

# 2014 communication on progress



human rights  
labour  
environment  
anti-corruption



“ At Noble, we continue to develop and implement responsible and sustainable management across our global supply chains and strive to align our entrepreneurial culture with the highest standards of integrity ”

## ceo's message

Dear Stakeholders,

I am pleased to confirm Noble's continued support of the UN Global Compact and work towards its 10 principles in human rights, labour practices, environmental protection and anti-corruption. At Noble, we continue to develop and implement responsible and sustainable management across our global supply chains and strive to align our entrepreneurial culture with the highest standards of integrity.

Since joining the UN Global Compact in 2010, these 10 principles have increasingly become part of Noble's way of conducting business. As examples of this commitment, a growing number of our value chains have revised policies to engage suppliers on sustainable practices and our businesses make active contributions to support local communities in a range of ways, with special emphasis to facilitate access to quality education and healthcare. These actions demonstrate that the principles that form the basis of the UN Global Compact are not simply mission statements but are put into practice by Noble.

I feel it is important to stress that as a public company and a supply chain manager for numerous natural resources, we are conscious of the need to understand and mitigate our social and environmental footprint and maintain sustainable supply chains. Many of the industries we are involved in require care and attention to ensure they will be productive for Noble, our stakeholders and the communities in which we operate in.

At a time of mounting social and economic instability, environmental challenges and climate change, all companies must endeavour to do their best to try and create a business environment that is sustainable to all stakeholders. This is in many respects what we believe the UN Global Compact aims to encourage and at Noble we are fully committed to this goal.

Yusuf Alireza  
Chief Executive Officer

## about noble group

Noble Group is a diversified supply chain manager of agricultural and energy products, as well as metals, minerals and ores. Operating from 140 locations and employing more than 70 nationalities, Noble facilitates the marketing, processing, financing and transportation of essential raw materials. Sourcing bulk commodities from low cost regions such as South America, South Africa, Australia and Indonesia, the Group supplies high growth demand markets, particularly in Asia and the Middle East. In order to ensure the integrity of its supply chains, the Group has a portfolio of interests in strategic logistics and processing assets which form an integral part of facilitating its key trade flows.

This Communication on Progress (COP) provides an update on the important non-financial aspects within the Group's global operations and wholly owned subsidiaries for the period from June 2013 to June 2014. These aspects are broadly illustrated around the areas of human rights, labour standards, environment and anti-corruption and reflect our commitment to the universal principles of the UN Global Compact. In determining the reporting elements, we considered the material sustainability issues across our value chains and sought to align our reporting framework with internationally recognised protocols. This is accompanied by a brief description of our policies and management systems, as well as our activities and their impact on our day-to-day business.

You can find more information about our corporate responsibility work at [www.thisisnoble.com/responsibility](http://www.thisisnoble.com/responsibility)



# introduction

## Understanding our Responsibility

Our approach to responsible business is fostered by our desire to understand the concerns and expectations of our key stakeholders. We engage with our stakeholders across a wide spectrum of topics so as to improve decision making and the accountability of our partnerships. It is our responsibility to create long-term value for shareholders, which cannot be achieved without consideration of the interests of customers, employees and communities at large.

**Shareholders** invest in Noble's recognised track record in value creation, best-in-class commodity market insight and robust governance and risk management systems. The Board welcomes the views of shareholders on matters affecting the Company, either at shareholders' meetings, or on an ad hoc basis. Queries may be raised with the Director, Corporate Affairs via the Company's website. There are regular meetings with investors, fund managers and analysts, and quarterly conference calls which are entirely open to anyone who wishes to use the publicised toll free numbers.

**Customers and Suppliers** partner with Noble because of our understanding of their requirements and needs. Supported by our customer-focused culture and global supply networks, we engage with our customers on a daily basis. Ensuring a smooth flow of products and capability to deliver a diverse range of products is vital to our goal to build long-term relationships across our global customers and supplier bases.

**Governments and Regulators** set the legislative frameworks and statutory requirements for our sector, covering market access, product flows, labour and environmental standards, property rights and taxation. Our governance structure and Board procedures ensure appropriate supervision and control over these processes. We work alongside governments and regulators in product offtake and financing contracts, which result in direct stimulus to local employment and economic activity and contribute to social development goals.

**Employees** share our values in recognising entrepreneurialism and the benefits of high performance teamwork. Town hall meetings, regular newsletters and employee surveys ensure good information flow within Noble. Our focus is on honing performance and reward planning, staff development as well as providing a safe and healthy workplace. These drive our aspirations to attract and retain the best. All employees receive regular performance and career development reviews.

**Local Communities** are impacted by our operations. Relationship and engagement programmes in our key locations are led by dedicated personnel to serve and benefit the communities in which we operate. To minimise our environmental footprint, our operations follow international standards in environmental management. We regularly meet with our communities via formal and informal consultation to understand their interests and concerns and safeguard our corporate reputation. Close interaction with the communities in which we operate continues to shape our programmes addressing the key challenges of poverty and underdevelopment.

## Roles and Governance

The Board of Directors is committed to maintaining a high standard of corporate governance within the Group. Good corporate governance establishes and maintains a legal and ethical environment, which strives to promote and preserve the interests of all stakeholders.

At the Board level, the Corporate Governance Committee identifies, monitors and implements good corporate governance practices and procedures for the Group. The Corporate Social Responsibility & Government Relations Committee is responsible for reviewing the social and environmental issues which affect the Group's business, and approves or recommends, as appropriate for the Board's approval, the Group's involvement with and sponsorship, or support, of activities which further the Group's social responsibility objectives.

The Corporate Social Responsibility & Government Relations committee also oversees government relationships, monitors and responds to government actions as appropriate, and builds where possible greater recognition and goodwill with governments. The committee is comprised of a majority of independent Non-Executive Directors, and is supported and advised by a number of senior executives, representing key functions in major locations.

## Key Corporate Responsibility Development in 2013/2014

This Communication on Progress (COP) report marks the fourth year of Noble Group's commitment to the UN Global Compact. Over the past 12 months, we have continued to integrate the 10 universal principles of the UN Global Compact into our commodity supply chain business.

A successful corporate responsibility programme is underpinned by a sound strategy and management approach. We have formalised a Sustainability Policy that defines responsibility in the context of Noble Group. Supporting Noble's strategy to create value for our stakeholders, this policy further describes a set of principles and crucial focus areas for our operations in managing potential risks associated with social and environmental issues.

We ensure that we only do businesses with those who share our values. Starting this year, we have been establishing a dedicated Counterparty Acquisition team to strengthen Noble's compliance with Know Your Customer and Anti-Money Laundering due diligence requirements. The team is mandated to perform the initial review of new counterparties and periodic reviews of existing counterparties in accordance with Noble's policies and procedures.

Supply chain sustainability drives our corporate strategy with increasing focus on social and environmental impact across our value chains. Noble has completed its first comprehensive supply chain mapping assessment of a key supply chain to identify sustainability risks areas. This mapping has provided insight on the relevance of various sustainability risks, such as labour conditions, product integrity and supplier-buyer and government relationships.

The Noble Group Code of Conduct applies to all Directors, officers and employees of the Group and each of its subsidiaries. The Code of Conduct sets out principles to guide employees, directors and officers in carrying out their duties and responsibilities to the highest standards of personal and corporate integrity when dealing with the Group, its customers, suppliers, competitors and the community.

We are committed to a high standard of ethical conduct. The Group has adopted and implemented a policy wherein employees may, in confidence, raise concerns regarding unlawful activity, policy or practices, suspected fraud, corruption, dishonest practices or other matters. Our policy is in line with our commitment to the United Nations Universal Declaration of Human Rights and the principles of the United Nations Global Compact.

Senior management in global human resources and technical operations implement Noble's environmental, health and safety management programmes. This is complemented by locally defined and plant specific requirements, depending on the operating activity of the respective business line. In keeping with our dedication to professionalism in our operations, we seek to secure applicable industry certifications in Noble's owned assets. The implementation of our policies regarding ethical conduct is overseen by our risk, compliance and internal audit functions.

Climate change presents not only a risk to the supply of products, but also creates potential market opportunities. As the UK government's energy policy steers the country's transition to a low carbon economy, Noble is exploring the emerging opportunity in low carbon electricity. In February 2014, Noble increased its shareholding in Watt Power, an independent developer of flexible gas-fired power generation assets. Power plants fuelled with natural gas emit almost 50% less CO<sub>2</sub> than coal and reduced emissions of other harmful substances.

Noble's 2013 response to CDP (formerly known as the Carbon Disclosure Project), a global investor initiative to collate and monitor corporate carbon emissions, was awarded the highest score in Hong Kong and South East Asia, 99 out of a possible 100 points for climate information disclosure and likewise achieved an "A-" rating in carbon performance leadership. Noble has qualified as a Disclosure Leader (Asia ex-Japan) for three consecutive years. The scores highlight our performance in reporting, governance, verification and emissions reduction activities in response to the risks and opportunities presented by climate change, as well as an in-depth understanding of the broader environmental issues facing the company.

We maintain our priority to invest and engage in various community projects and initiatives to foster relationships and partnerships in the locations from which we operate. Through the Noble Foundation and our local operations, we seek to identify where we can best create shared value for suppliers, partners and communities. These include educational assistance, health support services and rural development. Our current community work is illustrated in the following chapters.





# human rights

**Principle 1:**  
Businesses should support and respect the protection of internationally proclaimed human rights; and

**Principle 2:**  
make sure that they are not complicit in human rights abuses.

## Our Commitment

Noble is committed to the United Nations Universal Declaration of Human Rights. The Declaration is a universal standard that proclaims that every individual, man and woman, is born free and equal in dignity and rights.

Our Code of Conduct – and other Group Policies – demands that all Noble employees comply with the law in every jurisdiction in which we operate. This applies to all directors, officers and employees of the Group and each of its subsidiaries. The Code and other Policies set out ethical principles to guide employees in carrying out their duties and responsibilities. These principles require the highest standards of personal and corporate integrity when dealing on behalf of the Group with its customers, suppliers, competitors and the community.

Human rights are high on our agenda; we strive to go beyond the legislative requirements. We invest in real actions to advance access to quality education, health and safety, water and sanitation. We do not tolerate human rights abuses within the scope of our business operations.

## Supporting Human Rights in Noble’s Policies and Actions

Every employee at Noble is informed about our company policies and practices, and hence their rights, as reflected under existing policies. Our global policies are reviewed and updated on a regular basis. In our offices, training on business ethics and conduct is regularly held in order to affirm the procedures for reporting any such violations in the workplace.

We maintain our commitment to control risks and improve the safety performance across all of our assets and operations. Building on the results of Noble’s Group-wide health and safety assessment, we have achieved a significant reduction in work related injuries over the last several years by investing in further safety training for employees and contractors.

Across our operations in Argentina, Uruguay and Paraguay, annual health checks and vaccination programmes are also offered. In April 2014, more than 2,600 employees in Brazil participated in the Noble’s Brazil Health Week, a health check-up programme aiming to assist early diagnosis of health risks and helping to ensure a healthy work environment.

We have a dedicated internal audit team conducting systematic audits across all Noble’s operations. Its role is defined and overseen by the Audit Committee. The review and audit of Noble’s operations is a continuous process. The team engages in discussion and consultation with various operations addressing any financial, operational, compliance and information technology risks. It provides independent assurance of our overall systems of control and also makes certain that all locations are adhering to the 10 principles of the UN Global Compact.

When we acquire a new asset, the business and financial service functions are responsible for investigating any past, current or potential future liabilities and breaches of human rights as part of the due diligence process. Across all locations, Noble remunerates employees at least to the level of their respective country’s minimum wage. As we expand our supply chains into new territories, valuable investments are made in infrastructure improvements which help to nurture vibrant and stable communities. Such developments have taken place in Argentina, Brazil, China, Cote d’Ivoire, Indonesia, and South Africa amongst others. Public amenities, hospitals and schools are built, and improved, to serve our employees and community members.

We are fully aware that we operate in some regions that have a history of difficult relations between resource extraction, farming industries and indigenous peoples. A lack of respect for cultural places, with no meaningful employment opportunities and environmental negligence, are often the reasons for poor relationships in the past. We endeavour to build relationships with local communities by addressing their needs and concerns before operations begin. We are pleased to report that in 2013/2014 that we received no formal complaints of any violations of the rights of indigenous peoples.

Furthermore, many of our community investment projects, which are often initiated by our local operations, are aligned with Noble’s business strategy. We address basic needs such as education, health and wellbeing, while always encouraging our local employees to contribute new ideas and initiatives. In 2013, we invested over USD 2.9 million in our global outreach and community projects, not including the costs of our administration. Through our partnerships on the ground, we leverage local efforts and use their expertise and networks to deliver the needed services.



## Ensuring a Safe Workplace

Health & Safety is a key part of Noble's sustainability strategy. In order to improve our employees' and contractors' work environment, we ensure the necessary focus on safety systems at work, risk management, medical aid and the correct use of personal protective equipment. These are the fundamentals which are becoming mandatory within our operations through a set of key performance indicators for employees and contractors, such as Accident Severity Rate, Lost-Time Frequency Rates, Medical Aid Frequency Rate and a Safety Index.

### Sugar

Within Noble's sugar mills in Brazil, we have developed a well-structured team of experts to manage occupational health and safety (OHS) hazards and risks. We have mandatory OHS programs in place, such as risk prevention plans, health monitoring plans, respiratory protection plans, emergency response plans and an accident prevention committee. We also have specific procedures for hazardous work, including working at certain heights, working in heat, working with electrical systems and working in confined spaces, which must be followed by the hazardous works permitting procedure.

### Grains and Oilseeds

Noble's management of health and safety matters, including the design and implementation of policies and procedures to minimise potential safety risks, has resulted in excellent safety records in our Grains and Oilseeds division. For example, Lost-Time Frequency Rates of all our Chinese plants was zero in 2013 and 2014 and both the Qinzhou and Longkou assets have worked over 2 million accident-free hours. The overall safety performance of each site – as well as the training hours – is monitored each month and recorded in the operational safety report. This data forms part of Noble's overall monitoring of OHS performance from our global operations.

A key focus on operational health and safety to improve our work environment and prevent accidents from occurring is essential for us to ensure a safe workplace for Noble employees and contractors.



In Brazil, over 2,600 employees participated in voluntary health screenings in 2014

## Respectful Partnerships with Indigenous Peoples

Noble recognises its responsibility to foster a respectful and enduring relationship between traditional land owners and our operations. Our engagement programmes are designed to respect the significant cultural values of the areas where we originate resources. Regular meetings with indigenous groups in the host regions provide an open platform to align business practices with community needs and expectations.

### Indigenous Engagement

Noble's Territory Resources Ltd iron ore mining operation is located 200 km south of Darwin in the Northern Territory of Australia. The mining operation lies on the western margins of the Jawoyn people's traditional lands and has consistently operated under a strong ethos of community engagement and development.

We are committed to ensure that the rights and interests held by particular indigenous people are recognised. Our operation is regarded as industry leading with a 20% indigenous participation rate (comparative industry ratio of 5-10%) with a policy to prioritise local recruitment. Employment opportunities are often hindered by a low skill base, as less than 10% of the local indigenous people complete secondary school education. Every year, we provide young Aboriginal people with a 6-month mining skills trainee programme and long-term employment opportunities upon graduation. Some of our Aboriginal trainee graduates have become well-respected supervisors and others highly-skilled mine equipment operators.

### Cultural Heritage Management

In Indonesia, where Noble operates mining industry services in Central Kalimantan Province, Dayak indigenous groups live around our operations in the East Barito and South Barito Regency. Cultural traditions and folklores of the Dayak people, often passed down by word of mouth over generations, have been challenged by outside societies and development activities.

Our cultural heritage management programme is focused squarely on preserving the local heritage and language in Noble's operating sites. Collaborating with the Dayak leaders, regional government and scholars, Noble Foundation has funded the writing

and publishing of a new book, "Getting to Know the Dayaks – Lawangan, Ma'anyan, Bakumpai and Biaju". The book describes the origins, religions, folktales and cultural practices of the four main Dayak tribes, and is written in Indonesian, Dayak and English. To serve as a record of history and an inheritance for our younger generations, we are sending over 300 copies to nearby schools and libraries in Central Kalimantan.

### Gaining Public Acceptance

The recent announcement of Cockatoo Coal's Baralaba expansion project in Central Queensland, Australia was welcomed by the Baralaba community. Through our extensive community consultations in the past six years, the development has seen a sound partnership established with the local population.

The Baralaba Coal Mine, located 3 kilometres north of the township of Baralaba, has a population of 300 people who are predominantly indigenous Wadjs Wadja/Yungulu Aboriginal people. Most people live and work locally and the economy is supported by the existing mining operations and farming industries. The mine's expansion will significantly boost local employment opportunities and support businesses that supply goods and services to the mine.

Noble increased its minority shareholding in 2013 to support the production ramp-up. With few social services available in Baralaba, Noble has set up a 3-year community plan for Baralaba in the last few months. The programme has been designed to improve school attendance, health service and recreational facilities in the township.







In October, Richard Elman, Chairman, attended the opening ceremony of Rondonópolis Biodiesel plant in Brazil



The annual Noble Day brings employees from the offices and assets around Argentina, building stronger relationships and teamwork

labour

- Principle 3:**  
Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4:**  
the elimination of all forms of forced and compulsory labour;
- Principle 5:**  
the effective abolition of child labour; and
- Principle 6:**  
the elimination of discrimination in respect of employment and occupation.

Our Commitment

Noble’s Code of Conduct sets forth the requirements for compliance as well as the guidelines on key labour issues, which are an integral part of the principles advocated in the UN Global Compact.

We support the freedom of association and collective bargaining for our employees in the countries in which we operate and diligently comply with local labour laws and regulations.

Forced or compulsory labour of any kind is not tolerated at Noble, nor do we exploit child labour in any of our global operations.

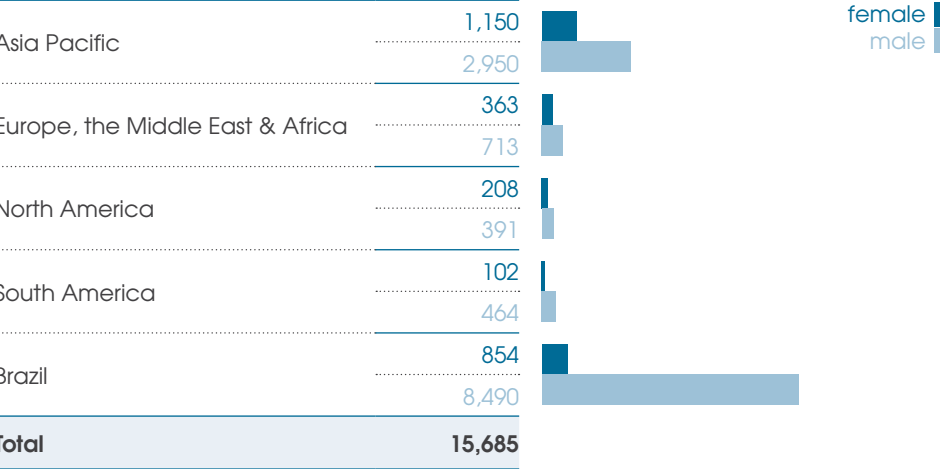
We value diversity at every level of our organisation and respect the rights of our 15,000 employees who comprise more than 70 nationalities across 37 countries around the world. Our Equal Opportunities Policy applies to every employee in the Group and commits Noble to eliminating discrimination, harassment and victimisation in the workplace.

Implementation of Labour Standards in Noble’s Policies and Actions

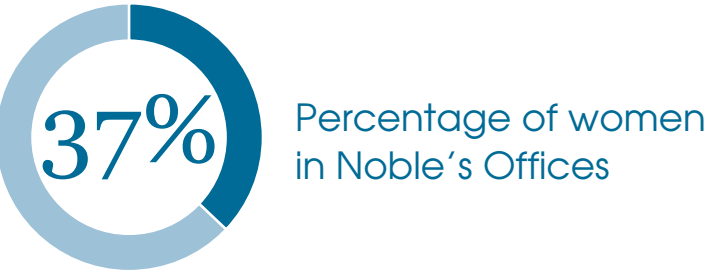
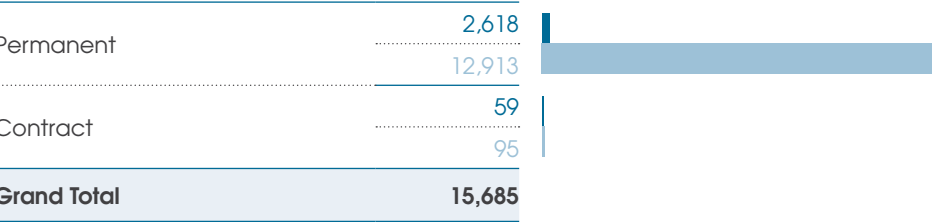
Our people work across multiple functions, locations and languages. A culture of diversity and equal opportunities is one of our greatest strengths allowing us to operate cohesively across borders and businesses. In 2013, amongst 15,685 permanent employees and contractors, more than 99% of our workforce is entitled to permanent employment positions. In terms of gender diversity, female representation reaches 37% in our global offices with a total of 17% of our overall workforce being female.

We have clear policies and training practices to combat discrimination. Our managers are responsible for ensuring that the Equal Opportunities Policy and other labour principles are adhered to in their departments. In our offices, education on business ethics and conduct is undertaken. Employees receive regular mandatory training on workplace conduct. We encourage and promote procedures for reporting any unwelcome attitudes in the workplace. Moreover, Noble takes any alleged breach of discrimination incidences seriously. In 2013/2014 we received no credible complaints of discrimination in any location.

Number of Permanent Employees and Contractors by Region and Gender



Number of Employees by Employment Type and Gender



Percentage of women in Noble’s Offices



About 63% of Noble employees, especially in countries such as Brazil, Argentina, China and South Africa where key installations are located, are represented by trade unions or similar bodies. Noble respects the right to freedom of association and collective bargaining as the core constituents in the International Labour Organisation conventions. We seek to cooperate with unions on the collective bargaining agreements which stipulate labour conditions and eliminate any kind of forced or compulsory labour.

Noble has adopted and implemented a whistle-blowing policy through which employees may, in confidence, raise concerns regarding matters of unlawful activity, policy or practices, suspected fraud, corruption, dishonest practices or other similar matters. There are also arrangements for an independent investigation of such issues and for appropriate follow up actions where necessary.

Talent Development

Regular performance appraisal procedures are in place for all employees. The review focuses on employees’ career development and succession planning, and is critical to ensure employee engagement. In line with our business growth, we have continued to expand our trainee programmes. Building on the structured apprenticeship approach, we hired 32 trainees across our global trading operations in 2013, of which over 80% have successfully graduated from their programmes.

Through last year’s office-wide initiative which worked with managers to identify high potential individuals in their teams, 459 employees worldwide, more than double of last year, were identified as having high potential, leading to focused training and development opportunities. Across our global operations, we offer extensive training for Noble’s employees and contractors. Over 422,772 hours of technical, health and safety, and leadership training were provided in 2013.

Employee Team Building

Creating a healthy working environment benefits our employees and increases productivity. Noble promotes an active lifestyle in our worldwide offices through various sporting activities and volunteering. Basketball, football and other sports activities are organised at many of our locations. From cycling to running, Noble’s team features regular participants in charitable sporting events, supporting our objectives to raise funds and awareness for educational or other relevant causes.

Promoting Health and Wellbeing

In Brazil, where we have a major presence in our sugar mill operations, we run a number of programmes targeting health awareness and wellbeing of our employees.

As we celebrate Pink October, Noble launched an education campaign to stress the importance of breast cancer prevention and early detection among women. Through a series of workshops, educational booklets, t-shirts and gifts were given out to all employees and contractors to raise awareness.

Another long-standing family planning programme continues to provide guidance and health tips to mothers-to-be on the importance of pre-natal care. More than 500 pregnant mothers have participated since the project’s inception.

We have teamed up with a university in São José do Rio Preto to identify innovative ways to disseminate Noble’s news. Together, we began the Radio Bioenergia programme. Over the past year, Radio Bioenergia has gained popularity in bringing news, information and entertainment to employees working in rural areas in Brazil.

This 30-minute programme is broadcasted on our shuttle bus service, and includes pre-recorded “Special Interviews” hosted by Noble’s managers and directors, “Musical Moments” which allow employees to send song dedications. Meanwhile “Journal Bioenergia” covers press releases and “Time Listener” hosts raffles and prizes to lucky listeners.



Monthly educational leaflets and a baby kit are distributed to every participant in the Health Pregnancy Programme



The Pink October committee led a series of breast cancer awareness workshops



Our Standards and Management Systems

When we undertake investments in new assets, labour-related risks and compliance with local labour laws and regulations form part of our due diligence and risk analysis. In our existing asset portfolio, we seek to pursue applicable industry certifications. As an example, our grains processing facility complex in Argentina is certified with ISO 14001, OHSAS 18001 and GMP+B2 to achieve the highest standard of operational health and safety and product safety as well as emphasise our overall environmental responsibility.

Working with Smallholder Farmers

We recognise the strong correlation between poverty and child labour. Limited access to appropriate education for minors jeopardises their future and as a result, we support initiatives in regions at risk to increase the overall income of producers. Raising household incomes helps to improve farmers’ livelihoods with extra income streams available to invest in education and healthcare.

Likewise, we are working with smallholder farmers across our agriculture network to provide short-term financing for crop purchases as well as longer-term financing for investments in farming inputs to improve quality and productivity. Providing access to finance helps advance rural development and overcome a major challenge for suppliers.

Tonnage of Certified Coca Sold



Building Food Security & Crop Diversity

In West Africa we are investing in diverse and resilient ecological farming to improve farmers’ productivity and their adaptation to climate change. We are proud to be working with over 16,000 farmers in developing good agricultural practices, diversification and gender awareness. We endeavour to go beyond simply independent certification by helping ensure more resilient farming and therefore greater food security. In the past year, Noble has directly sourced 22,000 tonnes of independently certified and traceable cocoa in West Africa.

Through farmer field schools, business training and health and safety sensitisation, we are advancing the transfer and exchange of knowledge and skills to help suppliers reach Rainforest Alliance and UTZ Certified sustainability standards. In Ghana, 11,953 cocoa farmers have already received premium payments in 2014 for their production of sustainable cocoa beans.

In order to improve the benefits of certification for farmers, we are providing smallholders with specific gender awareness training to increase female participation in cocoa production, as well as distributing cassava and plantain plants to enable farmers to run more diverse and profitable farms. Growing cassava and plantain alongside their cocoa helps farmers improve soil quality, increases shade cover and greatly aids family food availability. It can also provide farmers with an extra income stream, increasing overall household income in rural areas.

Responsible farm practices through agroforestry – increasing tree cover on farms and conserving soils – helps farmers stabilise their microclimate, mitigate the effects of climate change and ensure higher yields in the long term. Over the next four years, we intend to work with a further 20,000 farmers as part of this climate-smart agricultural programme.

“ Responsible farm practices through agroforestry helps farmers stabilise their microclimate, mitigate the effects of climate change and ensure higher yields in the long term ”



Farmers enjoyed a traditional dance in Ghana during a ceremony in which they received bonuses for producing sustainable cocoa for Noble





## environment

### Principle 7:

Businesses should support a precautionary approach to environmental challenges;

### Principle 8:

undertake initiatives to promote greater environmental responsibility; and

### Principle 9:

encourage the development and diffusion of environmentally friendly technologies.

### Our Commitment

Being a leading commodity supply chain manager that inherently relies on natural resources, Noble understands the fundamental importance of managing our impact on the environment. We seek to protect our assets and operations from an array of environmental challenges, including water and air pollution, climate change and resource depletion.

Above all, the company supports a precautionary approach to environmental challenges and works intensively to minimise its environmental footprint across supply chains. We do this by deploying our resource management systems and controls and seeking industry collaborations to address broader environmental issues. To secure our long term energy demand and help customers reduce their greenhouse gas emissions, we support the development and diffusion of environmentally friendly technologies.

### Implementing Measures to Protect the Environment

Across our operations, we comply with all relevant laws and regulations applicable to the production and service of the relevant product and seek to manage our environmental impact through our resource management programme. Regional environmental policies and plans are complemented with site-specific requirements. Environmental impact assessments are conducted according to legal requirements and principles before we purchase new installations.

As a commitment to continuous improvement, Noble works to achieve internationally recognised certification on its environmental management systems. Technical staff, quality managers and other dedicated staff are present in all key locations and play a leading role in the implementation. For example, the dry bulk export terminal in Brazil, Chinese crushing mills and Lazaro Cardenas port terminal in Mexico have attained the ISO 14001 certification and a number of verification audits are scheduled in 2014 to reaffirm the results. Other assets are currently evaluating the needs of applicable certifications.

### Reducing our Environmental Impact

The release of the fifth report on climate change from the Intergovernmental Panel on Climate Change has brought a clear message. Climate change caused by human activity has the potential to lead to destruction and economic loss.

Anticipating this risk, we have been working systemically on climate and environment measures since 2007. Noble's Carbon Neutral Project was initiated as a step-by-step approach to reduce the Group's greenhouse gas emissions. In 2013, all Noble offices worldwide, Noble's publications and top management events once again achieved carbon neutrality. More than 1,014,000 tonnes of CO<sub>2</sub> have been offset since project inception. We compensate for our environmental impact by investing in verified carbon credit projects that generate renewable and low carbon energy and bring positive socio-economic benefits.

In 2010, we launched a centralised environmental data assessment system to monitor our impact on energy use, water and waste across our global operations. As a signatory to the CDP, an investors' initiative to collate and monitor carbon emissions from major corporations, we have publicly reported our Group-level carbon and energy performance for a number of years.

We set ourselves ambitious energy and carbon reduction targets. Efficiency targets in our assets and operations are aggregated into the Group targets. All employees are encouraged to reduce the company's environmental footprint through Noble's annual performance appraisal. Our business travel policy has been revised to sustain our progress in cost savings and emissions reduction.

In 2013, we exceeded our 10% Group level target by cutting 300,000 tonnes CO<sub>2e</sub> from base year 2010. Our performance is on track with our current targets to reduce our emissions on business travel and oilseed processing facilities operations in China.

Our 2013 response to CDP was awarded the highest score for a company in Hong Kong and South East Asia, 99 out of a possible 100 points for carbon information disclosure, and we achieved an "A-" rating as a carbon performance leader. Noble has also been listed on the Disclosure Leader (Asia ex-Japan) for three consecutive years. This result highlighted our capability in reporting, governance, verification and emissions reductions as well as identifying risks and opportunities presented by climate change.





Carbon and Energy Performance in our Operations#

Greenhouse Gas Emissions*	2013	2012	2011
Total emissions (Mt CO <sub>2e</sub> )	2.23	2.11	2.77
CO <sub>2</sub> emissions per products traded (Mt CO <sub>2e</sub> / Mt)	0.0095	0.0094	0.0126
CO <sub>2</sub> emissions on business travel per employee (t CO <sub>2e</sub> / office employee)	5.97	6.23	6.02

Energy Consumption (MWh)	2013	2012	2011
Fuel^	14,697,899	7,930,368	19,657,703
Electricity	149,646	185,003	292,455
Heat	9	70	49
Steam	104,400	140,595	291,329
Cooling	1,154	1,053	699

# Noble Group greenhouse gas (GHG) emissions inventory is defined by adopting the operational control approach in the GHG Protocol. The GHG inventory is assured by TÜV NORD CERT GmbH according to ISO 14064 standard.

\* Data includes scope 1 and 2 emissions in all reporting periods

^ Includes both fossil fuels and renewable fuels consumption



Total Carbon Emissions  
↓ 12%  
Since 2010



Carbon Emissions from Business Travel per Employee  
↓ 24%  
Since 2010

Water: A Precious Resource

Water is essential to agricultural and industrial processes, and Noble endeavours to preserve clean water in our rapidly transforming world. The preservation of water quality is a global challenge, and not enough attention is made to counter the degradation of clean water.

Noble pursues the reduction of freshwater withdrawal by developing operational practices to water recycling and investing in water saving infrastructure. Operational targets are set in our assets as part of the resource management programme. In Noble’s owned sugar mills in Brazil, a new effluent treatment facility and a new vinasse concentrator were installed, resulting in a decrease in freshwater withdrawal per tonne of sugarcane processed by 20%. This scheme has not only resulted in cost savings, but has also optimised the quality of effluent disposal. The long established MasterCana 2013 Award of the Brazilian sugarcane and power industry acknowledged Noble’s efforts as best in class in sustainability and environmental performance.

We contribute funds to key research studies in water stewardship and the development of better water accessibility. In Hong Kong, where nearly 70% of its water is imported, we have partnered with an independent public policy think tank, Civic Exchange, on multi-year water policy research. The latest report, released in 2013, reviewed the historical and current water management network and provided recommendations for sustainable water policy making in Hong Kong.

Elsewhere, our Indonesian coal operation has set up a water treatment processing facility in a Kalimantan village. The facility serves the needs of the community and improves access to clean and safe water.



Setting up a water supply and treatment system in the village of Rantau Nangka, Indonesia



Sustainable Agriculture Sourcing Strategy

We are aware that land use and deforestation are key sustainability challenges in soybean production. Responsible practices and environmentally sound management are essential. As a result, Noble Argentina integrates certification schemes into its supply chain – such as the International Sustainability & Carbon Certificate (ISCC), the Biomass Biofuels and the Sustainability Voluntary Scheme (2BSvs) – to help ensure greater transparency and integrity.

In sourcing our cocoa and coffee, we partner with UTZ, Fair Trade, 4C Association and the Rainforest Alliance to support long-term sustainable production programmes for smallholders worldwide. The training programme includes the transfer of agricultural and business skills that increases productivity, improves labour standards and protects forest habitats. Upon entering the palm oil business in 2011, Noble became an approved member of the Round Table for Sustainable Palm Oil to focus on improving labour practices and minimising the ecological impact in the production of palm oil.

Supply the Growing Demand in Clean Fuels

Noble trades a broad mix of energy products. Our integrated supply chain strategy capitalises on the rising regional demand and shifts in consumption patterns of clean fuels. Our Clean Fuels division is dedicated to providing solutions to alternative fuel sources while reducing environmental impacts. We produce ethanol and biodiesel that are made from renewable sugar cane and soy in Latin America. To leverage our ethanol and biodiesel marketing business in North America, we formed a partnership to acquire a number of terminals which enables us to blend and market ethanol from over 200 trading locations.

Across the United States and Europe, we are increasing deliveries of natural gas to our customers. In early 2014, we acquired a significant share in an independent flexible gas-fired power generation company. When natural gas is used to generate electricity, it emits around half of the CO<sub>2</sub> of coal. Gas-fired power provides the crucial backup needed when renewable resources are not available. It also has the potential to significantly reduce coal dependency and serve as a national strategy for energy security in the transition to a low carbon economy.

Renewable Energy Technology

Noble has invested in renewable energy technology projects. A recent investment in a biodiesel plant which Noble procured for its crushing plant in Brazil started operating in October 2013. Similar to the biodiesel plant in Argentina, soybean oil produced onsite will provide the energy feedstock for the plant. In Paraguay, Noble acquired a number of biomass powered silos dryers, reducing greenhouse gas emissions compared to conventional fossil fuels dryers. Other investments in biomass-fired cogeneration units generate clean energy for our assets in Argentina, Brazil and the Ukraine. These investments aim to reduce our reliance on fossil fuels for heating and power needs and position Noble as a significant producer of ethanol and biomass power, supplying the grid with electricity.



In the UK, Noble is investing in gas energy to meet future electricity requirements and support the country's transition to a low-carbon economy

Set Sail for Responsible Shipping

Noble Chartering is recognised for providing high-quality, safe and efficient logistic solutions. A major component of its success comes from our strategy to use modern ships responsibly. In expanding its owned fleet of ships to meet the growing demands of its integrated supply chain strategy, Noble is acquiring and building ships that are more energy efficient. Our chartering service and commercial ships operate under a robust management system certified with the ISO 9001:2008 standard.

A Vessel/Barge Chartering and Vetting Policy is adopted to ensure that all vessels chartered for the transportation of petroleum, petroleum products, chemicals and LPG meet certain specified criteria and undergo screening by external vetting experts. As a measure of emergency preparedness, an Emergency Oil Spill Response Plan is in place to respond in the unfortunate event of an oil spill.

Noble’s owned tonnage, depending on various factors, frequently sails at the “Super Eco Speed” and/or “Eco Speed” since 2012. Running at optimum speed of fuel consumption not only contributes to fuel and monetary savings, but also reduces greenhouse gas emissions. The monitoring parameter – Energy Efficiency Operational Indicator has been applied across our fleet to measure and improve our overall fuel use efficiency. Likewise, our ships comply with regulations to increasingly use more low sulphur fuel. As a result, a 19% reduction in emissions per distance travelled was achieved compared to 2012.

Moreover to demonstrate a commitment to transparency, we voluntarily rated our ships for “Greenhouse Gas Emissions” by RightShip. One of Noble’s owned ships has recently qualified for the Environmental Awareness (EA) notation, indicating that practical actions are being undertaken to go beyond regulated measures to prevent air and marine pollution. We intend to launch this programme across our entire fleet. It is this commitment to perform responsibly which has seen us as a finalists at both the environmental protection and corporate social responsibility categories at the Seatrade Asia Awards 2014.



Noble is modernising its fleet with fuel efficient engines and ballast water treatment systems



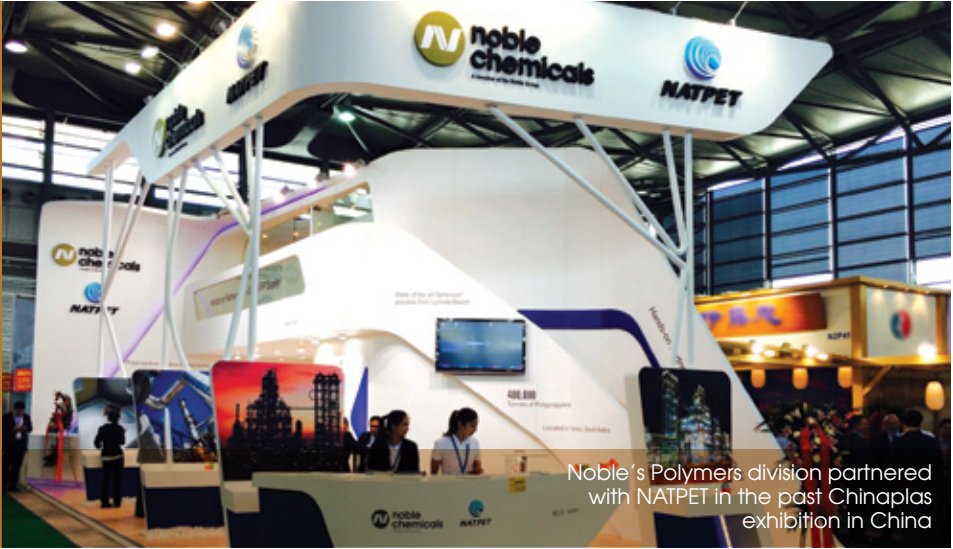


## anti-corruption

**Principle 10:**  
Businesses should work against corruption in all its forms, including extortion and bribery.

### Our Commitment

Noble operates with utmost integrity to fortify its position as a market leader. Our policies emphasise anti-corruption, anti-bribery or anti-trust behaviour strongly. We are a publicly listed company and acknowledge the fact that our actions are constantly under scrutiny. Beyond our obligation to statutory or regulatory requirements, we hold onto our core values of being accountable and responsible, which extends to our shared commitment to prevent fraud and corruption.



### Precautionary Measures to Prevent Corruption

Noble has an experienced Compliance Team which is dedicated to ensuring that our business is undertaken in conformity with applicable laws and regulations. Compliance Team personnel are based in our largest trading offices and serve as a valuable resource for providing technical assistance in the regulatory sphere.

Our Group-wide policies clearly state that all our business functions must comply with the legal obligations and laws in every jurisdiction in which we operate. Noble employees worldwide are given explicit guidance on ethical business practices, such as conflicts of interest, entertainment and gifts. Their acknowledgment is part of the induction process which is mandatory for every new employee. Refresher training is regularly organised to maintain the effectiveness of compliance programmes and highlight some of the perception gaps and possible “grey areas”.

Noble’s Code of Conduct imposes specific obligations in the areas of anti-corruption, anti-trust, anti-money laundering, combating financial crime, terrorist financing, sanctions and fraud. Specific rules on securities trading when in possession of internal, confidential,

information are circulated among employees and set out in a separate policy. This includes a procedure for good faith reporting of any infringement of the Code or other Noble Policies. Concerned employees are encouraged to report without fear to the Compliance or Legal departments when any suspicions arise.

Additionally, Noble has appropriate systems and controls in place, such as regular check procedures conducted by our internal audit team. This department engages in continuous discussions and consultations with various operations in the Group to ensure compliance with anti-bribery and anti-corruption measures.

Our policies are regularly updated to comply with laws and regulations which are progressively tightened, particularly in dealing with new customers or counterparties. World-Check risk search forms a key component of mandatory risk screening for any new counterparties before entering into new contracts. In Europe, our Compliance division currently focuses on managing Noble’s compliance with the new European Market Infrastructure Regulation (EMIR) regarding over-the-counter trading. Likewise, a new counterparty acquisition team has been added to strengthen our due diligence procedure in the Group’s anti-money laundering and Know Your Customer policy.

Within our sphere of influence, we may not have direct control over the development of national policies and instruments on corporate governance, but Noble is a member of the Asian Corporate Governance Association (ACGA) and actively participates in their conferences and advocacy.



## Ongoing Training on Responsible Conduct

Noble employees are given constant updates on rules and regulations relevant to their particular markets and jurisdictions. Education and training on compliance, anti-bribery and anti-money laundering (AML) is delivered either via classroom or video-conferencing. New joiners are also given compliance training.

Over 500 employees attended training in the past 12 months. Refresher training covering AML, sanctions, anti-bribery & corruption, US Foreign Corrupt Practices Act and case studies are offered in the Asia Pacific region and all US staff receive annual recertification of the US compliance manual.

Specific training required by different business functions is also catered to, such as members of front office and the risk team are trained on market abuse and manipulation of indices. Other training includes regulations related to manipulation, disruptive trading practices and reference to anti-trust and corruption.

An online classroom is offered for some programmes to allow employees the flexibility to complete training at their own pace. Noble consistently works towards implementing new systems to suit the needs of its people. Compliance is in the process of launching its new e-learning module in July 2014 which will automate training requirements.

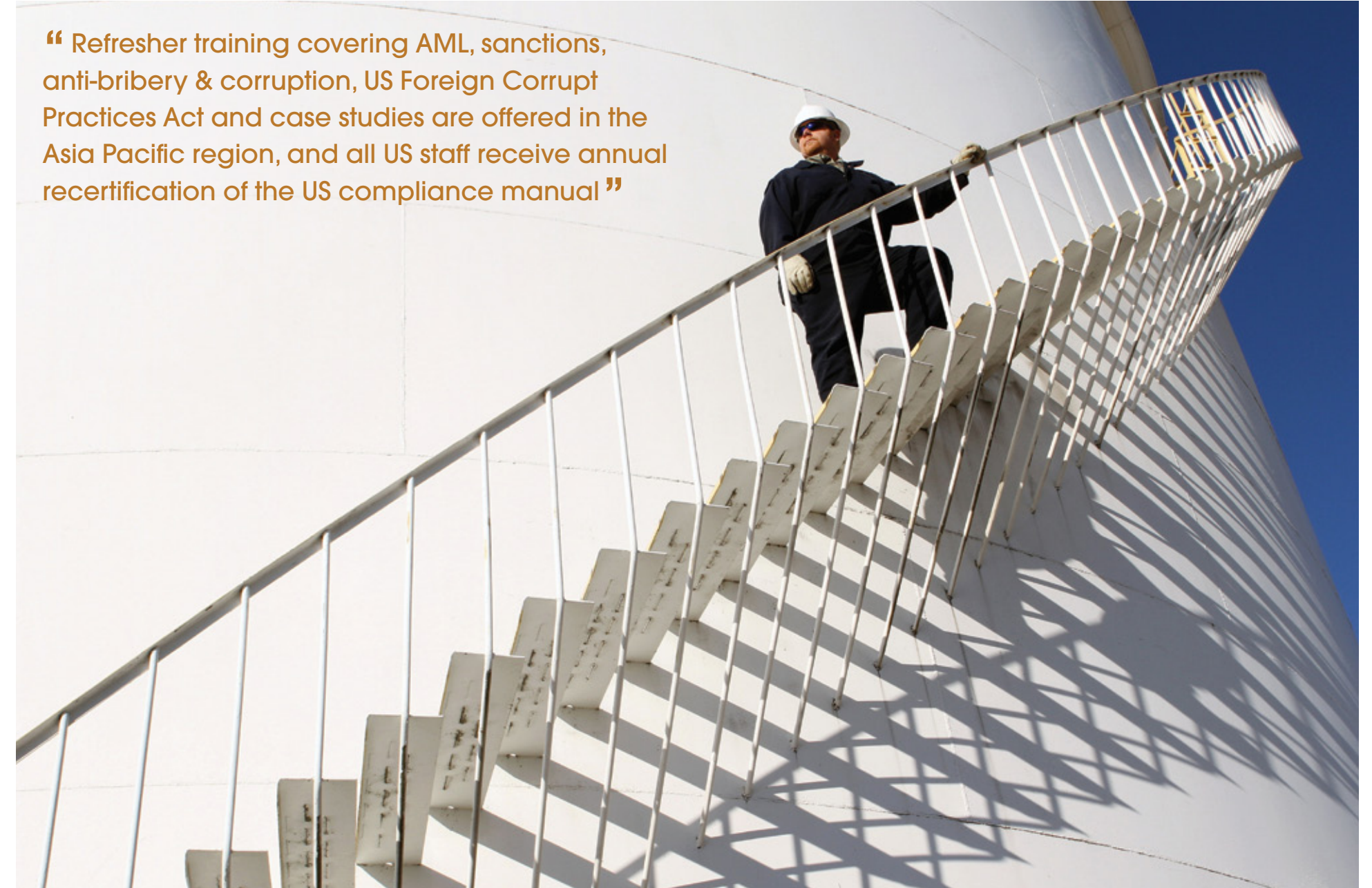
## Centralised Platform of Counterparty Acquisition

In an environment in which financial crime and anti-corruption laws and regulations are being tightened, a global review of Noble's new customer, counterparty acquisition and maintenance procedures was undertaken during the first quarter of 2014.

As a result, Noble is establishing a dedicated counterparty acquisition team responsible for performing the initial review of new counterparties and periodic reviews of existing counterparties in accordance with Noble's policies and procedures. This will further strengthen Noble's compliance with Know Your Customer and Anti-Money Laundering due diligence requirements.

The project also includes the development of a new Counterparty Management technology to facilitate automatic compliance screening, monitoring and surveillance through integration with business intelligence providers. This will allow Noble to respond quickly to ever changing developments.

**“ Refresher training covering AML, sanctions, anti-bribery & corruption, US Foreign Corrupt Practices Act and case studies are offered in the Asia Pacific region, and all US staff receive annual recertification of the US compliance manual ”**







# outlook

We are delighted to be able to communicate the progress achieved so far, both locally and globally.

As new policies and initiatives continue to reinforce our stand, we engage with our stakeholders to align their expectations with our value creation process. We identify customers in growth markets and aspire to build mutually beneficial relationships.

Through measuring and managing our health and safety performance, we have achieved significant improvements in avoiding injuries and accidents in our operations. We carefully monitor our sustainability performance to ensure any gaps and inefficiencies are rectified and addressed. Notably, our emission reduction targets have been met and we look forward to meeting further goals that will reduce environmental impact.

We continue to focus on gaining an even better understanding of the risks and opportunities in Noble’s supply chains to prepare for the challenges we face today and the future. To prioritise areas of risk and elevate our sustainability standards, we are looking to set up a supply chain sustainability risk assessment framework. Complementing this, we are expanding the scope of our commitment to the UN Global Compact by assessing our activities in the context of the Global Reporting Initiative framework for sustainability.

# the ten principles of the United Nations Global Compact

human rights	<b>Principle 1:</b>	Businesses should support and respect the protection of internationally proclaimed human rights.	page 6
	<b>Principle 2:</b>	Make sure that they are not complicit in human rights abuses.	
labour	<b>Principle 3:</b>	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	page 10
	<b>Principle 4:</b>	the elimination of all forms of forced and compulsory labour.	
	<b>Principle 5:</b>	the effective abolition of child labour.	
	<b>Principle 6:</b>	the elimination of discrimination in respect of employment and occupation.	
environment	<b>Principle 7:</b>	Businesses should support a precautionary approach to environmental challenges.	page 16
	<b>Principle 8:</b>	undertake initiatives to promote greater environmental responsibility.	
anti-corruption	<b>Principle 9:</b>	encourage the development and diffusion of environmentally friendly technologies.	page 22
	<b>Principle 10:</b>	Businesses should work against corruption in all its forms, including extortion and bribery.	







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