

ACTING TODAY
SECURING TOMORROW





About this report

This corporate responsibility report provides a detailed overview of Cheniere's approach and progress in relation to important environmental, social and governance (ESG) topics.

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 (see p. 37).

More detailed information on our ESG approach and progress is provided across the relevant areas of our ESG reporting suite (see below).

Cheniere's ESG reporting suite

- 2021 Corporate Responsibility Report (this report)
- [Detailed Disclosures Appendix](#): Detailed information on how we manage ESG topics
- Alignment with third-party reporting standards and ratings ([Ipieca](#), [GRI](#), [SASB](#), [TCFD](#))
- [Performance Data Table \(Excel\)](#): Complete ESG performance metrics
- ESG policies: [Health, Safety and Environmental Policy](#), [Code of Business Conduct and Ethics](#), [Discrimination and Harassment Policy](#) and [Equal Employment Opportunity Policy](#)
- [2021 U.K. Modern Slavery Act Statement](#)

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Letter from the Chairman of our Board

Cheniere continues to deliver impressive results to our stakeholders on safety, construction and operational excellence, financial returns and meeting the energy challenges of today. We also remain focused on improving our ESG performance to deliver long-term value through the energy transition.

In 2021, Cheniere’s continued superlative performance coincided with a period where the critical role of Cheniere’s LNG was made clear. Cheniere recorded another year of excellent safety performance, which is a foundation for the company’s success. Cheniere brought online two new trains, for a total of nine trains in nine years, and produced a company record of 566 total cargoes in 2021. This safety, construction and operational excellence helped Cheniere to become one of the largest exporters of LNG in the world.

And it couldn’t have come at a more important time, with about 75% of cargoes produced by Cheniere landing in Europe in the first few months of 2022, helping support European and global energy security during a uniquely challenging time. This is an incredible moment in history, and I am proud that Cheniere is playing an important role in helping to meet this moment.

But we are still pushing ourselves to constantly improve our performance — especially in terms of environmental, social and corporate governance — to ensure the long-term value of Cheniere to all our stakeholders. As a long-time businessperson and Chairman of Cheniere’s Board, I know that good governance is a foundation of excellence — just as safety is to constructing and operating LNG facilities. Investing in our employees and building strong relationships in the communities where we live and work are critical to our current and future success.

We are a company that is delivering reliable, affordable and secure energy that is needed today, but we are not waiting to put climate solutions into action that will have benefits tomorrow. 2021 was an exciting year where Cheniere unveiled many of the climate initiatives that had been years in development. We quantified our GHG emissions across our supply chain and published a Cheniere-specific life cycle assessment in a peer-reviewed scientific journal, the first of its kind for the industry. Also, we are collaborating with our partners and academics across the supply chain to assess their facility-specific GHG emission profiles, which is critical to supporting Cheniere and our industry to then mitigate those emissions. These are real actions that are leading the industry toward improved environmental and climate performance.

To put our money where our mouth is, Cheniere is holding its own employees to higher standards. In 2021, 17% of our total annual performance compensation scorecard for all Cheniere employees, including executive-level management, was based on ESG metrics. In 2022, Cheniere is increasing this percentage, so that 30% of the compensation calculation will be based on ESG metrics.

From energy security to environmental improvements, this is a critical moment in history that demands actionable solutions. Cheniere is a company that is delivering what is needed today — increased energy security and supply diversity in Europe and across the world — and taking action on the solutions to ensure the energy needs of tomorrow.



“Good governance is a foundation of excellence — just as safety is to constructing and operating LNG facilities.”

—G. ANDREA BOTTA

G. Andrea Botta
Chairman of the Board

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Letter from our President and CEO

A little over 10 years ago, Cheniere was granted its initial authorization to export liquefied natural gas, or LNG, around the world — a decision that has now become one of the most consequential and positive energy developments in this century. Ten years later, as the world confronts energy security and economic and environmental challenges, the value of Cheniere’s LNG has never been more evident.

The horrific invasion of Ukraine is not just a heartbreaking tragedy for the Ukrainian people — it has also ended the peace in Europe that has existed for decades. The shattering of that peace has urgently renewed focus on global energy security as Europe seeks secure, reliable and cleaner energy supplies. Though LNG cannot provide for all of Europe’s energy supply today, U.S. LNG remains critical to supporting global energy security. In the past few months, as geopolitics drove prices higher, Cheniere’s many long-term customers were able to re-route destination-flexible, U.S. LNG cargoes to where they were needed most. This global crisis has validated our fundamental business model: that Cheniere LNG can nimbly respond to ever-changing global priorities, whether it be geopolitical tensions in Europe or energy transition goals.

In these uncertain times, Cheniere remains focused on delivering significant economic value to our shareholders, communities and customers. We have completed our initial nine-train LNG platform — the second largest in the world — safely, ahead of schedule and on budget. This nearly \$35 billion investment in American energy infrastructure has produced more than 2,000 LNG cargoes delivered to 37 markets to date, and has led Cheniere to reach a meaningful cash flow inflection point that will continue to deliver value to our shareholders. Adding further value, in 2021 we added our first quarterly dividend to our capital allocation strategy. We have also signed a number of new long-term LNG contracts that will support our Stage 3 expansion in Corpus Christi and bring additional job creation and investment to the communities where we live and work. Cheniere’s track record of construction and operational excellence is delivering results.

Cheniere is not only focused on meeting the challenges of today, but also those of tomorrow. In 2021, we made major strides on our ESG initiatives, demonstrating leadership through efforts that are differentiated by our focus on being actionable, rather than aspirational. We developed and published the first customized,

supply chain-specific life cycle greenhouse gas assessment of LNG in a peer-reviewed scientific journal, utilizing emissions data specific to Cheniere’s supply chain. We also launched our first quantification, measurement, reporting and verification (QMRV) collaboration with five of our major upstream natural gas suppliers and several independent academic institutions to directly measure emissions and identify strategic and cost-effective emissions mitigation opportunities.

We believe our future is bright, and we have just begun on our journey to provide the world with a cleaner, affordable and reliable energy solution.

Stay safe,



Jack A. Fusco
President and CEO



“In 2021, we made major strides on our ESG initiatives, demonstrating leadership through efforts that are differentiated by our focus on being actionable, rather than aspirational.”

— JACK A. FUSCO

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Our approach to sustainability

Providing clean, secure and affordable energy — and delivering value for our stakeholders.

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: expanding the global supply of energy; improving air quality and supporting the transition to a lower-carbon future.

RECOGNIZED FOR OUR PROGRESS

In 2021, Cheniere received a rating of A (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment.¹



Designated a 2022 “JUST 100” leader by Just Capital, placing first in our industry and 35th overall of nearly 1,000 rated companies.



Cheniere Energy, Inc.’s ESG Risk Rating places it in the 13th percentile in the Refiners and Pipelines industry assessed by Sustainalytics.²



Received the World LNG Energy Transition Award for our Cargo Emissions Tags (CE Tags) initiative, presented at the World LNG Summit & Awards.



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2021 Highlights

Expanding global access to clean, secure and affordable LNG



566 cargoes of LNG exported from Cheniere facilities,³ with nearly 2,015 Tbtu of gas delivered to 31 countries, enough to meet the electricity needs of over 21.5 million U.S. homes for one year.⁴

Nearly 10% of global LNG supplied by Cheniere.

0.007% methane emissions intensity.⁵

Brought two new trains online, with a combined capacity of an additional 10 million tonnes per year.

³ As of Dec. 31, 2021.

⁴ Based on U.S. average electricity consumption and the average heat rate of U.S. natural gas power plants.

⁵ Reported per the ONE Future Reporting Protocol, as metric tons of Scope 1 methane emissions per metric tons of LNG exported (as methane) as reported to the U.S. Department of Energy.

⁶ ESG metrics for annual performance scorecard compensation are inclusive of safety metrics.

Supporting the energy transition



Completed a peer-reviewed, first-of-its-kind life cycle assessment (LCA) of greenhouse gas (GHG) emissions across the LNG supply chain to help guide our emissions reduction efforts.

Announced the first Cargo Emissions Tags (CE Tags) program for all customers in 2022, providing gross and intensity-based carbon emissions data for our LNG cargoes.

Implementing quantification, monitoring, reporting and verification (QMRV) projects to more accurately measure CO₂ and methane emissions across our supply chain.

Delivering stakeholder value



Top-quartile safety performance of 0.10 Total Recordable Incident Rate (TRIR) and 0.01 Lost Time Incident Rate (LTIR).

\$536M paid in wages and benefits.

99.6% local employees at our LNG facilities.

Approximately 17% of annual performance compensation scorecard for all employees is tied to ESG metrics (increasing to 30% in 2022).⁶

145.6% five-year total return on common stock from 2016-2021.

Announced inaugural dividend for LNG shareholders.

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 over 2,000 LNG cargoes, totaling more than 140 million metric tons.⁷ As a full-service global LNG provider, we purchase 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, Cheniere now operates over 10% of global liquefaction capacity from approximately 114 counterparties⁸ and manages natural gas deliveries through approximately 30 different pipelines. Further, our daily average gas purchases account for more than 9% of total daily U.S. gas production, connecting North American producers to the global market.

ESG MANAGEMENT

We are committed to the responsible and proactive management of our ESG impacts, risks and opportunities. This includes a strategic focus on supporting the global energy transition and delivering value to all our stakeholders. These efforts are underpinned by regular stakeholder engagement to maintain the responsiveness of our approach (see [p. 7](#)), as well as close collaboration with our suppliers and customers.

⁷ As of June 1, 2022.

⁸ "Counterparties" includes producers, marketers, processors and pipelines.

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 strategies and policies. Executive-level managers oversee our major ESG focus areas and brief the Board on these topics regularly.

In 2021, 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 (read more in the [Detailed Disclosures Appendix](#)).

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](#), our [Code of Business Conduct and Ethics](#), our [Discrimination and Harassment Policy](#) and our [Equal Employment Opportunity Policy](#).

In 2021, 17% of annual performance compensation scorecard for all employees was tied to ESG metrics (increasing to 30% in 2022).⁹

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 a north star that guides our actions and helps us maintain our principles in the face of internal and external challenges. 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.

UNDERSTANDING ESG IMPACTS, RISKS AND OPPORTUNITIES

We focus our ESG efforts and reporting on the topics that are of the greatest interest to our business and stakeholders. We undertake a structured assessment process to identify 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 and the [Detailed Disclosures Appendix](#).

Our Climate and Sustainability Principles



Science

We promote and follow peer-reviewed science to assess our impacts, anchor our engagements and determine our actions.



Supply chain

We work with our partners to reduce environmental impacts throughout our supply chain.



Operational excellence

We design and operate our facilities to reduce environmental impacts.



Transparency

We communicate openly and proactively with our stakeholders.

Read more

- [Board and management oversight of ESG topics](#)
- [Focusing on ESG issues across our organization](#)
- [ESG management training](#)
- [Relevant ESG topics assessment process](#)

⁹ ESG metrics for annual performance compensation scorecard are inclusive of safety metrics.



Climate

Cheniere is helping to meet the world’s most pressing shared energy challenges, today and tomorrow. LNG produced by Cheniere is meeting the demand for clean, secure and affordable energy, improving air quality and supporting the transition to a lower-carbon future. Natural gas generates lower emissions than other fossil energy sources such as coal and oil. LNG has the ability to directly support the cost-effective decarbonization of global economies by displacing such higher-emitting energy sources, complementing renewables and adding reliability and flexibility to the international energy system.

We recognize the importance of identifying, understanding and managing climate-related risks and opportunities, and we are focused on integrating climate action into our core functions. We continue to strengthen the alignment of our climate reporting with the [Task Force on Climate-related Financial Disclosures \(TCFD\)](#) recommendations.

MEASURE MITIGATE



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PROGRESS AND HIGHLIGHTS

Identifying climate risks and opportunities

- Completed a climate scenario analysis focused on transition risk to better understand business risks and opportunities under future energy use scenarios.
- Invested in research and development projects related to emissions measurement and mitigation across the natural gas supply chain.

Executing a strategy based on science and transparency

- Developed and published a first-of-its-kind, peer-reviewed life cycle assessment (LCA) of greenhouse gas (GHG) emissions across our LNG supply chain.
- Launched a multi-stakeholder research partnership to support the development of our quantification, monitoring, reporting and verification (QMRV) program.

- Installed emissions tracking systems on five LNG vessels to enhance our ongoing efforts to measure GHG emissions across the supply chain.

Integrating climate considerations into our business

- Linked executive and employee compensation to the successful execution of key elements of our climate strategy.

- Refinanced a \$1.25 billion revolving credit facility that includes features based on our commitment to address GHG emissions throughout our supply chain.
- Continued to increase the number of more efficient vessels in the CMI fleet to feature XDF and MEGI propulsion technologies. By mid-2022, we expect that 82% of long-term chartered vessels will use these technologies.



The role of LNG in meeting the world's energy needs

Countries around the world are facing three main challenges when it comes to energy: increasing energy security and affordability, and reducing carbon emissions. Natural gas and Cheniere's LNG are helping to achieve these goals: today, by displacing coal and other more carbon dioxide emission-intensive fuels, and tomorrow, by supporting the deployment of renewables.

The International Energy Agency (IEA) has identified fuel displacement from coal to gas as the "quickest route to emissions reductions," with the potential to reduce global power sector emissions by 10%.¹ The IEA also estimates that switching from coal to natural gas has helped limit the rise in global CO₂ emissions since 2010 and avoided more than 699 million metric tons of CO₂ emissions between 2010 and 2020.²

Events in 2021 made clear the importance of natural gas and LNG in meeting the world's energy needs, now and throughout the energy transition. These events included extreme weather, the impacts of the COVID-19 pandemic, geopolitical tensions and an energy crisis in Europe. Elevated energy demand and prices sometimes even led to fuel switching from natural gas back to coal, resulting in increasing emissions in the power sector by well over 100 million metric tons.³ During the year, approximately a third of the LNG produced by Cheniere was delivered to Europe to help meet this heightened demand. These dynamics, in particular the worsening geopolitical tensions in 2022, further highlight the world's continued need for investments in natural gas and LNG infrastructure to provide clean, secure and affordable energy to the world.

TRANSITION RISK SCENARIO ANALYSIS

In 2021, Cheniere published our first [climate scenario analysis](#). In line with the recommendations of the TCFD, we utilized multiple future climate scenarios to test the long-term resilience of our business and strategy, including the IEA Stated Policies Scenario (STEPS);⁴ the IEA Sustainable Development Scenario (SDS);⁵ and the McKinsey Reference Case Scenario from Global Gas Outlook to 2050 (MRC).⁶

Under all three scenarios, the analysis found that demand for LNG increases from 2020 levels through to 2040, resulting in supply gaps of varying degrees. In addition, the analysis identified potential climate-related risks, including those relating to cost competitiveness, carbon pricing and project GHG emissions intensity. Based in part on this analysis, we have identified a range of actions we can take to help address these risks and enhance the resiliency of our business.

LNG will remain in demand even under the Paris-aligned future energy scenarios; it supports significant GHG reductions and the deployment of renewable energy (e.g., because fast-cycling natural gas power plants remain vital to managing intermittency in solar and wind power).

Our scenario analysis helps inform our climate strategy, which focuses on maximizing the climate benefits of Cheniere-delivered LNG and supporting a lower-carbon future for our customers and end users. We view the increasing global focus on carbon management as a tailwind for our business, due to the less GHG-intensive nature of our LNG compared to oil and coal, and our strategic focus on further reducing life cycle emissions across our LNG facilities and supply chain.

¹ IEA (2019, July), *The Role of Gas in Today's Energy Transitions*, <https://www.iea.org/reports/the-role-of-gas-in-todays-energy-transitions>.

² IEA (2019, July), *The Role of Gas in Today's Energy Transitions*, <https://www.iea.org/reports/the-role-of-gas-in-todays-energy-transitions>. Additional provisional data for 2021 was provided by the IEA (February 2021).

³ Global Energy Review: CO₂ Emissions in 2021, p. 7. <https://iea.blob.core.windows.net/assets/c3086240-732b-4f6a-89d7-db01be018f5e/GlobalEnergyReviewCO2Emissionsin2021.pdf>.

⁴ <https://www.iea.org/reports/world-energy-model/stated-policies-scenario-steps#abstract>.

⁵ <https://www.iea.org/reports/world-energy-model/sustainable-development-scenario-sds#abstract>.

⁶ <https://www.mckinsey.com/industries/oil-and-gas/our-insights/global-gas-outlook-to-2050>.

Governance

BOARD OVERSIGHT

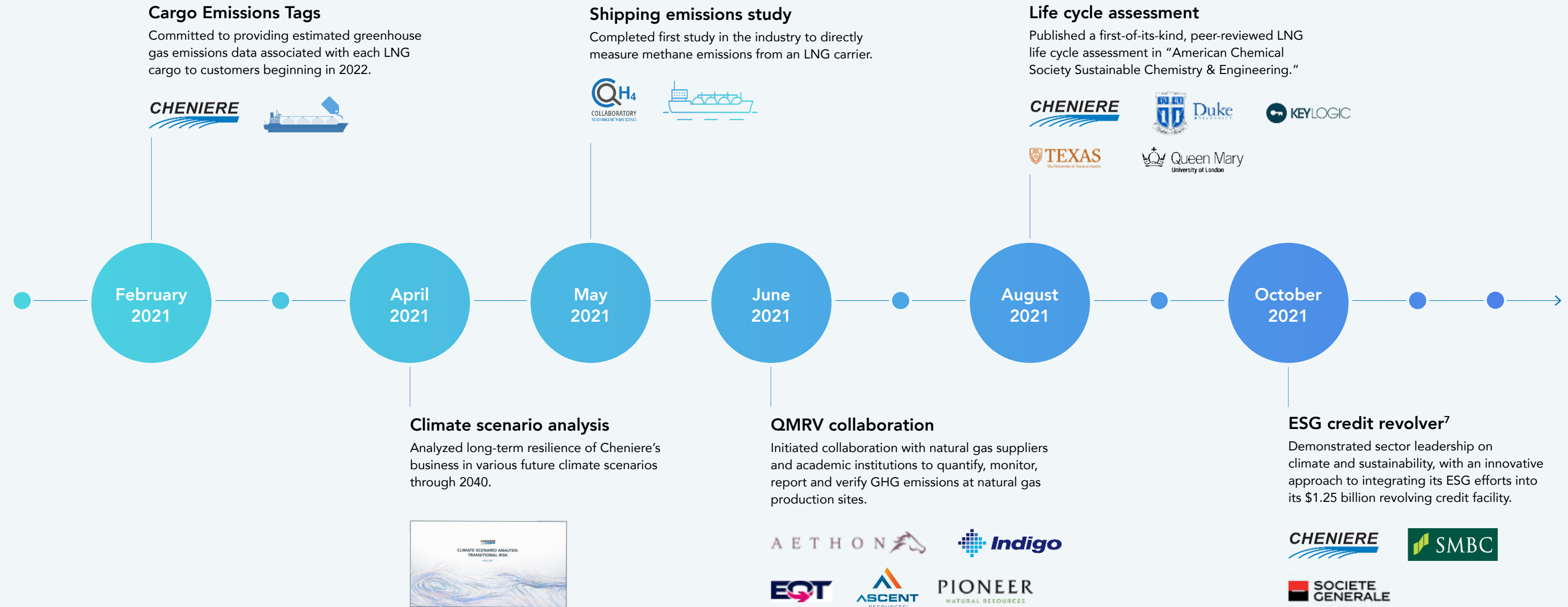
Cheniere's Board of Directors oversees the development and execution of our climate strategy and regularly reviews progress. Although the full Board is actively engaged on climate issues, the governance and nominating committee has the formal responsibility for reviewing climate strategy, performance and progress.

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 senior vice president (SVP) of corporate development and strategy and SVP of policy, government and public affairs (PGPA) lead the development and execution of our climate strategy. Executives across our business functions, including Finance, Commercial, Trading, Gas Supply, Operations and Shared Services help guide this effort. Our executive leadership reports directly to our CEO on climate strategy and planning on a regular basis.

Climate strategy milestones achieved in 2021

Building a company that can help meet the world's energy needs while integrating sustainability throughout our business.



⁷ A total of 23 lenders participated in the facility, with SMBC serving as sole ESG Coordinator and Société Générale serving as Agent.

Climate strategy

Consistent with our Climate and Sustainability Principles, our climate strategy focuses on science and transparent collaboration along our supply chain to measure our GHG emissions and to identify strategic and cost-effective opportunities to mitigate GHG emissions. Measuring and mitigating our emissions can maximize the climate benefits of Cheniere’s LNG and continue to demonstrate its role as a reliable and flexible form of energy that supports a lower-carbon future. We believe it is important to develop future climate goals and strategies based on an accurate and holistic assessment of the emissions profile of our LNG, accounting for all steps in the supply chain. Working with experts from world-renowned institutions, **Cheniere’s approach is to be actionable, not aspirational.**

MEASUREMENT

Measurement is a critical component and the first step of our strategy. We are expanding our scientific understanding of GHG emissions across our supply chain, and generating actionable, accurate data that directly informs strategic and cost-effective mitigation actions.

In 2021, we launched several of these initiatives, all of which had been years in development, including:

- **LCA:**⁸ Publishing a first-of-its-kind, supplier-specific life cycle assessment (LCA) in a peer-reviewed scientific journal (co-authored by experts from the University of Texas at Austin, Queen Mary University of London and Duke University).
- **QMRV:**⁹ A collaboration with natural gas suppliers to develop a robust quantification, monitoring, reporting and verification (QMRV) program at scale (supported by researchers from the Payne Institute for Public Policy at the

Colorado School of Mines and Harrisburg University of Science and Technology).

- **LNG shipping study:**¹⁰ Supporting a first-of-its-kind study to directly measure methane emissions on an operating LNG vessel.
- **CE Tags:**¹¹ Beginning in 2022, Cheniere will provide our customers with Cargo Emissions Tags (CE Tags) showing the estimated GHG emissions associated with each cargo we deliver.¹⁰ Our CE Tags are calculated from our LCA model, which uses supplier-specific GHG information. To further enhance the transparency of our approach, we chose to have our LCA modeling methods reviewed and published through the scientific community’s peer-review process.

These efforts are helping us build a data-driven approach that leverages our unique position within the LNG supply chain to collaborate with our suppliers and customers on both upstream and downstream climate initiatives. They will also provide actionable data for our supply chain partners, supporting opportunities for improved emissions performance beyond our immediate operations.

We continue to work with leading academic institutions on the design and implementation of our QMRV program, helping ensure that the results undergo rigorous scientific review. We publicly reported the findings of our LCA to enable our customers and end users to make well-informed decisions based on a holistic view of the supply chain emissions associated with our LNG.

MITIGATION

Between 2016 and 2021, our Scope 1 GHG emissions intensity decreased by 34%, primarily due to the addition of LNG capacity as well as improved efficiency and operational practices. We continue

working to reduce GHG emissions from our own operations, primarily through facility design and the use of advanced technologies to actively monitor emissions at our facilities and along pipelines.

However, 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. Therefore, we are working closely with suppliers and other partners on the projects described above, so that understanding our supply chain emissions will help us develop collaborative reduction strategies.¹²

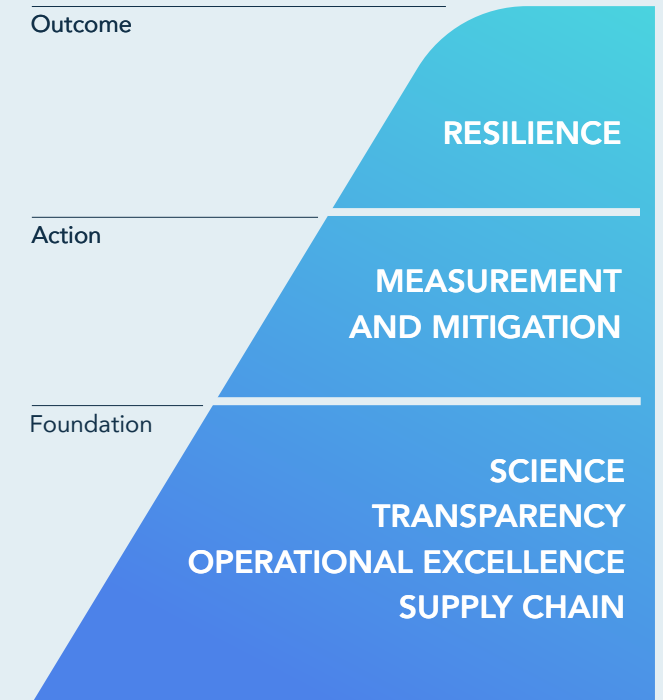
Reducing methane emissions in our supply chain

Since 2018, Cheniere has focused on reducing methane emissions across our supply chain, including by co-founding the Collaboratory to Advance Methane Science (CAMS). Today, we are using our LCA and QMRV work to support our own and our partners’ understanding of methane emissions sources. For example, our LCA illustrates that methane is a primary contributor to LNG’s GHG footprint in the upstream and midstream sectors. Reducing methane emissions, for example through leak detection and maintenance, offers a strategic and cost-effective opportunity for reducing overall supply chain emissions.

In our own operations, we have maintained a methane emissions intensity rate of less than 0.02% annually over the past five years. We have continued to engage with our natural gas suppliers to improve our data and reduction strategies with respect to methane emissions.

Cheniere has publicly voiced our support for new federal regulations on methane emissions for a number of years, including the EPA’s recent proposal to regulate methane emissions.¹³

Building on the foundation of our Climate and Sustainability Principles — science, transparency, operational excellence and supply chain — we are focused on measuring and mitigating emissions to strengthen the long-term resilience of our business.



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Reducing GHG emissions in our operations

We have implemented a range of technologies and processes to improve the efficiency of our operations and reduce our GHG emissions. Our LNG facilities are our primary point of energy consumption and the largest source of our Scope 1 emissions. We are also working to reduce emissions from our pipelines and offices. We are assessing the feasibility of using carbon capture, utilization and storage (CCUS) at our facilities to reduce our Scope 1 GHG emissions.

Reducing emissions from LNG shipping

The shipping segment is an important contributor to the LNG supply chain's GHG life cycle emissions, with shipping emissions dependent primarily on the length of the voyage.¹⁴ Where feasible, Cheniere Marketing (CMI) charters vessels with the most efficient propulsion and containment systems to help reduce these emissions.

By the end of 2022, we expect 82% of CMI's fleet to be made up of XDF/MEGI vessels, the most efficient vessels available on the market.¹⁵ The new build ships can run on fuel or "boil-off LNG" — LNG that warms back into a gas as a routine part of the transportation process — which has a significantly lower CO₂ emissions profile than typical marine fuels. In addition, many of these new vessels are fitted with new technologies such as reliquefaction units, which can reliquefy excess boil-off gas and inject it back into the containment system and an air lubrication system — which injects air under the ship to create a continuous layer of bubbles between the hull and the seawater, reducing drag and further improving fuel efficiency.

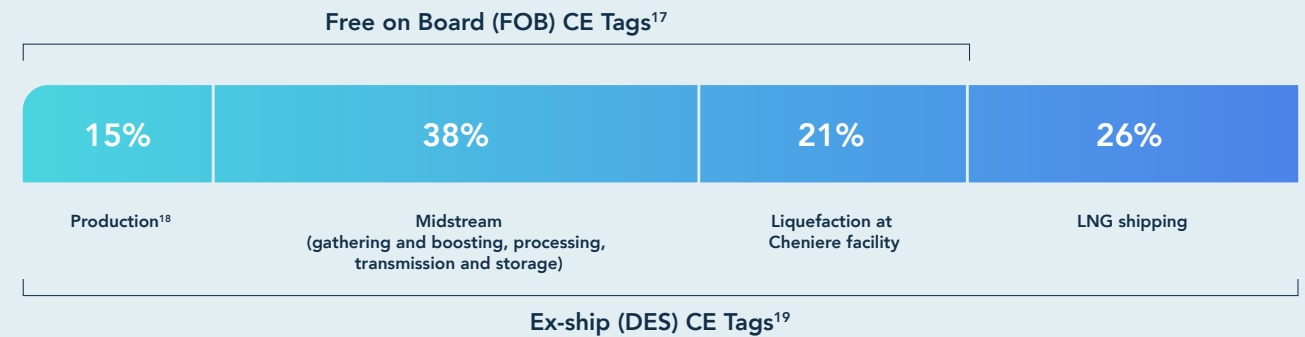
Read more

[Reducing GHG emissions from our own operations](#)

- ⁸ Press Release, Cheniere Energy, Inc., *Cheniere Announces Publication of Greenhouse Gas Life Cycle Assessment*, August 5, 2021, <https://lngir.cheniere.com/news-events/press-releases/detail/226/cheniere-announces-publication-of-greenhouse-gas-life-cycle>.
- ⁹ Press Release, Cheniere Energy, Inc., *Cheniere Announces Collaboration with Natural Gas Suppliers and Academic Institutions to Quantify, Monitor, Report and Verify GHG Emissions*, June 10, 2021, <https://lngir.cheniere.com/news-events/press-releases/detail/220/cheniere-announces-collaboration-with-natural-gas-suppliers>.
- ¹⁰ Press Release, Collaboratory to Advance Methane Science, *First Study to Directly Measure Methane Emissions from LNG Carrier Completed*, May 27, 2021, <https://methanecollaboratory.com/news/first-study-to-directly-measure-methane-emissions-from-lng-carrier-completed/>.
- ¹¹ Press Release, Cheniere Energy, Inc., *Cheniere to Provide Cargo Emissions Data to LNG Customers*, <https://lngir.cheniere.com/news-events/press-releases/detail/214/cheniere-to-provide-cargo-emissions-data-to-lng-customers>.
- ¹² Roman-White, Littlefield, Fleury, Allen, Balcombe, Konschnik, Ewing, Ross, and George (2021), "LNG Supply Chains: A Supplier-Specific Life-Cycle Assessment for Improved Emission Accounting." *ACS Sustainable Chem. Eng.* 2021, 9, 10857–10867.
- ¹³ <https://www.regulations.gov/comment/EPA-HQ-OAR-2021-0317-0766>.
- ¹⁴ Roman-White, Littlefield, Fleury, Allen, Balcombe, Konschnik, Ewing, Ross, and George (2021), "LNG Supply Chains: A Supplier-Specific Life-Cycle Assessment for Improved Emission Accounting." *ACS Sustainable Chem. Eng.* 2021, 9, 10857–10867. In this case, 6% represents delivery from the U.S. to Jamaica and 27% delivery from the U.S. to Taiwan.
- ¹⁵ Based on known existing charter agreements in place as of April 11, 2022. Cheniere considers the most efficient vessels available to include vessels of not less than 173,400 cubic meters (cbm) with two-stroke propulsion systems, which include XDF or MEGI vessels.

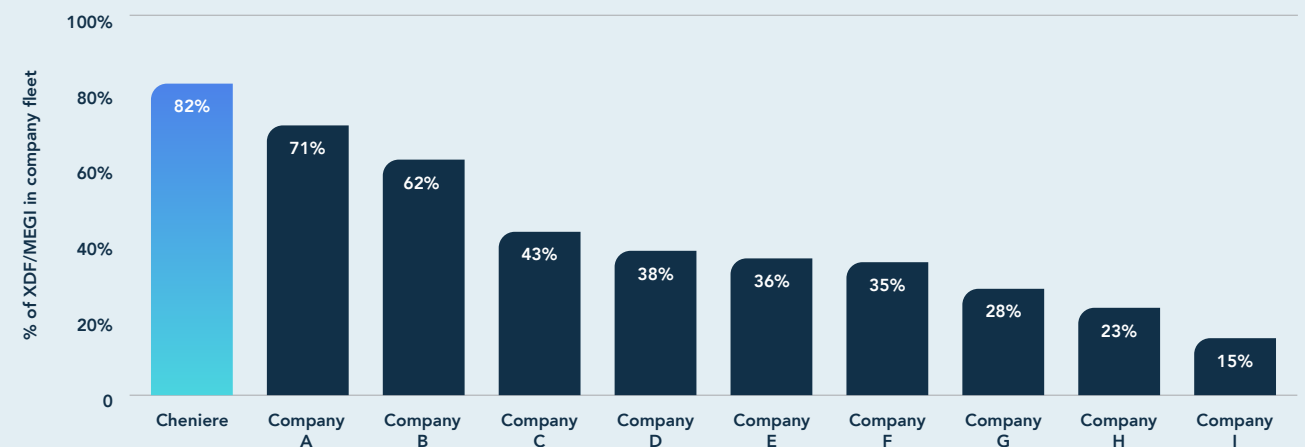
CE TAGS: INCREASING TRANSPARENCY THROUGH MEASUREMENT AND COLLABORATION

CE Tags will provide customers with an estimated CO₂e profile for each cargo loaded at our facilities (from production to the point of custody transfer to the customer), and will be calculated using Cheniere's LCA.¹⁶



- ¹⁶ Press Release, Cheniere Energy, Inc., *Cheniere to Provide Cargo Emissions Data to LNG Customers*, <https://lngir.cheniere.com/news-events/press-releases/detail/214/cheniere-to-provide-cargo-emissions-data-to-lng-customers>.
- ¹⁷ Free on Board (FOB): CE Tags include Production, Gathering & Boosting, Processing, Transmission & Storage and Liquefaction (not Shipping).
- ¹⁸ Percent emissions from production through delivery to China, 100-year GWP. Roman-White, Littlefield, Fleury, Allen, Balcombe, Konschnik, Ewing, Ross, and George (2021), "LNG Supply Chains: A Supplier-Specific Life-Cycle Assessment for Improved Emission Accounting." *ACS Sustainable Chem. Eng.* 2021, 9, 10857–10867.
- ¹⁹ Ex-ship (DES): CE Tags include Production, Gathering & Boosting, Processing, Transmission & Storage, Liquefaction and LNG Shipping.

TOP 10 LNG CHARTERERS BY FLEET EFFICIENCY²⁰



²⁰ Based on known existing charter agreements in place as of April 11, 2022. Cheniere considers the most efficient vessels available to include vessels of not less than 173,400 cubic meters (cbm) with two-stroke propulsion systems, which include XDF or MEGI vessels.

A closer look at QMRV

Cheniere’s QMRV program aims to verify and more accurately measure our supply chain GHG emissions. This will help to inform our climate strategies and mitigation programs, as well as those of our supply chain partners and other stakeholders.

Our QMRV program develops and employs multi-scale, multi-technology measurement methodologies including ground, drone, aerial and satellite, along with robust assessments of operational and maintenance practices, to develop dynamic, measurement-informed inventories of facilities.

Key benefits and uses of QMRV

- Enhances accuracy from measurement of actual emissions.
- Enables a field-tested assessment of the efficacy of the different measurement technologies.
- Helps identify leaks and abnormal emissions.
- Improves our LCA model and CE Tags.
- Provides data that supports the development of strategic mitigation efforts.

How we are improving QMRV across our supply chain

- Use of measurement protocols tailored to each phase of the supply chain.
- Application of a range of measurement technologies to support direct, facility-level measurement and monitoring of methane emissions, including drones, aerial overflights, satellites and on-the-ground optical gas imaging and high-flow sampling.
- Gaining input from world-class academics from the University of Texas, the Colorado School of Mines and other institutions, including guidance on measurement technologies and independent verification of measurement results.
- Sharing feedback and results with program participants and publication of results.

Technologies under assessment



OGI and high-flow sampling



Drone



Aerial



Satellite



Continuous monitors



1 Production²¹
Collaboration with five major producers spanning three basins. Enrolled assets account for >0.35 Bcf/d of natural gas production at more than 100 wells.

2 Midstream
Collaboration with five midstream operators to measure emissions at gathering stations, processing facilities, transmission compressor stations, storage facilities and relevant pipeline for these assets.

Gillis compressor station
In addition to implementing the Midstream QMRV protocol for our Creole Trail Pipeline, Cheniere is collaborating with Colorado State University, conducting controlled release tests at its Gillis compressor station to assess four continuous monitoring systems.

Liquefaction
Beginning in 2022, Cheniere intends to implement its QMRV protocol at both its Corpus Christi and Sabine Pass liquefaction facilities.

Shipping
Cheniere facilitated a first-of-its-kind study of CO₂ and CH₄ emissions on a live LNG voyage. Cheniere intends to install continuous emissions monitoring systems (CEMS) on >85% of CMI's long-term charters.

Current QMRV projects

²¹ Press Release, Cheniere Energy, Inc., *Cheniere Announces Collaboration with Natural Gas Suppliers and Academic Institutions to Quantify, Monitor, Report and Verify GHG Emissions*, June 10, 2021, <https://lngir.cheniere.com/news-events/press-releases/detail/220/cheniere-announces-collaboration-with-natural-gas-suppliers>.

Risk management

ENTERPRISE RISK ASSESSMENT

We incorporate climate-related risks and opportunities into our annual enterprise risk assessment (ERA) process, which is overseen by our chief risk officer and reviewed by the Board of Directors. Our ERA process focuses on identifying short- and medium-term risks within a five-year time horizon. We analyze these risks based on their potential financial or reputational impact on the organization. We undertake our ERA process annually, with a midyear check-in to determine if any significant changes identified during the annual ERA process need to be addressed.

Individuals responsible for the oversight of climate risk can bring any significant changes to the attention of the chief risk officer. The SVP of corporate development and strategy and SVP of PGPA are responsible for assessing climate-related risks as part of the overall ERA process.

IDENTIFYING AND MANAGING CLIMATE-RELATED RISKS AND OPPORTUNITIES

The 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 their related potential financial impacts.

Our strategic response to key climate risks and opportunities

Potential climate-related risks identified



Changing customer and financial market sentiment, including customer and investor desire to reduce GHG emissions, 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 cost to LNG export destinations.

Physical risks as a result of an increase in extreme weather events, including hurricanes.

Potential climate-related opportunities identified



Growing demand among oil and coal users for lower-carbon alternative energy products.

Increasing regulatory pressure to reduce the use of more carbon-intensive fossil fuels.

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 we are managing our climate-related risks and opportunities



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

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 cargo emissions via CE Tags to drive improvement.

Mitigating physical risks through the location, design and construction of our facilities, to avoid or withstand extreme weather.

Chartering the most efficient vessels on a long-term basis to reduce emissions.

Facility design and technologies to improve efficiency and reduce emissions.

Purchasing property and casualty and business interruption insurance to protect ourselves from loss.

Read more

[A detailed list of risks and opportunities, potential financial implications and mitigation opportunities](#)

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Our [climate scenario analysis](#) allows us to better understand these potential impacts and assess the resilience of our business model under a range of scenarios. In turn, this helps inform our strategy and business 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.

TRANSITION RISKS

To identify policy-related risks and opportunities, we review international and domestic climate policies and regulations and assess how they may affect our business. To manage these risks, we conduct ongoing engagements with policymakers and think tanks in the United States and key international markets.

To assess market risks, we actively engage our customers to understand changing market sentiment. Our efforts to enhance transparency around GHG emissions across the LNG supply chain can inform and support our suppliers' and customers' own decarbonization efforts, and thereby help to enhance the GHG footprint of our product and the broader industry.

We are addressing technology risks and opportunities by controlling the carbon footprint of our product.

PHYSICAL RISKS

We periodically analyze our climate-related physical risks. We have identified hurricanes, flooding and other extreme weather events as key physical risks for our business. Based on our analysis, we design our facilities to withstand a variety of extreme weather conditions and implement appropriate risk mitigation and management measures. We install redundant capacity for key equipment to help us maintain or quickly reinstate operations if equipment is damaged, and we purchase property and casualty and business interruption insurance to protect ourselves from loss. In addition, we employ two full-time meteorologists to help us predict and plan for potential weather-related risks.

We develop hurricane preparedness plans based on Gulf Coast petrochemical industry best practices. We have a dedicated incident response program through which we plan and prepare for potential events, including extreme weather, that could impact operational continuity, our workforce or our communities (see [p. 22](#)). Our incident response capabilities and the design of our facilities have been tested in recent years by significant hurricane seasons. They have performed as planned, and we have been able to reinstate LNG production safely and quickly.

Also, we have undertaken a detailed [water risk analysis](#) using the World Resources Institute's Aqueeduct Water Risk Atlas and have determined that we do not operate in any areas of high water stress.

Metrics and targets

We measure and mitigate emissions across our operations and implement measures to improve efficiency throughout the operational life cycle, including design, construction and production. These efforts are overseen by our SVP of Operations, who provides regular updates to the Board of Directors on our performance. We track multiple metrics to assess and manage our carbon management and environmental performance.

We believe that in order to set realistic targets, we need to more accurately quantify and measure emissions across the supply chain. Therefore, we view our measurement initiatives as necessary precursors to evaluating informed and actionable targets.

We report our absolute Scope 1 and 2 GHG emissions and our Scope 1 methane emissions.²² We also use 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.

CO₂ represents the majority of our Scope 1 GHG emissions. Our absolute Scope 1 CO₂ emissions increased in 2021 compared to 2020, primarily because we brought two new LNG trains online. However, our Scope 1 intensity decreased by approximately 1%.

Including LNG terminals and pipelines, methane emissions represented less than 1% of our total Scope 1 emissions in 2021. This reflects the fact that we have maintained a methane emissions intensity rate of less than 0.02% over the past four years, significantly lower than the targets of 0.2% set by the Oil and Gas Climate Initiative (OGCI) and 0.301% set by the ONE Future initiative.²³ Nonetheless, we continue to monitor and work to further reduce fugitive and vented methane emissions in our operations.

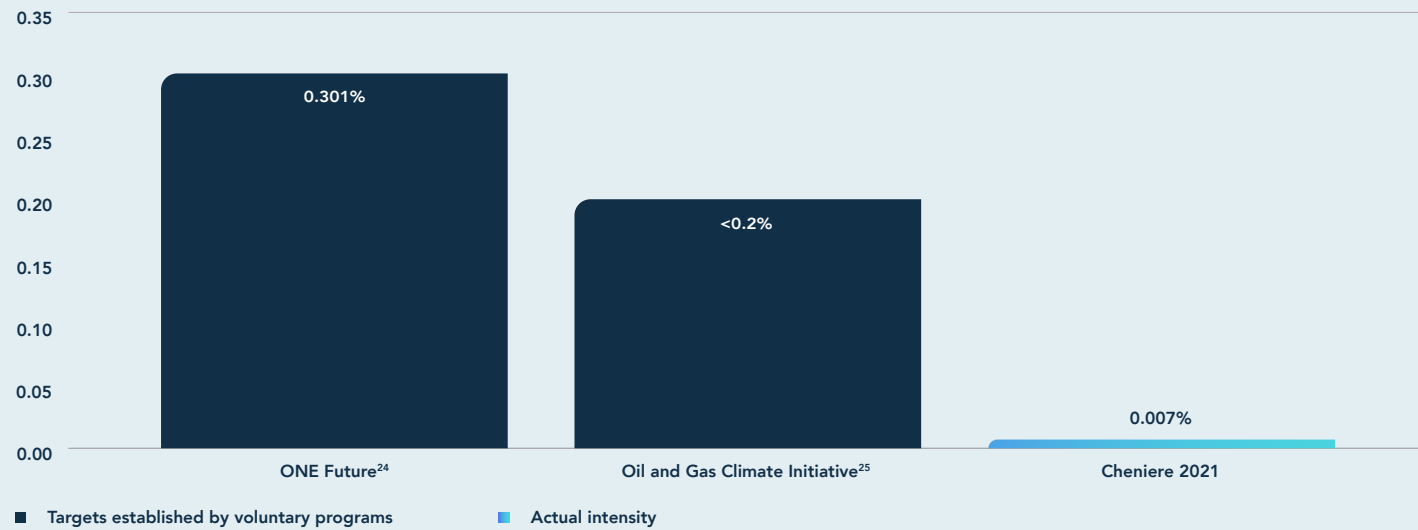
Scope 3 emissions are the result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly impacts in its supply chain. Scope 3 emissions associated with LNG supply chains include, for example, emissions resulting from natural gas production, transportation, regasification and the end use (combustion) of sold products. Our LCA and QMRV projects are helping us to gain a better understanding of our Scope 3 emissions so that any future reporting of our full life cycle emissions will be scientifically rigorous.

²² Scope 1 GHG emissions include emissions reported to the EPA under the GHGRP. All CO₂e is reported using 100-year GWP. CH₄ GWP = 25 and N₂O GWP = 298.

²³ Cheniere is not a member of, or participant in, the Oil and Gas Climate Initiative (OGCI) or the ONE Future initiative.

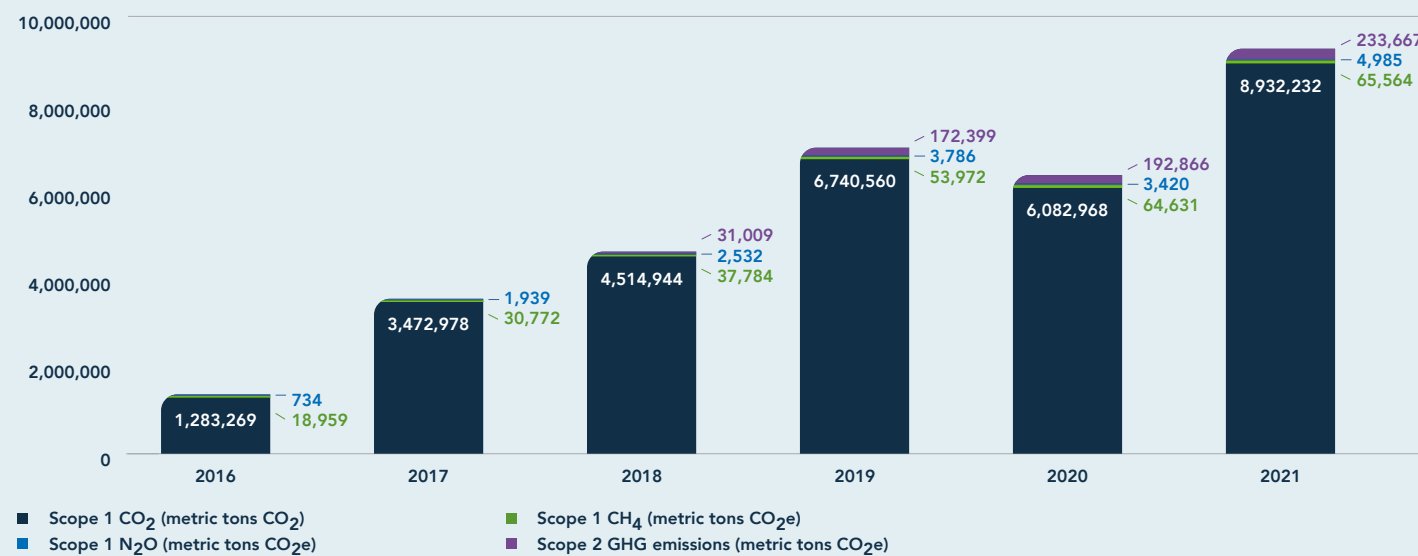
METRICS AND TARGETS

2021 METHANE EMISSIONS INTENSITY (ACTUAL) VS. VOLUNTARY TARGETS



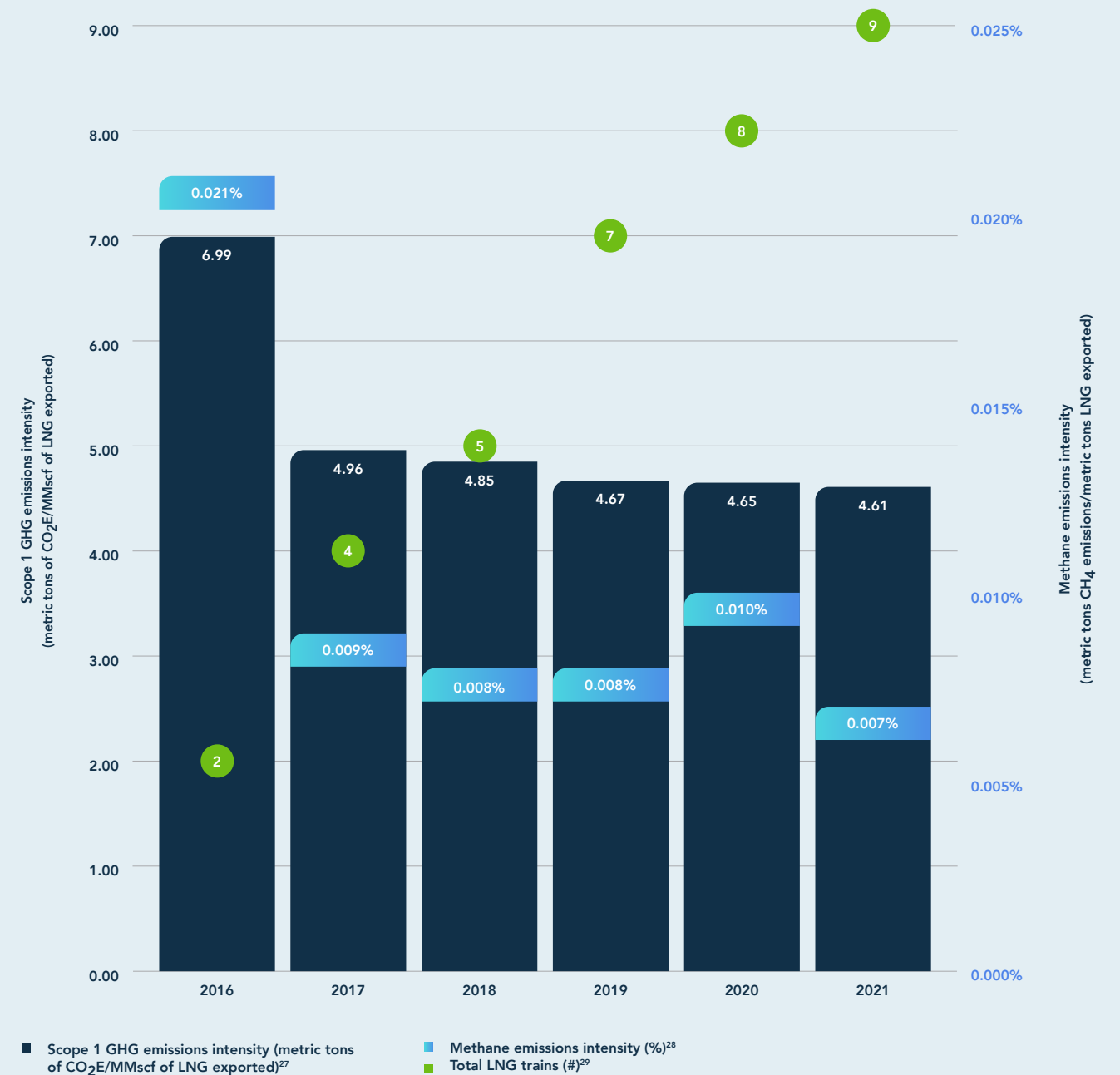
²⁴ Our Nation's Energy (ONE) Future Transmission and Storage sector target. ONE Future, (2021), *One Future 2021 Methane Emissions Intensities Report*, p. 4, <https://onefuture.us/2021-methane-emissions-intensity-report/>.
²⁵ Oil and Gas Climate Initiative, (2021, December), *Accelerating Ambition & Action, A Progress Report from the Oil and Gas Climate Initiative*, p. 15, <https://www.ogci.com/download/ogci-progress-report-2021/>.

SCOPE 1 AND 2 GHG EMISSIONS



All GHG emissions are disclosed as reported to the EPA under the GHGRP. All CO₂e is reported using 100-year GWP. CH₄ GWP = 25 and N₂O GWP = 298. Scope 2 emissions (2018–2021) are based on electricity purchased for use at major offices and operating sites, using the location-based method per the GHG protocol Scope 2 guidance.

SCOPE 1 GHG AND METHANE INTENSITY²⁶



²⁶ All CO₂e is reported using 100-year GWP. CH₄ GWP = 25 and N₂O GWP = 298.
²⁷ Scope 1 GHG emissions include emissions reported to the EPA under the Greenhouse Gas Reporting Program (GHGRP). All CO₂e is reported using 100-year GWP. CH₄ GWP = 25 and N₂O GWP = 298.
²⁸ CH₄ intensity is reported per the ONE Future Reporting Protocol as metric tons of CH₄ emissions per metric tons of LNG exported (as methane), as reported to the DOE.
²⁹ Trains that are being commissioned but are not yet fully operational also have an impact on our GHG and CH₄ emissions intensity. In 2021, eight trains were fully operational, but one additional train began commissioning with production of first LNG and was placed into full operation in 2022. Number of LNG trains reflects the number of trains from which emissions were included in annual reporting to the EPA GHGRP.



Environment

We are committed to responsibly managing our environmental impacts, including those relevant to air quality, biodiversity and effluents and waste. This commitment is supported by our [Health, Safety and Environmental Policy](#) and by our comprehensive environmental management system, which is aligned with the ISO 14001 environmental management system standard (read more in our [Detailed Disclosures Appendix](#)).



EVALUATE PRESERVE

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PROGRESS AND HIGHLIGHTS

- Launched an environmental management information system, a technology initiative to enhance environmental data collection, tracking and reporting.
- Fully incorporated our environmental management system (EMS) with the Cheniere Integrated Management System.
- Recycled over 615,000 gallons of oil, oily water and filters at our sites and over 462,000 pounds of scrap metal between our sites and pipelines.

Read more

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

Biodiversity

While our impacts on biodiversity are generally limited, what impacts do occur primarily take place during the construction of our LNG terminals and natural gas pipelines. To help further avoid impacts, we chose previously disturbed, brownfield sites for the locations of our liquefaction facilities, and we endeavor to co-locate 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 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

Our 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. This includes 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 prioritize the avoidance of impacts. Where that is not possible, we minimize impacts to the maximum extent practicable and mitigate unavoidable impacts. Our LNG facilities and pipelines were sited in order to avoid protected conservation and/or critical habitat areas.

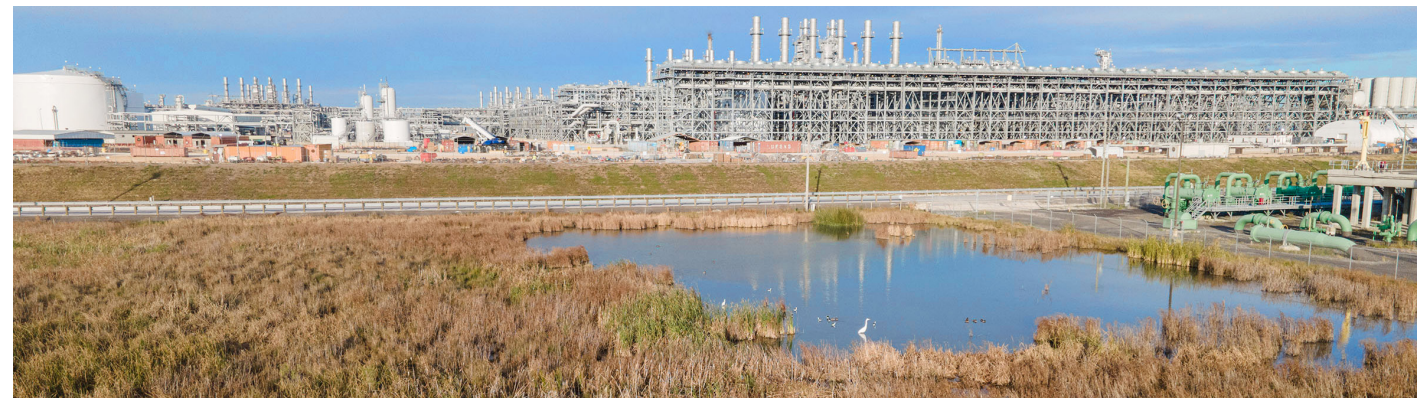
LAND AND ECOSYSTEM RESTORATION

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 cause impacts to ecosystems. Where this is the case, we develop biodiversity management plans and restore disturbed land to pre-construction conditions, where possible. We also actively monitor the outcomes of our efforts and report back 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.

Read more

[Protecting biodiversity, minimizing impacts and restoring ecosystems](#)

[Biodiversity management](#)



Effluents and waste

Compared to most energy companies, our operations pose only limited risks of hydrocarbon spills because our primary product is natural gas and LNG, not oil. 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, due to the nature of the potential contaminants in the effluents. 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 and update as relevant. We also maintain robust incident tracking, investigation and corrective action plans to address events when they occur.

Cheniere does not operate in areas affected by water stress. Further, our strong spill and release management programs minimize our potential impacts on local water resources through releases.¹ For more information, see the [water risk analysis](#).

RESPONSIBLE WASTE MANAGEMENT

Each facility develops, follows and regularly updates waste management plans that include carefully labeling, managing and disposing of hazardous and non-hazardous waste at permitted treatment, storage and disposal facilities. We develop waste minimization plans, which are required by regulatory agencies and reviewed every year with the goal of identifying and reducing the quantity and toxicity of the waste and increasing 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, through which we recycled more than 615,000 gallons of used oil, oily water and filters from our LNG facilities and over 462,000 pounds of scrap metal from our facilities and pipelines.

SPILL PREVENTION AND RESPONSE

Our spill risks are limited, based on the products and materials we handle, and primarily stem from liquid fuels used to run equipment and lubrication oils used in our liquefaction facilities. 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. In 2021, we experienced one reportable hydrocarbon spill involving one gallon of hydrocarbons (see [p. 39](#)).² We manage spills through an enterprise-wide 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.

Read more

[Effluent management](#)

¹ Cheniere utilized the Aqueduct Water Risk Atlas and other resources to conduct this assessment.

² We define reportable spills as a spill of liquid materials containing hydrocarbons to the ground or water, such as liquid fuels, lubrication oils and hydraulic fluids, that exceeds a regulatory-based reportable quantity and requires an immediate (<24 hours) notification to a regulatory agency. Our business focuses solely on natural gas and LNG.

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Air quality

Natural gas significantly reduces sources of localized air pollution compared to burning coal for electricity generation. Specifically, natural gas reduces nitrogen oxide (NO_x) emissions by 82%, sulfur dioxide (SO₂) emissions by 99% and mercury emissions by nearly 100% on a life cycle basis compared to coal when used in combined cycle power plants.³ This helps our customers meet their environmental goals to reduce air pollution and improve health.

MANAGING CRITERIA AIR EMISSIONS FROM OUR OPERATIONS

Our operations generate criteria air pollutant emissions, including nitrogen oxides (NO_x), sulfur oxides (SO_x), volatile organic compounds (VOC), 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.⁴ We actively work to limit our criteria emissions and impacts on local air quality. See the Key Performance Data table (see [p. 39](#)) for emissions data.

³ 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*.

⁴ Small volumes of natural gas condensate extracted from the natural gas feed are exported from the liquefaction trains into third-party pipelines.

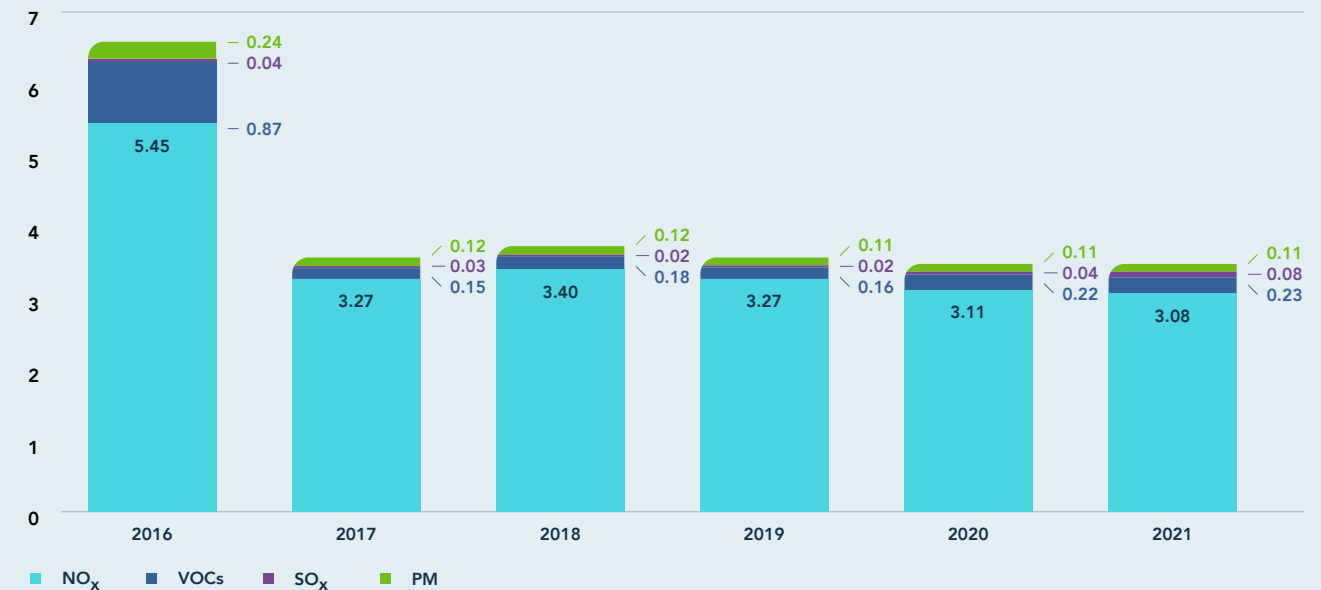
Our LNG production facilities are relatively new and were designed to comply with strict emissions limits. We have implemented a range of NO_x and VOC emission-control technologies and work practices across our operations. For example, at our pipeline compressor stations, we utilize turbine compressor drivers with integrated combustion technology to reduce NO_x emissions to below permit requirements.

Read more

[Air quality management](#)

LNG significantly reduces sources of localized air pollution compared to burning coal for electricity generation.

CRITERIA AIR POLLUTANT EMISSIONS INTENSITY⁵ (short tons/BCF of LNG exported)



⁵ As reported annually to the Louisiana Department of Environmental Quality (LDEQ) and Texas Commission on Environmental Quality (TCEQ) (2017–2021) and LDEQ, TCEQ and the Oklahoma Department of Environmental Quality (ODEQ) (2019–2021).





Health and Safety

Protecting the safety and well-being of our employees, contractors, communities and customers is one of Cheniere’s core values and top priorities. Our leadership team champions the ongoing development of a strong safety culture through regular engagement and communication with our workforce. Our commitment is embedded in our everyday processes, behaviors and culture through our Health, Safety and Environmental Policy and the Cheniere Integrated Management System, which defines our management standards and processes for occupational health and safety, process safety and incident management, including emergency response (read more about our management systems in the Detailed Disclosures Appendix). In 2021, keeping our people safe during the COVID-19 pandemic remained a central focus (see case study online for more on these efforts).



PROTECT PERFORM

PROGRESS AND HIGHLIGHTS

- Achieved a combined (employees and contractors) Total Recordable Incident Rate (TRIR) of 0.10 and Lost Time Incident Rate (LTIR) of 0.01, achieving our fifth consecutive year of improvement.
- Exceeded our safety target every year since first publishing one in 2017.
- Updated health and safety risk matrices to incorporate facility operability and reliability risks and improve cross-functional integration; implemented related site-level risk identification and management training.
- Enhanced our incident tracking system to provide improved oversight and analysis of safety incidents (including near misses) and to support implementation of corrective actions and the sharing of lessons learned.

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

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Occupational health and safety

Our commitment to protect our people’s health and safety starts at the very top of the organization and is enshrined as 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 our Cheniere Incident Management System, 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 relevant Occupational Safety and Health Administration (OSHA) and Pipeline and Hazardous Materials Safety Administration (PHMSA) requirements.

To drive continuous improvement, we set annual health and safety performance targets, which are tied to our annual performance compensation scorecard for all employees and executives. We have exceeded our safety target every year since first publishing one in 2017.

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 system.

LIFESAVING RULES

We have implemented a set of lifesaving rules to operationalize our guiding safety principles of controlling work, controlling energy and controlling equipment. Employees receive a badge card with these eight safety rules to help keep them top of mind.

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.

SAFETY TRACKING AND REPORTING

We document and investigate workplace safety incidents including near misses and high-potential incidents. Based on these, we implement corrective actions and share lessons learned to avoid future incidents. In 2021, we streamlined our incident tracking and reporting system and expanded the implementation and tracking of corrective actions and dissemination of lessons learned.

CONTRACTOR SAFETY MANAGEMENT

All individual contractors working on Cheniere sites are expected to follow our health and safety management system and actively participate in meeting or exceeding our safety performance objectives. If a contractor company does not meet our safety criteria, we work with them to put a mitigation plan in place, but we reserve the option to terminate a contract if issues are not corrected. See [p. 35](#) for more on our contractor screening process.

OPERATIONAL SAFETY TRAINING

We conduct enterprise-wide safety training based on a role-specific qualification and competency matrix to facilitate compliance with internal standards and applicable regulations.

COMBINED EMPLOYEE AND CONTRACTOR TRIR AND LTIR¹

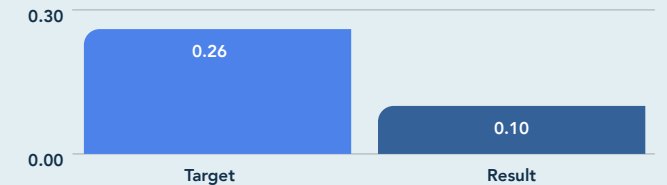


We have achieved steady and significant improvements in recordable safety incidents over the past five years. Our combined employee and contractor TRIR has decreased by 82% from 2016 to 2021, while our combined LTIR decreased 86% between 2016 and 2021. In addition, we have achieved zero employee or contractor fatalities over the past four years.

¹ TRIR and LTIR are calculated per 200,000 hours per the OSHA standard. 2019 metrics may differ slightly from those previously published due to a change in calculation methodology to better align with industry practice.

PERFORMANCE AGAINST SAFETY TARGETS

Employee + Contractor TRIR



MAINTAINING SAFETY IN OUR MARINE OPERATIONS

We follow a robust vetting process for all vessels that interact with Cheniere personnel and assets. Our primary focus for marine safety is identifying, managing and mitigating potential risks that may occur during the arrival, loading and departure of vessels from our terminals, including potential incidents such as collision, fire or injuries.

Read more

[Occupational health and safety programs](#)

[Marine safety](#)



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Process safety

As outlined in our enterprise-wide integrated management system, we follow robust process safety management standards to reduce the likelihood and severity of potential incidents. Process safety incidents represent one of the most significant sources of risk to our employees and communities, making this an area of management focus and a key element of the Cheniere Integrated Management System. 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 to help us avoid 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 design.

PROCESS SAFETY TRACKING AND REPORTING

We track process safety events in three tiers of severity, in accordance with industry standards, to support the implementation of appropriate corrective actions and drive continuous improvement, and ultimately to help prevent occurrences. Beginning in 2021, we began tracking high-potential events to help ensure we maintain a proactive, forward-looking approach to process safety management.

ASSET INTEGRITY MANAGEMENT

Maintaining the operational integrity of our equipment is a key part of our overall safety efforts. Our approach is defined by our formal Asset Integrity Standard, which is incorporated into the Cheniere Integrated Management System. Based on this standard, we develop, define and incorporate reliability and maintainability objectives in 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 plan 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 attacks. We have a tiered emergency response framework integrating activities from the executive to local level (see the [Detailed Disclosures Appendix](#)).

EMERGENCY RESPONSE PLANS

Cheniere’s emergency response program, which is part of our enterprise-wide integrated management system, helps to ensure we can respond effectively in the event of any potential emergency. We maintain site-specific emergency response plans (ERPs) 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. In 2021, we undertook multiple drills to test and hone our emergency response plans and processes.

EMERGENCY RESPONSE INCIDENT COMMAND

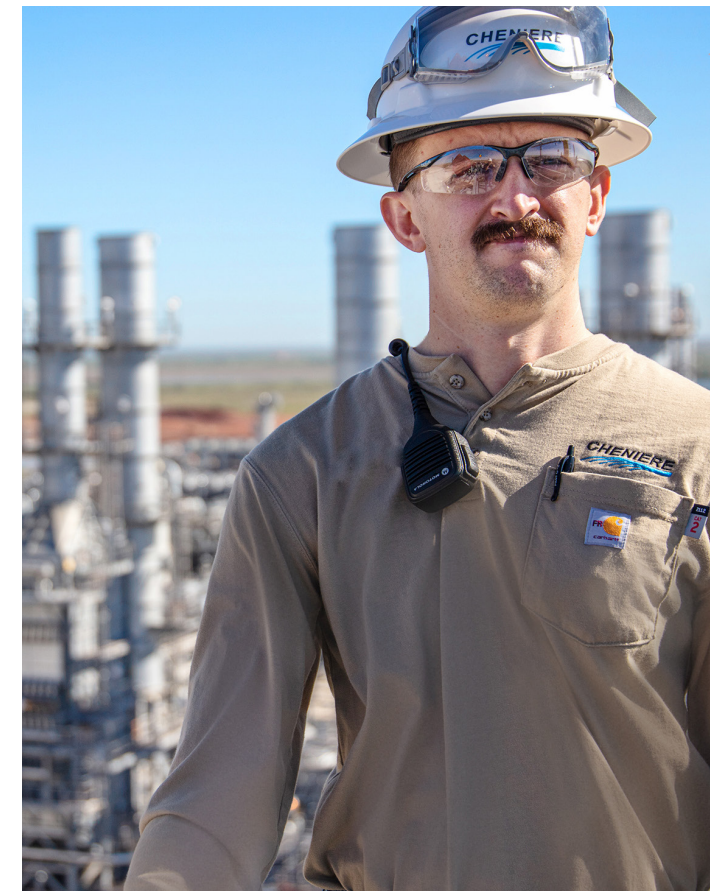
Cheniere follows the National Incident Management System (NIMS) Incident Command System (ICS), which is used by federal, state, tribal and local levels of government, as well as many private sector and nongovernmental organizations, for a broad spectrum of emergencies. Adopting the NIMS ICS makes it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

Read more

[Emergency response approach](#)

[Identification of safety risks](#)

[Community safety](#)



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Team

We are committed to providing a workplace that offers equal opportunities, competitive terms of employment and high-quality training and development opportunities. We invest in the core human capital priorities — attracting, engaging and developing diverse talent and building an inclusive and equitable workplace — that underpin our current and future success and our ability to generate long-term value.

In 2021, we continued to support our workforce through the COVID-19 pandemic. This included a range of measures to support the health, safety and mental well-being of our employees (see [case study online](#) for more on these efforts).

INVEST ADVANCE



PROGRESS AND HIGHLIGHTS

- Announced our first-ever stock dividend in November 2021, as part of our capital allocation strategy, adding to the long-term equity incentives in the business that we offer to all employees.
- Maintained and expanded our core employee training and development activities (as well as our recruitment, internship and apprenticeship programs), while also transitioning to an online format to protect the health and safety of our workforce during the pandemic.
- Carried out a safe transition back to office-based working and pre-pandemic schedules. We remain responsive to changing circumstances and adjust in-person work as needed.
- Substantially progressed our diversity, equity and inclusion (DEI) framework, including our vision statement, values in action and aligned workstreams.
- Completed DEI-inclusive leadership training for all senior executives and vice presidents, and launched enterprise-wide DEI awareness and training.
- Strengthened our Board with the appointment of two new female directors, increasing our total female Board representation to three out of 11 directors as of Dec. 31, 2021.



Attracting, engaging and developing talent

The success of our company is built on our people. We work hard to attract, retain, develop and reward our talented global employees. We are focused on listening to and engaging with our workforce. We support our efforts with the use of workforce analytics to gain greater insights from historical employee trends and create models for behaviors, risks and improvements in the future. This includes areas such as talent management, retention and competitive intelligence.

TALENT ATTRACTION

Our recruitment efforts seek to attract diverse and highly skilled individuals. We offer competitive compensation and benefits, in addition to a range of internship, apprenticeship and vocational programs to attract and develop our talent.

To support local workforce development, our recruitment efforts focus on colleges and universities in our areas of operations, including the University of Houston, Texas Southern University, the University of Texas and Louisiana State University. In 2021, we expanded engagement with historically Black colleges and universities (HBCUs) and Hispanic-serving institutions (HSIs), and required all hiring managers to complete DEI training before the interview process (see [p. 27](#)). We also attract and develop talent through local community-focused internship and apprenticeship programs (see [p. 27, 29](#)).

¹ This represents the total number of training hours divided by the total number of employee-users registered to Cheniere's internal training platform ("Cheniere LEARN").

ENGAGEMENT PROGRAMS AND TOOLS

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

- Implementing regular engagement surveys and other platforms to enable employees to share ideas and voice concerns, including a hotline that can be reached anonymously (see [p. 33](#)).
- Promoting Cheniere's "Cultural Champions," employee-led action groups that support our culture of inclusion, collaboration and continuous improvement.
- Facilitating two-way communication, including through town halls, our internal communications platform and our hotline.

DEVELOPMENT AND TRAINING

We offer a range of employee development programs, including a core training curriculum, leadership training and executive coaching, as well as funding for professional certifications and continuing education. We hold annual performance reviews for all employees, and more frequent informal discussions to help employees meet their career goals.

Read more

- [Board oversight and executive management of human capital](#)
- [Talent attraction, engagement programs and tools, development and training, and employee benefits](#)
- [Ongoing efforts to keep our employees safe and well in the face of COVID-19](#)



158,900 hours
of technical, employee
development and
compliance training
in 2021

94.5 hours
of training per employee¹



Diversity, equity and inclusion

We treat our employees fairly, equally and without prejudice, irrespective of gender, race, age, disability, sexual orientation or any other attributes. This is reflected in our [Equal Employment Opportunity Policy](#) and [Discrimination and Harassment Policy](#), which apply to all with whom Cheniere works.

Beyond this, we are fully committed to actively supporting DEI across our business. We believe that a diverse range of backgrounds, experiences and ideas helps support an empowered and innovation-driven culture, making us stronger and more effective as a company. Our DEI vision is to foster an equitable environment where all stakeholders and their differences are respected, welcomed and valued.

Our chief compliance and ethics officer sponsors our DEI efforts and reports quarterly to our Board of Directors. We have an executive-level DEI Sponsorship Council that meets regularly to review plans, data and analytics, provide guidance and drive top-down accountability. We are also working to drive bottom-up engagement through our employee resource groups, employee networks and Cultural Champions, who provide the DEI Sponsorship Council with valuable insights from across the organization.

DEVELOPING OUR DEI STRATEGY AND ROADMAP

In early 2021, we analyzed results from an extensive analysis to better understand the current state of our DEI policies, practices and culture. In partnership with third-party DEI consultants, we

used insights from these assessments — which included feedback from employee focus groups — to develop the foundational components of our DEI approach. A critical part of developing our roadmap is incorporating cross-functional workstreams including analytics, communication, corporate giving, culture, infrastructure, leadership development/training, supply chain management and talent acquisition and management. These workstreams reflect and support our holistic approach to embedding DEI into all that we do.

We are embedding these workstreams into existing processes while expanding engagement and new initiatives across the organization. We are also building ways to measure our successes and learn from the opportunities to support continuous improvement.

We are sharply focused on turning our commitment into action and further embedding DEI principles in our culture.

DEI AWARENESS AND TRAINING

Each year, all Cheniere employees complete training on recognizing and preventing discrimination and harassment. In addition, our recurring employee engagement survey includes DEI questions to help improve our performance by understanding challenges and opportunities, such as how to integrate DEI with our Cheniere TRAINS values. In 2021, we rolled out unconscious bias training for all employees. In addition, all senior executives completed an intensive inclusive leadership training program. In 2022, we will expand this training to leaders at all levels and develop additional DEI training and inclusive team tools for all employees.

DEI vision

To foster an equitable environment where everyone and their differences are respected, welcomed and valued.

Diversity

All the ways in which people differ.

Equity

Fair treatment, access and opportunity for all people in Cheniere’s community.

Inclusion

An environment that enables everyone to belong.



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Incorporating DEI in our company values

In 2021, we applied a DEI lens to our values—Teamwork, Respect, Accountability, Integrity, Nimble and Safety (TRAINS)—to provide clear guidance on how employees can translate these core values into action in support of our DEI vision.

	<p>Teamwork</p> <p>Trust each other, share ideas and collaborate to meet our shared goals.</p>	Build relationships, even if your views may be different.	Listen – seek to understand versus to be understood.	Ask questions for clarity and understanding.	Ensure every voice is at the table and can be heard.
	<p>Respect</p> <p>Respect each other, the company, our stakeholders and the environment.</p>	Be considerate of individuals and their abilities.	Honor people’s feelings and opinions, even though they may not align with your own.	Be mindful of what you say, how you say it, and how it makes a person feel.	Tell the truth with compassion and listen with empathy.
	<p>Accountability</p> <p>Set high, measurable performance goals, keep commitments and hold yourself and others responsible.</p>	Do what you say you’re going to do.	Challenge yourself to check your biases (and adjust when necessary).	Acknowledge that there is always room to do better (and do it).	Establish clear goals and targets.
	<p>Integrity</p> <p>Hold yourself and each other to the highest standards of honesty and transparency.</p>	Be honest — admit when you’ve done something.	Be fair — in your actions and your words.	Do the right thing, even when no one is looking.	Own your actions.
	<p>Nimble</p> <p>Innovate and be flexible and adaptable when facing change.</p>	Challenge yourself to check your biases (and adjust when necessary).	Practice agility.	Be as flexible with me as you want me to be with you.	Be curious — innovative.
	<p>Safety</p> <p>Protect the safety and well-being of people, our customers and the communities in which we operate.</p>	Have the courage to be authentic and encourage others to be authentic.	Speak up when something is wrong — for yourself and for others.	Challenge the status quo as it adversely impacts others.	Protect the physical, mental and psychological well-being of the Cheniere community.

EMPLOYEE ENGAGEMENT ON DEI

Employee resource groups, employee networks and our Cultural Champions are key components to help ensure that our DEI efforts incorporate employee viewpoints while giving employees a safe space to discuss issues and provide feedback to senior leadership. Employee networks are designed to build professional competency and create social networks for employees. Employee resource groups provide forums for connection among employees with similar backgrounds/identities.

We currently have two employee resource groups: Women Inspiring and Leading Success (WILS), which is affiliated with Lean In Energy, the Women’s Energy Network and ALLY (formerly Pink Petro); and Emerging Professionals Network (EPN). WILS organizes internal workshops and forums focused on leadership and skills development to support professional growth. Emerging Professionals Network (EPN) is an employee resource group that connects people across teams and Cheniere locations, enhancing business efficiency by promoting teamwork and providing professional growth and development opportunities. EPN hosts monthly events open to all employees interested in expanding their networks, learning more about departments across Cheniere and participating in mentorship and other volunteer opportunities. As we continue to address the needs of our employees, we have a solid framework to support additional employee resource groups as necessary.

RECRUITMENT AND PIPELINE PROGRAMS

In 2021, we continued to review and improve our hiring practices, with a focus on making our processes inclusive and equitable. As part of these efforts, all hiring managers completed unconscious bias training. We also expanded our diversity recruitment efforts through partnerships with historically Black colleges and universities (HBCUs) and Hispanic-serving institutions (HSIs), including internships and career skill-building programs.

As part of our ongoing efforts to develop a diverse talent pipeline, we have provided internships for approximately 38 high school students from different schools in underserved communities in the Houston area every year since 2016. These internships are conducted in partnerships with Genesys Works and Cristo Rey Jesuit High School, two organizations 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.

We have established a mentorship program that helps high school and early college students from underrepresented groups in Port Arthur, Texas, to develop workplace-relevant skills. In addition, we contributed \$21,000 to 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.

BUILDING A DIVERSE TALENT PIPELINE THROUGH HBCU PARTNERSHIPS

In 2021, Cheniere partnered with the Thurgood Marshall College Fund to support a scholarship program for students at U.S. HBCUs. This included a commitment of \$500,000 over a three-year period, with the initial group of nine students receiving up to \$6,000 in financial aid per semester, starting in spring 2022. In addition, our employees will engage directly with scholarship recipients to expand awareness and interest in our industry, with the potential for paid summer internships at Cheniere.

SUPPORTING EQUITY IN PAY AND BENEFITS

We are committed to supporting gender equity and to closing the gender pay gap. We offer competitive compensation in line with industry benchmarks, and we do not permit gender discrimination or inequity based on any 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 and provide transgender-inclusive insurance coverage.

Workforce diversity

Over the past six years, we have consistently increased the percentage of women and racially/ethnically diverse individuals in management, as well as the percentage of racially/ethnically diverse individuals in our workforce overall.^{2,3} Continuing to increase the diversity of our workforce is an important focus of our DEI strategy.

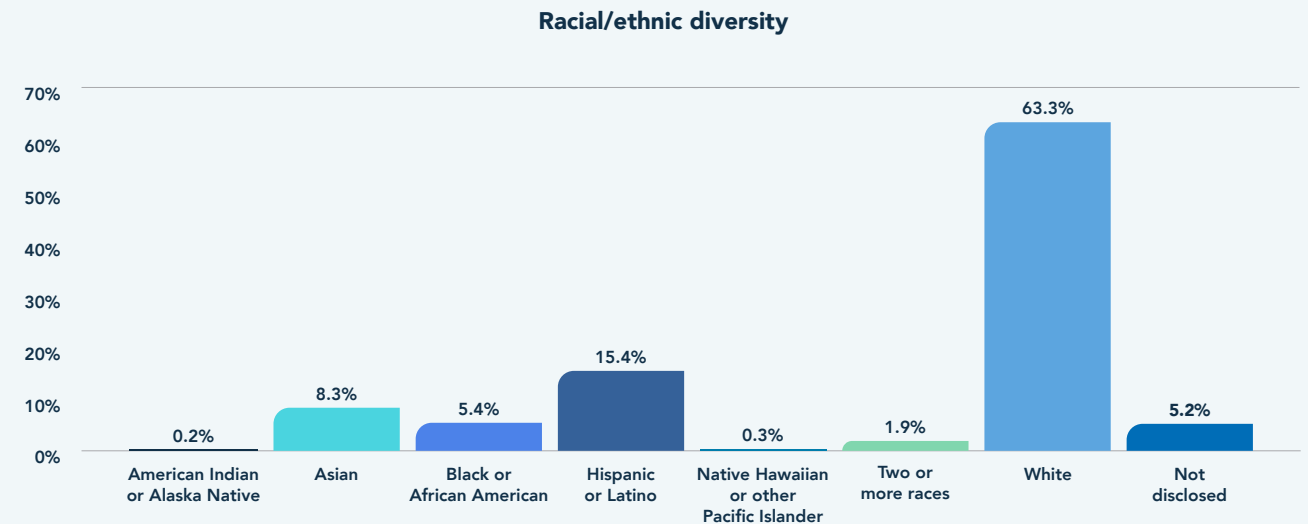
RACIAL/ETHNIC DIVERSITY IN MANAGEMENT



WOMEN IN MANAGEMENT



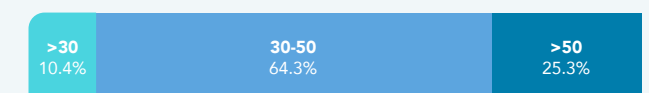
2021 PROGRESS — WORKFORCE DIVERSITY



GENDER DIVERSITY



EMPLOYEE AGE DIVERSITY



² International Privacy concerns prevent Cheniere from requiring ethnicity disclosure for international employees. Gender and Age diversity data is global. Ethnic diversity data is identified as undisclosed or excludes International employees. Also, data for 2021 excludes interns (interns were included in 2016-2020 reporting).

³ We define management to include both executive and non-executive management. Executive and non-executive managers are defined as: managers, directors, senior managers, senior directors, vice presidents, senior vice presidents and chief executives.

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Communities

We believe supporting and building strong relationships with the communities in which we live and work is fundamental to our success. We focus on driving community development through local skills training, job creation and targeted community investments. This helps support the long-term growth of our local communities and builds critical relationships and talent pipelines that underpin our business success. We implement a comprehensive approach to community engagement to build respectful, collaborative relationships and respond proactively to our communities' needs and concerns. We also strive to avoid and minimize any negative impacts on local communities and address them quickly if they do occur.



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PROGRESS AND HIGHLIGHTS

- Launched a regional community advisory panel (CAP) with representatives from peer companies in the Corpus Christi area to share and receive feedback from our neighbors.
- Contributed \$150,000 to combat the effects of severe weather in our communities, supporting Hurricane Ida relief in Louisiana and Winter Storm Uri response efforts through contributions to Kids' Meals in Houston, the Diocese of Lake Charles Catholic Charities in Louisiana and the Triangle Community Outreach Center in Port Arthur, Texas and the Coastal Bend Food Bank in Corpus Christi.
- Completed social impact assessments for both our Sabine Pass and Corpus Christi locations and developed follow-up action plans to avoid and mitigate identified impacts.
- Continued our high school apprenticeship program with Cristo Rey Jesuit High School in Houston and strengthened our SOWELA and Del Mar community college apprenticeship programs in Texas and Louisiana.
- Developed a corporate giving strategy that aligns our community investments with our DEI commitments and invested more than \$400,000 in DEI-focused projects in 2021.

Community development

Our community work is rooted in relationship building. We align our community investments with local needs to deliver lasting benefits and strengthen connections with our neighbors. We have long focused our community development efforts on building local workforces and supplier bases, which benefits our business as well as our communities. In addition, in 2021, we began implementing a DEI-focused corporate giving strategy to help align our community investments with our overall strategy to advance DEI where we live and work (see [p. 31](#)). We also continued to invest in projects and organizations that protect and restore the Gulf Coast ecosystem near our U.S. liquefaction operations and responded to other local needs — including COVID-19 — throughout the year. Many of our community investments are multi-year partnerships, meant to increase benefits and cumulative impact and solidify our relationships in the community.

DEVELOPING FUTURE LNG PROFESSIONALS AND LOCAL JOB OPPORTUNITIES

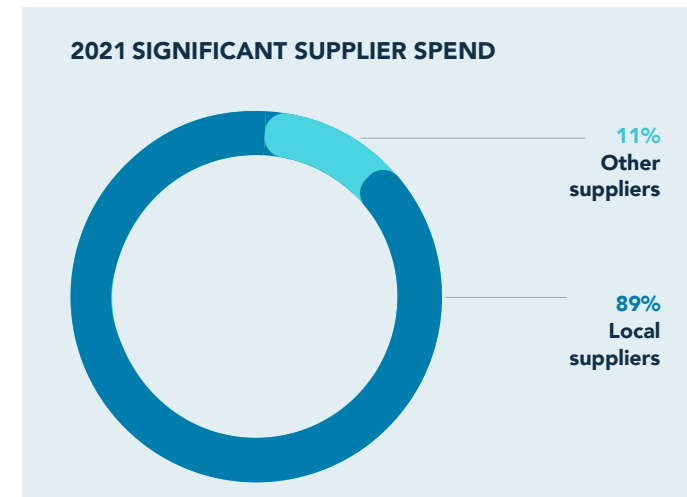
We invest in opportunities to help local students gain specialized skills and create local jobs. For example, we sponsor apprenticeship programs at SOWELA Technical Community College in Lake Charles, Louisiana and Del Mar College in Corpus Christi, Texas. These programs are structured to provide a direct pathway to employment. We also sponsor internships for high school students from underserved Houston communities in partnership with Genesys Works and Cristo Rey Jesuit High School. Since beginning our apprenticeship program in 2018, 37 people, or 75% of eligible apprentices, have been hired by Cheniere.¹

¹ Apprentices become eligible for hire once they have graduated and completed on-the-job training.
² Calculated as the total number of employees working on site that live in Texas or Louisiana divided by the total number of employees working at the site.

99.6% of employees at our LNG facilities are local²

SUPPORTING LOCAL SUPPLIERS

In 2021, we directed 89% of our significant supplier spend to vendors in states where we operate, compared to 85% in 2020.³ To further advance our local supply base, we are partnering with Texas A&M University-Corpus Christi to assist local companies in developing business models that align with and fulfill industry supply chain needs. Participants who complete the program will be eligible for direct grants to improve their businesses or fulfill gaps that may enhance their participation as a supplier to large industrial businesses.



³ Significant local suppliers represent in-state vendors with headquarters in Louisiana, Texas and Oklahoma from which Cheniere procured a significant value of goods and services through the supply chain management unit. Other suppliers represent the remainder. One local supplier representing a large portion of our significant supplier spend was excluded to avoid positive skew in the calculation.

Community engagement and impact mitigation

We engage regularly with local community members across the life cycle of our operations, from the earliest planning stages through permitting and construction, and on an ongoing basis once we begin operations. We focus on building relationships with our stakeholders to understand, and then actively address, potential concerns associated with our operations, such as localized light, noise and air pollution and increased commuter traffic. We maintain regular, two-way dialogue with residents to understand and address any potential concerns, and we have formal feedback mechanisms in place. We have developed and follow location-specific stakeholder engagement plans at each of our LNG facilities.

SOCIAL IMPACT ASSESSMENTS

We consider social risks in order to understand our potential impacts and local community needs from the operations of our liquefaction facilities and pipelines, and we update these assessments

to stay current with changes and needs in our communities. In 2021, we developed social impact assessments for our Sabine Pass and Corpus Christi facilities with input from independent third-party experts. This included a reassessment of community impacts and risks; evaluation of the effectiveness of existing mitigations; community engagement and feedback processes; and the development of recommendations to address identified impacts and enhance management proficiency. Potential impacts identified, which we continue to proactively address, include job creation, flaring, lighting, shipping and traffic. (See the [Detailed Disclosures Appendix](#) for more on specific potential impacts and our mitigation efforts.) Our social risk and impact assessment process includes human rights considerations and is guided by international standards including the Equator Principles and the International Finance Corporation’s Environmental and Social Performance Standards.



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 to better understand their needs and concerns. In 2021, we proactively initiated more than 1,300 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, investigate and respond to issues. Feedback received in 2021 included comments regarding LNG vessel movements,

inquiries involving flaring and emissions, and interest in partnering with Cheniere on social programs.

COMMUNITY ADVISORY PANELS (CAPs)

In 2018, we established a formal CAP representing residents from communities near our Corpus Christi facility. This was created to provide a forum for stakeholders to ask questions and share feedback and suggestions with site leaders from the facility. It also provides a forum for Cheniere to present information on current and upcoming activities that have the potential to impact the community. In 2021, we helped form a regional CAP in response to the positive community and industry feedback we received about the Cheniere-specific group. This new CAP includes community members and representatives from other regional facilities and aims to help members understand and address the cumulative impacts and opportunities of our combined operations on the nearby communities.

We participate in a similar forum that meets quarterly to engage with community leaders at our Sabine Pass facility.

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 also have an interest in Midship Holdings, LLC, which manages the business and affairs of the Midship Pipeline in Oklahoma, located near lands of historical tribal importance. For that project, a rigorous and proactive process was followed for understanding and incorporating tribal community concerns and preferences (see our [Detailed Disclosures Appendix](#)).

Over 1,300 proactive engagements with community members in 2021

Read more

- [Board oversight and executive management of community investment and engagement](#)
- [Stakeholder engagement and feedback mechanisms](#)
- [Tribal engagement](#)
- [2021 community investment highlights](#)

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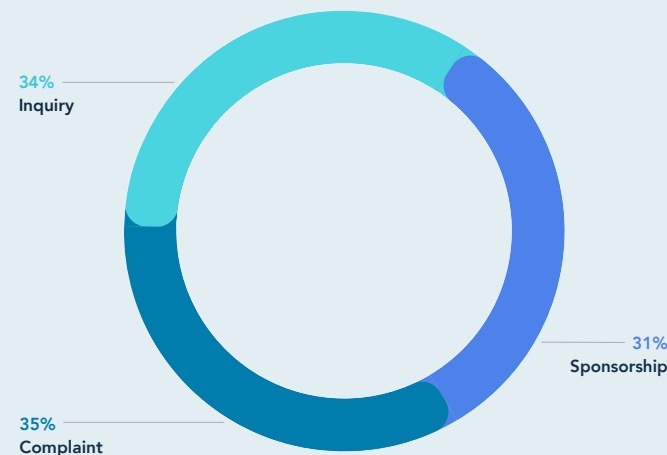
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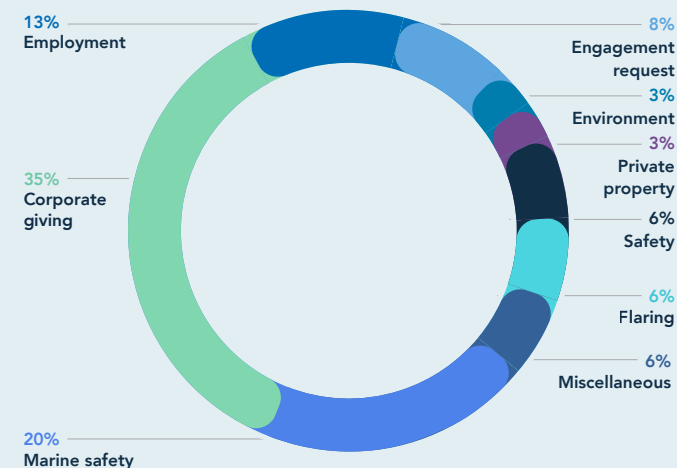
Our stakeholder feedback mechanism at each site includes processes for responding to, recording, categorizing and elevating concerns as needed.

In 2021, we received a total of 64 queries from community members, evenly divided between inquiries, complaints and requests. The most common topics were requests for corporate giving or sponsorships, marine safety concerns and requests for employment.

COMMUNITY FEEDBACK BY TYPE



COMMUNITY FEEDBACK BY TOPIC





DEI-FOCUSED COMMUNITY INVESTMENTS

We view DEI as much more than an internally focused effort, and we are taking steps to support DEI in the communities where we live and work. In 2021, we developed a new charitable giving framework to help ensure that we strategically allocate contributions to projects and organizations that will advance DEI in our communities. In 2021, we made several significant investments aligned with this new approach:

\$500,000

for the establishment of a merit- and needs-based scholarship program at four local HBCUs, in partnership with the Thurgood Marshall College Fund.

\$25,000

donated to fund merit- and needs-based scholarships at Lamar State College-Port Arthur.

\$50,000

to Houston’s Adult Literacy Blueprint, a strategic plan to address low adult literacy rates through coordinated, city-wide action.

\$25,000

to DC Greens to fund The Well at Oxford Run, an urban farm and community wellness space for a Washington, D.C. neighborhood that lacks access to fresh, healthy food and safe outdoor spaces.

\$180,000

to the Houston Parks and Recreation Department to help refurbish parks in underserved and diverse neighborhoods, in part through the commissioning of local artists to develop public art reflecting the cultural heritage of the community.

\$21,000

to fund merit- and needs-based scholarships for racially/ethnically diverse engineering students at Lamar University.

\$50,000

to the Downtown Port Arthur Revitalization Project to help fund safety enhancements at People’s Park.





Governance

Strong corporate governance and commitment to the highest ethical standards are essential to our success as an organization. Through our defined values of Teamwork, Respect, Accountability, Integrity, Nimble and Safety (TRAINS), we continue to build upon our robust governance and ethical frameworks. 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. 6–7 and our governance approach in the context of climate-related risks and opportunities on p. 9.



COLLABORATE SUCCEED

PROGRESS AND HIGHLIGHTS

- Continued to refresh our Board with the addition of two female Board members.
- Added DEI oversight to the charter of the Governance and Nominating Committee.
- Strengthened our Supplier Code of Business Conduct by adding further anti-bribery and anti-corruption (ABAC) requirements and extending labor, safety and environmental requirements for our suppliers' subcontractors.
- Engaged with federal policy makers to support strengthening methane emission regulations and with trade associations to support enhanced methane measurement processes.
- Continued to expand implementation of the Cheniere Integrated Management System, which sets a common foundation of standards, procedures and guidelines across functional areas to help us achieve world-class performance in line with our vision to provide clean, secure and affordable energy to the world.

[Read more](#)

[Cheniere Integrated Management System](#)

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Corporate governance

Our application of 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. 7](#)). It receives regular updates on climate-related risks and opportunities, including the ongoing regulatory focus on climate change. All executives and employees have the responsibility for implementing our ESG efforts. To further embed this responsibility, in February 2021, we updated our annual performance scorecard to include an ESG metric that is employed as part of annual performance compensation, accounting for 17% of the total scorecard value for all employees.¹ This ESG metric is based on advancing our climate and DEI initiatives as well as safety performance (see [p. 7](#)). We are increasing this percentage for 2022, so that 30% of the compensation calculation is based on ESG metrics.

¹ ESG metrics for annual performance compensation scorecard are inclusive of safety metrics.

² Average age and tenure includes directors who only held their position for part of 2021.

BOARD OVERSIGHT

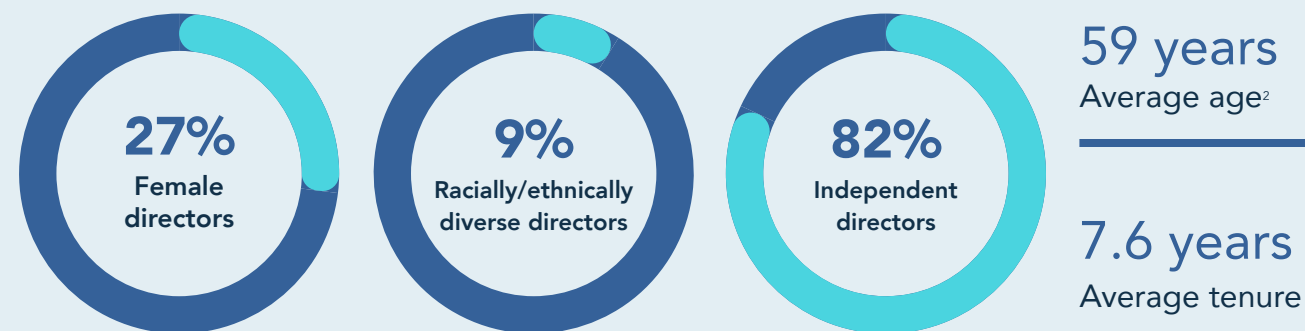
Our Board of Directors provides oversight and advice to Cheniere’s management team. We maintain an independent non-executive chairman of the Board and three Board committees comprising independent directors: the Audit Committee, Compensation Committee and Governance and Nominating Committee. See our [website](#) for more information on our Board committees.

BOARD DIVERSITY

Our Board member selection criteria help ensure that the Board and the company benefit from a diverse group of directors. Diversity of experiences, expertise, backgrounds and demographics are criteria for director selection. As of Dec. 31, 2021, three of our 11 directors, or 27%, were female and one, or 9%, represented a racially/ethnically diverse group.

BOARD DIVERSITY

Data as of or for the year ended Dec. 31, 2021



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.

CODE OF CONDUCT AND ANTI-CORRUPTION

The Cheniere Code of Business Conduct and Ethics (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 an annual basis.

In 2021, we incorporated our company values — Teamwork, Respect, Accountability, Integrity, Nimble and Safety (TRAINS) — into our Code of Conduct and performance review process to encourage every employee to integrate these values into their daily work. In addition, we enhanced our Supplier Code of Business Conduct, including requirements on ethics and anti-corruption, to help drive our commitment to ethical conduct throughout our supply chain.

Our chief compliance and ethics officer and other senior management representatives review our Code of Conduct annually, and any changes are reviewed and approved by the Board. 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 2021, 100% of eligible employees completed ethics and compliance training and acknowledged our Code of Conduct. We regularly audit compliance with our Code of Conduct and other ethics requirements. We use a risk-based approach for identifying audit topics.

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.

Read more

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



Respecting human rights, labor standards and environmental justice

We seek to identify and prevent potential adverse human rights impacts in our operations, and we are committed to remediating impacts should they occur. Our due diligence process includes implementing social impact assessments at all site locations to understand community-focused environmental and social risks, including those related to human rights, and developing mitigation and management plans based on the results of these assessments (see [p. 29](#)).

We undertake meaningful consultation with potentially affected groups, and other relevant stakeholders, to understand risks and concerns. We follow stakeholder engagement plans at each site, and conduct regular, proactive engagement and consultation with various stakeholder groups to understand their concerns and provide relevant project information. We have a grievance mechanism in place at all site locations, including procedures to respond to and address stakeholder concerns, from the beginning of project planning and throughout the project life cycle. We log and track community feedback and strive to address concerns in a timely and transparent manner.

We respect the sovereignty, 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 grievance processes (see [p. 30](#)).

Fair labor: We prohibit the use of forced labor in our operations, in compliance with applicable laws. We do not employ child labor and comply with the employment age requirements set forth in the laws applicable to our operations. We review documentation for all new employees to ensure they are of legal working age. In 2021, 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 monitoring processes to attempt to avoid these risks in our supply chain (see [p. 35](#)).

Environmental justice: Environmental justice is also an important element of our approach to respecting human rights. In alignment with the [U.S. Environmental Protection Agency's 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 respectfully listening and responding to the concerns of our stakeholders to understand their unique values and interests, including those on environmental issues. We strive to understand and mitigate the impacts of our operations, engage with affected stakeholders and contribute to meaningful economic community development.

We consider environmental justice issues throughout the project life cycle. Our site-specific social impact assessments consider community-focused environmental and social impacts of our operations, including the impact on minority and economically disadvantaged populations and other relevant environmental justice issues. These assessments are guided by international best practices, including the International Finance Corporation's Environmental and Social Performance Standards and the Equator Principles. Considering and attempting to address potential environmental impacts is included in our targeted stakeholder engagement efforts and grievance processes.

Suppliers and contractors: We strive to work with suppliers, contractors and vendors who promote and comply with our values on human rights, fair labor and environmental protection. Our Supplier Code of Business Conduct outlines our commitments and expectations for suppliers on human rights, fair labor, anti-discrimination, ethics and anti-corruption, and environmental protection, among other topics (see [p. 35](#)). In 2021, 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 Business Conduct, or submitted an equivalent standard that we accepted on behalf of our own.³

³ Calculated as of 2016, when the Supplier Code of Business Conduct was adopted. Cheniere's gas suppliers are not included in this calculation.





Political engagement

Our political engagement efforts are aligned with our mission: to provide clean, secure and affordable energy to the world. These efforts include participating in industry associations, lobbying and contributions through the Cheniere Energy, Inc. Political Action Committee (Cheniere PAC) or direct contributions as permitted by law. 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 2021, 100% of eligible employees completed this training.

ENGAGEMENT AND LOBBYING ON ESG TOPICS

We believe that sound environmental policies support the role of natural gas in a lower-carbon world. We take a proactive role in encouraging regulations that make our industry safer and cleaner, and create a level playing field with all operators domestically and internationally. In 2021, for example, we proactively engaged with the U.S. Congress and the Environmental Protection Agency to support strengthening methane regulations. In addition, we actively engaged with other U.S. regulators on topics relevant to the LNG industry, including updating regulations to make them more appropriate for large-scale liquefaction operations and ensuring appropriate marine inspection resources to help support consistently high safety standards. We disclose lobbying expenses as required by state and federal laws.

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 actively bring our perspectives on improving the safety and environmental performance of our industry and product to our trade association engagements. In 2021, for example, we worked with the American Petroleum Institute to develop guidance on emissions intensity based on our unique approach to life cycle assessment and emissions quantification, measurement, reporting and verification (see [p. 11](#)). At times, our official position on certain issues may differ from positions or views advocated by such organizations. For a list see [Cheniere Energy memberships and industry associations](#).

POLITICAL CONTRIBUTIONS

We disclose all political contributions as required by state and federal laws.⁴ Cheniere employees can make voluntary contributions to the Cheniere PAC. Our bipartisan PAC regularly assesses criteria for contributions to ensure they support our business priorities. A five-member committee made up of Cheniere employees from various departments oversees the PAC and either approves or denies each PAC contribution. Any direct state political corporate contribution that Cheniere makes must be approved by an internal compliance officer and comply with local laws. For detailed data on political contributions, see the [Key Performance Data table](#).

⁴ Data on our political contributions can be accessed at the Federal Lobbying Database and at the Texas and Louisiana state databases.

Responsible supply chain

Contractors play an essential role in our workforce and operations, providing a range of on- and off-site services, including equipment repairs and maintenance, engineering support, construction, fabrication and logistics. We believe that working with suppliers and contractors who comply with and support our safety, environmental, human rights and other operational standards is critical to the overall success of our business. We undertake comprehensive contractor pre-hire screening and monitor performance on an ongoing basis. This includes screening and monitoring safety, anti-corruption and fair labor practices. Similarly, we work to ensure our suppliers of goods and services and our partners across the supply chain, including shipping counterparties, uphold our performance expectations.

We also engage with our supply chain partners to improve environmental performance and transparency on GHG emissions and other topics (see [p. 11](#)).

APPLYING OUR STANDARDS TO CONTRACTORS AND SUPPLIERS

We apply robust quality assurance procedures to assess, monitor and enforce stringent compliance standards that our commercial counterparts must comply with in order to do business with us. Depending on the type of work conducted, this may include the assessment of safety management and performance, drug and alcohol screening, anti-bribery and corruption compliance, mitigation of data protection and privacy risks, and security and background checks. In 2021, we completed the implementation of a new supplier management system. This supports the application of enhanced supplier sourcing, screening and pre-qualification processes; ongoing supplier monitoring; compliance tracking and reporting; and annual supplier evaluation.

In addition, we require suppliers to undergo a pre-qualification process to establish our expectations for compliance with applicable labor, health, safety and environmental laws and standards, including human rights-related standards. Suppliers are required to review and confirm that they understand and agree to comply with our Supplier Code of Business Conduct, which addresses a range of ethics, compliance, health and safety and regulatory issues. Under the Supplier Code of Business Conduct, suppliers are required to review and acknowledge our Health, Safety and Environmental Policy. In 2021, we updated our Supplier Code of Business Conduct to include enhanced requirements for anti-bribery and anti-corruption, human rights standards, labor rights and environmental performance. We also extended these requirements to suppliers' subcontractors.

Once 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. In 2021, we expanded and automated our daily monitoring of key performance metrics, including those relating to safety performance and regulatory compliance.



RESPECTING HUMAN AND LABOR RIGHTS IN OUR SUPPLY CHAIN

Our Supplier Code of Business Conduct sets out our commitment to respecting internationally recognized human rights. We strive to work with suppliers who respect human rights standards, including those related to fair wages and anti-discrimination. Cheniere strives not to purchase from, or work with, suppliers that use forced labor and child labor or who permit their suppliers to do so.

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 Business Conduct, or submitted an equivalent standard that we accepted on behalf of our own.⁵

⁵ Calculated as of 2016 when the Supplier Code of Business Conduct was adopted. Cheniere’s gas suppliers are not included in this calculation.

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 may be susceptible to increased risks of modern slavery and human trafficking. This includes the shipping industry, which has been identified as susceptible 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 against 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.

Read more

[Supplier prescreening and due diligence](#)

[Efforts to support our prohibition of child labor](#)

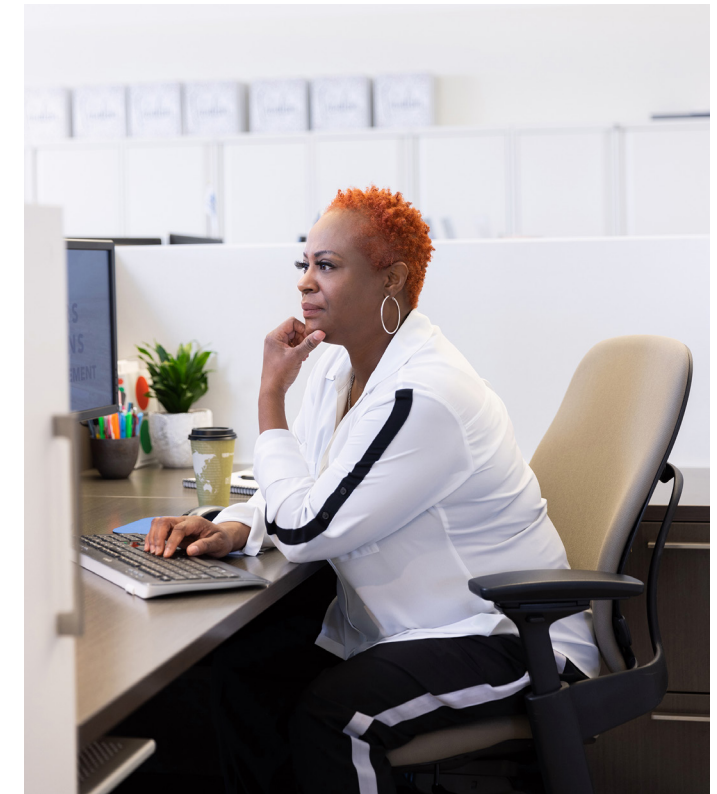
[U.K. Modern Slavery Act Statement](#)

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 security risk officer (VP-CSRO), and our chief information security officer (CISO) 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 for developing end-to-end incident response and recovery plans throughout the company. Our VP-CSRO and CISO report risk mitigation activities and cybersecurity issues and performance to the Board on a quarterly basis.

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. We conduct regular internal audits, cross-functional risk mitigation exercises and risk strategy sessions to assess cybersecurity threats, 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 cyber and data security threats.





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 retained Deloitte & Touche 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, 2021:

- Total Scope 1 greenhouse gas (GHG) emissions
- Scope 2 GHG emissions
- Scope 1 GHG emissions intensity
- Scope 1 methane emissions intensity
- Criteria air pollutant emissions
- Criteria air pollutant emissions intensity
- Reportable hydrocarbon spills
- Environmental fines and penalties
- Total recordable incident rate (TRIR)
- Lost time incident rate (LTIR)
- Near miss frequency rate
- Fatalities
- Process safety events
- Diversity metrics
- Political expenditures

Read the full [assurance statement](#).

Key Performance Data¹

See our [performance data download](#) for complete performance data in Excel format.

Metric	Unit	2017	2018	2019	2020	2021
Total revenues ²	\$ Millions	5,601	7,987	9,730	9,358	15,864
LNG exported ³	MMscf	706,645	939,066	1,455,161	1,322,743	1,952,908
LNG trains ⁴	#	4	5	7	8	9

CLIMATE⁵

Corporate level

Total Scope 1 greenhouse gas (GHG) emissions ⁶	Metric tons carbon dioxide equivalent (CO ₂ e)	3,505,689	4,555,261	6,789,317 ⁷	6,151,019	9,002,782
Scope 1 GHG emissions by business activity (LNG)	%	96.5	96.5	97.0	96.3	95.9
Scope 1 GHG emissions by business activity (pipelines)	%	3.5	3.5	3.0	3.7	4.1
Scope 1 carbon dioxide (CO ₂)	Metric tons CO ₂	3,472,978	4,514,944	6,740,560	6,082,968	8,932,232
Scope 1 methane (CH ₄)	Metric tons CH ₄	1,231	1,511	2,159 ⁷	2,585	2,623
Scope 1 nitrous oxide (N ₂ O)	Metric tons N ₂ O	7	8	13	11	17
Scope 1 GHG emissions intensity ⁸	Metric tons CO ₂ e emissions/MMscf liquefied natural gas (LNG) exported	4.96	4.85	4.67	4.65	4.61
Scope 1 CH ₄ emissions intensity ⁹	% (Metric tons CH ₄ emissions/metric tons of LNG exported)	0.009	0.008	0.008	0.010	0.007
Amount of gross global Scope 1 emissions from flared hydrocarbons	Metric tons CO ₂ e	—	—	—	—	573,893
Amount of gross global Scope 1 emissions from other combustion	Metric tons CO ₂ e	—	—	—	—	8,401,944
Amount of gross global Scope 1 emissions from process emissions	Metric tons CO ₂ e	—	—	—	—	0
Amount of gross global Scope 1 emissions from other vented emissions	Metric tons CO ₂ e	—	—	—	—	14,190
Amount of gross global Scope 1 emissions from fugitive emissions	Metric tons CO ₂ e	—	—	—	—	12,756

¹ Figures presented may not precisely sum due to rounding.

² Cheniere Energy, Inc. (2021), 10-K, <https://lngir.cheniere.com/sec-filings/annual-reports/content/0000003570-22-000024/0000003570-22-000024.pdf>.

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 number of trains from which emissions were included in annual reporting to the EPA Greenhouse Gas Reporting Program (GHGRP).

⁵ All GHG emissions are disclosed as reported to the U.S. Environmental Protection Agency (EPA). All carbon dioxide equivalent (CO₂e) data are reported using 100-year Global Warming Potentials (GWP). Methane (CH₄) GWP = 25 and N₂O GWP = 298. Carbon dioxide (CO₂), CH₄ and N₂O emissions are reported on an absolute basis without GWP weighting.

⁶ As reported to the EPA's Greenhouse Gas Reporting Program (GHGRP). 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 Tatum's compressor station also met the reporting threshold.

⁷ 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*.

⁸ Reported as total Scope 1 GHG emissions as reported to the EPA, per million standard cubic feet of LNG exported in the calendar year as reported to the DOE.

⁹ 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.

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Metric	Unit	2017	2018	2019	2020	2021
Total Scope 2 GHG emissions ¹⁰	Metric tons CO ₂ e	—	31,009	172,399	192,866	233,667

ENVIRONMENT

Criteria air pollutant emissions¹¹

Sulfur oxides (SO _x)	Short tons	20	21	33	47	151
Nitrogen oxides (NO _x)	Short tons	2,310	3,195	4,762	4,120	6,013
Volatile organic compounds (VOC)	Short tons	103	169	239 ¹²	293	441
Particulate matter (PM)	Short tons	84	115	162	149	222

Emissions intensity

SO _x	Short tons/billion cubic feet (BCF) of LNG exported	0.03	0.02	0.02	0.04	0.08
NO _x	Short tons/BCF of LNG exported	3.27	3.4	3.27	3.11	3.08
VOC	Short tons/BCF of LNG exported	0.15	0.18	0.16 ¹²	0.22	0.23
PM		0.12	0.12	0.11	0.11	0.11

Reportable hydrocarbon spills¹³

Number	#	2	0	1	1	1
Volume	Gallons	2,640	0	1	0.5	1

Terrestrial acreage

Terrestrial acreage disturbed ¹⁴	Acres	—	—	3,340.70	375.2	—
Terrestrial acreage restored	Acres	—	—	397.4	3,259.60	—

Fines and penalties¹⁵

Fines or penalties related to the environment or ecology	#	0	0	0	0	1
Fines or penalties related to the environment or ecology	\$ amount	0	0	0	0	17,000

¹⁰ Scope 2 emissions are based on electricity purchased for use at major offices and operating sites (Sinton and Gillis compressor stations, Corpus Christi LNG facility) using the location-based method per the GHG Protocol Scope 2 Guidance. Greenhouse Gas Protocol (2020, September 26) GHG Protocol Scope 2 Guidance, https://ghgprotocol.org/scope_2_guidance. Scope 2 emissions are reported as of 2018, per data availability. Scope 2 emissions are reported for locations with 10 or more full-time Cheniere employees.

¹¹ As reported annually to the Louisiana Department of Environmental Quality (LDEQ) and Texas Commission on Environmental Quality (TCEQ) (2017–2021) and LDEQ, TCEQ and the Oklahoma Department of Environmental Quality (ODEQ) (2019–2021).

¹² 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*.

¹³ We define reportable spills as a spill of liquid materials containing hydrocarbons to the ground or water, such as liquid fuels, lubrication oils and hydraulic fluids, that exceeds a regulatory-based reportable quantity and requires an immediate (<24 hours) notification to a regulatory agency. Our business focuses solely on natural gas. Reportable spills from our operations refer to spills from service equipment, process equipment or similar sources.

¹⁴ The construction of the 23-mile Corpus Christi Pipeline in 2016 caused a terrestrial disturbance of 420.7 acres. In 2019, the construction of the Midship Pipeline caused a terrestrial disturbance of 3,340.7 acres. The Creole Trail Pipeline and both LNG terminals were constructed prior to 2016. The construction of liquefaction trains occurs within our terminals and does not cause additional disturbance to surrounding terrestrial areas.

¹⁵ Payments Cheniere has made in relation to environmental authorizations, rules, regulations, or laws, in excess of \$10,000.





Metric	Unit	2017	2018	2019	2020	2021
HEALTH AND SAFETY¹⁶						
Total Recordable Incident Rate						
TRIR – Employees	Per 200,000 hours	0.08	0.07	0.16	0.00	0.06
TRIR – Contractors	Per 200,000 hours	0.42	0.36	0.33	0.22	0.11
TRIR – Combined	Per 200,000 hours	0.39	0.32	0.30	0.17	0.10
Lost Time Incident Rate						
LTIR – Employees	Per 200,000 hours	0.00	0.00	0.05	0.00	0.00
LTIR – Contractors	Per 200,000 hours	0.03	0.01	0.04	0.03	0.02
LTIR – Combined	Per 200,000 hours	0.02	0.01	0.04	0.02	0.01
Near Miss Frequency Rate	Per 200,000 hours	—	—	—	—	18.5
Tier 1 Process Safety Events	#	—	—	—	—	0
Tier 2 Process Safety Events	#	—	—	—	—	3
TEAM¹⁷						
Employees	#	1,205	1,345	1,537	1,537	1,535
Employee gender and ethnic diversity						
Female	%	25.8	27.3	26.8	26.9	26.2
Male	%	74.2	72.7	73.2	73.1	73.8
Racially/ethnically diverse employees ¹⁸	%	26.9	27.6	28.5	29.7	31.4
Diversity in management¹⁹						
Racial/ethnic diversity in management	%	21.5	23.1	23.1	25.1	28.8
Women in management	%	24.7	25.8	27.0	27.4	27.7

¹⁶ TRIR and LTIR are calculated according to the Occupational Safety and Health Administration (OSHA) standard. These figures slightly differ from those in the proxy statement, due to a minor change in calculation methodology to better align with industry practice.

¹⁷ International Privacy concerns prevent Cheniere from requiring ethnicity disclosure for international employees. Gender and Age diversity data is global. Ethnic diversity data is identified as undisclosed or excludes International employees. Also, data for 2021 excludes interns (interns were included in 2016-2020 reporting).

¹⁸ A percentage of staff each year has elected not to disclose ethnicity information. Racial/ethnic categories include American Indian or Alaska Native, Asian, Black or African American, Hispanic or Latino, Native Hawaiian or other Pacific Islander and two or more races.

¹⁹ We define management to include both executive and non-executive management. Executive and non-executive managers are defined as: managers, directors, senior managers, senior directors, vice presidents, senior vice presidents and chief executives. Supervisors are not included.



Metric	Unit	2017	2018	2019	2020	2021
Employee age diversity						
Employees <30	%	13.5	12.5	12.9	11.1	10.4
Employees 30-50	%	61.8	63.3	63.8	64.3	64.3
Employees >50	%	24.6	24.2	23.2	24.5	25.3
Employee hires						
New hires	#	375	234	300	86	129
Employee turnover²⁰						
Total turnover rate	%	11.3	10.9	11.4	9.1	8.59
Voluntary turnover	%	5.2	4.1	5.1	3.6	5.4
Involuntary turnover	%	6.1	6.8	6.3	5.5	3.2
Local workforce ²¹	%	—	—	—	99.4	99.6

COMMUNITY

Significant local supplier spend ²²	%	—	—	55	85	89
Total community investment	\$ millions	—	>2.4	>3.7	>4.3	5.0
Total employee volunteer hours	#	—	—	8,129	7,787	8,358

GOVERNANCE

Board gender diversity	%	—	—	—	18	27
Board racial/ethnic diversity ²³	%	—	—	—	9	9
Board independence	%	80	80	82	82	82

²⁰ The annual employee turnover rate represents total turnover divided by the average number of employees, times 100.

²¹ Local workforce metric is calculated as a percentage of local employees working at our LNG facilities.

²² Significant local suppliers represent vendors located in Louisiana, Texas and Oklahoma from which Cheniere procured a significant value of goods and services through the supply chain management unit. Other suppliers represent the remainder of Cheniere vendor spend. One local supplier representing a large portion of our significant supplier spend was excluded to avoid positive skew in the calculation.

²³ Data being presented is from 2021.

DISCLAIMERS

I. POLICIES AND PROCEDURES

This report includes descriptions of various policies, values, standards, procedures, processes, systems, programs, initiatives, assessments, technologies, practices and similar measures related to our operations and compliance systems (“policies and procedures”). References to policies and procedures in this report do not represent guarantees or promises about their efficacy, or any assurance that such measures will apply in every case, as there may be exigent circumstances, factors or considerations that may cause implementation of other measures or exceptions in specific instances.

II. FORWARD-LOOKING STATEMENTS

This report includes forward-looking statements within the meaning of applicable securities laws, including the United States Private Securities Litigation Reform Act of 1995 and Section 21E of the Securities and Exchange Act of 1934. Generally, the words “expects”, “believes”, “anticipates”, “plans”, “will”, “shall”, “estimates”, “intends” and similar expressions identify forward-looking statements, which are generally not historical in nature. 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, are forward-looking statements.

Forward-looking statements are not guarantees or assurance of performance. They 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. Forward-looking statements are subject to risks 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.

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 described in our reports filed with the SEC, including our Annual Report on Form 10-K for the year ending December 31, 2021 (under the headings “Risk Factors” and “Information Regarding Forward-Looking Statements” and elsewhere) and our subsequent reports, which are available through the SEC’s EDGAR system at [sec.gov](https://www.sec.gov) and on our website at [cheniere.com](https://www.cheniere.com).

Forward-looking statements speak only as of the date they were made and except to the extent required by law, we undertake no obligation to update any forward-looking statement because of new information, future events or other factors. 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.

III. WEBSITE REFERENCES

This report contains references to Cheniere’s website. These references are for readers’ convenience only. We are not incorporating this report by reference into any other document posted on [cheniere.com](https://www.cheniere.com) or [sec.gov](https://www.sec.gov) and are not incorporating any other document posted on either website into this report.

IV. THIRD-PARTY WEBSITES

This report also includes links to websites owned and operated by third parties, which are provided for readers’ information and convenience only. We are not responsible for these websites or their content.

V. TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

In referring to the TCFD or in referring to alignment with the TCFD, Cheniere does not thereby endorse the TCFD or accept as its own the scope, terms and recommendations of the TCFD, and Cheniere does not commit to doing so in the future. Cheniere does not adopt TCFD’s references to materiality as indicators of materiality for Cheniere in particular.



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

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