

PROMOTING A STRONG HEALTH AND SAFETY CULTURE

OCCUPATIONAL HEALTH AND SAFETY

We articulate our expectations regarding safe behaviors, provide site-specific training to develop safety competencies and encourage employees to contribute actively to a culture that fosters safety and well-being. Our employees and contractors may work with or alongside heavy equipment, moving parts, hazardous and non-hazardous materials and at heights or in confined spaces, all of which present potential safety risks. We plan and prepare for each of these scenarios to help ensure that tasks are performed safely and efficiently. Our standards are aligned with relevant Occupational Safety and Health Administration (OSHA) and Pipeline and Hazardous Materials Safety Administration (PHMSA) requirements.

Key issues and initiatives

Hazard identification and mitigation: Before beginning work each day, employees, contractors and site managers review potential hazards and discuss hazard mitigation. Detailed safety assessments are also conducted prior to starting a new job. Every member of our workforce is responsible for identifying and reporting potential hazards and working with management to develop solutions. Regardless of level or seniority, all employees and contractors have the authority — and more importantly, the obligation — to stop work at any time if they see a potential hazard or unsafe workplace behavior.

Lifesaving rules: We apply three guiding principles throughout our operations to help minimize workplace incidents: controlling work, controlling energy and controlling equipment. These principles are operationalized through a set of lifesaving rules. In 2020, we updated the rules based on our ongoing review of management systems and safety performance data.

Enhanced safety tracking and reporting: We document and investigate workplace safety incidents, implement corrective actions and share lessons learned, to prevent recurrence. In 2020, we initiated a new incident management system to support more consistent incident classification and reporting across the organization. As a key improvement, we also expanded the tracking and reporting of high-potential incidents.

Health and safety targets and performance: To drive continuous improvement, we set annual health and safety performance targets, which are tied to our annual incentive program for all employees and executives. Even with the multitude of challenges faced by our team, we exceeded our 2020 annual safety performance targets and have adopted more aggressive targets for 2021. In 2020, we had zero employee recordable incidents or lost-time incidents, and we reduced both combined employee and contractor TRIR and LTIR by 42%, compared to 2019.

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 critical to our business does not meet our safety criteria, we work with them to put a mitigation plan in place. In 2020, we strengthened our safety compliance requirements to pre-qualify, monitor and evaluate contractors that perform physical work on our premises (see [page 47](#)).

Operational safety training: We conduct enterprise-wide training and development to equip our workforce with the skills and knowledge required to complete work safely. We maintain a role-specific qualification and competency matrix to facilitate compliance with internal standards and applicable regulations. In 2020, Cheniere piloted a virtual reality (VR) field training simulator (FTS) that immerses users in a virtual

recreation of our plants to practice standard operating procedures. Operators gain critical knowledge needed both to assess and prevent accidents and releases and to learn how to return to safe operations quickly after process interruptions.

Maintaining safety in our marine operations: Since 2016, Cheniere has safely produced, loaded and exported over 1,350 LNG cargoes totaling more than 95 million metric tons of LNG. Cheniere’s marine operations play a critical role in maintaining the safety of LNG shipping. Our primary focus 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. While responsibility for the safe management of a vessel ultimately rests with its owner, we apply a robust vetting process to all vessels that interact with Cheniere personnel and assets. In 2020, our marine operations implemented a range of safety protocols in response to COVID-19, including zero-contact operations to protect incoming vessel crews and our own teams at the ship/shore interface.

CASE STUDY

Read additional case studies online:

[Remaining moored to a culture of safety](#)

[Rewarding safety leadership](#)

READ MORE

Read more in our ESG Metrics and Disclosures Appendix

[Safety training](#)

[Safety targets](#)

[Communicating with stakeholders on health and safety](#)

COMBINED EMPLOYEE AND CONTRACTOR TRIR AND LTIR*



We have achieved steady and significant improvements in recordable safety incidents over the past five years. Combined employee and contractor TRIR decreased by 68% from 2016 to 2020 and by 42% from 2019 to 2020 alone. Combined LTIR decreased by 65% from 2016 to 2020 and 42% from 2019 to 2020. We are extremely proud to report zero recordable incidents or lost-time safety incidents for Cheniere employees in 2020. We also achieved zero employee or contractor fatalities over the past four years.

* 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.

SAFETY TARGETS

