



Cheniere In The Community

**An Annual Report of Cheniere Energy's
Community Investment and Outreach Efforts
September 2013**

Letter from the CEO

“ We have continued to successfully demonstrate our commitment to the communities where we operate – providing over \$1 million to worthy causes in the past 12 months. ”

The past year has been one of excitement and significant milestones for the Cheniere family. We received final regulatory approval for our Sabine Pass Liquefaction project; we began the permitting process for our Corpus Christi Liquefaction project; and, we announced plans to build two additional trains at Sabine Pass.



However, our successes have extended well beyond advancing our liquefaction terminals. We have continued to demonstrate our commitment to the communities where we operate – providing over \$1 million to worthy causes in the past 12 months. From rebuilding a children’s park in Gregory, Texas to supporting economic development efforts in Cameron Parish, Louisiana, Cheniere has built upon its long tradition of responsible corporate citizenship.

In the past year, we have involved Cheniere employees in our philanthropic efforts like never before. We instituted the Cheniere Ambassador Grant Program – in which each Cheniere employee is entitled to direct a \$200 corporate contribution to any charitable organization they choose. To date, over 20 organizations have received funding through the Ambassador Grant Program. We also established the Sabine Pass Community Investment Council. The Council, made up of seven terminal employees, identifies worthy projects and allocates nearly \$100,000 annually to causes in southwest Louisiana and southeast Texas.

We at Cheniere are proud of the role we play in the communities where we operate and live. This brief report has been compiled to share Cheniere’s community efforts with our various stakeholders, and will be published annually moving forward.

Sincerely,

A handwritten signature in black ink, appearing to read 'Charif Souki', written over a light blue horizontal line.

Charif Souki
Chairman and CEO

Supporting Economic Development

In the aftermath of Hurricanes Rita and Ike, much of Louisiana's southwestern coast – including Cameron Parish – was devastated. Homes and businesses across the Parish were destroyed, and its population shrank by over 30 percent. However, through the hard work and resilience of its residents and community leaders, Cameron Parish began to rebuild. Today, new homes, a library, new stores and a new school under construction dot the Parish's coast – and development efforts continue.

Cheniere Energy has been a committed partner in efforts to rebuild Cameron Parish. In 2009, Cheniere sought legislative approval in Baton Rouge to begin prepaying taxes to the Parish to assist in the rebuilding effort. As a result, the Parish is now receiving \$2.5

million a year of revenue. Cheniere also built a new health clinic to serve southwestern Parish residents – an investment of over \$3 million in the local community.

As Cheniere constructs its \$16 billion Sabine Pass Liquefaction facility, the company wants to ensure that Cameron Parish continues to prosper. In June 2013, Cheniere donated \$500,000 to the Winrock Foundation, a non-profit organization dedicated to expanding economic development in distressed communities around the world. Over the next 18 months, Winrock will work closely with local officials to assess residential and infrastructure investment in Cameron Parish. Winrock representatives have recruited a group of community leaders to evaluate infrastructure needs, identify potential

development sites, and vet proposals from housing developers. The group's goal is to have two projects ready to start construction by mid-2014.

Cheniere's contribution has also allowed Winrock to secure a \$375,000 federal grant to support local small businesses. The Cheniere-Winrock partnership will create major benefits for local communities, according to Stephen Broussard, the Director of Winrock's small business support effort in the Parish. "Existing and aspiring entrepreneurs in Cameron Parish will receive education, training and support to launch and grow their businesses," Broussard said. "It will also allow local businesses to take advantage of the massive economic activity associated with Cheniere's construction project."

“ In 2013, Cheniere contributed \$500,000 to support housing and commercial development in Cameron Parish.”



Involving Our Employees in the Communities Where They Live & Work

Sabine Pass Community Investment Council



In 2012 Cheniere Energy launched the Sabine Pass Community Investment Council – a group of five Sabine Pass plant employees who gather once a month to direct the company’s philanthropic efforts in southwestern Louisiana and southeastern Texas. The Council has grown to seven members who distribute nearly \$100,000 in donations each year. Prior to the Council’s formation, community investment decisions were made at company headquarters in Houston. Now, local employees who know their communities best are determining which local causes to support.

The Council has organized several events that bring the community and Cheniere employees together in support of good causes. One example is the annual Cheniere Fishing Classic – a daylong tournament that brings together employees, members of the community and local veterans to raise funds for Operation Homefront and America’s wounded veterans.

“The changes have paid dividends for employees and the community,” said Council Chairman James Havard. “Employees have a better understanding and feel more closely tied to Cheniere’s activities in the community. We are also better

positioned to identify areas of need in the community and respond quickly.” Community Investment Council members for 2013 are James Havard, Kevin Fondel, Cody Landry, Calise Romero, Gabe LaLande, Brandy Jinks and Sunny Trahan.

Cheniere Ambassador Grants – Empowering Each Employee to Give

The Ambassador Grant Program, which allows each employee to direct a corporate contribution to the charity of his or her choice, was launched in 2013. Simply by submitting a request to the Cheniere Public Affairs staff, the employee will ensure that their charity receives a \$200 check from Cheniere. No matching funds from the employee are required.

“This program empowers every employee to make decisions about our corporate giving. It further allows each employee to direct funds to the cause that is nearest and dearest to their hearts,” explains Jason French, Cheniere’s Director of Government and Public Affairs.

The Ambassador Grant Program also allows employees to pool their contributions to make a bigger impact on a specific organization. For example, a group of 16 employees recently came together to contribute \$3,200 to the Advita Fund USA.

In its first six months of operation, the program has supported a diverse group of charitable organizations in Houston, Corpus Christi, southwestern Louisiana and southeastern Texas. The program is expected to continue to grow. “As employees become more

familiar with the program, we expect that every employee will become involved in our community investment efforts,” said French.

Examples of Organizations that Have Received an Ambassador Grant in 2013:

- Homeless Pet Placement League
- Knights of Columbus F.J. Pavell Council 8323
- SEARCH
- Eye Care for Kids Foundation
- Lone Star Shih Tzu & Lhasa Apso Rescue of Texas
- Corridor Rescue, Inc.
- Sailing Angel Foundation
- Muscular Dystrophy Association
- Houston Livestock Show and Rodeo
- Pediatric Brain Tumor Foundation
- American Cancer Society
- The Pin Oak Charity Horse Show
- Overseas China Education Foundation
- Advita Fund USA
- Heckhaven Wildlife Rehabilitation Center
- Garth House, Mickey Mehaffey Children’s Advocacy Program, Inc.
- Hamshire-Fannett Education Foundation
- The First Tee of Greater Houston, Inc.
- Big Brother Big Sisters of North Texas
- Bellaire Little League
- Church World Service, Inc. – Lake Charles Crop Hunger Walk

Restoring a Community Park

Cheniere Refurbishes Children's Park in Gregory, Texas

The City of Gregory and Cheniere Energy welcomed over 200 children and family members to the grand re-opening of "Our Children's Park" on May 30, 2013. Originally built in 1982, the park had fallen into disrepair in recent years. With a \$100,000 grant from Cheniere Energy, new playground equipment, benches, grills, fencing and a parking lot were installed.

The project was a cooperative effort between Cheniere and the Gregory community. City leaders and community volunteers contributed countless hours to the park's rehabilitation – clearing old equipment, painting and working to beautify the area. Gregory Mayor Freddy Garcia explained, "This project couldn't have been completed without Cheniere's generous grant and the dedicated work of our volunteers. Thanks to everyone's efforts, the children of Gregory once again have a clean and safe park to enjoy."

Cheniere's involvement with the Gregory Park began in 2007 when Cheniere's Vice President of Business Development, Bill English, spearheaded an effort to install a paved walking trail. English continues to be a cheerleader for the park, and was on hand for the grand re-opening. "I am so proud that Cheniere was able to step up and work with the Gregory community to restore this important centerpiece of Gregory life. This project was truly a win-win for all involved," English said.

“This project was truly a win-win for all involved”

– V.P. of Business Development, Bill English



Outreach Efforts in the Community

Cheniere has initiated a robust public outreach program to educate the public and policy leaders about LNG exports and Cheniere's activities in the community. From meetings with elected officials, to participation in local civic organizations, to hosting an industry outreach day in Baton Rouge, Cheniere has been a visible presence in the communities and states where we operate.

"Meet-and-Greets" with Coastal Bend neighbors



As part of our efforts to share information with the local community, Cheniere representatives have organized a series of gatherings in the homes of local Coastal Bend residents. The "Meet-and-Greets" involve a group of 15-20 residents who come together for an evening of dinner, socializing, and an in-depth discussion about Cheniere's proposed LNG export facility.

"This format allows for a detailed discussion about the project and provides a perfect forum to answer questions about safety and the environmental impacts of LNG," said Brenda Coonrod, a resident of the Portland community, who hosted a recent meet-and-greet. "Those who attended walked away with a better understanding of the project and a higher level of comfort with Cheniere building a facility in our community."

Cheniere's Director of Government and Public Affairs, Jason French, says that

these informal gatherings will continue. "We want to ensure that every resident in the surrounding communities has an opportunity to meet with a Cheniere representative to have their questions answered. We will continue the meet-and-greets until that goal is achieved. These informal discussions provide us with an opportunity to develop stronger relationships with our neighbors."

Anyone interested in hosting or attending a future meet-and-greet can contact Sue Zimmermann at sue.zimmermann@cheniere.com.

LNG Day in Baton Rouge

In an effort to raise the profile of the LNG export issue among Louisiana leaders, Cheniere organized an LNG



Day at the Capitol on April 24, 2013. Cheniere employees were joined in Baton Rouge by representatives from Chesapeake Energy, Anadarko Energy, America's Natural Gas Alliance, the Louisiana Mid-Continent Oil and Gas

Association, and the Louisiana Oil and Gas Association to discuss the benefits of LNG exports with state leaders.

Doug Shanda, Cheniere's Vice President of Sabine Pass Operations, met with several officials and explained what LNG exports mean to Louisiana's future, "Our project alone represents an investment of over \$16 billion



in southwestern Louisiana and will create 4,500 construction jobs and 400 permanent positions. That message of economic growth really resonated with legislators."

After a day of meetings with legislators and discussions in the Capitol rotunda, LNG Day participants were recognized on the floor of the House of Representatives. Speaker of the House Chuck Kleckley publicly thanked participants for their efforts. The House then unanimously passed a resolution recognizing LNG Day and declaring support for LNG exports. In another sign of support, legislators gave a standing ovation to LNG Day participants as they exited the House floor.



Cheniere Invests in Hurricane Education

Cheniere Energy in April 2013 contributed \$200,000 to the future National Hurricane Museum & Science Center to be located on the lakefront in downtown Lake Charles, Louisiana. Construction of the Center is expected to begin in 2015, with an anticipated opening in 2017.

“This Center will not only be a world-class tourist destination, it will also serve as a digital hub for educational programs for students, teachers, and industry and government representatives across the country,” said Pat Outtrim, Cheniere’s Vice President of Government and Regulatory Affairs.

The 68,000 square-foot Center will offer exhibits and interactive displays to educate visitors about hurricanes and how they interact with coastal ecosystems. The cost of construction for the Center is estimated at \$68 million. The NHMSC and its estimated 220,000 annual visitors will generate over \$24 million in direct spending to the local economy and contribute over \$600,000 each year to the local tax base. The Center is expected to create over \$62 million in economic benefits to the local economy each year.

“Because Cheniere Energy is among the first corporations to make a major contribution, we are now able to

accelerate our education program and bring this Center one step closer to becoming a reality,” Gray Stream, NHMSC Chairman, stated.

Cheniere is aware of its environmental responsibilities and is concerned about further erosion in coastal marshes and wetland habitats resulting from future storms. “Cheniere is especially encouraged by the Center’s emphasis on the importance of remediating our wetlands. The National Hurricane Museum & Science Center is a smart investment for Cheniere, and we are pleased and proud to be a leading participant in its future,” said Outtrim.

Cheniere Helps Protect Texas Bird Habitats



Cheniere Energy and its contractors constructed 16 breakwaters to protect bird habitat around Shamrock Island in 2013. Shamrock Island, located in Corpus Christi Bay, serves as one of the top five rookeries on the Gulf Coast. The island is home to a large number of nesting bird species such as the royal tern, heron, spoonbill and skimmer. The

breakwaters project is part of wetland mitigation efforts associated with the proposed Corpus Christi Liquefaction project and represents an investment of approximately \$3 million.

The new breakwaters, along with original breakwaters built by the City of Corpus Christi in 1999, will protect Shamrock Island from future erosion and loss of bird habitat. The new breakwaters will also promote the growth of important seagrass throughout the island’s waters.

Cheniere has also contributed to the restoration of Causeway Island in Nueces Bay. This three-acre island serves as a prominent and vital bird nesting area, and from February to August is home to numerous species of water birds. In partnership with the Coastal Bend Bays and Estuaries Program, the Port of Corpus Christi and the U.S. Army Corps of Engineers, 40,000 cubic yards of dredge material was placed onto the island in late 2012, significantly raising its elevation and increasing its size threefold. Thanks to the restoration work, additional shore birds will be able to roost in a stable nesting environment for years to come.

Cheniere is pleased to play a part in preserving irreplaceable habitat and increasing bird populations throughout the Coastal Bend region.

Cheniere's Annual Fishing and Golf Tournaments

Cheniere Hosts Annual Fishing Classic to Benefit Wounded Veterans



For the past two summers, Cheniere has hosted its Annual Charitable Fishing Classic to benefit the Operation Homefront chapters of Louisiana and southeastern Texas. Operation Homefront, through its exceptional staff and volunteers, provides emergency financial assistance to the families of service members and to wounded warriors nationwide. Additionally, the Louisiana Chapter engages local veterans looking for employment through its "Hire Louisiana's Heroes" – a program which aims to connect Louisiana employers with returning veterans.



Cheniere employees join heroic veterans of the U.S. armed forces for a

full day of fishing and camaraderie on the open waters of Cameron Parish. Although the fishermen compete for tournament prizes, it is ultimately the laughter and time spent in the beautiful landscape of southwestern Louisiana that is the treasure they take home. Over the past two years, Cheniere and the tournament's participants have raised over \$25,000 for Operation Homefront.

"Just as our veterans have served our country, we, in return, look to serve them," said Cindy McGee, Cheniere's public affairs liaison at Sabine Pass. "It is with great pleasure that Cheniere hosts this annual event to demonstrate our appreciation and respect for those who go above and beyond the call of duty. We look forward to continuing our efforts with Operation Homefront in the years to come."

Charitable Golf Classic



Cheniere Energy held its second Annual Charitable Golf Classic on April 25, 2013 at Gray Plantation in Lake Charles, Louisiana. Over 100 golfers competed in the event, which helped raise money for playground equipment for R. W. Vincent Elementary School in Sulphur and Foreman-Reynaud Community Center's After School Homework Program in Lake Charles. Vendors, sponsors and participants

from southwestern Louisiana and southeastern Texas participated to make it a successful event, raising over \$10,000 for the targeted causes.



"I would like to thank Cheniere for making a donation to R. W. Vincent Elementary," said Joy Fox, principal of R.W. Vincent Elementary. "Our playground is in dire need of new equipment and this money will go toward our Playground Upgrade Project. We feel so blessed to have the caring people at Cheniere involved with our school."



At the tournament's end, winners were recognized and awarded embroidered golf shirts. First place winners were Mike Kerns, Mikie McMahon, Adrian Logan and Todd Chapman with Baker Corp. and Mike Hooks, Inc.



Helping Build an Educated Workforce

Workforce Development Efforts in the Corpus Christi Region



Cheniere Energy is investing resources on education and workforce development in the Texas' Coastal Bend region in anticipation of the start of construction on the Corpus Christi Liquefaction project in 2015. Cheniere is partnering with Del Mar College, the Gregory-Portland Independent School District, and the local Education Services Center to develop a curriculum that would allow high school students to begin work on a two-year associates degree in Process Technology during their junior and senior years of high school. This curriculum would potentially allow aspiring students to complete their degree with only one year of work at Del Mar. Cheniere has provided \$15,000 to develop the curriculum. If approved by the Department of Education, students in Gregory-Portland ISD could begin participating as soon as 2014.

“Rarely have I seen a company be so proactive and willing to engage local institutions in workforce development efforts.” – Lenora Keas, Del Mar College

Cheniere's Vice President of Corpus Christi Operations, Maury Hudson, has spearheaded the curriculum development project. "It will take a couple of years for our workforce needs to ramp up, but it is key that young people begin preparing now for the job opportunities that will be available," he said. Hudson explained that Cheniere's investment would extend beyond the Gregory-Portland ISD. "Once approved by the state, this curriculum could be adapted by any of the school districts in the region."

Lenora Keas, Executive Director of Strategic Planning & Workforce Initiatives at Del Mar College, recently spoke of Cheniere's education and workforce development efforts at a community meeting in the Portland area. "Rarely have I seen a company be so proactive and willing to engage local institutions in workforce development efforts," Keas said. "Cheniere should be applauded for the commitment they have shown to this region."

Supporting the Craft Training Center of the Coastal Bend



Cheniere recently announced a \$15,000 grant to the Craft Training Center of the Coastal Bend. The Craft Training Center was formed by local industries and contractors in 1987 to alleviate workforce shortages in the region – and today offers a variety of training

and certification programs for adults and high school students.

The Craft Training Center sits on a 30-acre campus in Corpus Christi and hosts state-of-the-art technical training. The 34,000 square foot facility includes a welding lab with 68 booths, a 25-station computer lab, labs for electrical, instrumentation, and pipefitting studies, and multiple classrooms and administrative offices. Cheniere's contribution will support the Center's ongoing training activities.

Cheniere Presents Check to Cameron Parish Schools for ACT Preparation



In March 2013, Cheniere presented a \$10,000 check to the Cameron Parish School District to cover costs of ACT preparation for every high school junior in Cameron Parish. Cornerstone Learning Systems/Sylvan Learning Systems worked with Parish schools to conduct test preparation sessions.

"The students, teachers and families of Cameron Parish are extremely grateful for the support that Cheniere has provided and continues to provide," said Superintendent Stephanie Rodrigue. "Cheniere embodies the spirit of a true educational partner in our community."

Cheniere's Community Based Team

Cheniere's commitment to community investment and outreach runs deep – from our Houston headquarters to our operations in Cameron Parish and Corpus Christi. To ensure that the company is responsive to local concerns and fully engaged in the communities where we operate, we count on the dedicated efforts of two community-based public affairs professionals – Cindy McGee in Cameron Parish and Sue Zimmermann in the Coastal Bend area. The following profiles introduce you to Cindy and Sue – the faces of Cheniere in the local community.

Cindy McGee



Cindy originally came to work for Cheniere in 2005 as an assistant to the local public affairs director and later

provided support to the engineering and construction team. Today, Cindy manages public affairs and serves as Cheniere's liaison to the communities near our Sabine Pass plant. Cindy is a constant presence in the community – through her activities on behalf of Cheniere and as a devoted volunteer to the community's school and her local church.

Cindy's husband, Sonny, is also a part of the Cheniere family – working as the supervisor of shift operations at the Sabine Pass facility. Cindy and Sonny are the proud parents of five children and grandparents of 11 grandchildren. If you have any questions or want to get involved in Cheniere's community activities in southwestern Louisiana and southeastern Texas, you can contact Cindy at cindy.mcgee@cheniere.com.

Sue Zimmermann



Sue is a recent addition to the Cheniere team – coming on board in May of 2013. Prior to joining Cheniere,

Sue was the executive director of the Portland Chamber of Commerce and brings with her years of experience in the Northshore area.

Sue started her professional career as a co-owner and operator of a large commercial grain and cattle operation in Wisconsin, where she pursued her education in Veterinary Medicine, Business, Advertising, and Marketing. She moved to Texas in 2008, managed property and then moved to her role at the Portland Chamber. Sue looks forward to being a regular presence in the community on Cheniere's behalf.

Sue and her husband, Harold, have three children and nine grandchildren. If you are interested in Cheniere's activities in the Coastal Bend region, please contact Sue Zimmermann at sue.zimmermann@cheniere.com.

Investing in the Future...

Johnson Bayou High School in Cameron Parish, Louisiana was destroyed by Hurricane Ike in 2008. Since that time, Cheniere has partnered with the school on a number of projects aimed at ensuring the success of the school's students – from rebuilding the school gymnasium to providing state of the art equipment for use in the school's temporary classrooms. Perhaps most importantly, Cheniere has provided a scholarship to each graduate of the school since Ike's devastation came ashore. These annual grants – totaling over \$50,000 – can be applied to any college, university or vocational school of the student's choosing.

"This scholarship will help me realize my goal of attending Northwestern State University to receive an electrical engineering degree. Cheniere has supported us all the way through the process, helping us increase our ACT scores and making these scholarships available – it just makes me want to do my best," explained 18-year-old Blake Badon, a recent Johnson Bayou High School graduate.

Students are awarded their scholarship upon graduation and placement at the post-secondary school of their choice. "It is very motivating for students to know that scholarships are available upon graduation and it encourages them to gain confidence in their studies and to realize long term goals. We are thankful Cheniere invests in our students and helps them to succeed in whatever career they choose," said Brenda Sanders, Johnson Bayou High School principal.



Highlights of Cheniere's Community Investment – Over the Years

- Over **\$7.6 million** in community contributions since 2006
- Provided funding to over **57 organizations** in the Corpus Christi/Coastal Bend Region
- Provided approximately **\$3 million** to build a health clinic in Johnson Bayou, Louisiana
- **\$17.2 million** in pre-paid taxes to Cameron Parish, Louisiana to assist in rebuilding efforts from Hurricanes Rita and Ike
- **\$3 million** of breakwaters installed to protect bird nesting grounds at Shamrock Island near Corpus Christi
- **\$100,000** to rebuild a city park in Gregory, Texas
- Supported **17 Chambers of Commerce** in Texas and Louisiana



Cover Photo taken by Kerry Riley from the Coastal Bend Herald

