets. Our marine safety efforts focus on identifying, managing and mitigating potential risks that may occur during the arrival, loading and departure of vessels from our terminals, as well as during the complete cycle of the chartered fleet activities worldwide. We seek to mitigate the risk of potential incidents including collision, groundings, fire, pollution events and injuries. We also monitor and respond to impending national and international regulations.

We take an active role in supporting safe marine operations and engage regularly with stakeholders across the shipping value chain, either independently or through active participation in industry bodies such as the [Society of International Gas Tanker and Terminal Operators](#) and the [Oil Companies International Marine Forum](#), among others. We host annual workshops for LNG carrier owners and operators to both convey our expectations regarding safety, security, and environmental and operational standards. We use the platform to share learnings from the attendees on subjects such as maritime security, environmental monitoring and compliance, and technological advancements.

In 2022, we reduced marine safety risks in the waters around our Sabine Pass facility by supporting the reconstruction of a critical safety Aid to Navigation (AToN) that was destroyed during Hurricane Laura.



#### Read More

- [Occupational health and safety programs](#)
- [Marine safety](#)



# Process safety

We follow robust process safety management standards in accordance with applicable law to reduce the likelihood and severity of potential incidents. Process safety incident prevention is a top priority and a key element of CIMS. We focus on maintaining the integrity and effectiveness of the equipment and processes that support our operations, including the prevention of unplanned or uncontrolled releases of hazardous materials.

## Life cycle approach to process safety

We manage process safety across the life cycle of our facilities — from the earliest planning stages through construction, operations and ongoing maintenance — to understand what, where and when something could go wrong and with a goal of avoiding events before they occur. We undertake regular hazard analyses to identify and evaluate potential process safety hazards, implement appropriate controls to mitigate the risks, and revalidate and update the analyses as needed to ensure they are consistent with current designs.

## Process safety tracking and reporting

We track process safety events in three tiers of severity of the incident which could occur, in accordance with industry practices, to support the implementation of appropriate corrective actions and drive continuous improvement, and ultimately, to help prevent occurrences. We also track high-potential events to help maintain a

proactive, forward-looking approach to process safety management. We undertake regular internal and external audits of process safety processes and performance. External audits focus on key process safety elements, such as process hazard analysis, safe work practices, management of change, mechanical integrity and leadership.

## Asset integrity management

Maintaining the operational integrity of our equipment is central to our overall safety efforts and is a key process in our enterprisewide management system. Our approach is defined by our formal Asset Integrity Standard, which is incorporated into CIMS. Based on this standard, we develop, define and incorporate reliability and maintainability objectives into the design of facilities. We monitor and analyze integrity on an ongoing basis to optimize operations and maintenance strategies. Once equipment is in operation, we apply a reliability-focused approach to identify and eliminate defects at an early stage, predict and prevent failures, and undertake maintenance efforts as needed. If near misses or incidents occur, we investigate failures and performance degradation to identify the underlying causes and implement corrective actions.

[Read More](#)

[Asset integrity management](#)





# Incident management and emergency response

We actively prepare for a wide range of potential incidents that could disrupt business continuity or pose a threat to our employees, contractors, host communities and the environment. This includes unplanned or uncontrolled product releases, fires, severe weather and cybersecurity events. We have a tiered emergency response framework integrating activities from the executive to local level (see the [Health and Safety](#) section of our website for more information).

## Emergency response plans

Our emergency response programs are part of CIMS and are designed to ensure we can respond effectively in the event of any potential emergency. We maintain site-specific emergency response plans in compliance with applicable laws and regulations that outline relevant roles and responsibilities and provide step-by-step guidance for everyone participating in the incident response. Emergency response is overseen and supported by a corporate-level Crisis Management Support Team. We maintain protocols for communicating with external stakeholders on emergency and safety issues. For example, text message and emergency alert systems are managed at each liquefaction site to communicate with neighbors, first responders and other local stakeholders.

We undertake regular training and simulation exercises to test and improve our emergency response systems. In 2022, we undertook a cross-functional drill that brought together

Cheniere teams and external partners, including emergency responders, to simulate a pipeline incident that required a complete shutdown of operations in our pipelines and liquefaction facilities. In addition to testing on-the-ground emergency response at the pipeline, this drill tested internal and external communication and response systems across the organization, including HSE, operations, marketing and community engagement teams.

## Emergency response incident command

Cheniere follows the National Incident Management System (NIMS) Incident Command System (ICS), which is used by federal, state, tribal and local levels of government, as well as many private sector and nongovernmental organizations, for a broad spectrum of emergencies. Adopting the NIMS ICS makes it easier for Cheniere to partner with other relevant organizations and participate in unified training, exercises and emergency responses.

Cheniere’s Emergency Response and Crisis Management Framework establishes an emergency response, crisis management and business continuity management structure and a Crisis Management Support Team at the corporate level that can effectively respond to and manage emergency and crisis situations in a timely and efficient manner.

## Community safety

Keeping our local communities safe and informed is imperative. To this end, each site has a method for communicating with community members as needed. Proactive communication of operational activities and health or safety issues that could affect our communities is an important component of our robust stakeholder engagement program.

Community members and other stakeholders can communicate with us about emergencies and provide any other feedback through a range of channels, including email and toll-free phone numbers. We utilize text-based and other messaging systems for local residents to help them stay informed of relevant operations and activities.

### Read More

- [Emergency response approach](#)
- [Identification of safety risks](#)
- [Community safety](#)

**“Conducting joint drills between assets and our Corporate Crisis Management Support Team helps the organization be better prepared and able to respond in the event of a real emergency or humanitarian event that affects our people, plants or the communities where we work.”**

— SETH WASHINGTON, MANAGER, HEALTH, SAFETY AND ENVIRONMENT



# Team

Our people are our greatest asset and the driving force of our business.

We are committed to providing a best-in-class workplace that fosters productivity and inclusivity and empowers all employees to do their best work. We invest in core human capital priorities — attracting, engaging and developing diverse talent, and building an inclusive and equitable workplace — because they underpin our current and future success and ability to generate long-term value.

Our strength comes from the collective expertise of our diverse workforce and through our core values of teamwork, respect, accountability, integrity, nimble and safety (TRAINS). Advancing the diversity of our workforce and a culture of equity and inclusion are central to our human capital efforts; read more about these efforts on [p. 35](#).

Our employees help drive our success, build our reputation, establish our legacy and deliver on our commitments to our customers. They create and build the connections that power our operations and preserve our social license. We aim to retain the best talent and keep our employees engaged through fulfilling career opportunities, training and development resources, and a competitive compensation program.



## PROGRESS AND HIGHLIGHTS

Enhanced executive leadership engagement in talent and succession planning, recruiting pipelines and employee development programs in support of our total talent management strategy.

Applied industry best practices to our recruitment process so that hiring managers have access to a diverse and inclusive pool of qualified candidates.

Updated and communicated our DEI strategy on a quarterly basis to both our Executive DEI Sponsorship Council and our Board.

Advanced Individual Development Plans for employees to support career advancement and engagement and to build capability for future business needs.

Expanded our Campus Ambassador program at colleges and universities primarily to support our recruitment efforts. This includes our partnership with seven Historically Black Colleges and Universities (HBCUs) and Hispanic-Serving Institutions (HSIs).

Every year, we review our benefit offerings against the changing landscape in an effort to provide everything needed to attract and retain a productive workforce. For 2023, our focus is on family-forming benefits for all employees.



## Attracting, engaging and developing talent

Through fulfilling career opportunities, training, development and a competitive compensation program, we strive to attract, develop, retain and reward our employees across our global locations.

Our programs and policies are driven by team engagement and feedback. We use workforce analytics and historical employee trends to provide deeper insights and help us create models for behaviors, risks and future improvements in areas such as talent management and development, retention and competitive intelligence.

### Talent attraction

Our recruitment strategy is focused on attracting diverse and highly skilled talent. We offer competitive compensation and benefits, and work to develop a strong talent pipeline through a range of internship, apprenticeship and vocational programs.

From our recruiting team to our executive leadership, advancing DEI is an important focus of our recruitment activities. In 2022, we progressed our hiring practices with a focus on continuing to ensure our processes are inclusive and equitable. As part of these efforts, all hiring managers have completed trainings, including unconscious bias training.

Our Talent Pipeline Committee strives to apply a DEI lens to all steps of the recruitment process to help build diverse and qualified candidate pools for all open roles. For example, where applicable and based on roles and responsibilities, some of our job descriptions may reference experience as well as education levels and degrees. We are also seeking to expand certain interview panels to



boost representation of diverse employees, and we share our DEI goals with staffing agency partners. We post openings internally and externally to attract individuals with an expansive range of backgrounds, skills and experiences.

We continue to expand our diversity recruitment efforts within historically underrepresented groups through targeted partnerships with HBCUs, HSIs and professional organizations. We expanded our Campus Ambassador program, which helps us establish relationships with diverse student organizations, to 14 colleges and universities. We are also building relationships with DEI centers at local colleges and universities to help us deepen our relationships and attract the best talent.

See [p. 35](#) for more detail on our workforce DEI-focused efforts.

To build a pipeline of local talent, we invest in community-focused programs, from early-stage education to internships and apprenticeships. On an annual basis, we review workforce availability in the geographic areas where we operate to evaluate representation of the local workforce. We have provided internships for high school students and alumni from different schools in underserved communities in the Houston area every year since 2016 — just one example of how our outreach efforts support the communities where we work and live (see [p. 10](#) for more). These internships are conducted in partnership with Genesys Works, an organization focused on creating educational and career opportunities for youth from low-income families. Interns are paired with supervisors during the school year and gain access to mentors, leaders and various skill-building opportunities.

Our mentorship program in Port Arthur, Texas, helps high school and early college students from underrepresented groups develop workplace-relevant skills. We also offer merit- and needs-based scholarships for engineering students at Lamar University in Beaumont, Texas, to support increased skill development specific to our industry among local minority students.

In 2022, we continued our efforts to support early-talent pipeline development for our industry and local educational opportunities. This includes engaging with Literacy Now and increasing our community involvement with the Boys & Girls Clubs of America.

**“Industry partners like Cheniere really open up the floor to students not only to career opportunities, but to be able to get hands-on experience and make the classroom curriculum come full circle.”**

— KRISTA WARNELL, WHO JOINED THE CHENIERE CORPUS CHRISTI LIQUEFACTION TEAM AFTER COMPLETING THE DEL MAR COLLEGE APPRENTICESHIP PROGRAM

### Building connections to support collaboration and continuous improvement

In 2022, we implemented a range of programs designed for unique departmental or local needs to build collaboration across our organization. These included a peer-to-peer review program, communities of practice that bring together experts from across locations and levels of our company, and a “passports” program for young professionals to get firsthand experience at our different sites. These efforts build on our belief that breaking down silos and cross-pollinating ideas are key to continuous improvement and success.

Talent management

Our annual talent management process includes setting business goals, development plans, midyear reviews and year-end performance reviews to ensure timely formal and informal dialogues between employees and managers, to align career development and expectations and to enhance employee engagement. We also conduct annual talent reviews and succession planning sessions to anticipate and plan for future organizational talent needs. In 2022, we advanced Individual Development Plans for employees to support career advancement and engagement, and to build capability for future business needs.

Development and training

We offer a range of employee development programs, including core training offerings, leadership training programs and executive development plans, compliance and technical trainings, and funding for professional certifications and continuing education. We focus on organizational change management to support dynamic business needs and enable successful transitions as related to impacts on people and operations.

166,716 hours

of technical, employee development and compliance training in 2022

97 hours

average of annual training per employee<sup>31</sup>

31 This represents the total number of training hours divided by the total number of employee users registered to Cheniere’s internal training platform.

Engagement programs and tools

We manage and measure organizational health to gain insight into employees’ experiences, levels of workplace satisfaction, and feelings of engagement and inclusion within the company. Employees are encouraged to share ideas and concerns through multiple feedback channels, including engagement surveys, town halls and hotlines. Insights from these channels are used to develop both companywide and business-unit-level engagement plans and programs.

Our efforts to drive employee engagement and create a more inclusive culture include:

- **Providing networking, mentorship, volunteer and learning opportunities** through employee resource groups (ERGs) supported by the organization, including our newest military- and veteran-focused ERG (see [p. 36](#)).
- **Encouraging employees to share ideas and concerns** through multiple feedback channels including engagement surveys, town halls and hotlines that can be reached anonymously.
- **Empowering managers and employees to encourage diversity of thought** through informal meetings and events in order to engage with their teams and gather feedback on our culture to share with senior leadership.

Respecting human rights in the workplace

Cheniere is committed to conducting business in a manner that respects human rights. We prohibit the use of forced labor in our operations, in compliance with applicable laws. Our policies forbid the use of child labor, and we comply with the employment age requirements set forth in the laws applicable to our operations. We require the review of applicable documentation for new employees to confirm they are of legal working age.

In 2022, no incidents of child labor were identified in our workforce. Risks of child labor are relatively low in our own operations because they are located primarily in the U.S., where strong oversight and protections are in place. We apply due diligence and rigorous monitoring processes to mitigate these risks in our supply chain (see [p. 45-46](#)).







# Diversity, equity & inclusion

Our DEI vision is fundamental to our overall strategy and deeply ingrained in our company values.

We take a holistic approach to inclusion, drawing on the power of connection to maximize our combined strength and drive success. We believe that a diverse range of backgrounds, experiences and ideas helps support an empowered, inclusive and innovation-driven culture, making us stronger and more effective as a company.

We seek to foster an equitable environment, where all stakeholders know that their differences are respected, welcomed and valued. We actively embed DEI best practices across all segments of our business and embrace and support the diversity of our communities and customers.



## PROGRESS AND HIGHLIGHTS

Increased racial or ethnic diversity of Board to 22%, continuing our efforts to advance diverse representation at all levels of our organization.

Increased the diversity of our overall employee base through our 2022 new hires, approximately 33% of whom identified as women and approximately 56% of whom identified as racially or ethnically diverse.

Employed 53 students through our summer internship program, approximately 49% of whom identified as women and approximately 47% of whom identified as racially or ethnically diverse.

Invested \$1 million in DEI-focused community programs that serve traditionally under-represented populations.

Expanded our Thurgood Marshall College Fund scholarship program in partnership with four Historically Black Colleges and Universities (HBCUs) to support 25 students.

Introduced a supplier diversity program with objectives and focus areas to expand business opportunities with minority- and woman-owned enterprises.

Implemented “Values in Action” to foster and embed DEI through actions and behaviors that align with Cheniere’s core teamwork, respect, accountability, integrity, nimble and safety (TRAINS) values.

Increased our racially or ethnically diverse employees by 26% and our racially or ethnically diverse management by 42% since 2018.



DEI governance

We are committed to treating our employees fairly, equally and without prejudice, irrespective of gender, race, ethnicity, age, disability, sexual orientation or any other legally protected characteristics. This is core to the Cheniere culture and aligns with our TRAINS values, and it is formalized in our Equal Employment Opportunity Policy and Discrimination and Harassment Policy.



Our senior leadership is involved with and supports our global DEI efforts. Our Chief Compliance and Ethics Officer leads these efforts and reports quarterly to our Board of Directors. Our executive-level DEI Sponsorship Council meets regularly to review plans, discuss data and analytics, provide guidance and drive top-down accountability. Going forward, the council will formalize a DEI governance structure, including forming a DEI Steering Committee and implementing programs to help drive awareness and foster open discussion across the organization.

Building a diverse and inclusive workplace

In 2021, following an extensive analysis to better understand the state of our DEI policies, practices and culture, we partnered with third-party experts to develop a DEI roadmap. Based on this roadmap, we are further advancing DEI in our culture and business processes across the organization through workstreams focused on training, communication and engagement; talent attraction, development and retention; leadership; supply chain management; and community investment.

In 2022, we began to realize our holistic vision through the pillars of people, processes and metrics, with a focus on impacting actions and behaviors and delivering measurable outcomes. Moving forward, we will continue building ways to measure the success of our DEI efforts and to drive toward continuous improvement. As we continue to advance on this journey, we are intentionally creating an inclusive environment by building awareness and driving organizational

change through comprehensive employee engagement and two-way communication. In 2022, we implemented DEI roadshows and town hall meetings, informal site supervisor meetings and conversations with leaders across the organization.

We also carried out a “Values in Action” program, through which employees worked to translate DEI principles into actions by connecting our TRAINS company values with their implications for DEI in the workplace. This program builds on the guidance we developed in 2021 to clearly articulate how employees can translate Cheniere’s core values into action in support of our DEI vision. It is helping us ensure we “walk the talk” on DEI in our day-to-day work across the organization.

Additionally, we are working with our leaders at international locations, including London and Singapore, to better understand and respond to their unique DEI challenges and opportunities.

Cheniere’s DEI strategy key focus areas

DEI permeates all functions and levels of Cheniere. Our DEI strategy focuses on the following elements as we work to celebrate and foster DEI throughout the company.



**Leadership and executive/organizational engagement**



**Talent acquisition**



**Learning, development, awareness and training**



**Community/ external outreach**



**Strategic partnerships**



**Metrics**



DEI awareness and training

Each year, all Cheniere employees are required to complete training on recognizing and preventing discrimination and harassment. In addition, we include DEI questions on employee surveys to help improve our performance by understanding challenges and opportunities.

In 2022, we expanded inclusive leadership training to leaders at all levels and developed additional DEI training and inclusive team-building tools for all employees, including but not limited to implementation of unconscious bias training for all hiring managers and senior executives. In addition, all vice presidents complete quarterly check-ins with their respective Human Resources Business Partner to track and enhance programs and priorities.

Employee engagement

Employee resource groups (ERGs) are a key conduit in helping to fully reflect and incorporate the diverse backgrounds, perspectives and locations of our employees and communities into our efforts. Additionally, these groups enable our employees to engage through volunteerism and provide a safe space to respectfully discuss complex issues. ERGs are designed to build professional competency and create social networks for employees, while also providing forums for connection among employees with similar backgrounds/identities.

Our ERGs include:

- **Women Inspiring and Leading Success (WILS)**, which is affiliated with Lean In Energy, the Women’s Energy Network and ALLY (formerly Pink Petro). WILS organizes internal networking, workshops and forums focused on leadership and skills development to support professional growth, and participates in external networking and capacity-building programs to support broader industry initiatives. In February 2023, WILS spearheaded Cheniere’s first-ever involvement in the annual Women in Leadership Conference organized by Rice University’s MBA program.
- **Emerging Professionals Network (EPN)**, which connects people across teams and Cheniere locations, enhancing business efficiency by promoting teamwork and providing professional growth and development opportunities. EPN hosts regular events open to all employees interested in expanding their networks, learning more about departments across Cheniere and participating in mentorship and other volunteer opportunities.
- **Cultural Champions** are diverse employee-led action teams committed to raising awareness about cultural issues at sites across the company and supporting the integration of TRAINS values through collaboration, inclusion and continuous improvement.

- **Military & Veteran Network** launched in 2022 to support active military members, veterans, their families and allies.

We continue to evaluate and expand our ERGs based on an inclusive and comprehensive dialogue with all our employees. As we continue to address the needs of our employees, we have a solid framework to support additional ERGs as necessary. In January 2023, we held a two-day DEI Summit that brought together ERG leaders and members to build connections, discuss challenges and propose solutions. Focused on the theme of “alignment,” the goal of the summit was sharing best practices and lessons learned to maximize the ERG community’s collective impact.

Supporting equity in pay and benefits

We are committed to providing fair and equitable employee treatment, including compensation and benefits. We offer competitive compensation in line with industry benchmarks, and we do not permit gender discrimination or inequity based on any legally protected basis, as outlined in our Equal Employment Opportunity and Discrimination and Harassment Policies. We also focus on maintaining equity in our benefits packages. For example, we offer equal health benefits for same- and different-sex spouses, in accordance with applicable law. We also provide transgender-inclusive insurance coverage.

Workforce diversity

We track employee demographic data, including gender, race and ethnicity, and publish our [U.S. Equal Employment Opportunity Commission EEO-1 Report](#)<sup>32</sup> and our [Hiring Demographics](#) to enhance transparency. Over the past seven years, we have consistently increased the percentage of racially or ethnically diverse individuals in management, as well as the percentage of racially or ethnically diverse individuals in our workforce overall.<sup>33</sup> Continuing to increase the diversity of our workforce is an important focus of our DEI strategy.

Injury Free in 2023

We strive to create an environment that welcomes and embraces diverse points of view and where all employees feel comfortable speaking up and show respect to their peers. We implemented Injury Free in 2023 as part of our holistic approach to workplace safety and DEI, which includes prioritizing psychological as well as personal safety and health. We believe that psychological health and safety are cornerstones of a safe workplace and a culture of engagement, inclusion and belonging. Key elements of this initiative include helping employees to set aside personal biases and use active listening, creating safe spaces to respectfully share diverse perspectives.

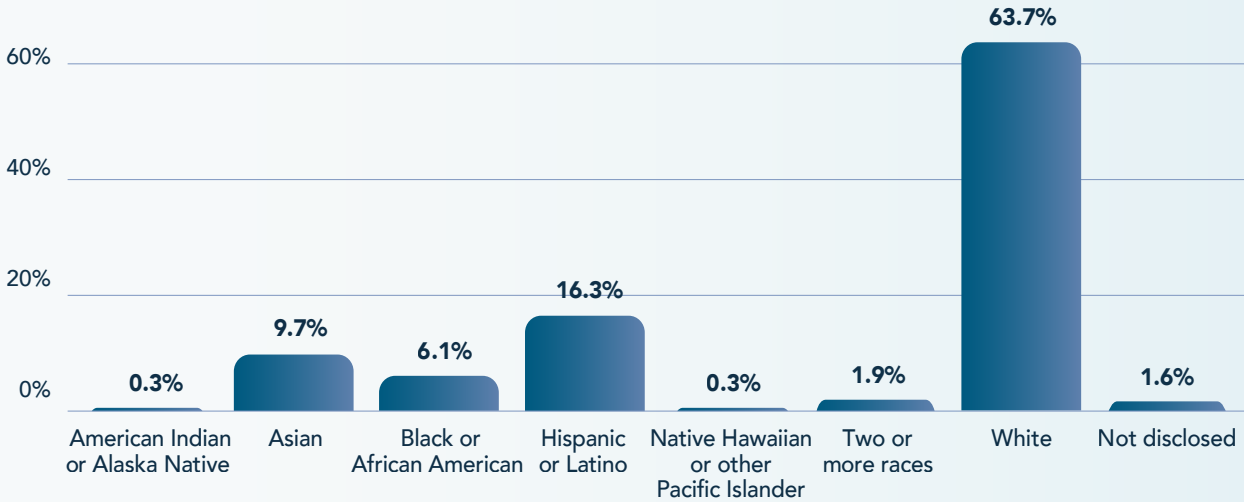
32 EEO-1 data for 2021.

33 International Privacy concerns prevent Cheniere from requiring racial/ethnicity disclosure for international employees. However, they may voluntarily self-disclose this data; otherwise, racial/ethnic diversity data for international employees is captured as undisclosed. Gender and Age diversity data is global. Data for 2021-2022 excludes interns (interns were included in 2018-2020 reporting).

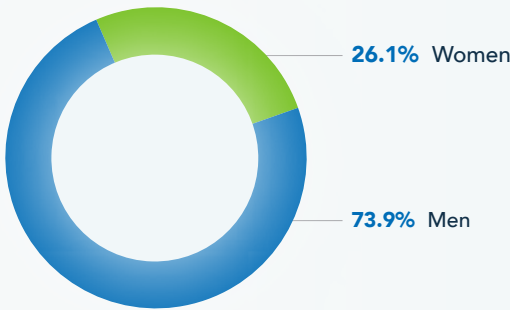
We define management to include both executive and nonexecutive management. Executive and nonexecutive managers are defined as managers, directors, senior managers, senior directors, vice presidents, senior vice presidents and chief executives. Supervisors are not included.

2022 PROGRESS — WORKFORCE DIVERSITY<sup>i</sup>

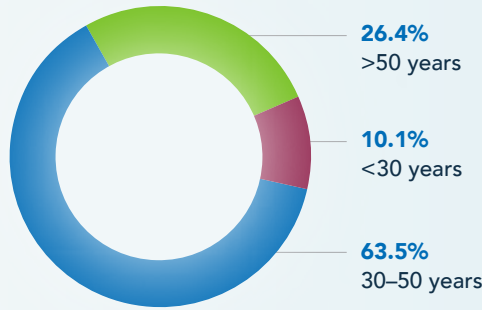
Racial or Ethnic Diversity



Gender Diversity



Age Diversity



<sup>i</sup> International Privacy concerns prevent Cheniere from requiring racial/ethnicity disclosure for international employees. However, they may voluntarily self-disclose this data; otherwise, racial/ethnic diversity data for international employees is captured as undisclosed. Gender and Age diversity data is global. Data for 2021-2022 excludes interns (interns were included in 2018-2020 reporting).

Building a diverse talent pipeline through HBCU partnerships

Since 2021, Cheniere has partnered with the Thurgood Marshall College Fund to support a scholarship program for students at four HBCUs: Texas Southern University, Howard University, Southern University and Prairie View A&M University. This includes a commitment of \$500,000 over a three-year period. Our EPN works with scholarship recipients who opt for mentoring to expand awareness and interest in our industry. Recipients may apply for paid summer internships at Cheniere.

In 2022, Cheniere was the first corporate sponsor of the Texas Southern University and Prairie View A&M University Labor Day Classic, an annual football showdown of HBCU rivals. A group of 35 employee volunteers spanning 11 departments helped spread the word about our internship and scholarship opportunities along with Thurgood Marshall College Fund scholarship recipients and family members. The partnership also included on-air sponsorship of the game, prerecorded radio interviews and stadium branding.

Read More

[Read more about our DEI-focused recruiting efforts on p. 35](#)

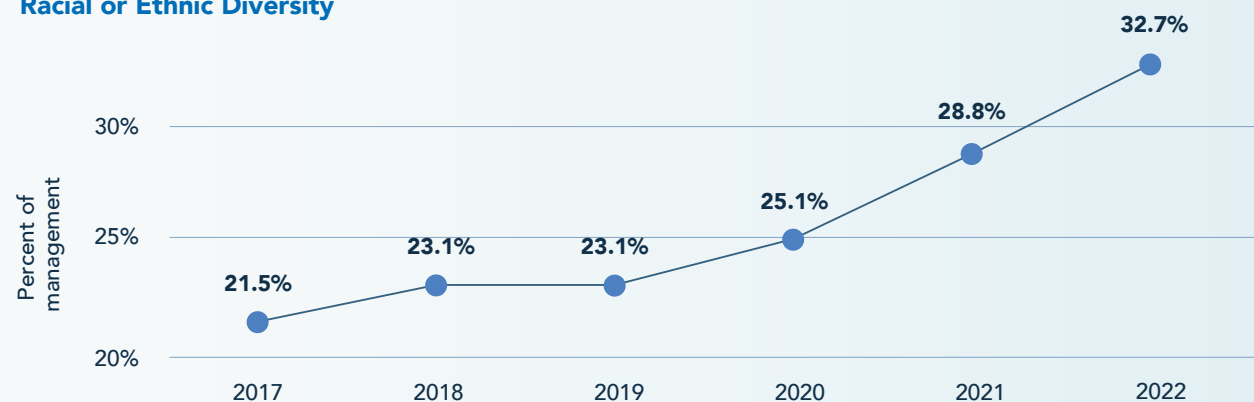
**"I'm currently a geopolitical science major and international affairs minor at Howard University. This year, I'm one of the recipients of the Thurgood Marshall College Fund's Cheniere Energy Scholarship. Cheniere's investment in my education means everything. With this scholarship, Cheniere has brought me so many steps closer to not only being able to graduate debt-free, but to continue my professional development in public service and entrepreneurship."**

— MICAH DIXON

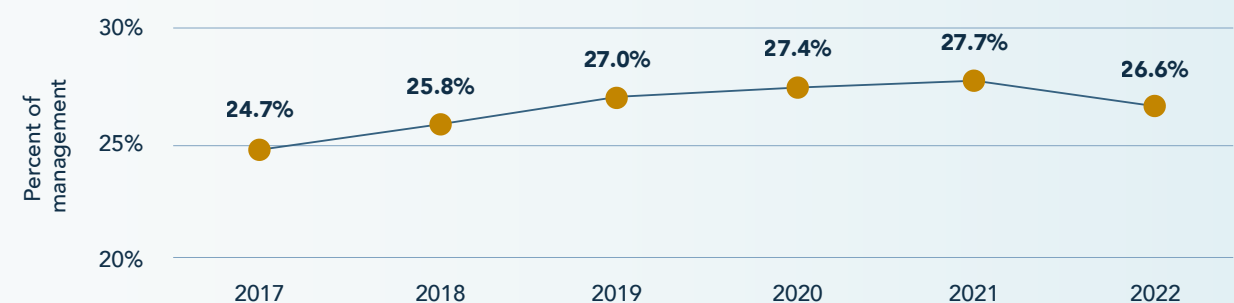


## MANAGEMENT DIVERSITY<sup>i</sup>

### Racial or Ethnic Diversity



### Women in Management<sup>ii</sup>



<sup>i</sup> International Privacy concerns prevent Cheniere from requiring racial/ethnicity disclosure for international employees. However, they may voluntarily self-disclose this data; otherwise, racial/ethnic diversity data for international employees is captured as undisclosed. Gender and Age diversity data is global. Data for 2021-2022 excludes interns (interns were included in 2017-2020 reporting).

<sup>ii</sup> We define management to include both executive and nonexecutive management. Executive and nonexecutive managers are defined as managers, directors, senior managers, senior directors, vice presidents, senior vice presidents and chief executives. Supervisors are not included.

## DEI-focused community investments

We view DEI as more than an internally focused effort, and we are taking steps to support DEI in the communities where we live and work.

In 2022, Cheniere met its DEI contribution goal of \$1 million, increasing our DEI-focused giving by \$600,000 compared to 2021. These investments included college scholarship programs for historically underrepresented groups, as well as mentorship; science, technology, engineering and mathematics (STEM) education; and other enrichment programs for youth in diverse communities. We worked with a range of community partners to maximize the benefits of our contributions, including the Thurgood Marshall College Fund, Habitat for Humanity, Port Arthur Education Foundation, Lamar University, DC Greens, Mission of Mercy healthcare clinics, the YWCA and other local community development organizations.

### A framework for DEI investments

In 2022, we continued to expand investments aligned with a DEI-focused charitable giving framework, called Cheniere DEcision, which helps us strategically allocate contributions to projects and organizations that will advance DEI in local communities. The rubric helps us assess the DEI benefits of potential investments based on a range of criteria, including whether the organizations and projects will directly benefit historically underserved groups; if projects will invest in efforts to advance systemic change and address root causes of social, economic and racial or ethnic inequities; and if external stakeholders who will benefit from the investment participate in project development.



## Supplier diversity

In 2022, we enhanced our efforts to identify competitive diverse and local suppliers. We finalized supplier-diversity-focused partnerships with the Women's Business Enterprise National Council and the National Minority Supplier Development Council. In addition, we formed a cross-functional working

group including leaders of our DEI program, ERGs and leaders at our Sabine Pass and Corpus Christi facilities to support these efforts. In 2023, this team will focus on building alignment across functions and locations and supporting education and increased awareness of supplier diversity.



# Governance

Robust corporate governance and a strong commitment to the highest ethical standards are essential to the success of our organization. These practices and principles lay the foundation for our operations and the relationships that support our mission.

Our governance and ethical frameworks are underpinned by our corporate values of Teamwork, Respect, Accountability, Integrity, Nimble and Safety (TRAINS). This section focuses on our approach to corporate governance, business ethics and compliance, human rights, political engagement and responsible supply chain management.

We discuss our overall approach to managing corporate responsibility topics on [p. 6](#) and our governance approach in the context of climate-related risks and opportunities on [p. 16](#).



## PROGRESS AND HIGHLIGHTS

Continued to expand Board member diversity; as of December 2022, 44% are women or represent a racially or ethnically diverse group.

Expanded the weight of environmental, social and governance (ESG) metrics in executive and employee annual performance scorecard to 30% in 2022.

Implemented a corporate responsibility charter and procedures governing our sustainability programs.

Expanded integration of the Cheniere Integrated Management System (CIMS) by publishing standards, procedures and guidelines across functional areas on an easily accessible intranet system and establishing Communities of Practice to support sharing of best practices and lessons learned across our operations.

Updated and made public our [Supplier Code of Conduct](#).

Implemented enhanced awareness training on modern slavery for targeted employees who may have exposure to related risks in connection with our business activities.



# Corporate governance

We believe that applying a strong corporate governance framework, including oversight from an experienced Board of Directors, is critical to our overall success and to maintaining the trust of our shareholders and other stakeholders. Our Board is actively engaged in overseeing our ESG focus areas and performance (see [p. 6](#)). It receives regular updates on ESG-related issues such as environmental management, human capital, safety, community, governance and Cheniere’s broader sustainability performance. It also receives updates on climate-

related risks and opportunities, including the ongoing regulatory focus on climate change. All executives and employees have the responsibility of implementing our ESG efforts. To further embed this responsibility, we updated our annual performance scorecard to include ESG-related metrics that account for 30% of the total scorecard value for all employees in 2022. These ESG metrics are based on advancing our climate and DEI initiatives as well as safety performance.

## Board oversight

Cheniere’s Board of Directors provides oversight and advice to Cheniere’s management team, including on climate, sustainability and other ESG matters. Although the full Board is actively engaged on these issues, the Governance and Nominating Committee has the formal responsibility for reviewing strategy, performance and progress in these areas. We maintain an independent nonexecutive Chairman of the Board and three Board committees of independent directors: the Audit Committee, Compensation Committee and Governance and Nominating Committee. See our website for more information on our Board committees.

## Board diversity

We believe that a diverse Board enables us to better address new and familiar challenges by providing varied points of view. Our Board member selection criteria help to ensure that the Board and the company benefit from a diverse group of directors, including diversity of experiences, expertise, backgrounds and demographics. As of Dec. 31, 2022, three of our nine directors, or 33%, were women and two, or 22%, represented a racially or ethnically diverse group.

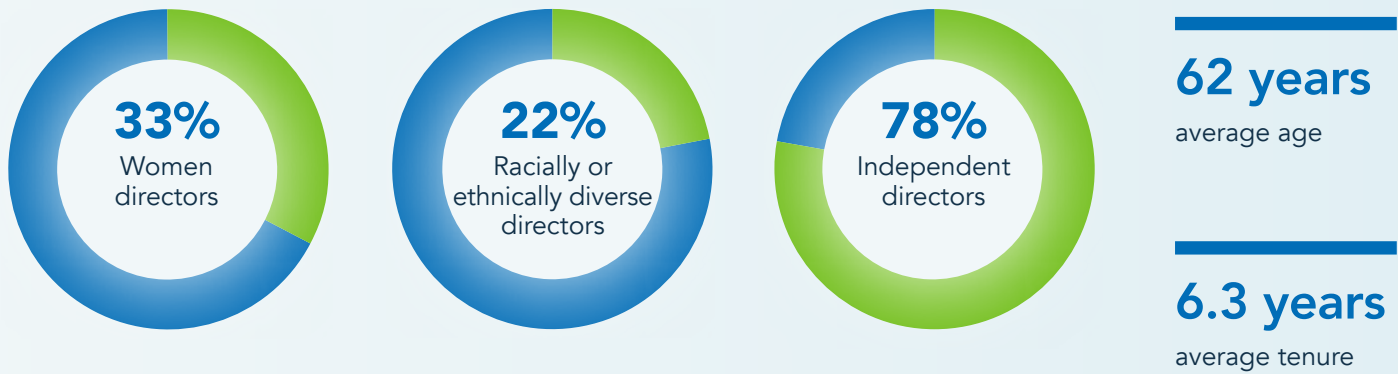
### BOARD EXPERIENCE

Summary of the core competencies of our nine directors as of December 31, 2022



### BOARD DIVERSITY

Data as of Dec. 31, 2022



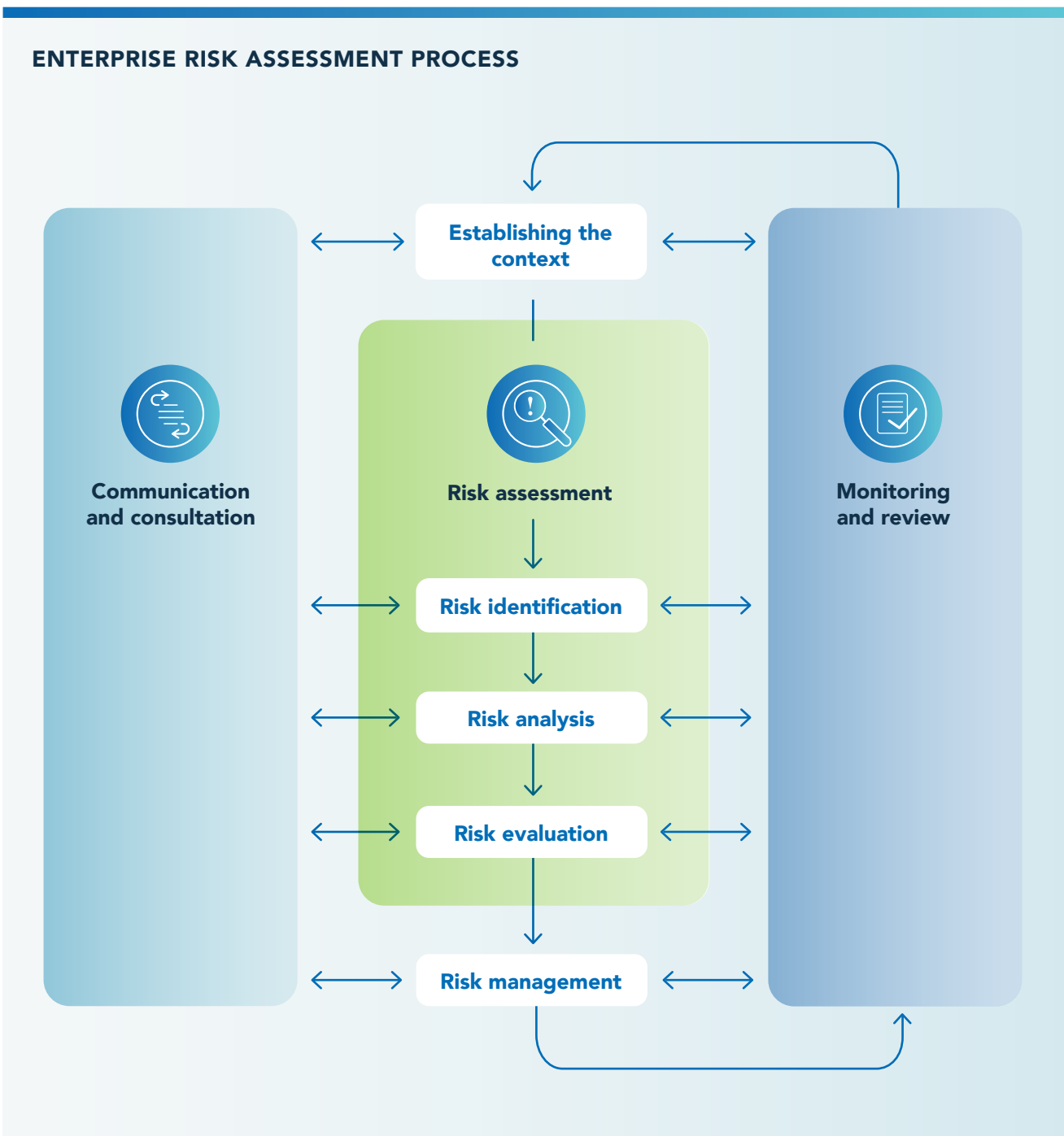
Enterprise risk assessment

Cheniere’s enterprise risk assessment (ERA) process is rooted in our belief that protecting the safety and security of our employees, communities and the environment, as well as of company assets, our reputation and shareholder value, are of paramount importance for the company’s future growth and long-term sustainability. Our ERA process includes identifying and prioritizing risks across our organization, developing avoidance and mitigation actions, and establishing accountability for managing risks by assigning specific oversight responsibilities and timelines. We prioritize eliminating risks whenever possible, followed by mitigating unavoidable risks.

We follow a structured approach to identify, assess, control, monitor and review, document and communicate risks across our organization. Communicating and consulting with stakeholders is a central part of the process to help ensure varied perspectives are included. Partners, suppliers and contractors are encouraged to adopt the requirements of our risk assessment procedure.

Our ERA procedure considers the entire life cycle of our activities and focuses on identifying short- and medium-term risks within a five-year time horizon. We analyze risks based on their potential financial or reputational impact on the organization. All departments undertake business-level risk assessments and escalate higher-order risks to our ERA process. We consider the cumulative impact of risks across the organization.

We undertake our ERA process annually, with a midyear check-in to determine if there have been any significant changes in the risks identified, potential impacts or mitigating measures. These processes are overseen by our Chief Risk Officer and reviewed by the Board of Directors.





# Business ethics and compliance

Compliance with applicable laws and regulations and applying the highest ethical standards underpin all that we do. We regularly evaluate and update our Compliance and Ethics policies so that we are adequately addressing risks and providing appropriate guidance for our employees and business partners. We also monitor and audit compliance with our Code of Business Conduct and Ethics (Code of Conduct) and other policies and processes following a risk-based approach for identifying audit risks. In 2022, we completed a biennial legal and compliance risk assessment. As part of this process, we reassess legal, ethical and compliance-related risks and the effectiveness of our risk management processes across the organization. The results of this assessment feed into our overall enterprise risk assessment process (see [p. 41](#)). We survey a cross-functional audience from across the company as part of this assessment to include multiple viewpoints and build on cross-departmental synergies.

## Code of Conduct and anti-corruption

The Code of Conduct and Anti-Corruption and Economic Sanctions Policy outline our standards with respect to ethical behavior, accurate reporting, compliance with applicable laws and regulations, reporting of violations and accountability. We follow a robust anti-corruption due diligence process and closely monitor compliance with the process, which is independently audited on a regular basis. Our Chief Compliance and Ethics Officer and other senior management representatives review our Code of Conduct annually, and any changes must be reviewed and approved by the Board.

Our TRAINS values are incorporated into our Code of Conduct and performance review process to encourage every employee to integrate these values into their daily work.


We require all employees to participate in Code of Conduct and anti-corruption training annually and link a portion of their compensation, through performance goals, to completing this training. In 2022, 100% of eligible employees completed ethics and compliance training and acknowledged our Code of Conduct.

Over the past year, we expanded internal resources dedicated to ethics and compliance training and further enhanced our approach. For example, we focused on providing training when it will be most relevant, based on employee activities, and provided additional on-site and online training options. We regularly update training topics based on our ongoing assessment of risks and types of employee questions. In 2022, we facilitated enhanced training on cybersecurity, modern slavery and conflicts of interest. To underscore the importance of ethical conduct, in 2022 we also hosted an Ethics and Compliance awareness week with a range of awareness-raising and training activities.

Also in 2022, we updated and made public our Supplier Code of Conduct, including requirements on ethics and anti-corruption, to help drive our commitment to ethical conduct throughout our supply chain.

Employees, suppliers, customers and other third parties can confidentially report concerns or ask questions through our dedicated [hotline](#) in their native or preferred language, with the option to remain anonymous. We explicitly prohibit any form of retaliation against employees who make good-faith complaints, report a violation of the Code of Conduct or report other illegal activities and/or ethical breaches. Any such retaliation will result in disciplinary action, up to and including termination. Our Compliance and Ethics team undertakes independent investigations, develops corrective actions where relevant and protects individuals from potential retaliation. The Chief Compliance and Ethics Officer apprises the Audit Committee of the Board of Directors of these investigations — including but not limited to hotline reports — on a quarterly basis.

### Read More

 [Board oversight and executive management of business ethics](#)

**“To me, integrity means always acting in accordance with my values and Cheniere’s values. It means going further by intervening where others do not. Integrity and accountability are strongly interlinked.”**

— SOPHIE NICOL, DIRECTOR, COMPLIANCE

Respecting human rights

We respect the universally recognized human rights of all people, including our personnel, our suppliers and individuals in communities in which we operate. We work to identify and prevent potential adverse human rights impacts in our operations and we are committed to remediating impacts should they occur. To bolster these efforts, in 2022, we developed and facilitated awareness training for key employees who are best placed to monitor potential exposure to human-rights-related risks in connection with their functional roles.

The table on the right outlines the highlights of our approach to addressing human rights, labor standards and environmental justice (EJ) issues that are potentially relevant to our operations and value chain. See the Communities (p. 12), Team (p. 33) and Supply Chain (p. 45) (sub) sections for more details.

- Read More
- [Community grievance mechanisms](#)
  - [Managing EJ issues](#)
  - [Supply chain](#)
  - [Supplier Code of Conduct](#)

Cheniere’s approach to human rights

Process	Objectives	2022 Activities
Risk management and due diligence	Identify and mitigate potential human-rights-related risks in our operations and supply chain, including ongoing review of compliance and effectiveness.	<p>Formalized a Social Performance Framework, which includes human-rights-related elements relevant to the locations of our operations.</p> <p>Successfully completed Equator Principles’ screening process for the Corpus Christi expansion, which includes expanded requirements for human rights due diligence.</p> <p>Completed a regular biennial review of compliance with internal and external standards and requirements including human rights.</p>
Community and stakeholder engagement	Identify potentially impacted stakeholders and develop ongoing two-way communication to understand and respond to their needs and concerns through our operations and community engagement.	<p>Based on community engagement and feedback, worked with local governments and community groups to rebuild recreational boating infrastructure in southeast Texas.</p> <p>Expanded our stakeholder engagement process to explicitly include the identification of disadvantaged communities and EJ considerations.</p> <p>Based on community engagement and feedback, expanded operations of local air quality monitor to include capability for quarterly side-by-side measurements with air monitors in the region operated by other organizations.</p>
Grievance mechanisms	Provide formal mechanisms for communities and all stakeholders to communicate concerns, including a structured review and follow-up process aligned with international best practices.	A formal grievance mechanism, or stakeholder feedback mechanism, is one element of our community feedback strategy. In 2022, feedback included topics such as flaring, noise, vehicle traffic, marine traffic and related impacts to waterways, air quality and dust.
Training	Support employees in understanding protecting human-rights-related considerations to the extent applicable to their role.	Conducted training for key personnel on modern slavery.



# Political engagement

We seek to align our political engagement efforts with our mission to provide clean, secure and affordable energy to the world. We engage in a nonpartisan way, focusing our efforts on safety and environmental responsibility within the energy industry. These efforts include participating in industry associations, lobbying and contributing through the Cheniere Energy, Inc. Political Action Committee (Cheniere PAC) or directly as permitted by law.<sup>34</sup> We expect employees to conduct all political engagement activities in compliance with applicable state and federal laws, as well as company policies. As part of our annual compliance training, employees are required to review our Code of Conduct, which outlines our expectations on political contributions and activities. In 2022, 100% of eligible employees completed this training.

## Engagement and lobbying on ESG topics

We believe that natural gas has a crucial role to play for a just and nondisruptive transition to a low-carbon economy. We actively engage in the state and federal rulemaking process to advocate for sound environmental regulation that makes our industry safer, reduces our environmental impact and creates a level playing field for all operators (domestic and international). In 2022, we proactively engaged with the federal government to support strengthening methane regulations.

## Trade associations and memberships

We engage with industry, trade and business associations to help advance our views on key industry issues. As a first mover in large-scale LNG operations in the U.S., we are able to share our experience on improving the safety and environmental performance of LNG through active trade association engagement. We contribute insight and recommendations on a range of issues including climate, energy security and economics. For a list of our industry associations, see [Cheniere Energy Memberships and Trade Associations](#).

**“Cheniere Energy has brought a wealth of opportunity not only to Cameron Parish but to the greater southwest Louisiana region with their variety of meaningful initiatives that support our local communities. From their partnerships with our educational institutions to their engagement and volunteerism with our local environmental groups that work to restore our coast, Cheniere sets the standard on listening and responding to the needs of our residents to ensure our region will prosper and thrive for years to come.”**

— RYAN BOURRIAQUE, LOUISIANA STATE REPRESENTATIVE

**“As the mayor of Portland, Texas, I commend Cheniere’s Corpus Christi Liquefaction for their notable communication with our citizens. They have set a commendable standard for engaging with our community and ensuring that our residents are well-informed about their operations and any potential impacts. Through town hall meetings, open forums and transparent dialogue, Corpus Christi Liquefaction has consistently demonstrated their commitment to listening to the concerns of our citizens and addressing them in a timely manner. Their proactive approach to communication has fostered trust and cooperation, enabling us to work together towards a prosperous future. We appreciate Corpus Christi Liquefaction’s dedication to keeping the lines of communication open and ensuring that the voices of our citizens are heard.”**

— CATHY SKUROW, MAYOR, PORTLAND, TEXAS

<sup>34</sup> Data on our political contributions can be accessed at the Federal Lobbying Database and the Texas and Louisiana state databases.

Supply chain

Our goal is to develop an agile, resilient and fit-for-growth supply chain that delivers consistent and reliable solutions enabled by an engaged and capable workforce. Our contractors and suppliers are critical partners in our commitment to operate responsibly and meet our corporate performance goals. They also play an essential role in ongoing operations and asset upgrades by providing a range of on- and off-site services including equipment repairs and maintenance, engineering support, construction, fabrication, inspections, testing and logistics. We focus on ongoing engagement with stakeholders, building collaborative relationships that support business value and drive success.

We believe that working with contractors and suppliers who comply with and support our safety, environmental, human rights and other industry standards is critical to the overall success of our business. Adherence to our requirements on safety, health and environmental management and performance are essential to our supplier selection process, as is compliance with applicable laws and requirements pertaining to fair labor and human-rights-related standards.

We undertake comprehensive contractor and supplier prehire screening and monitor compliance on an ongoing basis. This includes screening and monitoring safety, environmental, anti-corruption and fair labor practices and performance. Similarly, we work to ensure our suppliers of goods and services and our partners across the supply chain, including shipping counterparties, uphold our ethics and performance expectations. We also engage with our supply chain partners to improve environmental performance and transparency on GHG emissions and other topics (see [p. 17-18](#)).

Value creation through transformation

Working collaboratively with a service contractor, Cheniere established a long-term supply contract that allowed the supplier to support the funding of their manufacturing facility closer to the Sabine and Corpus Christi LNG facilities. This resulted in lower service costs for Cheniere and more value for our supplier by securing sales revenue to underpin their investment operating costs.

Applying our standards to contractors and suppliers

We apply robust quality assurance procedures to assess, monitor and enforce stringent compliance standards for our suppliers and commercial counterparts. We continue to enhance our supplier management systems to support more effective supplier sourcing, screening and prequalification processes; ongoing supplier monitoring; compliance tracking and reporting; and annual supplier evaluations.

Compulsory supplier prescreening and ongoing compliance monitoring criteria may include safety and environmental management and performance, drug and alcohol screening, anti-bribery and corruption compliance, mitigation of data protection and privacy risks, and security background checks. Our prescreening and ongoing monitoring criteria include a range of topics and standards that are key drivers of safe and responsible operations. These include assessments of suppliers’ programs for incident reporting and investigation, behavior-based safety and stop-work authority, short-service employees and management of subcontractors. In 2022, we implemented an automated system to support ongoing verification of suppliers’ compliance with our HSE and other requirements and expectations.

We also further enhanced our risk-based approach pertaining to supplier insurance requirements.

All of our suppliers undergo prescreening that includes environmental and social criteria; we follow a prequalification process to establish our expectations for compliance with applicable labor and HSE laws and standards, including human-rights-related standards.

To help ensure ongoing compliance with our standards for environmental safety, labor rights and other key performance criteria, after suppliers and contractors have been onboarded, we continue to perform comprehensive due diligence processes to identify and monitor potential supply disruption; applicable regulatory, trade and sanctions requirements; and ethics and compliance risks, including individual worker compliance with safety training and other requirements. We host an annual supplier meeting to reconfirm expectations and requirements and collaborate with our suppliers on continuous improvement.

Suppliers are required to review and confirm that they understand and agree to comply with our Supplier Code of Conduct, which addresses a range of ethical and responsible business practices, such as health and safety, environmental and regulatory compliance, and business integrity,

Supply chain management approach



Deliver on financial guidance  
Security of supply



Lead with organic growth  
Value creation through transformation



Advance on actionable climate initiatives  
ESG in the supply chain

100% of Cheniere’s active suppliers and contractors who provide equipment, materials and services utilized to construct, maintain and run our LNG facilities, pipelines and corporate functions acknowledged our Supplier Code of Conduct, or submitted an equivalent standard that we accepted on behalf of our own.<sup>35</sup>

35 Calculated as of 2016 when the Supplier Code of Conduct was adopted. Cheniere’s gas suppliers are not included in this calculation.



including a focus on social responsibility and human rights. Under the Supplier Code of Conduct, suppliers are expected to comply with the environmental rules, regulations and standards applicable to their operations and follow environmentally conscious practices in all locations where they operate. In 2022, we revised our supplier requirements and made public our

Supplier Code of Conduct. We also strive to ensure that HSE requirements applicable to the scale and scope of activities are included in our supplier contract requirements, including requirements for safety programs and training, environmental processes and procedures, and regulatory compliance. Our corporate HSE Policy also applies to contractors and suppliers.

### Respecting human rights and labor rights in our supply chain

Our Supplier Code of Conduct sets out our commitment to respecting internationally recognized human rights in our operations. We strive to work with suppliers who respect human rights standards, including those related to fair

wages and anti-discrimination. Cheniere aims not to purchase from, or work with, suppliers who use forced labor and child labor or who permit their suppliers to do so.

### Addressing modern slavery risks

We maintain robust processes and procedures to identify and mitigate modern slavery and human-trafficking-related risks. In particular, we conduct an annual review of our business operations and supply chain that could be susceptible to increased risks of modern slavery and human trafficking. This includes the shipping industry, which has been identified as vulnerable to challenges relating to health, safety, ethics, human rights and labor rights. As outlined in our annual [U.K. Modern Slavery Act Statement](#), we have implemented a range of programs to identify and mitigate these risks. This includes our in-house marine assurance program, through which we undertake assessments of LNG carriers that we charter or that call at our facilities for compliance with the International Labour

Organization's Maritime Labour Convention. The convention establishes minimum international standards for seafarers' rights and working conditions including, but not limited to, wages, repatriation, employment contracts and accommodation. During 2022, we implemented enhanced awareness training on modern slavery for employees who could encounter those risks within the scope of their duties.

#### Read More

- [Supplier prescreening and due diligence](#)
- [Supplier Code of Conduct](#)
- [Efforts to support our prohibition of child labor](#)
- [U.K. Modern Slavery Act Statement](#)

## Managing cybersecurity

We recognize that cyberattacks represent a potentially significant risk to our company and industry.

Cybersecurity is overseen by Cheniere's Vice President and Chief Information Officer, who manages the technology security team. This team is responsible for maintaining our technology defense posture and program, educating and informing Cheniere's users about information security risks and how best to avoid them, and developing end-to-end incident response and recovery plans throughout the company. The Board is updated quarterly on the progress made against the cybersecurity road map, our current defense posture and assessments, cybersecurity issues or events, and pertinent industry events related to cybersecurity.

Cheniere's Information Technology Security Policy follows an "identify, assess and mitigate" approach to cybersecurity, in alignment with the National Institute of Standards and Technology's Cybersecurity Framework and principles.

Through participation with various industry organizations, our staff helps shape cybersecurity guidance and regulation. Our people, processes and technology are continually assessed by industry experts and adjustments made to the overall program to adapt to the ever-evolving cyber and geopolitical landscapes. We also address business continuity to ensure critical systems are available to support operations in the instance of a disruptive event.

We conduct regular internal audits, cross-functional risk mitigation exercises and risk strategy sessions to assess cybersecurity risks, applicable regulatory requirements and industry standards. To support these efforts, we contract with third parties to perform facility and system penetration tests, compromise assessments and security maturity assessments of both our corporate and operational networks. Cheniere also maintains a comprehensive cybersecurity training program to proactively help our personnel identify and assist in mitigating cybersecurity and data security risks. At a minimum, all employees, contractors and Board members participate in annual training with additional issue-specific training as needed. In 2022, we held a month-long cybersecurity awareness initiative during which we regularly engaged with employees on key topics and best practices.

# Appendix

## Assurance

This report was developed by a cross-functional team of subject matter experts throughout the company and subjected to an internal verification process, including review by internal audit and select members of our executive team. The review included verifying data points and facts and providing accountability for the accuracy of this report.

Cheniere also retained KPMG LLP to conduct a review engagement (limited assurance) of the following environmental and social indicators included in this report as of or for the year ended Dec. 31, 2022:

- |  |   |
|--|---|
| 1. Total Scope 1 greenhouse gas (GHG) emissions                          | 11. Reportable hydrocarbon spills         |
| 2. Scope 1 GHG emissions (as reported to EPA as well as total emissions) | 12. Environmental fines and penalties     |
| 3. Scope 2 GHG emissions   | 13. Total Recordable Incident Rate (TRIR) |
| 4. Scope 1 GHG emissions intensity                                       | 14. Lost Time Incident Rate (LTIR)        |
| 5. Scope 1 methane emissions intensity                                   | 15. Near Miss Frequency Rate              |
| 6. Energy use  | 16. Fatalities                            |
| 7. Criteria air pollutant emissions                                      | 17. Process safety events                 |
| 8. Criteria air pollutant emissions intensity                            | 18. Diversity metrics                     |
| 9. Water   | 19. Political expenditures                |
| 10. Waste  |   |

Cheniere engaged N. Darlene Walker & Associates, LP to verify employee demographic data, including gender, race and ethnicity as published in our U.S. Equal Opportunity Commission EEO-1 report.

Read the full [Schedule and Management Assertion report with KPMG assurance statement](#) and [Darlene Walker assurance statement](#).



Key performance data<sup>1</sup>

Metric	Unit	2018	2019	2020	2021	2022
Total revenues <sup>2</sup>	\$ Millions	7,987	9,730	9,358	15,864	33,428
LNG exported <sup>3</sup>	Million standard cubic feet (MMscf)	939,066	1,455,161	1,322,743	1,952,908	2,228,313
LNG trains <sup>4</sup>	#	5	7	8	9	9

Climate <sup>5</sup>						
GHG emissions as reported to EPA Greenhouse Gas Reporting Program (GHGRP) <sup>5a</sup>						
Scope 1 greenhouse gas (GHG) emissions <sup>5b</sup>	Metric tons carbon dioxide equivalent (CO <sub>2</sub> e)	4,555,261	6,789,317 <sup>5c</sup>	6,151,019	9,002,782	9,785,247 <sup>5d</sup>
Scope 1 carbon dioxide (CO <sub>2</sub> )	Metric tons CO <sub>2</sub>	4,514,944	6,740,560	6,082,968	8,932,232	9,731,901
Scope 1 methane (CH <sub>4</sub> )	Metric tons CH <sub>4</sub>	1,511	2,159	2,585	2,623	1,915
Scope 1 nitrous oxide (N <sub>2</sub> O)	Metric tons N <sub>2</sub> O	8	13	11	17	18
Scope 1 GHG emissions intensity <sup>5e</sup>	Metric tons CO <sub>2</sub> e emissions/MMscf LNG exported	4.85	4.67	4.65	4.61	4.39
Scope 1 CH <sub>4</sub> emissions intensity <sup>5f</sup>	% (Metric tons CH <sub>4</sub> emissions/metric tons LNG exported)	0.008	0.008	0.010	0.007	0.004
GHG emissions: operated basis <sup>6</sup>						
Scope 1 GHG emissions	Metric tons CO <sub>2</sub> e	—	—	—	—	10,929,507
Scope 1 CO <sub>2</sub>	Metric tons CO <sub>2</sub>	—	—	—	—	10,838,528
Scope 1 CH <sub>4</sub>	Metric tons CH <sub>4</sub>	—	—	—	—	3,419
Scope 1 N <sub>2</sub> O	Metric tons N <sub>2</sub> O	—	—	—	—	19
Scope 1 GHG emissions intensity <sup>6a</sup>	Metric tons CO <sub>2</sub> e emissions/MMscf LNG exported	—	—	—	—	4.91
Scope 1 CH <sub>4</sub> emissions intensity <sup>6b</sup>	% (Metric tons CH <sub>4</sub> emissions/metric tons CH <sub>4</sub> in LNG exported)	—	—	—	—	0.008

(continued on next page)

1 All metrics presented in this table are at the corporate level. Figures presented may not precisely sum due to rounding. All monetary amounts are in U.S. dollars unless otherwise noted. Additional metrics can be found in our [Reporting Center](#).

2 Cheniere Energy, Inc. (2022), [2022 Annual Report](#).

3 Quantity exported in the calendar year for LNG export equipment as reported to the U.S. Department of Energy (DOE).

4 Number of LNG trains reflects the number of trains from which emissions were included in annual reporting to the EPA GHGRP.

5 Previous reports included only Scope 1 GHG emissions and emissions intensities based on reports filed under the EPA's GHGRP program. In this report, besides Scope 1 emissions reported under EPA's GHGRP, we also include the Scope 1 GHG emissions for all operated assets consistent with the principles outlined under OGMP 2.0 and World Resources Institute Scope 1 reporting guidelines.

5a All CO<sub>2</sub>e data are reported using 100-year global warming potentials (GWPs). CH<sub>4</sub> GWP = 25 and N<sub>2</sub>O GWP = 298. CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O emissions are reported on an absolute basis without GWP weighting. GHG emissions in this section are disclosed as reported to the EPA.

5b In 2018, emissions from both LNG facilities and one of our two compressor stations met the reporting threshold. In 2019, both our Sinton and Gillis compressor stations met the reporting threshold. In 2020, our Tatums compressor station also met the reporting threshold.

5c An update to the Subpart W filing was made to the EPA in 2020. These changes are not reflected in this report as they are considered de minimis.

5d Sabine Pass liquefaction facility (SPL) Train 6 began producing and exporting commissioned volumes in December 2021 and reached substantial completion in early February 2022, ramping to full utilization shortly thereafter. Scope 1 GHG emissions increased in 2022 compared to 2021 due to increased operations associated with ramping up Train 6.

5e Reported as Scope 1 emissions as reported to the GHGRP per MMscf of LNG exported in the calendar year as reported to the DOE.

5f Reported per the ONE Future Reporting Protocol, as metric tons of methane emissions as reported to the GHGRP per metric tons of LNG exported (as methane) as reported to the DOE.

6 GHG emissions values in this section are inclusive of emissions reported to the EPA's GHGRP and includes emissions not required to be reported to GHGRP: sites that emit less than 25,000 MtCO<sub>2</sub>e and individual sources not covered by GHGRP. All CO<sub>2</sub>e data are reported using 100-year GWPs. CH<sub>4</sub> GWP = 25 and N<sub>2</sub>O GWP = 298. CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O emissions are reported on an absolute basis without GWP weighting.

6a Reported as Scope 1 GHG emissions per MMscf of LNG exported in the calendar year as reported to the DOE.

6b Reported per the ONE Future Reporting Protocol, as metric tons of methane emissions per metric tons of LNG exported (as methane) as reported to the DOE.

Key performance data (continued)

Metric	Unit	2018	2019	2020	2021	2022
Amount of gross global Scope 1 emissions from other combustion	Metric tons CO <sub>2</sub> e	—	—	—	—	10,870,444
Amount of gross global Scope 1 emissions from other vented emissions	Metric tons CO <sub>2</sub> e	—	—	—	—	43,357
Amount of gross global Scope 1 emissions from fugitive emissions	Metric tons CO <sub>2</sub> e	—	—	—	—	15,708
Total Scope 2 GHG emissions <sup>6c</sup>	Metric tons CO <sub>2</sub> e	31,009	172,399	192,866	233,667	239,445
Energy use <sup>7</sup>						
Nonrenewable energy: electricity	GWh	—	—	—	—	458
Nonrenewable energy: natural gas	GWh	—	—	—	—	50,924
Renewable energy: electricity	GWh	—	—	—	—	157
Total energy (nonrenewable + renewable)	GWh	—	—	—	—	51,539
Environment						
Criteria air pollutant emissions <sup>8</sup>						
Sulfur oxides (SO <sub>x</sub> )	Short tons	21	33	47	151	85
Nitrogen oxides (NO <sub>x</sub> )	Short tons	3,195	4,762	4,120	6,013	6,716
Volatile organic compounds (VOCs)	Short tons	169	239	293 <sup>8a</sup>	441	350
Particulate matter (PM)	Short tons	115	162	149	222	246
Emissions intensity						
SO <sub>x</sub>	Short tons/billion cubic feet (BCF) LNG exported	0.02	0.02	0.04	0.08	0.04
NO <sub>x</sub>	Short tons/BCF LNG exported	3.40	3.27	3.11	3.08	3.01
VOCs	Short tons/BCF LNG exported	0.18	0.16	0.22 <sup>8a</sup>	0.23	0.16
PM	Short tons/BCF LNG exported	0.12	0.11	0.11	0.11	0.11
Water <sup>9</sup>						
Withdrawal	Thousand cubic meters	—	—	—	—	3,984
Water discharge	Thousand cubic meters	—	—	—	—	4,120

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6c Scope 2 GHG emissions are based on electricity purchased for use at major offices (Washington, D.C., Houston, London) and operating sites (SPL, Corpus Christi Liquefaction (CCL), Corpus Christi Pipeline, Creole Trail Pipeline, Midship Pipeline) using the location-based method per the [GHG Protocol Scope 2 Guidance](#). Greenhouse Gas Protocol (2020, September 26). Scope 2 GHG emissions are reported for locations with 10 or more full-time Cheniere employees.

7 Includes electricity and natural gas consumed at operating sites and offices. Renewable energy is based on electricity grid data as defined by [EPA Emissions & Generation Resource Integrated Database](#) (eGRID) and the [UK Department for Business, Energy & Industrial Strategy](#).

8 As reported annually to the Louisiana Department of Environmental Quality, Texas Commission on Environmental Quality and Oklahoma Department of Environmental Quality (2018-2022).

8a An update to the Emissions Inventory (EI) filing was made to the TCEQ in 2020. These changes are not reflected in this report as they are considered de minimis.

9 Water withdrawn is purchased from municipal sources for SPL and CCL. Water discharge is the volume of water discharged from external outfalls at SPL and CCL.



Key performance data (continued)

Metric	Unit	2018	2019	2020	2021	2022
<b>Waste<sup>10</sup></b>						
Nonhazardous waste	Metric tons	—	—	—	—	6,589
Hazardous waste	Metric tons	—	—	—	—	1,869
Recycled waste	Metric tons	—	—	—	—	2,739
<b>Reportable hydrocarbon spills<sup>11</sup></b>						
Number	#	0	1	1	1	2
Volume	Gallons	0	1	0.5	1	2.99
<b>Terrestrial acreage</b>						
Terrestrial acreage disturbed <sup>12</sup>	Acres	—	3,341	375	0	1,274
Terrestrial acreage restored	Acres	—	397	3,260	0	0
<b>Fines and penalties<sup>13</sup></b>						
Fines or penalties related to the environment or ecology	#	0	0	0	1	1
Fines or penalties related to the environment or ecology	\$ amount	0	0	0	17,000	45,900
<b>Health &amp; safety<sup>14</sup></b>						
<b>Total Recordable Incident Rate (TRIR)</b>						
TRIR – Combined	Per 200,000 hours	0.32	0.30	0.17	0.10	0.05
TRIR – Employees	Per 200,000 hours	0.07	0.16	0.00	0.06	0.14
TRIR – Contractors	Per 200,000 hours	0.36	0.33	0.22	0.11	0.00
<b>Lost Time Incident Rate (LTIR)</b>						
LTIR – Combined	Per 200,000 hours	0.01	0.04	0.02	0.01	0.00
LTIR – Employees	Per 200,000 hours	0.00	0.05	0.00	0.00	0.00
LTIR – Contractors	Per 200,000 hours	0.01	0.04	0.03	0.02	0.00
<b>Near Miss Frequency Rate (NMFR)</b>						
NMFR – Combined	Per 200,000 hours	—	—	—	18.50	7.46
NMFR – Employees	Per 200,000 hours	—	—	—	6.71	4.53
NMFR – Contractors	Per 200,000 hours	—	—	—	21.50	9.22

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10 Nonhazardous waste, hazardous waste and recycled waste generated by SPL and CCL. Nonindustrial waste is not included. Definitions of hazardous, nonhazardous and recycled materials follow the Cheniere Environmental Waste Management Standard consistent with EPA’s Code of Federal Regulations Title 40 and 49, the Resource Conservation and Recovery Act, the Department of Transportation, and state rules and regulations where operating facilities are located.

11 Reportable spills are defined as spills of materials containing hydrocarbons occurring outside of containment or to the environment that require an immediate (<24 hours) notification to a regulatory agency (LDEQ, TCEQ, ODEQ, EPA, Federal Energy Regulatory Commission (FERC)). Only spills from assets which were operating at the time of the incident are included in this definition.

12 The reporting boundary for terrestrial disturbances is the total land requirements (acres) for construction and operation of facilities as reported per Federal Energy Regulatory Commission filings. Total impacted acreage is reported in the year construction began.

13 Payments Cheniere has made in relation to local, state and federal environmental authorizations, rules, regulations, or laws in excess of \$10,000.

14 TRIR and LTIR are calculated according to the Occupational Safety and Health Administration standard. These figures slightly differ from those in the proxy statement due to a minor change in calculation methodology to better align with industry practices. As of 2022, data from chartered LNG vessels through Cheniere Marketing International is no longer included in metrics reporting.

Key performance data (continued)

Metric	Unit	2018	2019	2020	2021	2022
High potential events	#	—	—	—	42	26
Process safety events						
Tier 1 process safety events	#	—	—	—	0	0
Tier 2 process safety events	#	—	—	—	3	3
Fatalities						
Employees	#	0	0	0	0	0
Contractors	#	0	0	0	0	0
Team <sup>15</sup>						
Employees	#	1,345	1,537	1,537	1,535	1,553
Employee diversity						
Women	%	27.3	26.8	26.9	26.2	26.1
Men	%	72.7	73.2	73.1	73.8	73.9
Racially or ethnically diverse employees <sup>15a</sup>	%	27.6	28.5	29.7	31.4	34.7
Employee age diversity						
Employees <30	%	12.5	12.9	11.1	10.4	10.1
Employees 30-50	%	63.3	63.8	64.3	64.3	63.5
Employees >50	%	24.2	23.2	24.5	25.3	26.4
Diversity in management <sup>15b</sup>						
Racial or ethnic diversity in management	%	23.1	23.1	25.1	28.8	32.7
Women in management	%	25.8	27.0	27.4	27.7	26.6
Management age diversity						
Employees <30	%	—	—	—	0.3	0.3
Employees 30-50	%	—	—	—	63.1	64.3
Employees >50	%	—	—	—	36.6	35.4

(continued on next page)

15 International privacy concerns prevent Cheniere from requiring race or ethnicity disclosure for international employees. However, they may voluntarily self-disclose this data; otherwise, race and ethnicity diversity data for international employees is captured as undisclosed. Gender and age diversity data is global. Data for 2021-2022 excludes interns (interns were included in 2018-2020 reporting).

15a A percentage of staff each year has elected not to disclose race and ethnicity information. Racial and ethnic categories include American Indian or Alaska Native, Asian, Black or African American, Hispanic or Latino, Native Hawaiian or other Pacific Islander, White, and two or more races.

15b We define management to include both executive and nonexecutive management. Executive and nonexecutive managers are defined as managers, directors, senior managers, senior directors, vice presidents, senior vice presidents and chief executives. Supervisors are not included.



Key performance data (continued)

Metric	Unit	2018	2019	2020	2021	2022
Employee hires						
New hires	#	234	300	86	129	138
Employee turnover <sup>15c</sup>						
Total turnover rate	%	10.9	11.4	9.1	8.6	8.2
Voluntary turnover	%	4.1	5.1	3.6	5.4	5.1
Involuntary turnover	%	6.8	6.3	5.5	3.2	3.1
Local workforce <sup>15d</sup>						
Local workforce	%	—	—	99.4	99.6	99.5
Community						
Local supplier spend <sup>16</sup>	%	—	55	85	89	57
Total community investment <sup>17</sup>	\$ millions	>2.4	>3.7	>4.3	~5.0	~5.6
Total employee volunteer hours <sup>18</sup>	#	—	8,129	7,787	8,358	15,822
Governance <sup>19</sup>						
Board gender diversity	% women	—	—	18	27	33
Board racial or ethnic diversity	% racially or ethnically diverse	—	—	9	9	22
Board independence	% independent	80	82	82	82	78
Average Board member age	Years	58.8	59.8	59.5	59.0	62.3
Average Board member tenure	Years	7.4	8.0	8.2	7.6	6.3
Political contributions						
Cheniere Political Action Committee (PAC) contributions <sup>20</sup>	\$ amount	82,500	76,800	137,000	84,000	186,500
Direct corporate political contributions <sup>21</sup>	\$ amount	6,000	67,500	27,750	17,750	51,000
Total political contributions	\$ amount	88,500	144,300	164,750	101,250	237,500
Total federal lobbying expenditures	\$ amount	1,240,000	1,430,000	1,680,000	1,570,000	1,930,000

15c The annual employee turnover rate represents total turnover divided by the average number of employees, times 100.

15d Calculated as the total number of employees living in Texas or Louisiana divided by the total number of employees working in Texas or Louisiana.

16 2022 local supplier data is based on vendors located within 75 miles of Cheniere's Houston office, Sabine Pass Liquefaction, Corpus Christi Liquefaction and the Tatums Compressor Station. Similar data presented in previous years followed an alternate methodology and is defined in previous reports.

17 The total estimated dollar value of Cheniere's direct giving including matching gifts.

18 2022 data includes the amount of hours employees volunteered at Cheniere-sponsored events and self-reported time employees spent volunteering outside of Cheniere. Data presented for 2019-2021 includes only the amount of hours employees volunteered at Cheniere-sponsored events.

19 2018-2022 governance data values are reported as of Dec. 31 of each year. In Cheniere's 2019 Corporate Responsibility Report, these were reported as of May each year, so numbers may differ slightly.

20 The total contributions made by the Cheniere PAC annually between 2018-2022. These include contributions made to a political committee or an individual candidate and includes all federal and Texas State contributions.

21 Direct corporate political contributions are made in compliance with all state laws and regulations.

# Forward-looking statements legend/legal disclaimer

This report includes forward-looking statements within the meaning of applicable securities laws, including the United States Private Securities Litigation Reform Act of 1995. Generally, the words “may,” “should,” “could,” “would,” “might,” “estimate,” “target,” “project,” “goal,” “outlook,” “predict,” “seek,” “assume,” “future,” “opportunity,” “confident,” “guidance,” “predict,” “strive,” “expects,” “believes,” “anticipates,” “plans,” “will,” “shall,” “estimates,” “intends” and other words and terms of similar meaning and expression are intended to identify forward-looking statements (which are generally not historical in nature), although not all forward-looking statements contain such terms. In particular, statements, express or implied, concerning the occurrence, impact or timing of future actions, conditions or events, future operating results or our ability to generate revenues, income or cash flow or to pay dividends, commitments, goals, plans, pledges, targets, strategies and objectives, are forward-looking statements. Forward-looking statements are not guarantees or assurance of performance and involve inherent risks, assumptions and uncertainties, known and unknown, including internal or external factors that could delay or change any of them, that are difficult to predict, may be beyond the Company’s control and could cause future

actions, conditions or events, future operating results or our ability to generate revenues, income or cash flow or to pay dividends, commitments, goals, plans, pledges, targets, strategies and objectives, results, goals, plans, targets, commitments, pledges, initiatives, strategies and objectives to differ materially from those expressed in, or implied by, the statements. Forward-looking statements in this report are included for the purpose of providing management’s current expectations and plans for the future, based on the beliefs and assumptions of management and the information currently available to management, all of which are subject to risks, assumptions and uncertainties. Although we believe that forward-looking statements in this report are based on reasonable assumptions, we can give no assurance that any such forward-looking statements will materialize. Forward-looking statements in this report address the Company’s commitments, goals, targets, aspirations or expectations regarding sustainability, environmental matters, corporate responsibility and our employees, policies, business opportunities and risks. Any reference to the Company’s support of a third-party organization within this report does not constitute or imply an endorsement by the Company of any or all of the positions or activities of such organization.

Important factors that could cause actual results to differ significantly from those expressed in or implied by these forward-looking statements include our ability to estimate accurately the time and resources necessary to meet the reporting and assurance testing standards applicable to additional measures we expect to include in future reports, as well as the other risks and uncertainties set forth under Part I, Item 1A. Risk Factors of the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2022, as well as other risks and uncertainties as updated from time to time by our subsequent Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other filings with the U.S. Securities and Exchange Commission (the “SEC”), are available through the SEC’s EDGAR system at [sec.gov](https://sec.gov) and on our website at <https://cheniere.com/investors>.

All forward-looking statements in this report speak only as of the date of this report or as of the dates indicated in the statement, except to the extent required by law or regulation. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, changed circumstances or otherwise, except as required by applicable law or regulation. Because of these risks and uncertainties, readers should

not place undue reliance on these forward-looking statements or use them for anything other than their intended purpose.

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While the Company is actively working to achieve its environmental, social and governance (“ESG”) goals, these goals are forward-looking statements that reflect expectations as of the date of this statement, not historical facts or guarantees of future performance, achievement or results. There is no guarantee that the Company will meet its goals or increasing stakeholder ESG expectations. In addition, the standards by which certain ESG goals are measured are evolving and subject to assumptions that could change over time.





If you have questions about any information contained in our report or would like to provide feedback, please contact [sustainability@cheniere.com](mailto:sustainability@cheniere.com).

This report is available digitally to help reduce our environmental footprint.

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