



# 2015 COMMUNICATION ON PROGRESS

HUMAN RIGHTS | LABOUR | ENVIRONMENT | ANTI-CORRUPTION



OUR VISION IS  
TO BE THE BEST  
COMPANY IN THE  
WORLD AT MOVING  
THE PHYSICAL  
COMMODITY FROM  
THE PRODUCER TO  
THE CONSUMER  
AND MANAGING  
THE ASSOCIATED  
MARKET, CREDIT  
AND OPERATIONAL  
RISK.



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CEO’S MESSAGE

GRI [G4-1] GRI [G4-15] GRI [G4-16]



Dear Stakeholders,

I am pleased to confirm Noble’s support of the UN Global Compact as we continue to integrate its 10 principles covering human rights, labour practices, environmental protection and anti-corruption into our day-to-day business activities, implementing responsible and sustainable management across our global supply chains, striving to align our entrepreneurial culture with the highest standards of integrity.

This is the first year in which we have adopted the Global Reporting Initiative Sustainability Reporting Guidelines for our UN Global Compact COP reporting. We have completed the GRI Materiality Disclosure Service and had our sustainability disclosure assured by Ernst & Young. The material sustainability issues and risks that we defined, and the approach we are taking to manage those risks, are outlined in this report.

Since joining the UN Global Compact in 2010, the 10 principles of the Compact have continued to be at the core of Noble’s way of conducting business. As examples of this commitment, we are delivering products to serve the growing demand for clean fuels and

our businesses make active contributions to support local communities in a range of ways, with special emphasis on facilitating access to quality education and healthcare. The principles that underpin the UN Global Compact are not simply mission statements but are put into practice.

I feel it is important to stress that, as a listed public company and supply chain manager for numerous natural resources, we are conscious of the need to understand and mitigate our social and environmental footprint and establish and operate sustainable supply chains.

At a time of increasing social and economic instability, environmental challenges and climate change, all companies should play a role in creating a business environment that is sustainable for all stakeholders. This is, in many respects, what we believe the UN Global Compact aims to encourage. At Noble we remain fully committed to this goal.

Yusuf Alireza  
Chief Executive Officer

ABOUT NOBLE GROUP

GRI [G4-3] GRI [G4-4] GRI [G4-5] GRI [G4-6] GRI [G4-7] GRI [G4-8] GRI [G4-9] GRI [G4-12] GRI [G4-13]

Noble Group manages a portfolio of global supply chains covering a range of industrial and energy products. It also has a 49% interest in Noble Agri, its agricultural partnership with COFCO.

Headquartered in Hong Kong and listed on the Singapore Stock Exchange (N21), Noble Group operates across a multitude of locations and customers. It facilitates the marketing, processing, financing and transportation of essential raw materials, and manages the associated market, credit and operational risks. 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.

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

EIGHT BUSINESS LINES

ENERGY SOLUTIONS

OIL LIQUIDS

GAS & POWER

ENERGY COAL

METALS

CARBON STEEL MATERIALS

CHARTERING

FINANCIAL SERVICES

THE FEDERATION

INFORMATION TECHNOLOGY

LEGAL

COMPLIANCE

RISK

FINANCE

HUMAN RESOURCES

OPERATIONS

Head Office

GRI [G4-5] GRI [G4-31]

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2014 FINANCIAL HIGHLIGHTS  
(IN US\$ MILLION)

GRI [G4-EC1]

85,816  
REVENUE

412  
EMPLOYEE BENEFITS EXPENSES

35.7  
CORPORATE TAXES

132  
NET PROFIT

TONNAGE  
215  
MILLION TONNES



# REPORTING SCOPE AND DATA

GRI [G4-18] GRI [G4-28] GRI [G4-30]

This Communication on Progress (COP) provides an annual update on important non-financial aspects within the Group’s global operations and majority owned subsidiaries for the period from July 2014 to June 2015. Our agricultural associate, Noble Agri, became a signatory of the UN Global Compact at the end of 2014 and is expected to deliver its first COP in Dec 2015. Minority investments and associated companies that are not consolidated in the Group’s financial statements are excluded from this report. Environmental data is reported for the calendar year.

This is the first time we have sought to supplement our UNGC COP reporting with the Global Reporting Initiative (GRI) G4 Sustainability Reporting Guidelines. Adopting an internationally recognised protocol is an important step to greater transparency for our sustainability disclosure. This report is prepared in accordance with the “Core Option” of GRI G4. Performance data 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.

## External Assurance

GRI [G4-33]

Ernst & Young has provided independent assurance on our sustainability data disclosure for this COP report, which has been compiled in accordance with the Core option of GRI Sustainability Reporting Guidelines G4 framework. A copy of Ernst & Young’s assurance report is available on pages 42-43.

The focus on reporting the most relevant matters has led us to identify and prioritise topics that are core to our business and key stakeholders. We have worked with the GRI Materiality Disclosures Service to verify that the General Standard Disclosures G4-17 to G4-27 are correctly located in both the GRI Content Index and the text in this report.

The company’s greenhouse gas emissions figures for year 2014 were independently verified by TÜV Nord according to the ISO 14064 standard.



# UNDERSTANDING OUR RESPONSIBILITY

GRI [G4-24] GRI [G4-25] GRI [G4-26] GRI [G4-27]

Our approach to responsible business is fostered by our desire to understand the concerns and expectations of our key stakeholders. Throughout our supply chain operations, we engage with our stakeholders across a spectrum of topics to improve decision making and the accountability of our partnerships.

We endeavour to grow our business, and at the same time, drive social progress by moving essential materials to where they are needed, whilst managing the complexity of the process. It is our responsibility to create long-term value for shareholders, which cannot be achieved without considering the interests of our customers, employees and the communities we impact.

**Shareholders** invest in Noble’s recognised track record, 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 of 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. The formation of strategic marketing agreements between Noble and joint venture partners delivers competitive advantages. Ensuring a smooth flow of products and the capability to deliver a diverse range of products is vital to the goal of building long-term relationships across our global customer 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. Where possible, our business activities aim to build greater recognition and goodwill with governments.

**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 flows within Noble. Our focus is on improving staff development and performance 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. Dedicated personnel lead relationship and engagement programmes in our key locations to serve and benefit communities. To minimise our environmental footprint, our operations follow international standards in environmental management. We regularly meet with our communities via formal and informal consultations 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 which address the key challenges of poverty and underdevelopment.





# ROLES AND GOVERNANCE

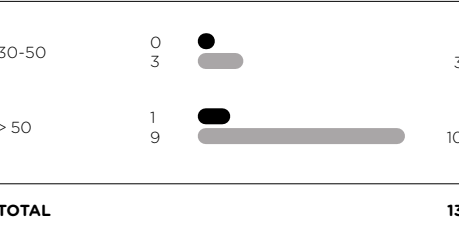
GRI [G4-14] GRI [G4-34] GRI [G4-56]

Our Board of Directors is committed to maintaining a high standard of corporate governance within the Group. Their objective judgement on corporate affairs and collective experience is invaluable for the improvement of our decision making. With a total of 13 directors, 10 of whom are Independent Non-Executive Directors, the Board sets out the Group’s strategy and monitors performance through established committees.

## BOARD OF DIRECTORS

GRI [G4-LA12]

■ FEMALE ■ MALE



The Board maintains close consideration of investment, financial risks, governance, remuneration, government relations, health and safety, and environmental and social matters. The directors constructively challenge and help develop proposals on strategy, review the

performance of management in meeting agreed goals and objectives, and monitor the reporting of performance. Good corporate governance establishes and maintains a legal and ethical environment, which strives to promote and preserve the interests of all stakeholders.

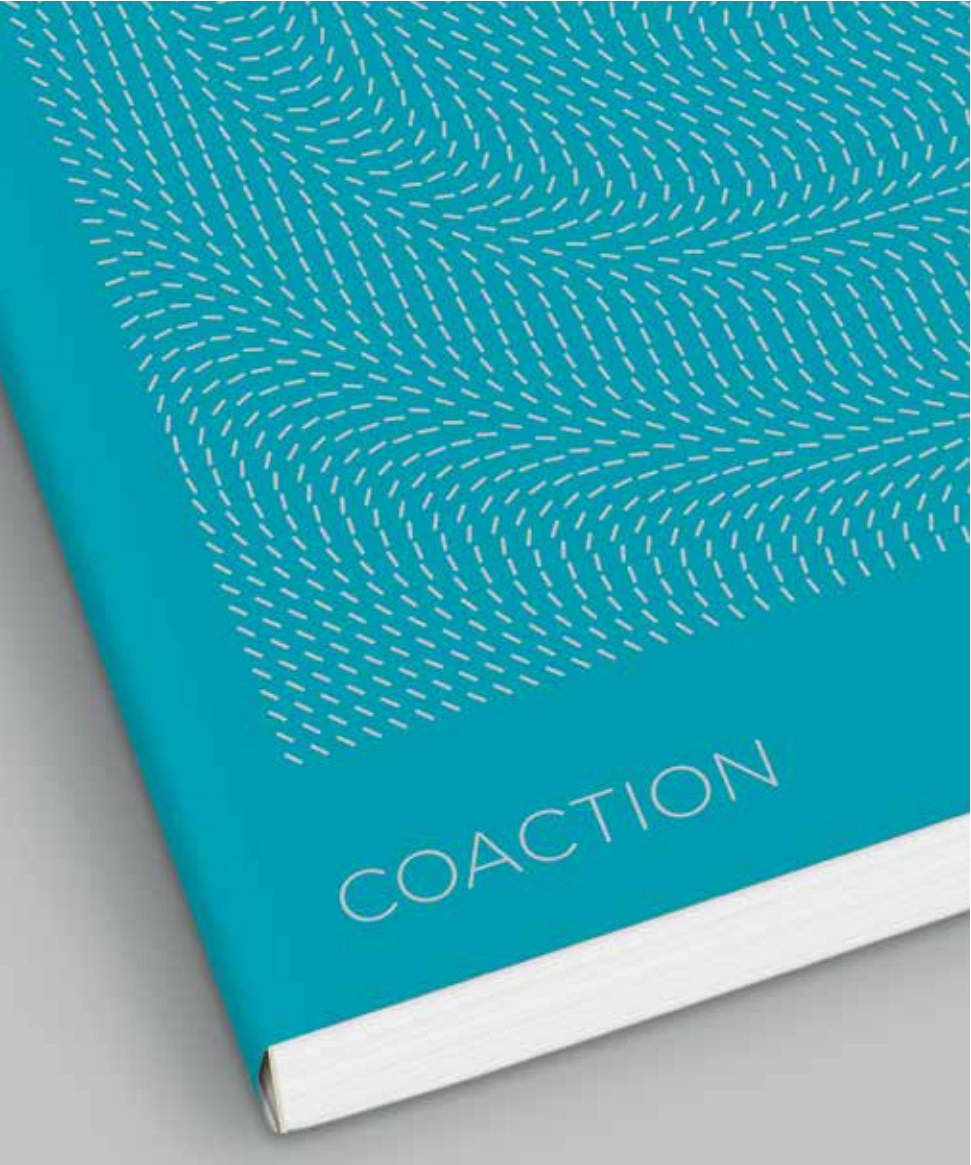
Specifically, the Corporate Governance Committee identifies, monitors and implements good corporate governance practices and procedures for the Group. The Corporate Social Responsibility & Government Relations Committee is responsible for reviewing the social and environmental issues that affect the Group’s business. It approves or recommends the Group’s involvement with, and sponsorship or support of, activities for Board approval, as appropriate, to further the Group’s social responsibility objectives. The Committee also oversees government relationships, monitors and responds to government actions as appropriate, and builds, where possible, greater recognition and goodwill with governments.

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

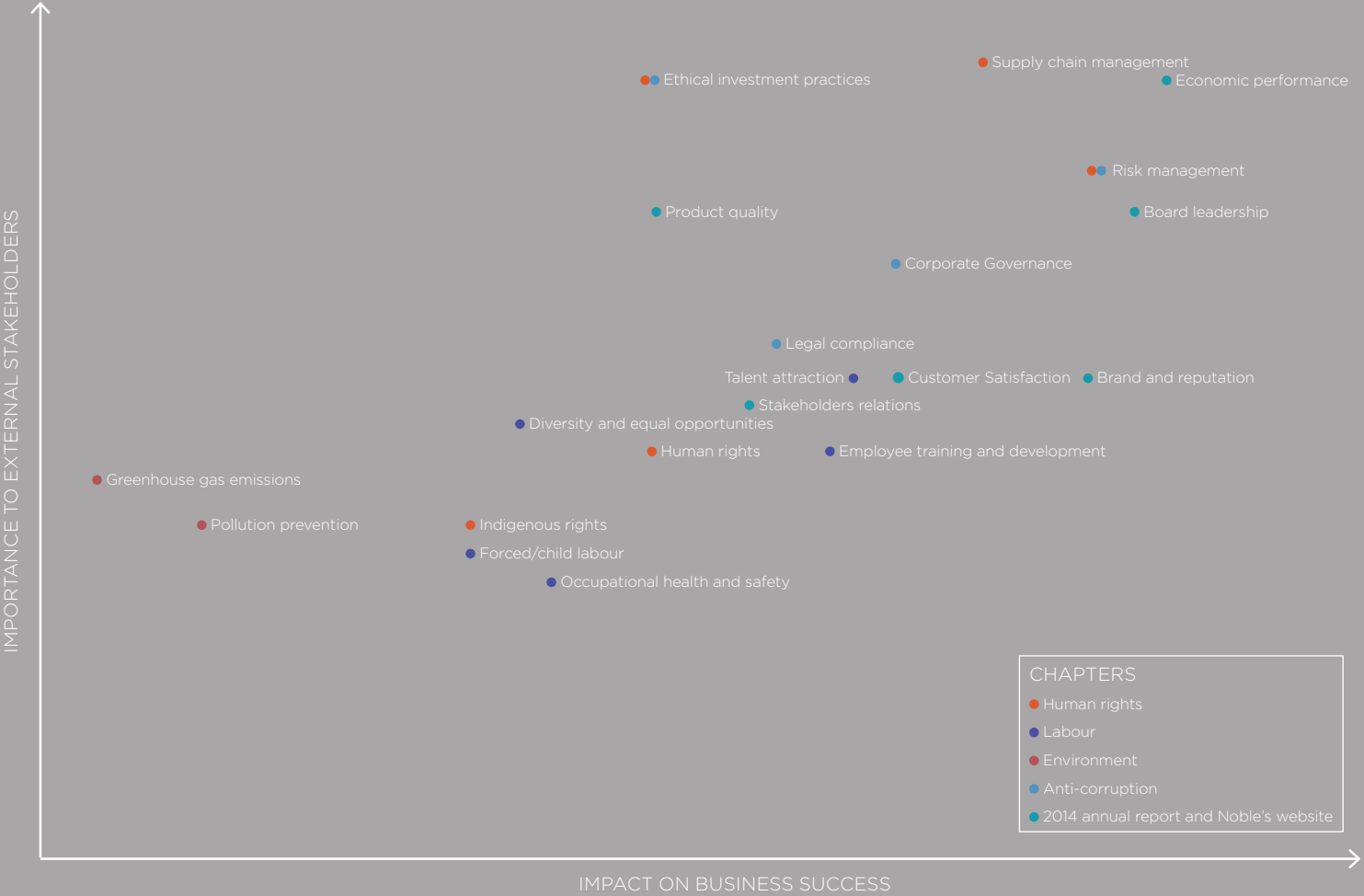
of personal and corporate integrity when dealing with the Group, its customers, suppliers, competitors and the community.

We are committed to a high standard of ethical conduct. The Group has adopted and implemented a policy whereby 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; risk, compliance and internal audit functions are mandated to oversee the implementation of our policies regarding ethical conduct.



NOBLE GROUP MATERIALITY RESULTS



IDENTIFYING MATERIAL ISSUES

GRI [G4-18]

Knowing what is important to Noble Group and our stakeholders is essential, in order for us to focus resources on those areas that will have the most significant sustainability impact. Health and safety, workplace wellbeing, environmental impact, compliance and stakeholder relationships are examples of issues which impact our corporate responsibility strategy.

In early 2015, we undertook our first materiality assessment in order to understand the pertinent issues and determine their relevance to key stakeholders. The Group's CSR Advisory Committee, comprising senior executives from key functions in major locations, led the engagement process. We applied international standards (GRI Guidelines and UNGC) and Noble's internal policies to set up the initial list of criteria. The review took into account the views of internal and external stakeholders.

In year one of our materiality assessment, Noble's senior managers, the CSR Advisory Committee, key customers and investors were invited to provide feedback on the importance of various sustainability aspects. We supplemented the survey results with the analysis of our existing engagement mechanisms with broader stakeholder groups. This work also highlighted where we need to address material aspects beyond our direct operations. The relevant Board

Committee acknowledged the alignment of our priority issues with strategic objectives.

The survey included a number of financial issues rated as particularly important, such as economic performance, supply chain management, risk management, investment practices and board leadership. Financial performance is communicated in Noble Group's annual report and quarterly announcements.

This report covers material non-financial issues, including disclosure on overall management approach and relevant performance indicators. Corporate governance, customer satisfaction, brand and reputation, legal compliance and talent attraction are among the top issues identified.

Taking the survey results into consideration, we have mapped the material sustainability issues in line with GRI G4 terminology for the purpose of this COP report. Consolidated results from the responses are outlined in the table, reflecting the relevance of these material aspects to our internal and/or external stakeholders.

MATERIAL ASPECTS BOUNDARY	RELEVANT ASPECTS	
	Noble Group	Noble Group's Value Chain
ECONOMICS		
Economic performance	✓	✓
ENVIRONMENTAL		
Energy	✓	
Emissions	✓	✓
Effluents and waste	✓	
Compliance	✓	✓
Transport	✓	
SOCIAL: LABOUR PRACTICES AND DECENT WORK		
Employment	✓	✓
Labour/management relations	✓	✓
Occupational health and safety	✓	✓
Training and education	✓	
Diversity and equal opportunity	✓	
SOCIAL: HUMAN RIGHTS		
Investment	✓	
Non-discrimination	✓	
Freedom of association and collective bargaining	✓	✓
Child labour		✓
Forced and compulsory labour		✓
Indigenous rights	✓	✓
SOCIAL: SOCIETY		
Local community	✓	✓
Anti-corruption	✓	✓
Compliance	✓	✓
SOCIAL: PRODUCT RESPONSIBILITY		
Product and service labelling	✓	✓



# HUMAN RIGHTS

Noble recognises its corporate responsibility to respect human rights in both our direct and ancillary operations. This chapter covers human rights in our value chains: due diligence in project finance and asset development, product stewardship and community relations. Employee relations and efforts to advance the wellbeing of Noble's workplace are set out in detail in the next chapter — Labour. Training on business ethics and conduct, and procedures for reporting allegations, are covered in the anti-corruption chapter.

As we deploy capital to develop new product flows, challenges occur in ensuring respect for human rights in activities beyond our direct control. Noble has taken steps to address these risks and ensure that our activities do not impact human rights adversely through our business relationships. Our robust due diligence and continuous monitoring programmes evaluate and manage any foreseeable risks and social impact from our supply chains.

Community consultations and development programmes are implemented to identify and address community concerns; in particular we acknowledge the rights of indigenous people to customary land. We develop rural social infrastructure and support access to quality education, healthcare, clean water and sanitation, so as to benefit host communities.

**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**

GRI [G4-56]

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

Serving as a minimum standard, Noble expects all employees to comply with the law in every jurisdiction in which we operate. We do not tolerate any human rights abuses within the scope of our business operations. Across all locations, Noble remunerates employees at least to the level of their respective country's minimum wage.

Our policies go further, setting 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 members of communities.

**MATERIAL ASPECTS:**

- Human rights
- Ethical investment practices
- Supply chain management
- Social risk management
- Indigenous rights



In Jamaica, pre-school teachers attended the recent graduation ceremony of Jamalco's Advancing Childhood Education Programme. This Noble sponsored teacher training programme to prepare young children for primary school covers topics such as child psychology, behaviour management and teaching of children with special needs.

**Human Rights, Labour, Community and Growth**

Every employee at Noble is informed about our policies and practices, and hence their rights. Corporate policies are reviewed and updated on a regular basis. Training on business ethics and conduct is regularly held in our offices to reinforce the procedures for reporting any potential violations. Our values of integrity

and entrepreneurship underpin these efforts and are embedded in our corporate governance structure.

We have a dedicated internal audit team conducting systematic audits across all of 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

discussions and consultations with various operations addressing financial, operational, compliance and information technology risks. The team provides independent assurance of our overall systems of control and also ensures that all locations adhere to the 10 principles of the UN Global Compact. See the Labour and Anti-corruption chapter for further information.

OVER US\$ **1.3** MILLION  
WAS INVESTED IN OUTREACH  
AND COMMUNITY INITIATIVES

GRI [G4-DMA LOCAL COMMUNITIES] GRI [G4-SO1]

As we expand our supply chains into new territories and activities, the business and financial service functions are responsible for investigating any past, current or potential future liabilities and breaches of human rights as a part of the due diligence process. We support infrastructure improvements and address basic needs such as education, health and wellbeing, in order to serve our employees and community members.

In 2014/2015 there were significant community investments in Australia, Indonesia, and Jamaica, amongst other places. At a global level, we have invested over US\$ 1.3 million in our global outreach and community projects, not including the costs of administration. The 37 programmes we support, represent 71 percent of the countries in which we have significant presence. Our partnerships on the ground provide local understanding and networks to allow us to identify and deliver services to surrounding communities in need. Examples of our outreach programmes can be found in the Labour chapter.



**Connecting Human Rights to Project Finance and Asset Development**

GRI [G4-DMA INVESTMENT] GRI [G4-DMA CHILD LABOUR]  
GRI [G4-DMA FORCED OR COMPULSORY LABOUR]

Strategic investments along the supply chain enable considerable flexibility to meet our demands for infrastructure, logistics, storage

in a socially and environmentally sound way. A typical transaction may include the acquisition of a small stake in a production asset, a preferred offtake or marketing partnership, or may involve working capital financing which sometimes results in an exclusive provider agreement for supply chain management and logistics services.

Before we acquire an interest in a production asset or enter into a long-term relationship, we undertake due diligence processes in line with industry’s best practice. Our asset development team and technical consultants (in-house and external) make routine visits to target locations to evaluate the inherent risk factors of the transactions. These assessments include consideration of risks arising from past or potential environmental damage, including any possible negative impacts on community health, wellbeing and livelihood.

In selecting our partners, we prefer to work with market-leading asset managers and owners, who themselves are frequently public companies. We will normally have Board representation and, where necessary, we commission external industry experts to conduct detailed assessments on the health and safety, social and environmental performance of the potential assets. Following the assessments, we collaborate with our partners to implement recommended policies or processes.

and transport access. In line with our asset-light strategy, we assist our origination partners by participating in funding solutions and using our financial expertise, networks and know-how to bring products to world markets.

When we participate in supporting a project, we ensure our partners are conducting their business

GRI [G4-HR1]

To date in 2015 we have undertaken enhanced human rights screening for 2 out of 8 or 25 percent of significant investments<sup>1</sup> (above US\$5 million). These have reviewed employment conditions, labour liability and indigenous rights prior to the transactions. For the remaining transactions, an enhanced screen was not required. In several cases this was because production had not begun at the time of investment. Hence, the figure is only indicative, not reflecting the level of due diligence we have performed for these transactions.

One example of an enhanced review was performed at the end of 2014 when Noble acquired Alcoa’s 55 percent interest in the Jamalco bauxite mining and alumina refinery joint venture in Jamaica. We conducted a thorough due diligence process specifically on the social impact and environmental performance of the project. The performance level was satisfactory and no material issues were identified in the assessed locations.

In advancing our shared social objectives and shaping our engagement programme, we consulted the relevant government officials in Jamaica to evaluate the needs for education, healthcare and local employment.

<sup>1</sup> The threshold of above US\$5 million is used to define a significant transaction. A committee made up of Noble’s senior management executives participate in the review process for such transactions.

**Product Stewardship**

GRI [G4-HR4] GRI [G4-DMA PRODUCT AND SERVICE LABELLING]

Noble operates across multiple commodity products, markets and geographies. Our scale provides certain benefits and economies as well as challenges. Natural-resource use, environmental concerns, and customer expectations are among the top challenges in supply chain management.

As Noble unlocks opportunities to secure long-term physical flows, we form strategic partnerships with market-leading raw materials producers and asset developers with a strong focus on supply chain integrity and sustainable sourcing. During the last two years, we have established significant partnerships with EIG, COFCO, Jamalco, X2 Resources, Petroecuador and others. These collaborations enable a high level of product traceability and transparency across our value chains.

Our partners also have explicit policies in place to manage the environmental and sustainability risks associated with the raw material production. Those policies are underpinned by a series of international management and essential performance standards, such as OHSAS 18001, ISO 14001, ISO 9001 and ISO 31000. These process standards help us, and our partners, meet demanding bulk commodity specifications and standards. Details about our partners and associates can be found on Noble Group’s website.

GRI [G4-PR3]

The minerals industry continues to address human rights issues, especially when extraction

takes place in regions of conflict. There are particular concerns in Central Africa that mineral sales can provide possible funding for armed groups.

For Noble, these risks are evident in our minerals trade with the Democratic Republic of Congo and adjoining countries. Consequently we have stepped up efforts to mitigate these reputational risks, as well as diligently conform to the Organisation for Economic Co-operation and Development (OECD) due diligence guidance to assure we source solely with responsible supply chain participants.

To strengthen our standards of good practice, Noble formalised a Conflict Minerals Policy in 2012 and created a mechanism to implement the policy. Both policy and measures are reviewed annually. In the reporting year, we updated our 5-step framework for risk-based due diligence procedures. Noble representatives regularly visit suppliers, freight-forwarders, warehouses and port terminals to evaluate compliance effectiveness.

GRI [G4-I6]

Noble has also joined the ITRI Tin Supply Chain Initiative (ITSCI) Programme and International Tungsten Industry Association. In the ITSCI chain of custody system, programme compliance requires that all minerals we trade are tagged at both points of extraction and processing with detailed information on their production profile. We support a joint industry approach to address concerns over mineral traceability and promote local economic development.

**CONFLICT-FREE SOURCING**

Implementing the OECD due diligence guidance on Noble’s minerals supply chain from conflict affected regions

STEP 1: Establish strong company management systems

STEP 2: Identify and assess risks in the supply chain

STEP 3: Design and implement a strategy to respond to identified risks

STEP 4: Carry out independent third-party audit of supply chain due diligence at identified points in the supply chain

STEP 5: Report on supply chain due diligence





### Indigenous Relations

GRI [G4-DMA INDIGENOUS RIGHTS] GRI [G4-HR8]

Noble recognises its responsibility to foster a respectful and enduring relationship with traditional land owners near our activities. Our engagement programmes are designed to respect the significant cultural values of the areas where we originate resources, conforming to our Sustainability Policy.

Regular meetings with indigenous groups in the host regions provide an open platform to align business practices with community needs and expectations. We are pleased to report that in 2014/2015 we received no formal complaints of any violations of the rights of indigenous people.

### Cockatoo Coal's Baralaba Expansion Project

The Baralaba Coal Mine is located 3 km north of the township of Baralaba, Central Queensland, Australia. Noble holds a minority shareholding in Cockatoo Coal and has appointed a Director to its Board to ensure we perform our ownership role responsibly.

The residents of Baralaba number around 300 and are predominantly indigenous Wadja Wadja / Yungulu Aboriginal people. Most residents live and work locally. The mining operations and farming industries provide significant support to the local economy. In line with its expansion plans, the mine set up a partnership with the local community. This is

expected to boost employment opportunities and support businesses that supply goods and services to the mine.

Last year, we announced a 3-year community plan for Baralaba covering education, health and recreational facilities. In September 2014, residents joined Noble and Cockatoo representatives for a "sausage sizzle" to commemorate our community funding.

This funding has seen the completion of a facility upgrade at the Baralaba State School, enabling the operation of a mobile dental clinic. The funding has further benefitted the school's Breakfast Club, which aims to increase the attendance of indigenous students. Partnering with the Banana Shire Council, we have constructed a community playground with sports and leisure facilities and a park for young children.

# 3-year

COMMUNITY PLAN FOR  
BARALABA COVERING  
EDUCATION, HEALTH AND  
RECREATIONAL FACILITIES



"This significant contribution is sincerely appreciated by our school community."

Melissa Austin  
Principal of the Baralaba State School



LABOUR

Our success is only made possible by our people. We value diversity at every level of our organisation and respect the rights of our 1,926 employees who represent more than 40 nationalities, working across 24 countries. Recruiting and staffing decisions play a critical role in ensuring that we put the right people in the right roles and the right places.

Sense of ownership, training opportunities and career advancement are among the top drivers in talent attraction and retention. The wellbeing of our people is rooted in our day-to-day activities to assure safe workplaces and enhance a culture of good health. Our community outreach programmes support our staff to volunteer and give back to the community.

“We are continuously improving and elevating the workplace to make a career at Noble more rewarding and fulfilling.”

Mark Towson  
Group Head of Human Resources

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

GRI [G4-56]

Noble’s Code of Conduct sets forth the requirements for compliance as well as the guidelines on the key labour issues. We view the principles advocated in the UN Global Compact as the minimum standards and seek to go beyond them to create a competitive advantage.

A key part of Noble’s sustainability strategy is maintaining a healthy and safe work environment which motivates our employees to drive our company forward. Our Equal Opportunities Policy applies to every employee in the Group and commits Noble to eliminating discrimination, harassment and victimisation in the workplace.

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

Forced or compulsory labour of any kind is not tolerated, nor do we exploit child labour in any of our global operations. The majority of Noble’s staff is office based with permanent contracts; hence forced and child labour are not an issue in our operations. For potential human rights issues in product origination, we apply risk based assessment and enhanced due diligence in high risk areas.

MATERIAL ASPECTS

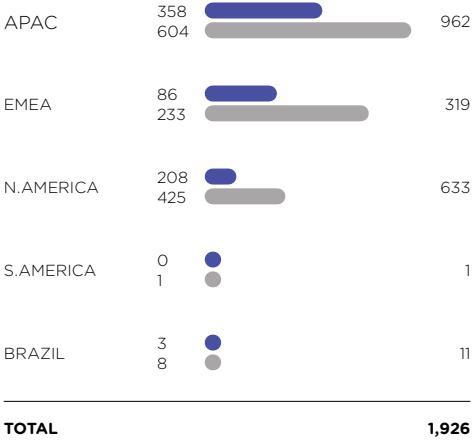
- Talent attraction
- Employee training and development
- Occupational health and safety
- Diversity and equal opportunities
- Preventing forced/child labour

1,926 PEOPLE

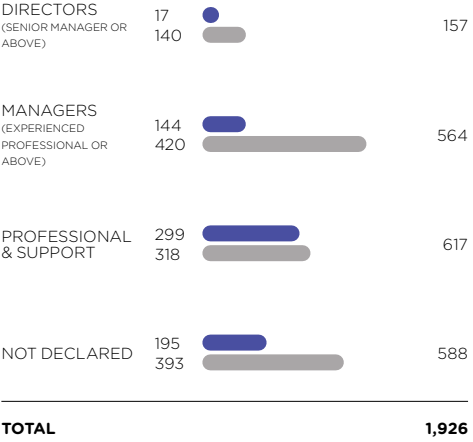
GRI [G4-9] GRI [G4-10] GRI [G4-LA12]

FEMALE MALE

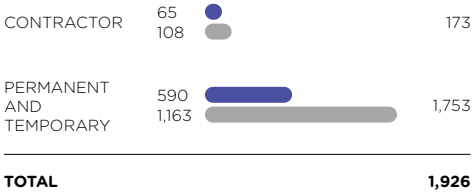
BY REGION AND GENDER



BY MANAGEMENT LEVEL AND GENDER



BY EMPLOYMENT TYPE AND GENDER



Implementing Noble’s Labour Standards

GRI [G4-DMA EMPLOYMENT]

Our people work across multiple functions, locations and languages. A culture of diversity and equal opportunities is one of our greatest strengths and allows us to operate cohesively across borders and businesses. In 2014, we had 1,926 permanent and temporary employees, and contractors, with permanent employees comprising more than 91 percent of our workforce. Female representation was 35 percent in our global offices (2013: 37 percent) and 34 percent of our overall workforce.

Compensation and Benefits

GRI [G4-EC3]

Noble Group offers our permanent employees<sup>2</sup> an overall competitive compensation and benefits package. Pay for performance underpins our compensation strategy, which we believe, enhances the culture of partnership and teamwork across the firm.

Under our compensation framework, a significant proportion of employees’ annual bonuses are deferred into restricted stock that vests after two to four years, subject to continued employment and other qualifying conditions. This not only aligns the interests of our employees with those of our shareholders, but also creates a sense of ownership and accountability that is central to our corporate culture. In addition, employees in key roles may also receive share options, vesting after three to five years, which provide a further linkage to the long term interests of our shareholders.

We also offer benefit programmes that include medical, health and disability covers, pension plans, parental leave, and wellness programmes. Noble Group operates a number of defined contribution plans (including mandatory and voluntary schemes) throughout the world – in 2014, employer pension contributions totalled US\$10.7 million.

<sup>2</sup> The eligibility to participate fully in Noble Group’s benefits programme depends on local employment contracts, which can vary according to local employment laws.

35%  
PERCENTAGE OF WOMEN IN  
NOBLE’S OFFICES



Equal Opportunity

GRI [G4-DMA DIVERSITY AND EQUAL OPPORTUNITY]

GRI [G4-DMA NON-DISCRIMINATION] GRI [G4-HR3]

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, employees receive mandatory training on workplace conduct and business ethics.

We encourage and promote procedures for reporting any unwelcome attitudes in the workplace. Moreover, Noble takes any alleged breach of discrimination standards seriously. In 2014/2015 we received no credible complaints of discrimination in any location.

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.



Constructive Dialogues

GRI [G4-I1] GRI [G4-DMA LABOUR/MANAGEMENT RELATIONS]

GRI [G4-LA4]

GRI [G4-DMA FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING]

GRI [G4-HR4]

The Group’s intention is to maintain productive relationships with our employees. Our employees are kept up to date on the latest news of the company via emails and newsletters. We gather feedback through town hall meetings in the major offices and provide opportunities for employees to directly interact with the senior management team.

Noble abides by local minimum notice requirements for informing employees when there are significant changes in our operations. Noble’s Code of Conduct embraces our employees’ right to exercise freedom of association and to have a representative of their choice. As of 2015, most of our workforce is not covered by specific collective bargaining agreements.

A Safe and Healthy Workplace

GRI [G4-DMA OCCUPATIONAL HEALTH AND SAFETY]

Promoting a healthy and safe work environment makes good business sense and is the responsible thing to do. Our asset-light strategy means we have a much lower operational role in running industrial facilities, hence there are lower risks associated with occupational health and safety for our employees and contractors.

While we maintain our ongoing commitment to control risks and improve safety performance across all of our operations, health and safety policies and guidelines are implemented to ensure the necessary focus on safety systems at work, response to incidents and medical aid. In our key offices, we offer free flu vaccinations and first aid training courses. For example, 12 staff from the Hong Kong office completed the first aid course and achieved certification as safety officers in October 2014.

Launch of the Noble Americas Wellness Program

Noble understands that healthier employees are typically more productive and more likely to enjoy their jobs. Across our US locations, we launched the new Noble Americas Wellness Program, in partnership with an outside wellness provider, to raise awareness and to integrate healthy living into our workplace culture.

The programme is designed so that employees become more engaged and motivated in developing and maintaining healthy behaviours, while having access to the support they need to meet

their health goals. In November 2014, onsite biometric screenings were held in the Houston, San Diego and Stamford offices. A total of 543 employees (97.7 percent) took the opportunity to obtain a “snapshot” of their health. Screenings included tests for cholesterol and blood glucose levels; a body composition test that measured height, weight, body mass index (BMI) and waist circumference; and a blood pressure test.

Noble offers a 100 percent paid medical premium to those who participate in the screening thereby encouraging employees to take steps toward good health and help lower overall healthcare costs. Employees who are considered either “in range” in at least 3 measurements, or who achieve a 10 percent improvement in 3 measurements year over year, will continue to maintain their Noble paid medical premium. Being “out of range” in 3 or more measurements increases the risk for diabetes, heart attack and stroke. While many chronic diseases are preventable, it takes time and discipline to change daily habits that may lead to these health risks. The programme also encourages employees to quit tobacco use.

The internal Noble Americas Wellness Portal provides tools and additional resources where employees can access their personalised health information and use fitness and nutrition trackers to stay motivated and accountable towards their wellness goals. Year-round access to seminars, challenges and newsletters are also available to help educate employees and contribute to improved health in the workplace.



Talent Development

GRI [G4-DMA TRAINING AND EDUCATION]

Noble introduced a new employer brand “Make your mark” – as, beyond a job, Noble offers people the opportunity to make an impact, to see the results of their work, and to be part of an exciting and challenging workplace at the heart of the world’s most dynamic markets.

2014 saw the launch of our new Global Associate Programme. The graduate programme has been upgraded to ensure that Noble continues to attract, recruit, and develop the strongest candidates with the highest potential. A total of 15 graduates from top-tier universities across the world were selected from over 3,000 applications for the Class of 2014/15.

The new programme consists of direct experience through job rotations across different platforms and businesses, together with six-months of continuous learning via classroom training and eLearning modules supported by a dedicated web portal. We set out to recruit at least 20 new associates in 2015.

In response to business growth in our Energy and Metal, Minerals and Ores segments, we hired extensively during the course of 2014, which is reflected in our figures on new hires.

GRI [G4-LA11]

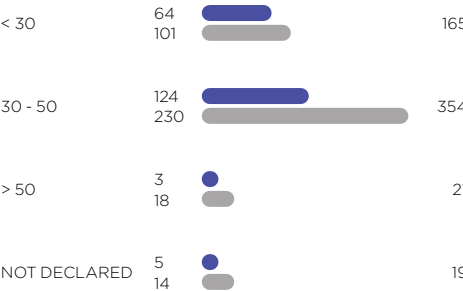
We want to make a career at Noble rewarding and fulfilling. One important step to achieve this is our annual performance appraisal which involves all employees. A discussion between managers and employees takes place to review achievements, provide feedback against objectives, and to set the framework for compensation. We also have a comprehensive talent review and succession planning exercise covering key leadership roles and top tiers of the senior management team across the Group to support personal and career development.

Personal development plans and practical actions are key to help realise each individual’s potential. We are building better guidance around the different career paths available to our employees on a global basis. This year, we will introduce an in-house leadership and management development programme and conduct a confidential employee engagement survey, with a commitment to act on the findings.

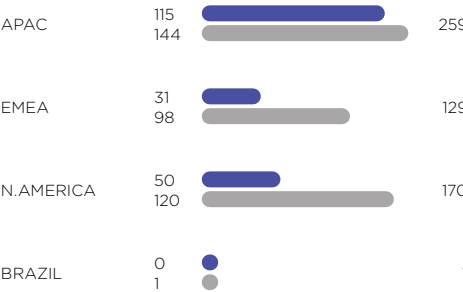
NEW HIRES VS. TURNOVER

GRI [G4-LA1] ■ FEMALE ■ MALE

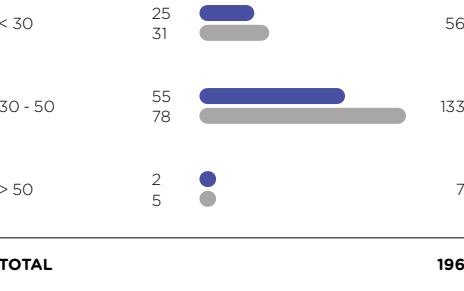
NEW HIRES BY AGE GROUP AND GENDER



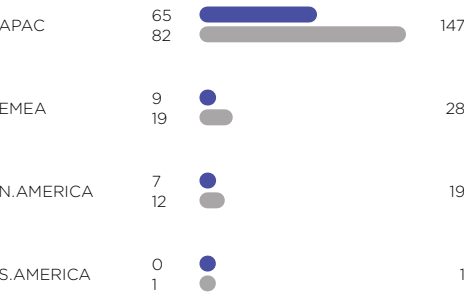
NEW HIRES BY REGION AND GENDER



TURNOVER BY AGE GROUP AND GENDER



TURNOVER BY REGION AND GENDER



TOTAL 196

Community Outreach

GRI [G4-DMA LOCAL COMMUNITIES] GRI [G4-SO1]

Noble goes beyond promoting an active lifestyle for our employees. We reach out to the communities in which we work and live, helping numerous healthcare, education, environmental and charitable efforts to enrich our lives and the lives of others. We have a vision to work for the greater good outside of our daily activities – it is in our culture to contribute and give back to society.

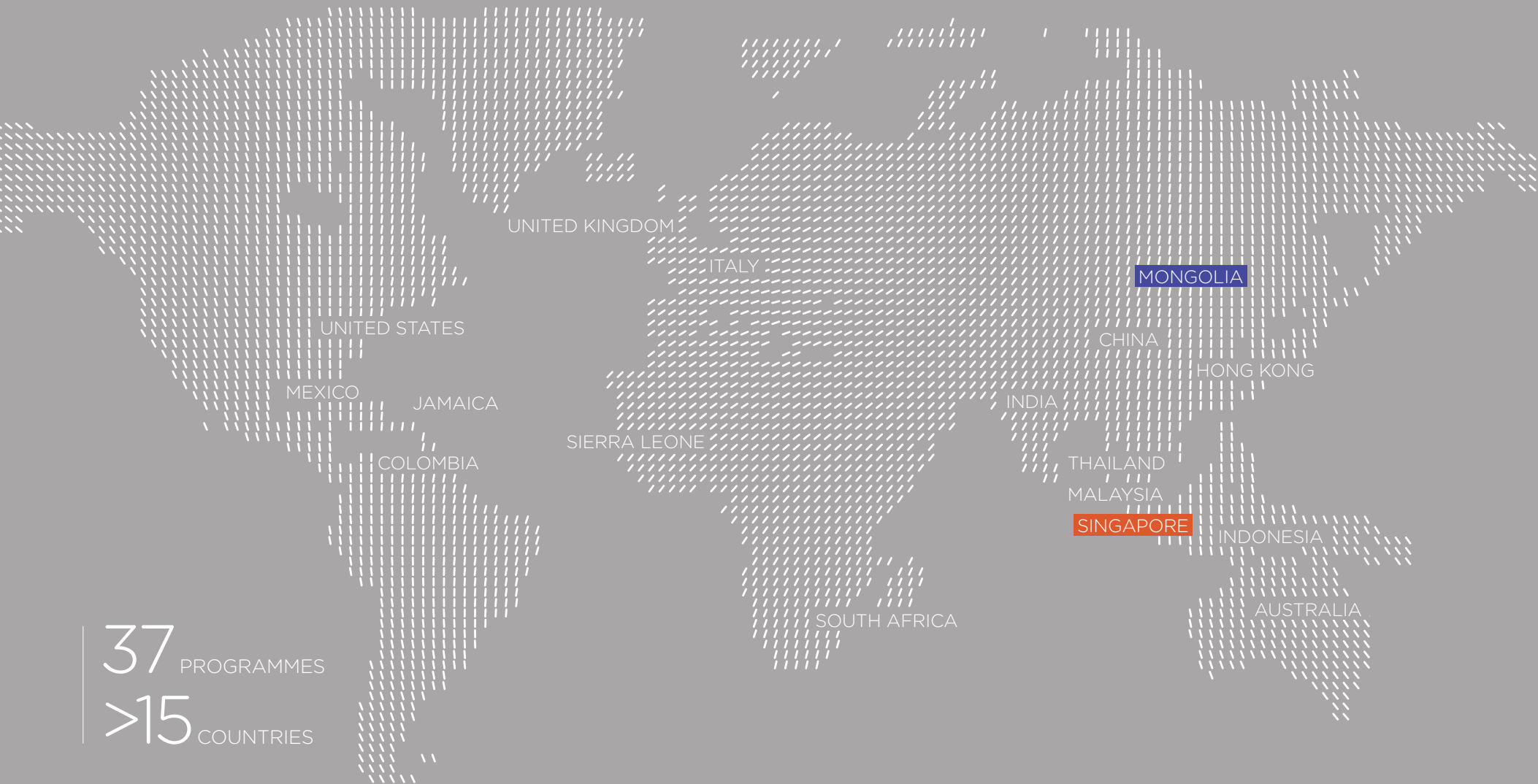
Our people lead many community initiatives, identifying where most help is needed. We volunteer and aim to inspire. This includes community volunteering schemes such as fundraising, providing teaching and mentoring services, as well as participating in charity runs and challenges. We look to advance social objectives and build lasting partnerships. Regular site visits and meetings with local government officials are also an important complement to our evaluation of community needs.

The Noble Foundation aims to address the issues of poverty and underdevelopment through collaboration with local organisations that act at the grassroots level. In 2014/2015, we implemented programmes in over 15 countries focusing on literacy, rural infrastructure, medical and nutritional assistance, disaster relief and boosting local employment opportunities. To enable stable delivery of services and activities that align with our visions, the Foundation generally makes grants to programmes which are brought to our attention by staff, over one to three year periods.





OUR GLOBAL COMMUNITY AND OUTREACH INITIATIVES



MAKING AN IMPACT

The Mongolia Down's Syndrome Association is the only organisation in Mongolia that offers support and education to improve the quality of life for children with Down's syndrome and their families.

Our Mongolian team regularly volunteers at its activities and excursions. We have been leading fundraising efforts for the association.

Starting in 2014, this included a two-year "Special Educational Curriculum" project supported by Noble Foundation for children under 6 years old with developmental issues. This has enabled three specialist teachers to deliver an essential home tutoring service to 50 children per week covering speech therapy, physiotherapy and parental education.



RACING FOR CHARITIES

From marathons to dragon boat racing, Noble teams participate in multiple events to raise funds for local charities and touch the communities in places where Noble operates.

In Singapore, Noble has been supporting the Singapore Exchange Bull Charge since it first started in 2004. Every year, our teams take on the challenge to raise funds for

charities benefiting underprivileged children, youth and the elderly, and run through Singapore's business district with over 6,000 other runners. In October 2014, we presented seven decorative and colourful vans for students with special needs to the Asian Women's Welfare Association (AWWA) School in collaboration with other corporate sponsors.



# ENVIRONMENT

The impacts of climate change, water and air pollution and resource depletion are evident at both regional and global levels. Noble understands the fundamental importance of managing our impact on the environment, as our core business inherently relies on natural resources. We seek to protect our operations and to operate responsibly to prevent pollution.

Energy access is vital to build sustainable societies. However the International Energy Agency indicates that countries face increasing pressure to secure access to affordable energy while boosting low-carbon energy supply. To support our customers to reduce greenhouse gas emissions, Noble pursues opportunities to supply renewable energy products to meet rising energy demand.

**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**

GRI [G4-56]

We support a precautionary approach to environmental challenges and work intensively to minimise our environmental footprint across our supply chains. We do this by deploying resource management systems and controls and working in collaboration with industry associations to address broader environmental issues.

To secure our long term flow of energy products and help our customers to reduce their greenhouse gas emissions, we support alternative fuel development and the diffusion of environmentally friendly technologies.

**MATERIAL ASPECTS:**

- Pollution prevention
- Greenhouse gas emissions



El Carmen, a private conservation area located on the border of Mexico and the United States, 2015 represents the fifteenth year of continued conservation efforts focused on scientific research, wildlife management and habitat restoration.

**Implementing Measures to Protect the Environment**

GRI [G4-16] GRI [G4-EN29]

GRI [G4-DMA COMPLIANCE]

At a minimum, we comply with all the laws and regulations applicable to the provision of our products and services. We go further and seek to manage our environmental impact through our resource management programmes. Regional environmental policies and plans are complemented with site-specific requirements. Technical staff, quality managers and dedicated staff are present in all key locations and play a

leading role in their implementation.

In line with legal requirements and principles, we conduct environmental impact assessments before purchasing new installations to manage the environmental risks to our investments. During the reporting period, we received no significant fines and no reports of non-compliance with environmental laws and regulations across our wholly-owned operations.

Noble joined the CDP Climate Program in 2010. This investor initiative collates and monitors carbon emissions from major corporations aiming to improve corporate

awareness and emissions management through measurement and disclosure. We have publicly reported our Group level carbon and energy performance and have maintained our industry leading transparency in carbon information disclosure.

In 2014, for the second year running, we were awarded the “Best Overall Disclosing Company” in the Hong Kong and South East Asia region. The response scored maximum points for climate information disclosure, a rise from 99 out of 100 points in 2013. Our commitment to disclosure has resulted in Noble qualifying for the Asia ex-Japan Carbon Disclosure Leadership Index for four consecutive years. This result highlights our consistent capability in reporting, governance, verification and emissions reductions as well as identifying the risks and opportunities climate change presents to the business.

We pursue pragmatic partnerships supporting nature and biodiversity conservation. One of our key programmes began in 2012, when we started to support scientific research, wildlife management and habitat restoration at El Carmen, a private trans-boundary nature reserve along the border between Mexico and the United States. Spanning nearly 200,000 hectares, El Carmen is considered to be one of the five great wilderness ecosystems of the world. It is home to incredible biodiversity – more than 500 species of plants, over 200 species of birds, 80 species of mammals and 65 species of reptiles and amphibians.

In Hong Kong, we recognise the vision of Worldwide Fund for Nature (WWF) in creating solutions that serve nature and people. We are a member and a long-term supporter of their wide-reaching conservation initiatives and environmental education programmes in Hong Kong and the South China region.



**NOBLE’S CDP CLIMATE DISCLOSURE SCORE**

2013:

99 POINTS

2014:

100 POINTS



Energy and Emissions

GRI [G4-DMA ENERGY] GRI [G4- EN6]  
GRI [G4-DMA EMISSIONS] GRI [G4- EN19]

Research from the Intergovernmental Panel on Climate Change has a clear message. Human activities, primarily the burning of fossil fuels, are exacerbating global warming. Substantial evidence shows that climate change has the potential to cause destruction and economic loss. Businesses must play a role to mitigate the environmental impact of their physical operations by investing in low-carbon fuels and power production, and advocating for action through business associations.

Since 2007, Noble has sought to mitigate environmental issues in our value chains as well as working systematically on climate and environmental risks across our corporate offices and physical operations. We initiated the Carbon Neutral Project as a step-by-step approach to reduce the Group’s greenhouse gas (GHGs) emissions. We launched a centralised environment data assessment system in 2010.

This is in line with our vision to be the best company in the world at moving physical commodities from producers to consumers. The transportation of essential materials and resources entails the use of significant amounts of energy. It is a fundamental challenge to achieve absolute emission reductions while growing our chartering tonnage. More than 95 percent of the Group’s emissions come from our chartering business. Total carbon emissions (scope 1 and 2) in 2014 amounted to 2.94 million tonnes CO2

equivalents, a notable increase from 2013. This reflects growth in our trading volume, adding to our emissions. As the client base broadens, more activity is required to meet their needs.

Rather than using absolute targets, we apply intensity reduction targets to manage our energy and carbon usage. We set these targets across our operations and shipping business at the level of individual assets, and include energy and key material inputs. The targets are aggregated at the Group level. For more information about our energy efficiency initiatives in chartering, see the section – Pollution Prevention and Mitigation.

For the 2014 reporting cycle, all Noble offices worldwide, beneficiary ships, publications and the annual management event once again achieved carbon neutrality. Since inception of the project, we have offset more than 1,225,000 certified carbon credits. We make every effort to improve resource management across our operations, including energy and fuel use, paper, water and waste. As the final step to neutralise the remaining emissions, we purchased and retired verified carbon credits from renewable and low carbon energy projects that bring positive socio-economic benefits.

CARBON AND ENERGY PERFORMANCE IN OUR OPERATIONS<sup>1</sup>

GRI [G4-EN3] GRI [G4-EN5] GRI [G4-EN15] GRI [G4-EN16] GRI [G4-EN17] GRI [G4-EN18]

	2014	2013
Greenhouse gas emissions (Mt CO <sub>2e</sub> )		
Total emissions <sup>2</sup>	2.943	1.870
Direct GHG emissions (scope 1)	2.937	1.863
Indirect GHG emissions (scope 2)	0.006	0.005
Other indirect GHG emissions (scope 3) <sup>3</sup>	0.015	0.017
CO <sub>2</sub> emissions per products traded (MtCO <sub>2e</sub> / Mt)	0.0137	0.0100
CO <sub>2</sub> emissions on business travel per employee (t CO <sub>2e</sub> /office employee)	7.50	5.97
Energy consumption (MWh)		
Fuel <sup>4</sup>	10,366,161	6,648,835
Electricity	11,961	9,457
Heat	110	9
Steam	112	122
Cooling	1,106	1,154
Energy intensity per products traded (MWh/Mt)	0.048	0.036

<sup>1</sup> 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. The GHG inventory includes Noble Group’s beneficiary ships, chartering, worldwide offices and publications. The figures exclude Agriculture segment.

<sup>2</sup> Data includes scope 1 and 2 emissions of Noble Group

<sup>3</sup> Data includes business travel, commuting, water and waste, paper use and publication in Noble Group’s offices

<sup>4</sup> Data includes both fossil fuels and renewable fuels consumption



In our offices, we encourage staff to reduce GHGs emissions through making conscious daily choices. We raise awareness and promote eco-friendly habits through our publications and regular commuting and business travel surveys. In our last survey, more than 450 employees responded and results showed that approximately 50 percent walk, cycle or commute to work on public transport. To reduce paper use, our IT service team reset the global default print setting to black and white and double-sided in mid 2015.

The Group level travel policy has been effective in previous years at reducing overall business travel and encouraging the use of video conferencing. However, due to our business re-alignment, we recorded a year on year increase of 26 percent in GHG emissions from business travel per employee. Yet we still achieved a 5 percent improvement in this indicator compared to 2010.

> 1,225,000  
CERTIFIED CARBON CREDITS  
HAVE BEEN OFFSET SINCE 2007





Focused on customer satisfaction: Noble was awarded the “Supplier Innovation Award” from one of our clients – global chemical company Eastman.

**Supplying the Growing Demand for Cleaner Fuels**

GRI [G4-16] GRI [G4-EC2]

Noble trades a broad mix of energy products. Our business strategy has evolved to incorporate climate change considerations to meet the challenges of an increasingly carbon-constrained business environment. These considerations include regional regulatory developments, shifts in market demand and supply, as well as anticipated changes in weather patterns.

Our Clean Fuels division is dedicated to providing lower carbon fuel solutions and reducing environmental impact. In February 2015, we signed a supply agreement to deliver a total of seven liquefied natural gas (LNG) cargoes to the Egyptian Natural Gas Holding Company. LNG

boasts a number of advantages, such as a clean-burning fuel that produces virtually no particulate matter during combustion and emits less GHGs compared to conventional fossil fuels.

In the UK, Noble invested more than US\$ 9 million in Watt Power – an independent flexible gas-fired power generation company. When natural gas is used to generate electricity, it produces half as much carbon dioxide as coal power plants. 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 in energy security and the transition to a low carbon economy.

GRI [G4-EN6]

Across North America, we leverage our ethanol

and biodiesel marketing business through a partnership with Mansfield Oil. The joint entity works with a network of renewable fuels production facilities, and its marketing and extensive distribution system reaches over 200 trading locations.

In the United States, we have benefited from deregulation in the power industry. Being an Environmental Protection Agency Green Power provider, Noble Americas Energy Solutions is supplying a suite of renewable energy products (including solar, wind and biomass power) to major energy users across the country. We add value to customers’ electricity portfolio through our PowerFolio 3D services online platform. Our performance in managing customers’ electricity purchasing requirements on renewable power has recently seen us gain an Innovation Supplier Award from a customer – Eastman, a global chemical company.

In 2015, we are gearing up our first corn ethanol facility for production, located in South Bend, Indiana. Among other initiatives to enhance efficiency and prevent pollution, we have chosen not to use a coal boiler for production; instead we will use only natural gas boilers. The facility is expected to meet the surging demand in eco-friendly transportation fuels and to add 102 million gallons per year to US fuel ethanol production capacity. We are a member of the Renewable Fuels Association, an ethanol industry coalition in the United States that advocates the use of domestically produced ethanol as a solution to clean fuels.

**Pollution Prevention and Mitigation**

GRI [G4-DMA TRANSPORT] GRI [G4- EN30]

The shipping sector has been working for decades to mitigate its impact on climate change, air pollutants and ballast water pollution. 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. Our chartering service and commercial ships operate under a robust management system certified with the ISO 9001 international standard.

GRI [G4- EC2]

Noble is expanding its owned fleet of ships to meet the growing demands of its integrated supply chain strategy. New ships are equipped with fuel efficient engines and ballast water treatment systems. Related investment is estimated to be US\$7.3 million in 2014. We partner with qualified fleet operators that place safety and pollution prevention high on their agenda, whose management systems are accredited with ISO 9001, ISO 14001 and OHSAS 18001. These partners also hold the International Safety Management Code compliance certification in line with the International Maritime Organization (IMO) requirements.

GRI [G4- EN6] GRI [G4- EN19]

Running at a speed optimised for lower fuel consumption saves fuel, money, and greenhouse gas emissions. Noble’s owned tonnage has been, depending on various factors, frequently sailing at the “Super Eco Speed” and “Eco Speed” since 2012. Our efforts to sail our fleets at an optimised speed within



Noble Chartering is recognised for providing high quality, safe and efficient logistic solutions.

the 40 nautical mile zone of the Port of Long Beach, has qualified us for the “Green Flag” award and 25 percent dockage fee reduction throughout 2015.

The monitoring parameter — Energy Efficiency Operational Indicator is applied across our fleet to measure and improve our overall fuel use efficiency. Likewise, our ships comply strictly with the latest IMO regulations by switching to low sulphur content fuels in Emission Control Areas. As a result, Noble’s owned ships emitted 20 percent less CO2e emissions per nautical mile than in 2012.

GRI [G4-DMA EFFLUENTS AND WASTE] GRI [G4- EN24]

Noble adopts a Vessel/Barge Chartering and Vetting Policy 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. These assessments cover factors such as emergency preparedness, ensuring that an Emergency Oil Spill Response Plan is in place to respond in the event of oil spill. We are pleased to report that in 2014/2015 we had no spills overboard across our fleet operations.

Moreover, to demonstrate a commitment to transparency, we voluntarily rated our ships for “Greenhouse Gas Emissions” by RightShip. Five of Noble’s owned ships have recently qualified for Environmental Awareness (EA) certification or equivalent notation.

These are some of the notable actions we have taken to go beyond regulated measures to prevent air and marine pollution. We intend to launch this programme throughout our entire fleet. This commitment to perform responsibly helped us win the Bulk Ship Operator of the Year award at the 2014 International Bulk Journal Awards in Rotterdam.

↓ 20%  
GHG INTENSITY OF NOBLE’S  
BENEFICIARY SHIPS SINCE 2012



# ANTI CORRUPTION

Corruption and bribery have a considerable impact on business. They pose financial, legal, operational and reputational risks, and also undermine fair competition and impede long term investment.

Being a global player in moving physical commodities, Noble is exposed to corruption related issues in a number of its markets and across a range of functions. The Corruption Perceptions Index published by Transparency International provides a useful gauge to measure risks in different countries. Although our major markets rank highly in the index, the lower ranks of the emerging markets that support our growth highlight the challenges we face.

In addition, our core business is in natural resource supply chains. These have potentially high risks for corruption, particularly when dealing with foreign officials, where governments control resource management in origination countries. This makes risk governance central to our supply chain business. Our risk management structure adopts the highest possible standards to enable a fully integrated approach to control exposure to corruption related risks from the producer to the customer.

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

**Our Commitment**

GRI [G4-56]

Noble is committed to operating with the utmost integrity to fortify its position as a market leader. Our policies and management systems emphasise anti-corruption, anti-bribery and anti-trust behaviour explicitly.

At a minimum, Noble sets out to meet its statutory or regulatory requirements. We hold onto our core values of being accountable and responsible, which extend to our shared commitment to prevent fraud and misconduct.

MATERIAL ASPECTS:

- Legal compliance
- Ethical investment practices
- Corporate governance
- Risk management



**Precautionary Measures to Prevent Corruption**

GRI [G4-DMA ANTI-CORRUPTION] GRI [G4- SO5]

Our Group-wide policies state clearly that all our business functions must comply with the legal obligations and laws in every jurisdiction in which we operate. Noble's Code of Conduct imposes specific obligations in respect of anti-corruption, anti-trust, anti-money laundering, combating financial crimes, counter financing of terrorism, sanctions and fraud.

Our experienced Compliance Team is dedicated to ensuring that our business

conforms to applicable laws and regulations. Compliance Team personnel are based in our trading offices and serve as a valuable resource for providing technical assistance and training in the regulatory sphere. During the reporting period, we had no confirmed cases of corruption in our operations.

Noble employees worldwide are given explicit guidance on ethical business practices, such as conflicts of interest, entertainment and gifts. As part of the induction process, every employee must acknowledge they have read and understood Noble's Code of Conduct and

policies. Regular refresher training is organised to maintain the effectiveness of compliance programmes and highlight some of the perception gaps and possible "grey areas".

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 the 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.

**Risk Governance and Compliance**

GRI [G4- SO3] GRI [G4-DMA COMPLIANCE] GRI [G4- SO8]

Noble's holistic approach to risk governance underpins our strong risk culture. A clear segregation of duties for risk managers and business managers ensures full accountability and ownership within our risk management structure.

Our internal audit team conducts regular check procedures and engages in continuous discussions and consultations with various divisions in the Group to ensure compliance with sanctions legislation and anti-bribery measures, such as the UK Bribery Act. In 2014, we conducted 10 audits across Noble Group's operations and all included reviews on anti-corruption and sanction related controls.

Noble's Risk Committee comprised senior managers and division heads. It meets on a weekly basis to discuss significant risks

and progress against strategy. Among other mandates, the committee reviews Noble's policies and internal controls to ensure appropriate procedures are in place. Our Chief Executive Officer and Executive Director, Yusuf Alireza, is involved in the Committee to provide consistency between policy development and day-to-day operations.

In the past year, we deployed significant resources and management attention to IT infrastructure and applications. The goal was to align, standardise, automate, and consolidate processes throughout the organisation. This investment will support greater transparency, enhance control and reduce errors in risk management, and facilitate evaluation of risks including fraud and misconduct. During the reporting period, we had no fines or non-monetary sanctions relating to the non-compliance of laws and regulations.

GRI [G4-16]

We pay close attention to evolving laws and regulatory frameworks, and actively support reforms that require higher standards. Often, collective actions by investors, companies, and regulators help to promote the importance of governance in Asian companies and counter corruption and malpractice. Noble is a member of the Asian Corporate Governance Association (ACGA) and actively participates in their conferences and advocacy.

# GLOBAL RISK GOVERNANCE ON ANTI-CORRUPTION

- Dedicated teams on internal audits, compliance and counterparty acquisition
- Holistic view on counterparty risk exposure
- Ongoing employees training and communication
- Streamline and automate existing control processes
- Enhance customer experience



## Ongoing Training and Communication

GRI [G4- SO4]

Noble employees are given regular updates on rules and regulations relevant to their particular markets and jurisdictions. Important notifications are communicated via compliance emails to employees globally. Education and refresher trainings on compliance, anti-bribery and anti-money laundering (AML) are delivered via classroom or e-learning programmes. New joiners undertake mandatory compliance training on the Group's policies.

Over 1,120 employees (500 in the previous reporting cycle) attended training in the last 12 months. Among these, around 27 percent of attendees were management level staff. Refresher training covers AML, sanctions, anti-bribery & corruption, and the US Foreign Corrupt Practices Act. All US staff receive annual recertification of the US compliance manual.

Last year, we rolled out an online compliance training programme to administer multiple training modules across Europe and North America, and expect to launch e-learning to Asian staff in 2015. This will enable greater flexibility for employees to access training materials and it allows us to maintain a centralised tracking system for course delivery.

This programme caters to the different needs of different business functions. For example, front office members receive training on financial crimes, market abuse and index manipulation, which is less relevant in other business areas. Other training includes

regulations related to the personal data protection and reference to anti-trust and corruption.

## Centralised Platform of Counterparty Acquisition

We are a listed public company and acknowledge the fact that our actions are constantly under scrutiny. As regulators place greater emphasis on transparency and accountability, global regulations on financial crime and anti-corruption are being tightened. Companies face challenges on evolving compliance requirements and avoiding reputational damage as a result of fines and sanctions.

At Noble, we continuously improve the technology infrastructure and processes that support compliance, risk management, customer experience and operational efficiency. Following a global review in early 2014 of Noble's new customer, counterparty acquisition, and maintenance procedures, we established a dedicated team to lead the work on counterparty monitoring and detect potential suspicious activities.

The team has a mandate to perform initial reviews of new counterparties and periodic reviews of existing counterparties in accordance with Noble's policies and procedures. In early 2015, we completed a substantial review of existing counterparties, focusing on accounts that were inactive, obsolete or where we had no active business.

The ongoing development of a new Counterparty Management technology solution expedites compliance screening and surveillance through integrating with business intelligence providers. Not only does this initiative increase visibility into customer profiles and protect Noble from counterparty risk exposure, it will also enhance customer experience by avoiding duplicate requests for information.

Centralised intelligence maintained at a global level provides valuable information for risk identification and determining in-time corrective actions. At the same time, it supports our effort to build a holistic customer profile and position ourselves as an important part of our customers' businesses. We undertake a World-Check risk search as a key component of our mandatory risk screening before entering into any contracts with new counterparties. Last year, we detected a few instances in which counterparty screening raised suspicion. Transactions were cancelled in these cases.

Moving forward, we are building links with our new technology solution to strengthen Noble's compliance with Know Your Customer and Anti-Money Laundering policy requirements. We expect to deploy the solution globally in the last quarter of 2015. We have commenced a pilot with our trading teams to make sure the process runs smoothly and fits the Group's needs.



# GLOBAL REPORTING INITIATIVE G4 CONTENT INDEX

GRI [G4-32]



GENERAL STANDARD DISCLOSURE		EXTERNAL ASSURANCE	PAGE	REMARKS
STRATEGY AND ANALYSIS				
G4-1	CEO message	✓	CEO's message (4)	
ORGANISATIONAL PROFILE				
G4-3	Noble Group	✓	About Noble Group (5)	
G4-4	Primary brands, products and services	✓	About Noble Group (5)	
G4-5	Noble Group's headquarters	✓	About Noble Group (5)	
G4-6	Countries of operations	✓	About Noble Group (5)	
G4-7	Ownership and legal form	✓	About Noble Group (5)	
G4-8	Market served	✓	About Noble Group (5)	
G4-9	Scale of the organisation	✓	About Noble Group (5), Labour (19), 2014 Annual Report (12, 64-68, 150)	
G4-10	Employee and workforce information	✓	Labour (19)	
G4-11	Collective bargaining agreements	✓	Labour (21)	Noble's workforce being mostly office-based is not covered by specific collective bargaining agreements.
G4-12	Supply chain description	✓	About Noble Group (5)	
G4-13	Significant changes to the organisation	✓	About Noble Group (5), 2014 Annual Report (8-9, 18-19)	
G4-14	Precautionary approach	✓	Roles and Governance (8)	
G4-15	External charters and principles	✓	CEO's message (4)	
G4-16	Memberships of associations	✓	CEO's message (4), Human Rights (15), Environment (27,30), Anti corruption (33)	
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES				
G4-17	Entities included in the financial statements	✓ (42)	2014 Annual Report (150)	
G4-18	Report content and aspect boundaries	✓ (42)	Reporting Scope and Data (6), Identifying Material Issues (10)	
G4-19	List of material aspects	✓ (42)	Identifying Material Issues (11)	

# GLOBAL REPORTING INITIATIVE G4 CONTENT INDEX

GENERAL STANDARD DISCLOSURE		EXTERNAL ASSURANCE	PAGE	REMARKS
G4-20	Aspect boundaries within the organisation	✓ (42)	Identifying Material Issues (11)	
G4-21	Aspect boundaries outside the organisation	✓ (42)	Identifying Material Issues (11)	
G4-22	Effect of any restatements	✓ (42)	There are no restatements of information because it is our first report.	
G4-23	Significant changes to scope and aspect boundaries	✓ (42)	There are no restatements of information because it is our first report.	
STAKEHOLDER ENGAGEMENT				
G4-24	List of stakeholder groups	✓ (42)	Understanding Our Responsibility (7)	
G4-25	Indentification of stakeholders	✓ (42)	Understanding Our Responsibility (7)	
G4-26	Approach to stakeholder engagement	✓ (42)	Understanding Our Responsibility (7)	
G4-27	Key concerns raised by stakeholders	✓ (42)	Understanding Our Responsibility (7)	
REPORT PROFILE				
G4-28	Reporting period	✓	Reporting Scope and Data (6)	
G4-29	Date of previous report	✓	This is our first year of reporting.	
G4-30	Reporting cycle	✓	Reporting Scope and Data (6)	
G4-31	Contact point	✓	About Noble Group (5)	
G4-32	GRI application level: In accordance - Core Reference to external assurance report	✓	Global Reporting Initiative G4 Content Index (36-41)	
G4-33	External assurance policy and practice	✓	Reporting Scope and Data (6) Ernst & Young's Assurance Statement (42-43)	
GOVERNANCE				
G4-34	Governance structure	✓	Roles and Governance (8) 2014 Annual Report (46-55)	
ETHICS AND INTEGRITY				
G4-56	Values, principles, standards and norms	✓	Roles and Governance (8), Human Rights (12), Labour (18), Environment (26), Anti corruption (32)	

GLOBAL REPORTING INITIATIVE G4 CONTENT INDEX

SPECIFIC STANDARD DISCLOSURES		EXTERNAL ASSURANCE	PAGE	REMARKS / OMISSIONS
ECONOMICS				
Economic Performance				
G4-DMA	Disclosures on Management Approach	✓	2014 Annual Report (6-9)	
G4-EC1	Direct economic value generated and distributed	✓	2014 Annual Report (64-68), About Noble Group (5)	
G4-EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change	✓	Environment (30-31)	
G4-EC3	Coverage of the organisation's defined plan obligations	✓	2014 Annual Report (89)	
ENVIRONMENTAL				
Energy				
G4-DMA	Disclosures on Management Approach	✓	Environment (28-29)	
G4-EN3	Energy consumption with the organisation	✓	Environment (28-29)	
G4-EN5	Energy intensity	✓	Environment (28-29)	
G4-EN6	Reduction of energy consumption	✓	Environment (28-31)	
Emissions				
G4-DMA	Disclosures on Management Approach	✓	Environment (28-29)	
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	✓	Environment (28-29)	
G4-EN16	Enery indirect greenhouse gas (GHG) emissions (Scope 2)	✓	Environment (28-29)	
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	✓	Environment (28-29)	
G4-EN18	Greenhouse gas (GHG) emissions intensity	✓	Environment (28-29)	
G4-EN19	Reduction of greenhouse gas (GHG) emissions	✓	Environment (28-31)	
Effluents and Waste				
G4-DMA	Disclosures on Management Approach	✓	Environment (31)	
G4-EN24	Total number and volume of significant spills	✓	Environment (31)	

GLOBAL REPORTING INITIATIVE G4 CONTENT INDEX

SPECIFIC STANDARD DISCLOSURES		EXTERNAL ASSURANCE	PAGE	REMARKS / OMISSIONS
Compliance				
G4-DMA	Disclosures on Management Approach	✓	Environment (27)	
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	✓	Environment (27)	
Transport				
G4-DMA	Disclosures on Management Approach	✓	Environment (30)	
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organisation's operations, and transporting members of the workforce	✓	Environment (30)	
SOCIAL: LABOUR PRACTICES AND DECENT WORK				
Employment				
G4-DMA	Disclosures on Management Approach	✓	Labour (19)	
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	✓	Labour (22)	
Labour/Management relations				
G4-DMA	Disclosures on Management Approach	✓	Labour (21)	
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	✓	Labour (21)	
Occupational Health and Safety				
G4-DMA	Disclosures on Management Approach	✓	Labour (21)	
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	✓		We had no fatalities recorded during the reporting period. Health and safety policies and location specific emergency response measures are implemented across our locations to control risks and ensure workplace safety. Noble does not currently report other occupational health and safety data.
Training and education				
G4-DMA	Disclosures on Management Approach	✓	Labour (22)	
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	✓	Labour (22)	



GLOBAL REPORTING INITIATIVE G4 CONTENT INDEX

SPECIFIC STANDARD DISCLOSURES		EXTERNAL ASSURANCE	PAGE	REMARKS / OMISSIONS
Diversity and Equal Opportunity				
G4-DMA	Disclosures on Management Approach	✓	Labour (20)	
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	✓	Labour (8, 19)	
SOCIAL: HUMAN RIGHTS				
Investment				
G4-DMA	Disclosures on Management Approach	✓	Human Rights (14)	
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	✓	Human Rights (14)	
Non-Discrimination				
G4-DMA	Disclosures on Management Approach	✓	Labour (20)	
G4-HR3	Total number of incidents of discrimination and corrective actions taken	✓	Labour (20)	
Freedom of Association and Collective Bargaining				
G4-DMA	Disclosures on Management Approach	✓	Labour (21)	
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	✓	Labour (15, 21)	
Child Labour				
G4-DMA	Disclosures on Management Approach	✓	Human Rights (14)	
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour	✓		Noble's major operations are office-based, therefore child labour is not a significant risk to us. Having said that, we make routine visits and due diligence on Noble's origination partners to minimise supply chain risk on child labour.
Forced or Compulsory Labour				
G4-DMA	Disclosures on Management Approach	✓	Human Rights (14)	
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of all forms of forced or compulsory labour	✓		Noble's major operations are office-based, therefore forced labour is not a significant risk to us. Having said that, we make routine visits and due diligence on Noble's origination partners to minimise supply chains risk on forced or compulsory labour.

GLOBAL REPORTING INITIATIVE G4 CONTENT INDEX

SPECIFIC STANDARD DISCLOSURES		EXTERNAL ASSURANCE	PAGE	REMARKS / OMISSIONS
Indigenous Rights				
G4-DMA	Disclosures on Management Approach	✓	Human Rights (17)	
G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken	✓	Human Rights (17)	
SOCIAL: SOCIETY				
Local Communities				
G4-DMA	Disclosures on Management Approach	✓	Human Rights (13), Labour (23-25)	
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	✓	Human Rights (13), Labour (23-25)	
Anti-Corruption				
G4-DMA	Disclosures on Management Approach	✓	Anti corruption (33-35)	
G4-SO3	Total number and percentage of operations asessed for risks related to corruption and the significant risks identified	✓	Anti corruption (33)	
G4-SO4	Communication and training on anti-corruption policies and procedures	✓	Anti corruption (35)	
G4-SO5	Confirmed incidents of corruption and actions taken	✓	Anti corruption (33)	
Compliance				
G4-DMA	Disclosures on Management Approach	✓	Anti corruption (33-35)	
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	✓	Anti corruption (33)	
SOCIAL: PRODUCT RESPONSIBILITY				
Product and Service Labeling				
G4-DMA	Disclosures on Management Approach	✓	Human Rights (15)	
G4-PR3	Type of product and service information required by the organisation's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	✓	Human Rights (15)	

# ERNST & YOUNG’S ASSURANCE REPORT

GRI [G4-33]

## Independent Limited Assurance Report in relation to Noble Group Limited’s 2014/15 Communication on Progress Report



### To the Board of Directors of Noble Group Limited

#### Scope

We have been engaged by the management of Noble Group Limited (“Noble”) to perform a limited assurance engagement on the information in Noble’s 2014/15 Communication on Progress Report (the “Report”). Noble has defined the scope of the Report in the GRI Index on pages 36-41 in the Report.

#### Management’s Responsibility

The Report has been prepared by management of Noble (the “Management”), who are responsible for the collection and presentation of the information within the Report in accordance with the reporting criteria as set out in AA1000 Accountability Principles Standard 2008 (the “AA1000APS(2008)”) issued by AccountAbility, and the “Core Option” of the G4 Sustainability Reporting Guidelines (the “GRI G4”) issued by the Global Reporting Initiative.

Further, Noble’s management is responsible for establishing and maintaining internal controls relevant to the preparation and presentation of the information contained within the Report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate criteria, maintaining adequate records and making estimates that are reasonable in the circumstances.

#### Assurance Practitioner’s Responsibility

Our responsibility, in accordance with Noble management’s instructions, was to carry out a ‘limited level’ assurance review of selected information contained within the Report.

Our assurance engagement has been planned and performed in accordance with International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information and in accordance with the requirements of a Type 2 assurance engagement as defined by the

AA1000AS(2008). The reporting criteria as set out in the “Core Option” of GRI G4 and AA1000APS(2008) principles of Inclusivity, Materiality and Responsiveness have been used as criteria against which to evaluate the Report.

#### Work Performed

The limited assurance procedures performed included, but were not limited to:

- Conducting a site visit to Noble’s Headquarters in Hong Kong and interviewing selected business units and group level personnel to understand the current overall status of sustainability activities and the report information collection and compilation approach;

- Determining whether material topics and performance issues identified during our procedures had been adequately disclosed by benchmarking against the key issues raised in external media reports, sustainability reports of Noble’s peers and Noble’s stakeholder dialogues;

- Reviewing expectations and needs of Noble’s major stakeholders, how Noble responds to these expectations and needs, and the communication channels between the stakeholders and Noble through interview and review of related supporting documents;

- Performing analytical tests and detailed testings to source for material qualitative and quantitative information on a sample basis;

- Checking the accuracy of calculations performed;

- Reviewing data and statements had been correctly transcribed from corporate systems and/or supporting evidence into the Report;

- Sample testing of reported data, performance statements, claims and case studies in the Report against the relevant reporting criteria as set out in GRI G4 principles; and
- Assessing Noble’s disclosures associated with the alignment to the AA1000 Principles.

#### Limitations of Our Scope

There are inherent limitations in performing assurance. Assurance engagements are based on selective testing of the information being examined, and it is possible that fraud, error, or non-compliance may occur and not be detected. Adherence to AA1000 and GRI principles is subjective and will be interpreted differently by different stakeholder groups.

Our assurance was limited to Noble’s 2014/15 Communication on Progress Report. We have only sought evidence to support key information and data contained in the Report. We did not assess the accuracy or fairness of financial information or forward-looking statements made by the Management.

#### Level of Assurance

Our evidence gathering procedures have been designed to obtain a limited level of assurance (as set out in ISAE 3000) to draw our conclusion. The procedures conducted do not provide all the evidence that would be required in a reasonable

assurance engagement and, accordingly, we do not express a reasonable assurance opinion or an audit opinion. While we considered the effectiveness of the Management’s internal controls when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

#### Our Conclusions

Subject to the limitations of scope and based on the procedures specified above for this limited level assurance engagement, we provided the following conclusions:

Nothing has come to our attention that causes us to believe that the information subject to the assurance engagement is not fairly stated, in all material respects, based on the criteria stated above.

#### Use of Report

Our responsibility in performing our assurance activities is to the directors of Noble only and in accordance with the terms of reference for this engagement as agreed with them. We do not

therefore accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance any such third party may place on the Report is entirely at its own risk.

#### Independence

We are in compliance with the Ernst & Young Global Independence Policy which was designed to comply with the requirements of the IFAC Codes of Ethics for Professional Accountants (the IFAC Code). We believe that there were no events or prohibited services provided which could impair our independence.

#### Our Assurance Team

Our assurance team has been drawn from our Climate Change and Sustainability Services network, which undertakes similar engagements to this with a number of renowned and international businesses. We have the required competencies and experience to conduct this assurance engagement.

Ernst & Young  
Hong Kong  
13 July 2015





[www.thisisnoble.com](http://www.thisisnoble.com)



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.



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