ENHANCING PROCESS SAFETY AND EMERGENCY RESPONSE

PROCESS SAFETY

Process safety focuses on maintaining the integrity and effectiveness of the equipment and processes that underpin our operations. This includes the management of unplanned or uncontrolled releases of hazardous materials that could occur as a result of failures in process, procedures or equipment. Process safety failures 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 CIMS.

Key issues and initiatives

Lifecycle approach to process safety: We manage process safety across the lifecycle of our facilities to understand what, where and when something could go wrong and to help us avoid events before they occur. This process starts at the earliest planning and design stages — which facilitates our goal of keeping our facilities and processes safe from the start — and continues through all subsequent stages, including construction, operations and maintenance.

Enhanced process safety tracking and reporting: In 2020, we expanded our process safety incident classification categories from three tiers to five. This provides more specificity, further aligns our approach with relevant industry standards and drives corrective actions and continuous improvement, which ultimately helps prevent occurrences. In addition, we began tracking a key leading indicator of process safety: high-potential events, which are events that could have resulted in severe consequences given any potentially contributing factor. This new indicator will help ensure we maintain a proactive, forward-looking approach to process safety management.

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. In 2020, our emergency response teams played a central role in helping us navigate the unprecedented challenges of the COVID-19 pandemic and record hurricane activity in the Gulf.

Key issues and initiatives

Emergency response plans: Cheniere's enterprise-wide emergency response program 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 incident command: Cheniere follows the National Incident Management System (NIMS) Incident Command Structure (ICS), which is used by federal, state, tribal and local levels of government, as well as many private sector and non-governmental 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.

In 2020, Cheniere enhanced our Enterprise Crisis Management Framework to strengthen our coordination, preparation and response to crisis events across the enterprise by adding a management-level team to enhance decision-making and integration of resources.

CASE STUDY

Read additional case studies online:

Responding to a record-breaking hurricane season

READ MORE

Read more in our ESG Metrics and Disclosures Appendix:

Enterprise crisis management framework

Stakeholder emergency reporting mechanisms