

BUILDING A COMPANY THAT CAN HELP MEET THE WORLD'S ENERGY NEEDS

OUR VISION AND VALUES

BUILT TO PROVIDE CLEAN, SECURE AND AFFORDABLE ENERGY

Our vision is to provide clean, secure and affordable energy to the world. As the largest producer of liquefied natural gas (LNG) in the United States and the second-largest LNG operator globally, we are responding to our biggest shared energy challenges: expanding the global supply of reliable and affordable energy while improving air quality and supporting an equitable transition to a lower-carbon future. Our customers choose LNG to ensure a commercially viable and reliable energy supply to meet the demands of a growing global population and to reduce reliance on more carbon-intensive fuels. LNG offers a pathway to cost-effectively decarbonize economies immediately, and at scale, while preserving economic growth. With more than 1,350 LNG cargoes¹ exported to 35 countries and regions worldwide — and as the fastest company to reach its first 1,000 cargoes in the history of LNG — Cheniere has delivered tangible results to support our customers, and in doing so, has helped enable the advancement of the global energy transition.

BUILT TO ADD VALUE FOR ALL OUR STAKEHOLDERS

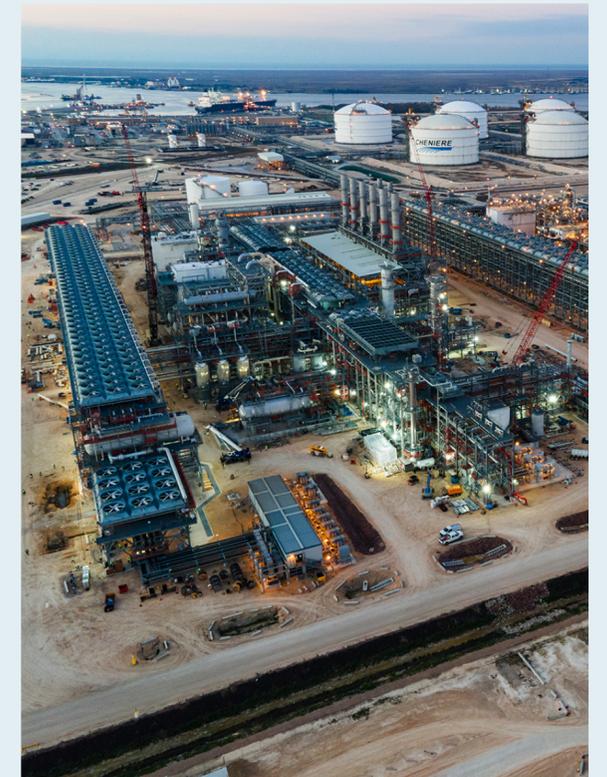
We strive to add value for all of our stakeholders — including investors, employees, communities, suppliers, business partners and customers. Through our global energy exports, we support the domestic U.S. economy. Our business supports job creation and local economic development in the communities where we live, work and source our natural gas supplies from across North America.

Focusing on LNG

What we do is provide LNG to customers; but it's how we do it that makes us different. We began exporting LNG in 2016, and now operate two LNG facilities on the U.S. Gulf Coast: the Sabine Pass LNG facility in Louisiana and the Corpus Christi LNG facility in Texas. 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. Our daily average gas purchases over the past two years accounted for more than 6% of total daily U.S. gas production, connecting North American producers to a global market.

See our [website](#) for more information about our business.

We are engaging our stakeholders across the full LNG value chain and leveraging our position to maximize the value that our business and products contribute to society over the long-term.



\$518.6M

wages and benefits in 2020

\$33B

investment in property, plant and equipment as of 2020

\$13.8M

in community giving from 2017–2020

61.15%

five-year total return on common stock (2016–2020)

4,609,853

million standard cubic feet of LNG exported (2016–2020)²

1. Cumulative since startup in 2016, as of Dec. 31, 2020. 2. As reported to the U.S. Department of Energy (DOE).

CREATING ADDED VALUE IN MEETING THE WORLD'S ENERGY NEEDS

OUR VISION AND VALUES

Expanding global access to LNG: By connecting the abundant North American gas resources to the global marketplace via our full-service model, Cheniere has made LNG increasingly available and accessible. Through destination-free LNG contracts, we have improved the liquidity and security of the global LNG market, provided flexibility to customers and, as a result, made energy supplies more resilient and secure.

Supporting the energy transition: Our product helps displace higher-carbon fuels, like coal and oil, and also enables the adoption of renewable energy by providing a source of reliable, flexible power generation. In this way, our LNG helps our global customers, all of whom reside in countries and regions that are signatories to the Paris Agreement, to reduce greenhouse gas (GHG) emissions as they transition their energy systems to a lower-carbon future.

The International Energy Agency (IEA) estimates that switching from coal to natural gas has already helped limit the rise in global carbon dioxide (CO₂) emissions since 2010 and avoided more than 646 million metric tons of CO₂ emissions between 2010 and 2019.³ Employing public analysis,⁴ we estimate that each Cheniere cargo that is used to generate natural gas-fired electricity could potentially result in a reduction of 140,000-200,000 metric tons of CO₂ equivalent (CO₂e) emissions, if displacing electricity from a coal-fired power plant. Providing cleaner-burning LNG is one of the ways Cheniere is contributing to the “common but differentiated responsibilities and capabilities” principle, that all have to help address climate change and advance the energy transition. To maximize the climate benefits of Cheniere’s LNG, we are leveraging our scale and unique

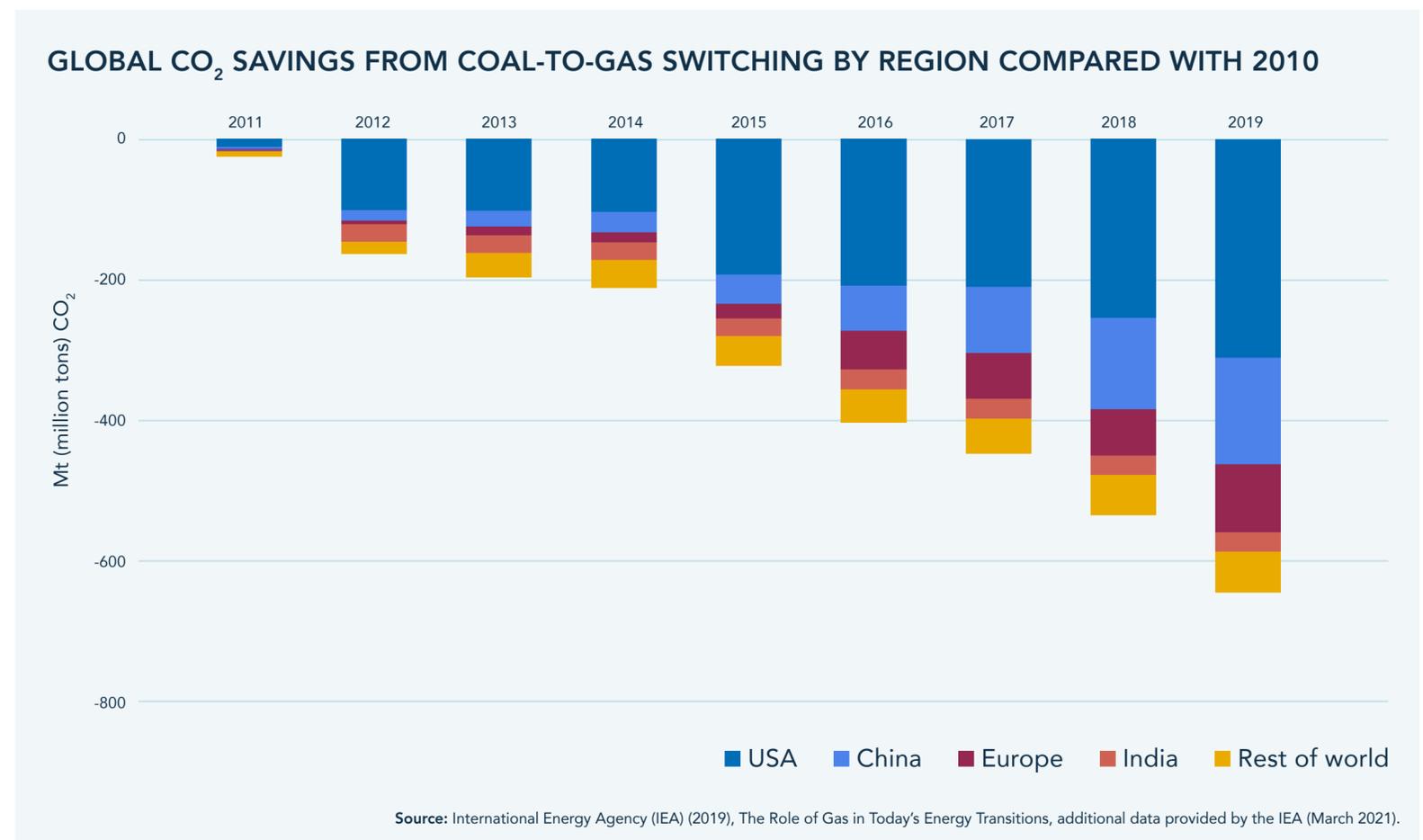
position in the global energy landscape by collaborating with stakeholders throughout the LNG value chain — including upstream gas suppliers, midstream infrastructure owners, shipping owners and our LNG customers — to explore opportunities to reduce the carbon footprint of our product.

Improving air quality: Our LNG can help improve air quality when displacing coal. The combustion of natural gas in place of other hydrocarbon sources can significantly reduce localized air pollution and public health risks in and around downstream power generation sites. Estimates show that when used for power generation in natural gas combined-cycle power plants, natural gas emits virtually no mercury or particulate matter and can reduce nitrogen oxide (NO_x) and sulfur dioxide (SO₂) emissions by up to 82% and 99%, respectively, relative to coal on a lifecycle basis.⁵ At the same time, we aim to responsibly manage the localized air quality impacts of our own operations and from LNG vessels that we charter on a long-term basis, by pursuing opportunities for emissions reductions.

Supporting domestic economic growth: Our business represents a more than \$33 billion investment⁶ in the future of energy, and in 2020, we supplied 7.5% of the world’s LNG. Cheniere stimulates economic development in areas where we operate by building a local workforce, supporting local suppliers and investing in local communities. In 2020, wages and benefits amounted to \$518 million.⁷ We support the U.S. gas industry by purchasing more than 6% of the total daily U.S. gas production from approximately 100 counterparties⁸ and managing natural gas deliveries through approximately 28 different pipelines to our Sabine Pass and Corpus Christi facilities.

Driving shareholder value: Cheniere is focused on delivering returns to our shareholders and capital providers. The durability of our business was proven in 2020 when we met or exceeded our pre-COVID-19 financial guidance for the year. We generated consolidated adjusted EBITDA (earnings before interest, taxes, depreciation and

amortization) of \$3.96 billion for 2020, a 35% increase compared to 2019 and within the full year 2020 guidance range of \$3.8 billion to \$4.1 billion.⁹ In addition, over the last five years, the total return on our common stock was approximately 61%, which is significantly above our peer group’s five-year total return of about 14%.¹⁰



3. International Energy Agency (IEA) (2019), The Role of Gas in Today's Energy Transitions, additional data provided by the IEA (March 2021). 4. We estimate over 200,000 metric tons of CO₂e reductions for the European Union, based on a 100-year Global Warming Potential (GWP) and 140,000 metric tons for China, based on a 20-year GWP, to illustrate the range of potential CO₂e reductions from one cargo (~3.6Tbtu) of LNG. National Energy Technology Laboratory (2019), Cheniere Energy Analysis. 5. 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. 6. Cheniere Form 10-K, 2020. Number represents property, plant and equipment schedule, representing total LNG Terminal Costs. 7. This figure represents: global (U.S., U.K., Singapore, China) gross wages, health and wellness benefits and pension/401(k) expenses, in USD. 8. "Counterparties" includes producers, marketers, processors and pipelines. Total gas purchases averaged over 2019 and 2020 relative to U.S. dry gas production averaged over the same period. 9. Consolidated Adjusted EBITDA is a non-GAAP measure. A reconciliation of Consolidated Adjusted EBITDA to Net Income (loss) to common stockholders, the most comparable U.S. GAAP measure, is included in (the Appendix). 10. Cheniere Form 10-K, p. 40. Our peer group includes: Air Products and Chemicals, Inc., Baker Hughes, ConocoPhillips, Enterprise Products Partners L.P., EOG Resources, Inc., Halliburton Company, Hess Corporation, Kinder Morgan, Inc., LyondellBasell Industries N.V., Marathon Petroleum Corporation, Occidental Petroleum Corporation, ONEOK, Inc., Phillips 66 Company, Suncor Energy Inc., Targa Resources Corp., Valero Energy Corporation and Williams Companies, Inc.

BUILDING SUSTAINABILITY INTO EVERY ASPECT OF OUR BUSINESS

OUR APPROACH TO SUSTAINABILITY

We are committed to the responsible and proactive management of our most important ESG impacts, risks and opportunities. This includes a strategic focus on ensuring that our business remains resilient in the global energy transition and delivers lasting value to all our stakeholders.

We are enhancing efforts to further integrate climate and sustainability across the organization — an approach we believe is essential to maximizing value and strengthening the long-term resilience of our business. In 2020, we continued to advance our climate strategy through the launch of a corporate-wide effort to further integrate climate considerations into our business, enhance the environmental competitiveness of our product and support our customers in the energy transition (see [page 17](#)). We also began developing and implementing a comprehensive diversity, equity and inclusion (DEI) strategy focused on our company, customers, communities and supply chain partners.

These efforts are underpinned by regular stakeholder engagement to maintain the responsiveness of our approach, as well as close collaboration with our suppliers and customers, in an effort to drive improved performance across the LNG value chain.

SUSTAINABILITY GOVERNANCE

Board and executive oversight

Sustainability — including the management of relevant ESG issues — is overseen by our board of directors. The governance and nominating committee of our board is responsible for reviewing the company's climate change and sustainability policies and strategies. Executive-level managers oversee all of our major ESG focus areas, including climate, environment, human capital, safety, community and governance, and brief the board on these topics regularly.

In 2020, the board received updates from Cheniere management on climate and sustainability efforts quarterly, including a session on climate risks, opportunities and strategies. As an outcome of this session, we launched a corporate-wide effort to further integrate climate into our long-term strategy (see [page 17](#)).

In February 2021, we updated our annual performance scorecard, which is an element of performance-based compensation, to include an ESG metric that accounts for 10% of the total scorecard value for 2021.

Corporate Responsibility (CR) Program

We are working to embed a culture of sustainability throughout our organization. In 2019, we developed a cross-functional CR Program made up of leaders and subject matter experts from across business units to help integrate our approach across the company. This program is managed by our executive-level CR steering committee and management-level CR working group, which are collectively responsible for the development of our annual CR report. We coordinate approval of our CR report with our executive management and the board.

ENGAGING WITH STAKEHOLDERS

We proactively engage with our stakeholders as a matter of strategic priority, with the aim of building 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 maximize value for all our stakeholders. We aim to provide stakeholders with information that helps them to assess our performance and progress in this regard.

[READ MORE](#)

Read more in our [ESG Metrics and Disclosures Appendix](#):

[Stakeholder engagement](#)

BUILDING SUSTAINABILITY INTO EVERY ASPECT OF OUR BUSINESS

RECOGNIZED FOR OUR PROGRESS

We are focused on continuously improving our environmental, social and governance (ESG) performance and disclosures, as we believe this will drive improved shareholder returns and help maximize our overall value to society over the long term. Our progress in this regard is reflected by the improving scores applied to Cheniere by widely referenced ESG rating entities.

MSCI rating history

In 2020, Cheniere received a rating of A (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment.



Sustainalytics rating history

As of May 2021, Cheniere received an ESG Risk Rating of 25.0 from Sustainalytics and was assessed to be at medium risk of experiencing material financial impacts from ESG factors.



SUSTAINABLE DEVELOPMENT GOALS

Based on the assessment below, we have identified seven priority United Nations Sustainable Development Goals (SDGs) to which we believe we can make a major or moderate contribution. Our [website](#) provides a detailed analysis of how our activities align with specific targets for each of these SDGs.

SUSTAINABLE DEVELOPMENT GOALS

Contributing to the U.N. Sustainable Development Goals

The U.N. SDGs provide a roadmap for governments, civil society and the private sector to support meaningful sustainable development. We have assessed the alignment of our core business with the SDGs to help focus our efforts and resources on areas where we can make the most meaningful contribution. In 2020, this included mapping our impacts against specific SDGs and associated targets.

3 GOOD HEALTH AND WELL-BEING

7 AFFORDABLE AND CLEAN ENERGY

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

17 PARTNERSHIPS FOR THE GOALS

TACKLING THE ISSUES THAT MATTER MOST TO OUR STAKEHOLDERS AND OUR BUSINESS

FOCUSING ON RELEVANT ESG TOPICS

We undertake a structured assessment process to identify and prioritize the ESG topics that are most relevant¹¹ to our business and to our stakeholders. This helps inform both our CR reporting and our broader sustainability approach. In 2019, we conducted an initial assessment of relevant ESG topics to inform our [inaugural CR report](#).

In 2020, we updated and expanded the scope of this analysis to include metrics from additional reporting frameworks, such as the World Economic Forum’s Measuring Stakeholder Capitalism framework.

We also undertook an extensive ESG-focused external stakeholder feedback exercise, where we conducted in-depth interviews and surveys with more than 60 individuals representing 24 different organizations across six key stakeholder groups: investors, banks, ESG and credit rating agencies, gas suppliers, customers and community members. Based on their feedback — and supported by additional internal analysis — we developed an assessment of ESG topics relevant to our business and our stakeholders.

Key findings from our updated analysis include:

- Climate change remains among the most important ESG issues both to our company and to stakeholders. This includes the assessment and management of risks and opportunities related to climate change and the energy transition, as well as the GHG emissions footprint of our operations and value chain.
- The impact of COVID-19 further increased the importance of several issues to our company, including emergency response and occupational health and safety.
- DEI also increased in importance among ESG issues, reflecting growing focus by investors and other stakeholders on the issue, as well as Cheniere’s enhanced DEI efforts in 2020.

In response to these results — and to better reflect current and emerging stakeholder priorities — we enhanced our reporting this year to include approximately 30 new disclosures across our six key ESG themes: climate, environment, team, health and safety, communities and governance. We also expanded the content of this report to include our COVID-19 response measures, our efforts to support DEI, detail on our responsible value chain management and cybersecurity.

RELEVANT ESG ISSUES MATRIX



- | | | |
|---------------------------------------------------------|------------------------------------------|-----------------------------------------------|
| A. Biodiversity | G. Climate strategy | M. Business ethics and compliance |
| B. Effluents and waste | H. Occupational health and safety | N. Responsible value chain |
| C. Community development | I. Emergency response | O. Political engagement |
| D. Talent attraction, engagement and development | J. Process safety | P. Employee engagement and development |
| E. GHG emissions and energy | K. Corporate governance | Q. Diversity, equity and inclusion |
| F. Air quality | L. Community engagement | R. Cybersecurity |

11. We use the term “relevant,” instead of the commonly employed term “material” used by the Global Reporting Initiative (GRI) Standards and others, to avoid confusion with the term “material” as used to assess disclosures governed by U.S. securities laws more generally.