

# Noble Group Sustainability Report 2017

Our People | Business Integrity | Environment | Responsible Supply Chain





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102-3, 102-53

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# Co-CEOs' Message

102-14, 102-12, 102-13

Dear Stakeholders,

Since taking on our new roles in the late spring of 2016, we have continued to ensure our entrepreneurial culture is aligned with the highest standards of integrity, while sustainability remains embedded into our core businesses. As a testament to Noble's sustainability performance, the Group has been included in all four constituent lists of the newly launched Singapore Exchange Sustainability Indices.

As a Group, we have had a busy year repositioning the firm to focus on key activities, rationalising our cost base and raising liquidity to drive growth. The steps necessary to achieve these goals have been challenging, especially for the people at the firm, but the resilience and resolve of our colleagues has been exceptional. We are building momentum for future success and have exceeded our targets on capital raising.

We have been a signatory to the UN Global Compact since 2010, and continue to reaffirm Noble's commitment to the 10 principles on human rights, labour standards, environmental protection and anti-corruption, principles that remain at the core of Noble's approach to how we conduct business. We are mindful that Environmental, Social and Governance (ESG) factors, or sustainability criteria, are increasingly used as inputs in the investment decisions of professionally managed assets. We work relentlessly to bring these commitments to life, ensuring that we create value for all our stakeholders, while we also

continue to seek and value constructive feedback.

In our sourcing regions, we pave the way towards sustainable economic development. We promote prosperity through creating decent jobs and address inequality by improving access to quality education and healthcare services. Additionally, worthwhile community initiatives receive multi-year philanthropic support from the Noble Foundation.

Our programmes resonate with the vision of the United Nations Sustainable Development Goals, which call for concerted efforts towards building an inclusive, sustainable and resilient future for people and for the planet. For example, our multi-year community plans in Jamaica, Australia and Indonesia have been tailored to support development in rural areas. These efforts also strengthen our relationships with local communities.

We remain committed to building on the ten UN Global Compact pillars in the coming years, and to contributing to the Sustainable Development Goals.



A stylized, handwritten signature in black ink.

William James Randall,  
Co-Chief Executive Officer  
and Executive Director



A stylized, handwritten signature in black ink.

Jeffrey Frase,  
Co-Chief Executive Officer  
and Executive Director

May 31, 2017

# About Noble Group

102-1, 102-2, 102-4, 102-5, 102-6, 102-7, 102-9

Noble Group (SGX: N21) is a leading supply chain manager: we buy physical commodities and transform them into customised, consumable products that meet the requirements of our customers through (1) our logistics and transportation services (2) our price risk management and hedging services (3) our processing and blending capabilities and (4) our structured and trade financing solutions.

Headquartered in Hong Kong, our core strategy is to be the best

company in the world at moving physical commodities from global producer networks to the consumer and managing the market, credit, and operational risk associated with that process. Comprehensive due diligence ensures that our trading activities are fully compliant with all applicable economic sanctions laws.

We seek to be partners rather than competitors with our producers, customers and investors alike. Our most valuable asset is our network

of relationships with producers, consumer customers and our people who provide value-added services to our customers and clients.

Our objective is to build long term value for our shareholders, partners, customers and employee, with sustainable focused franchises built upon long term producer and customer relationships.

## Our Business Mix and How We Have Changed

Focus on Core Franchises and Key Regions



You can find more information about our corporate responsibility work at <http://thisisnoble.com/responsibility.html>

# About This Report

102-46, 102-50, 102-52

This Sustainability Report provides an annual update on important non-financial topics within the Group's global operations and majority owned subsidiaries for the calendar year ending 31 December 2016.

Minority investments and associated companies that are not consolidated in the Group's financial statements are excluded from the statistical summaries provided in this report. The Group has limited control over these operations. However, these relationships are covered in our broader responsibility programmes, through product stewardship processes, pre-investment due diligence and supplier policies and standards.

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. The report was submitted to the GRI Materiality Disclosures Service which verifies that the General Disclosures GRI 102-40 to GRI 102-49 from the GRI Standards are correctly located in both the GRI Content Index and the text in this report. This report also complies

with the Singapore Stock Exchange's securities trading listing rules 711A and 711B, which will come into force for the 2017-2018 reporting period.

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. This year we have aligned our sustainability reporting cycle to our annual reporting.

This report serves multiple communication functions. It enhances our internal efforts towards transparency and disclosure and supports communication with many of our external stakeholders. This includes many of our shareholders and banks that have aligned themselves with the Principles for Responsible Investment and the Equator Principles and seeks to understand the way in which Noble addresses environmental, social, and governance matters. The report also serves as our annual Communication On Progress (COP), as required by the United Nations Global Compact.

# External Assurance

102-54, 102-56

We seek to provide reliable information on sustainability to our intended readers and use an external assurance process to support our efforts. Internally, these reviews have assisted us to improve the robustness and completeness of our reporting practices.

The Board requested the Group's external auditor to review the annual sustainability report. Hence, Ernst & Young has provided independent assurance on our sustainability data and disclosure for this report, which

has been compiled in accordance with the "Core Option" of the GRI Sustainability Reporting Standards. A copy of Ernst & Young's assurance statement is on page 31-32.

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.

In addition, the company's greenhouse gas emissions figures for year 2016 were independently verified by TÜV Nord according to the ISO 14064 standard.

## Financial Highlights

FY 2016  
(US\$ million)

201-1

Revenue in:

45,524

Employee  
Benefits  
Expenses:

462

Corporate  
Taxes:

66.4

Adjusted  
Net profit:

252.1

Tonnage:

222  
mil tonnes



# Understanding Our Responsibility

102-40, 102-42, 102-43, 102-44

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 maintain a constructive dialogue 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 economic and 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 balancing the myriad interests of our customers, banks, employees and the communities we impact.

**Shareholders** invest in Noble's recognised track record, commodity market insights 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.

**Banks** benefit from our high compliance standards and best practice risk management systems when providing us services. Banks enable Noble to secure stable and flexible financing directly and through syndicated prepayment facilities,

co-financing and project finance. Our extensive relationships with a diverse group of banks in different markets allow us to maintain adequate liquidity in challenging periods and to invest in new opportunities as they arise.

**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 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 the communities. 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.

# Our Material Topics

102-46, 102-47

Knowing what is important to Noble Group and our stakeholders is essential for us to focus resources on those areas that will have the most significant sustainability impact. Health and safety, workplace wellbeing, environmental impact, and compliance are examples of topics that are relevant to both the business direction and our corporate responsibility efforts.

We undertake periodic materiality assessments to identify pertinent topics and consider their relevance

to the changing context of our business and key stakeholders. The Group's CSR Advisory Committee, comprising senior executives from key functions in major locations, leads the engagement processes. We adopt internationally recognised reporting frameworks (GRI Sustainability Reporting Standards and UN Global Compact) in setting the boundaries for reporting, and to guide thinking on business and stakeholder relations.

We reviewed our material topics in 2016 using input from internal and external stakeholders, including media coverage of our peers and the commodity sector more broadly. The CSR function developed surveys to obtain feedback from Noble's senior functional managers, key customers, analysts and investors on the relative importance of different sustainability topics.

This report reviews material non-financial topics, with disclosure on overall management approach and





102-46, 102-47

relevant performance indicators. The surveys were broader and included economic and operational topics, such as financial performance, brand management, and customer satisfaction. We communicate on these in Noble Group's annual report and quarterly announcements. Corporate governance and risk management are covered in both the annual report and this report.

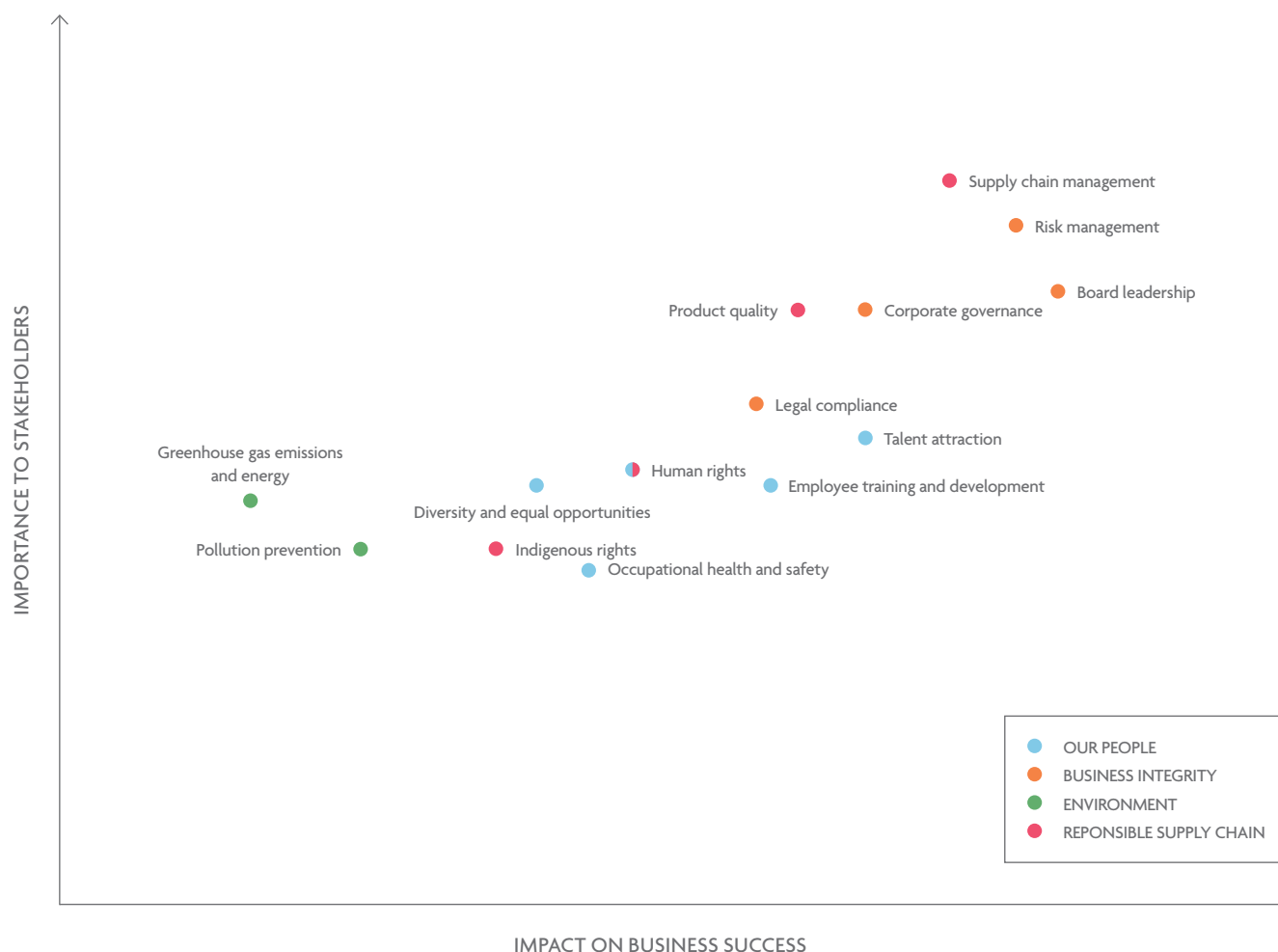
The materiality matrix shows the relative priority of the 14 non-financial

topics that were a priority for our internal and external stakeholders. The topics relate to four focus areas – our people, business integrity, environment and responsible supply chain. To assist users of this report, we have provided a mapping of our material sustainability topics to the GRI G4 terminology and framework.

Ernst and Young benchmarked the key issues raised in external media reports, Noble's peers sustainability reports and Noble's stakeholder

dialogues, as a part of the limited assurance procedures. The results corroborated our disclosure on material topics and performance indicators. The Board of Directors acknowledged the alignment of the prioritised topics with our strategic objectives and approved the content presented in this report.

## 2016 Sustainability Materiality Assessment



# Targets and Performance Highlights

Our Sustainability strategy is integrated into Noble Group's business execution and governance system. To track our performance against the strategy, we set measurable targets

together with the global business divisions and corporate functions. The following table presents performance against these indicators, highlighting our efforts to drive

continuous improvement in managing our most material issues. This is in line with the SGX's requirements on sustainability reporting.

	TARGETS / KPIS	PERFORMANCE IN 2016
<b>OUR PEOPLE</b>		
<ul style="list-style-type: none"> <li>Occupational health and safety</li> <li>Human rights</li> <li>Talent attraction</li> <li>Employee training and development</li> <li>Diversity and equal opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Zero fatalities</li> <li>All key offices and assets routinely report health and safety metrics</li> <li>Safety incident rate of Noble owned ships and tonnage</li> <li>100% of employees paid at least national minimum wage for their country</li> <li>Percentage of new hires that are recruited from their local region</li> <li>Number of positions that were filled internally</li> <li>Percentage of staff voluntary turnover</li> <li>Zero credible complaints of discrimination reported in Noble's offices and/or assets</li> </ul>	<ul style="list-style-type: none"> <li>Zero fatalities</li> <li>We launched a Group level health and safety policy in December 2016, with improved data collection from January 2017</li> <li>Noble's owned ships and tonnage had a lost time injury frequency (LTIF) of 1.05, and an average total recordable case frequency (TRCF) of 1.42<sup>1</sup></li> <li>100% of employees paid at least national minimum wage for their country</li> <li>More than 81% of our new hires with a known birth region were recruited in their local region</li> <li>38 employees took the opportunity to move country and 46 moved to a different business unit or job function</li> <li>22% staff voluntary turnover rate</li> <li>No credible complaints of discrimination reported in Noble's offices and/or assets</li> </ul>
<b>BUSINESS INTEGRITY</b>		
<ul style="list-style-type: none"> <li>Corporate governance</li> <li>Board leadership</li> <li>Legal compliance</li> <li>Risk management</li> </ul>	<ul style="list-style-type: none"> <li>More than 50% of the Board comprises independent non-executive directors</li> <li>Zero breaches or non-compliance of applicable laws or regulatory requirements in Noble's operations.</li> <li>More than 80% of employees attend compliance training annually</li> <li>Numbers of relevant business units audited internally</li> <li>Automate the World-Check screening process to monitor counterparty credit risk</li> </ul>	<ul style="list-style-type: none"> <li>62% of our Board comprises independent non-executive directors</li> <li>No breaches or non-compliance of applicable laws or regulatory requirements in Noble's operations.</li> <li>About 67% of employees attended compliance training</li> <li>5 audits were conducted across 8 Noble Group's operations</li> <li>Integrated the World-Check screening process in the new centralised counterparty management technology solution</li> </ul>
<b>ENVIRONMENT</b>		
<ul style="list-style-type: none"> <li>Pollution prevention</li> <li>Greenhouse gas emissions and energy</li> </ul>	<ul style="list-style-type: none"> <li>Zero spills across our marine fleet operations</li> <li>10% reduction of CO<sub>2</sub> emissions per product traded (MtCO<sub>2</sub>e/Mt) between 2013 (base year) and 2018 (target year)</li> <li>10% reduction of CO<sub>2</sub> emissions due to business travel per full-time employee between 2015 (base year) and 2020 (target year)</li> </ul>	<ul style="list-style-type: none"> <li>Zero spills across our marine fleet operations</li> <li>Intensity in 2016 was above the base year, it declined by 7% in 2015</li> <li>1.3% reduction on carbon intensity of business travel</li> </ul>
<b>RESPONSIBLE SUPPLY CHAIN</b>		
<ul style="list-style-type: none"> <li>Supply chain management</li> <li>Product quality</li> <li>Indigenous rights</li> </ul>	<ul style="list-style-type: none"> <li>100% of minerals traded from the Democratic Republic of Congo and adjoining countries comply with the iTSCI responsible production requirements</li> <li>100% compliance with our customer requirements and our contractual commitments on bulk commodity shipment</li> <li>Zero formal complaints reported on any violations of the rights of indigenous people</li> </ul>	<ul style="list-style-type: none"> <li>100% of minerals traded from the Democratic Republic of Congo and adjoining countries comply with the iTSCI responsible production requirements</li> <li>In 2016, we tested the quality of our shipped bulk commodities at load port, and on the basis of this load port quality analysis. This is a new target, we will report progress next year</li> <li>No formal complaints reported on any violations of the rights of indigenous people</li> </ul>

<sup>1</sup> The frequency rates are calculated per million exposure hours

# Identifying Opportunities to Advance Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs) are a new set of universal goals and targets that came into force in January 2016. These goals apply from now until 2030 and provide a framework for governments and business around the world to stimulate actions in areas of critical importance for humanity and the planet.

As a global supply chain manager, we play a role in promoting prosperity through trade and innovation. Adding to our commitment to the United Nations Global Compact, we pursue opportunities to solve social challenges and advance SDGs that are relevant to our operations. This year, we have prioritised our efforts on these four goals where we believe we can make the most positive contribution.

## Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



We promote access to quality education through scholarships and teacher training programmes in our

countries of operation. Our scholarship beneficiaries range from primary school pupils to postdoctoral researchers. Here are two examples of our programmes.

In China, there remain disparities in educational attainment between rural and urban areas. Financial barriers for students in rural areas exacerbate the challenges they face in accessing quality education. Starting in autumn 2015, we have funded a 3-year living subsidy programme for

39 high school students in two rural schools. These students come from one of the poorest townships in Guizhou and most live in remote mountain areas with limited road access.

Across India, we have been partnering with Room to Read since 2013 to eradicate illiteracy and gender inequality in some of the most underserved communities. In primary schools where educational materials and training for teachers is lacking, our funds are used to support children's books publication, assist in curriculum development, set up libraries and provide teachers with workshops on reading and writing instruction. These efforts aim to help children obtain reading skills and develop the habit of reading.

Recognising that girls are at a much higher risk of dropping out in secondary school, we have also funded over 150 girls in the last two years to participate in a holistic education programme which includes mentoring, financial and academic support, life skills training, and community engagement.

## Ensure access to affordable, reliable, sustainable and modern energy for all



Energy access is crucial for achieving almost all the Sustainable Development Goals. As a fuel source, coal provides an affordable, safe and reliable energy supply that has allowed the advancement of billions of people out from poverty. However, it has significant environmental

consequences and can cause air pollution as well as contribute to climate change.

Asian countries are addressing these direct impacts through shifting to coals with a higher calorific value and lower environmental consequences. Our energy coal division is strengthening our flows of top quality thermal coal with low ash and low sulphur content from Australia, which helps mitigate the impact of coal burning and improve efficiency in coal-fired power generation.

To capture the opportunities that are arising in the low-carbon energy transition, our clean fuel and renewables business supplies ethanol and biodiesel across North America. In 2016, we acquired a 100% ownership of the Noble Mansfield Renewable Energy joint venture to consolidate our role in trading clean fuels.

## Reduce inequality within and among countries



At Noble, we apply an equal employment opportunity and non-discrimination policy to ensure our

staff are hired and rewarded based on their ability and contribution. Being a physical commodity trader, we originate trade flows from various developing countries and endeavour to advance equality through infrastructure investment and social renewal projects.

Rural roads play a critical role in connecting people to facilities and services. In Kalimantan and Papua, Indonesia, we support ongoing road



Being able to read and write is essential. In Uttarakhand, India, Noble improves the quality of primary education through Room to Read's literacy programme, which helps build children's reading skills, and cultivates a habit of reading books.

development in hard to reach villages by providing heavy equipment and embankment materials for road maintenance. The improved quality of the roads allows better connection between towns and villages, so helping to widen the economic participation of local communities.

In Jamaica, we are funding a 3-year comprehensive community empowerment programme. Facilities upgrade and social renewal are priority elements in the programme that promote social inclusion and improve access to primary social services. In 2016, we funded multiple renovations and equipment upgrades, including at a youth activities centre, a health clinic, two hospitals and a homeless shelter.

### Take urgent action to combat climate change and its impacts



as work systematically on climate and environmental risks across our corporate offices and physical operations.

We initiated the Carbon Neutral Project to reduce the Group's greenhouse gas (GHGs) emissions and raise awareness on climate change at our global offices. In 2016, we achieved carbon neutrality in all Noble offices worldwide and printed publications. Since the inception of the project,

Since 2007, Noble has sought to mitigate environmental issues in our value chains as well

we have offset more than 1,250,000 tonnes of carbon emissions.

We set reduction targets across our operations, including for energy and key material inputs. These targets are aggregated at the Group level. Our Group GHG inventory has been certified to the ISO 14064 standard since 2010, as a commitment to consistent and transparent communication of our climate mitigation actions.

See the Environment chapter on page 20 for more details.



# Our People

Following a turbulent period in the markets, a significant component of our people and HR activities in 2016 were focused on Noble's transition to a simpler and nimbler Group. This created a challenging context in which to uphold our commitment to keeping our workforce motivated and engaged. Recruiting and staffing decisions play a critical role in ensuring that we put the right people in the right roles and the right places. We value diversity at every level of our organisation and respect the rights of all our employees. As at December 31, 2016, our 1,036 employees represented more than 48 nationalities, working across 18 countries.

The top drivers in talent attraction and retention include a sense of ownership, training opportunities and career advancement. Beyond this we have rooted the wellbeing of our people in our day to day activities to assure safe workplaces and enhance a culture of good health. We enable our staff to volunteer and give back to the community through our outreach programmes.

## Our Commitment

102-16

Noble Group is committed to achieving Zero Harm across our business. Zero Harm means zero fatalities, accidents and injuries, and taking all possible steps to ensure the health, safety and welfare of all employees and other persons engaged in work for the organisation.

Our Equal Opportunities Policy applies to every employee in the Group and commits Noble to eliminating discrimination, harassment and victimization 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 are office based with permanent contracts, hence forced and child labour are not an issue in our direct operations. For potential human rights topics in product origination, you can refer to the chapter – Responsible Supply Chain.



102-7, 102-8, 405-1

## By Region and Gender\*

	F	M	TOTAL
APAC	215	331	546
EMEA	36	98	134
AMER	105	251	356
			1,036

## By Management Level and Gender

	F	M	TOTAL
Directors (Senior manager or above)	12	81	93
Manager (Experienced professional or above)	115	300	415
Professional & support	195	198	393
No Declared	33	102	135
			1,036

## By Employment Contract and Gender

	F	M	TOTAL
Permanent	352	674	1,026
Temporary	4	6	10
			1,036

## By Employment Contract and Region

	P	T	TOTAL
APAC	540	6	546
EMEA	130	4	134
AMER	356	0	356
			1,036

## By Employment Type and Region

	F	M	TOTAL
Full-Time	354	676	1,030
Part-Time	2	4	6
			1,036

## Maintaining Motivation

103-1, 103-2, 103-3

Our success is only made possible by our people. Capable leaders, along with skilled and motivated staff are particularly critical for Noble during times of change. To enhance performance while reducing our workforce, we focus on incentive packages, fill vacant positions with suitable internal candidates, and maintain a constructive dialogue with all staff via our internal communication mechanism.

## Compensation and Benefits

201-3

Noble Group offers our permanent employees a competitive compensation and benefits package<sup>2</sup>. 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 proportion of employees' annual bonuses are deferred, and 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, which provide a further linkage to the long-term interests of the business and our shareholders.

We also offer benefits programmes that include medical, health and disability covers, pension plans, parental leave, and wellness programmes. In Singapore and Dubai, we offer a flexible benefits programme which enables employees to adjust their coverage levels and spend any remaining funds on a range of health related products such as

gym membership or health screening. Noble Group operates a number of defined contribution plans (including mandatory and voluntary schemes) throughout the world – in 2016, employer pension contributions totalled US\$7.8 million.

## Internal mobility

Personal development plans and practical actions are key to help realise each individual's potential. Against the backdrop of strategic repositioning, we are building greater visibility around the different career paths available to our employees on a global basis. The internal mobility afforded to our people is a mark of our entrepreneurial spirit. We seek, reward and support a sense of ownership among our employees, which encourages initiative from all levels. In 2016, 38 employees took the opportunity to move countries and 46 moved to different business units, job functions and increased job scope. This includes multiple transfers to the Metals and Base Metals desk in Dubai office, as we seek to build out new business in this key region.

## Constructive Dialogue

103-1, 103-2, 103-3, 402-1, 404-3, 407-1

Mutual respect and loyalty are key attributes of communication that enhance performance and productivity. One step to achieve this is our employee performance appraisal. A discussion between managers and employees takes place to review achievements, provide feedback against objectives, and to set the framework for compensation. In 2016, we conducted a review on the current process and evaluated the effectiveness of with people managers across business functions.

Our employees are kept up to date on the latest news of the company via emails and our internal magazine – Noble

<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.

\* Noble Group's human resources data and processes are maintained over a robust software application.

World. We gather feedback through town hall meetings in the major offices and provide opportunities for employees to directly interact with the senior management team.

102-41

Noble abides by local minimum notice requirements for informing employees when there are significant changes in our operations. We honestly engage with our staff to agree on alternatives or severance packages. Noble's Code of Conduct embraces our employees' right to exercise freedom of association and to have representation of their choice. As of 2016, most of our workforce was not covered by specific collective bargaining agreements.

### Building a balanced team

103-1, 103-2, 103-3, 406-1

Our people work across multiple functions, locations and languages. With 1,036 employees, our diverse workforce represents 48 nationalities across 18 countries. A culture of diversity and equal opportunities is one of our greatest strengths and allows us to operate cohesively across borders and businesses.

We have clear policies on equal opportunity to enhance diversity and promote inclusiveness. It is a strategic decision for our business to provide a workplace culture that embraces different cultures, ethnicities, genders and backgrounds. Permanent employees represented 99% of our workforce. Female representation was 37% in our global offices (2015: 35%) and 34% of our overall workforce.

Our people 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

## Noble Americas Wellness Program

The Noble Americas Wellness Program is in its third year and going strong. Launched in 2014, the Program encourages Noble Americas Corp. employees to understand that health is their greatest asset.

By participating in an annual biometric screening, employees learn "their numbers" in five health risk factors: body mass index (BMI), blood pressure, blood glucose, triglycerides and HDL ("good") cholesterol. Awareness of these numbers is the first step for employees to maintain and monitor their health. The second step is taking action to improve or maintain their biometric screening results.

In March 2016, 115 employees in the US and Canada participated in the Noble Americas Fitness Challenge. The goal of the challenge was to walk 10,000 steps a day. Any employee who hit the goal 5 days out of a week was entered into a weekly raffle. Five employees hit the 10,000 steps a day goal every day of the month and a trophy was awarded to the San Diego office, who had the highest number of average steps per employee.

New for 2017, we have included spouses in the biometric screening process. Any spouse who is enrolled in Noble's Medical Benefits for 2017, is encouraged to participate in the Noble Americas Wellness Program by taking a baseline biometric screening. So far, we have 99% of enrolled spouses participate in the program.

Overall, both Noble Americas Corp. employees and spouses are an extremely healthy group, and 92.8% of those who were screened have at least 3 of the 5 health risk factors in the healthy range.

401-1

### New hires by Age Group and Gender

	F	M	TOTAL
<30	25	22	47
30-50	38	49	87
>50	5	19	24
Not declared		1	1
			159

### New hires by Region Group and Gender

	F	M	TOTAL
AMER	24	49	73
APAC	33	27	60
EMEA	11	15	26
			159

### Turnover by Age Group and Gender

	F	M	TOTAL
<30	61	94	155
30-50	58	166	224
>50	8	35	43
			422

### Turnover by Region Group and Gender

	F	M	TOTAL
AMER	30	66	96
APAC	62	130	192
EMEA	35	99	134
			422



Richard Samuel Elman (Chairman and Executive Director) presented a 15-year Long Service Award to Wildrik de Blank (Group Treasurer) at Noble's Christmas party 2016

of discrimination standards seriously. In 2016, we received no credible complaints of discrimination in any location.

We prioritise recruiting and developing local talent. By doing so, we bring in local knowledge that is crucial for our business growth and contribute human capital development in our operating locations. More than 81% of our new hires with known birth region in 2016 were recruited in their local region.

### Talent Acquisition and Development

103-1, 103-2, 103-3

Our award winning Global Associate Programme attracts the best graduates from universities around the world. Many of the alumni from previous years are quickly advancing through the organisation. We embed leadership development as a part of our succession planning.

The real strength of the programme comes from the dedicated support and input we receive from Noble's managers, including associate selection, mentoring and development. Associates take part in multiple, in-house training activities, assignments and on-the-job rotations. The programme offers extensive insights into commodities markets, global supply chains and risk management.

To support personal and career development, our comprehensive review

and succession planning initiatives cover key leadership roles and top tiers of the senior management team across the Group. We reward the loyalty of our employees by providing long service awards to honour their many years of service to the company.

The turnover rate in 2016 reflected a challenging year for Noble in which, we repositioned into a smaller, more nimble company. As we focused on our core franchises, this has led restructuring in several of our business areas and inevitably high turnover. Some employees with transferrable skills moved to other industries, which had a consequential impact on voluntary turnover.

### A Safe and Healthy Workplace

103-1, 103-2, 103-3

Noble Group is committed to achieving Zero Harm across the business. Health and safety policy and guidelines are implemented to ensure the necessary focus on safety systems at work, response to incidents and provide medical aids. At the end of 2016, we launched a Group level health and safety policy. This policy built onto our regional policies to monitor and streamline reporting, which exceeds legal health and safety requirements applicable in the countries in which we operate. Across our US locations, we are also helping employees to make informed health and lifestyle

decisions through Noble Americas Wellness Programme.

403-2

For our owned fleets and tonnage, the lost time injury frequency and total recordable case frequency rates were 1.05 and 1.42 in 2016. Both figures meet the safety performance indicators of our fleet managers. We take health and safety matters seriously across our investment portfolio. However, the operations at these projects are often beyond our sphere of operational control. To minimise health and safety risks, we partner with reputable production facilities in developed regions, conduct site visits, and exercise board oversight where appropriate.

### Community Outreach

103-1, 103-2, 103-3, 413-1

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, educational, 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 help is most 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.

From marathons to obstacle racing, Noble teams participate in multiple events to raise funds for local charities and touch the communities in the places where Noble operates. In Noble Americas, more than 15 charities benefited from our dollar-for-dollar matching gift programme, benefiting qualified charities. 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.

## Mobile Family Planning and Health Clinics in Kenya

Imagine trying to feed a small family on US\$1.5 a day, and imagine how much more difficult it would be if you had six children and no access to contraception?

Community Health and Sustainable Environment (CHASE Africa), a UK registered charity, is working in rural Kenya and Uganda to address the complex and related issues of poverty, ill health, population pressure and environmental degradation.

Their programme provides access to free, voluntary family planning and basic healthcare services using mobile clinics. These clinics offer contraception service and advice, vaccinations, and HIV testing. As a part of the programme, trusted local mobilisers are deployed to the area that the clinics will operate in to create an understanding of contraception and maximize attendance at the clinics.

In 2016, Noble Foundation provided a grant to fund this project for two years. Our contribution has given more than 2,800 families access to contraception, many for the first time. With smaller families and longer spaces between births, resources do not need to be stretched so far. Women with fewer children have more time available for productive work and income generating activities.

## Noble Foundation

Founded in 2007, the Noble Foundation provides philanthropic contributions to address the root cause of poverty and underdevelopment. Through collaboration with local organisations, we are dedicated to acting at the grassroots level. We have put in place a formal procedure to select, monitor and review programmes, and welcome applications year round from our staff. In 2016, we implemented programmes in 12 countries focusing on literacy, rural infrastructure, medical and nutritional assistance, boosting local employment opportunities and biodiversity protection. To enable the stable delivery of services and activities that align with our visions, the Foundation generally makes grants to programmes that are brought to our attention by staff, offering support over one to three year periods.



# Business Integrity

Business integrity is the foundation for Noble Group's values and operations. We implement systems and processes to ensure accountability and responsibility throughout the organisation and across our relations with our stakeholders. This includes the structure of governance and oversight set through the board of directors and the risk governance and compliance measures that apply to operational teams. We take precautionary measures to address key business integrity risks from corruption or bribery, including investments in IT systems to assess counterparty risk and ongoing training for staff. We view these measures as critically important to ensure a strong foundation for the business.

## **Our Commitment**

102-16

Noble is committed to operating with the utmost integrity. Noble's Code of Conduct sets out compliance requirements and guidelines on key ethical issues. Our policies and management systems explicitly emphasise anti-corruption, anti-bribery and anti-trust behaviour.

At a minimum, Noble acts in accordance with its statutory or regulatory requirements and expects all employees to comply with the law in every jurisdiction in which we operate. We hold onto our core values of being accountable and responsible, which extend to our shared commitment to prevent fraud and misconduct.



## Roles and Governance

102-11, 102-16, 102-18

Our Board of Directors is committed to maintaining a high standard of corporate governance within the Group. We take pride in having a deep and high quality Board, whose objective judgement on corporate affairs and collective experience is invaluable for our decision making. With a total of 13 directors, 8 of whom are Independent Non-Executive Directors, the Board is responsible for the strategic direction of the Group and has oversight of senior management.

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.

The committee structure of our Board enables separation of duties and differentiates responsibilities to focus on critical functions. The Audit Committee provides oversight on financial accounting and reporting obligations; oversight of the external and internal auditors and their work; adequacy of internal controls and the financial risk management system. 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, as well as overseeing government relations in specific countries. It approves or recommends for Board approval the Group's involvement with and sponsorship or support of activities, 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.

Business integrity is a responsibility for all employees. Consequently, 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. 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.

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

405-1

## Board of Directors

	F	M	TOTAL
30-50		3	3
>50	1	9	10
			13

regarding ethical conduct. As part of our efforts, 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. 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 asset specific requirements, depending on the operating activity of the respective business line.

## Risks Governance and Compliance

205-1, 103-1, 103-2, 103-3, 419-1

Noble's holistic approach to risk governance underpins our strong risk management culture. A clear segregation of duties for risk managers and business managers ensures full accountability and ownership within our risk management 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 discussion and consultation with various operations addressing financial, operational, compliance and information technology risks. The team provides independent assurance of our overall systems of control and ensures compliance with sanctions legislation and anti-bribery measures, such as the UK Bribery Act. In the reporting period, five audits were conducted across Noble Group's eight primary business units.

Noble's Risk Committee comprises 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.

In the past year, we launched the Noble Group Economic Sanctions Policy to reinforce the roles of all employees to comply with applicable sanctions laws as well as the responsibility of legal and compliance functions. The goal is to minimise potential legal and reputational risks to our staff and business units. The policy sets out procedures that are intended to focus on economic sanctions imposed by the United States, European Union, United Nations and Monetary Authority of Singapore. During the reporting period, we had no fines or non-monetary sanctions relating to the non-compliance of laws and regulations.

102-13

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 helps to promote better standards 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 initiatives.

## Precautionary Measures to Prevent Corruption

103-1, 103-2, 103-3, 205-3

Our Group-wide policies state clearly that all our business functions must

comply within 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. Every employee must acknowledge they have read and understood Noble's Code of Conduct and policies, as part of their induction and on an ongoing basis. 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 of Conduct or other Noble policy. Concerned employees are encouraged to report without fear to the Compliance or Legal departments when any suspicions arise.

Noble has adopted and implemented a whistle-blowing policy through which employees may, in

confidence, raise concerns regarding matters not only about work place misconducts, but also any unlawful activities, policies 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.

### **Centralised Platform for Counterparty Acquisition**

As a listed public company with a global footprint, we acknowledge that our actions are constantly under scrutiny. Global regulations on financial crime and anti-trust are being tightened as regulators place greater emphasis on transparency and accountability.

We continue to adapt to the changing regulatory landscape by regularly reviewing our policies and procedures. Taking into account these developments, industry guidance, customer experience and societal expectations, we implement internal controls that safeguard our operations against regulatory and reputational risk.

After a successful roll out of the new centralised counterparty management technology solution and Know Your Counterparty (KYC) Programme across global divisions, we have enhanced our control mechanism by integrating various internal systems. In 2016, we reviewed and completed due diligence of 3,600 new counterparty relationships and also reviewed nearly 4,000 existing relationships.

Centralised intelligence maintained at a global level provides valuable information for risk identification and determining in-time

corrective actions. Not only does this initiative increase visibility into customer profiles, it also enhances customer experience by avoiding duplicate requests for information. From day to day, our team categorises each counterparty into one of three tiers, depending on its locations, beneficiaries and the nature of its activities. Before entering into any contracts with new counterparties, we undertake a World-Check risk search as a key component of our mandatory risk screening.

We faced some internal resistance when introducing these voluntary processes, but we overcame the challenge by actively communicating with our internal stakeholders on the necessity of subjecting all of Noble's counterparties to high standard monitoring measures. Our business development and relationship management teams also appreciated the ability of the new system to provide holistic customer profiles and to position ourselves better as an important part of our customers' businesses. We will continue to streamline our processes to ensure that they suit each business division.

### **Ongoing Training and Communication**

205-2

Every Noble employee is informed about our policies and practices. 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.

All relevant staff 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, financial crime, anti-bribery and anti-money laundering (AML) are delivered via e-learning programmes and classroom sessions. New joiners undertake mandatory compliance training on the Group's policies.

Up to 700 employees (1,330 in the previous reporting cycle) attended training in 2016. Among these, around 12% of attendees were management level staff. Refresher training covers AML, illegal conduct, the UK bribery Act, and the US Foreign Corrupt Practices Act. In the US, training was held on sanctions and trade policies from the Office of Foreign Assets Control. All staff receive annual recertification on their regional compliance manual.

In 2016, we complemented face to face training sessions with online compliance training, while e-learning modules remain the major delivery tool at our global locations. This enables flexibility for employees to access training materials and allows us to maintain a centralised tracking system for course attendance.

This programme caters to the different needs of different business functions. For example, front office members receive training on financial crimes, bribery acts, market abuse and index manipulation, which is less relevant in other business areas. Other training includes regulations related to illegal conduct and references anti-corruption laws and published cases.



# Environment

Noble understands the fundamental importance of managing our impact on the environment, as our core business inherently relies on natural resources. Land and water use, air and soil pollution, and resource depletion are some of the environmental pressure caused by the production and transport of traded commodities. We seek to operate responsibly to prevent pollution and minimise our environmental footprint across our supply chains.

Energy access enables development and can bring life transforming benefits. However, International Energy Agency scenarios highlight that countries face increasing pressure to secure access to affordable energy while boosting low-carbon energy supply. Noble pursues opportunities to supply conventional fuels as well as renewable energy products to meet rising energy demand.

## **Our Commitment**

102-16, 103-1, 103-2, 103-3, 307-1

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. 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. We also work in collaboration with industry associations to address broader environmental issues. During the reporting period, we received no significant fines and only one self-reported environmental digression involving Noble Americas South Bend Ethanol.

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.

## Energy and Emissions

103-1, 103-2, 103-3, 302-4, 305-5

The landmark Paris Climate Change Agreement was ratified in 2016 and leading countries have set out to implement their self-imposed national climate targets. Strong governmental leadership is key for a smooth transition to a low-carbon future. Businesses can play a role to mitigate the environmental impact of their physical operations, by investing in low-carbon fuels and power production, and advocating for actions through business associations.

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

In our Jamalco bauxite mining and alumina refinery joint venture, managing energy and fuel efficiency performance is at the heart of day to day operations. Process engineers look at every aspect of the production life cycle to optimise energy and fuel use. Jamalco entered a joint development agreement to build a combined heat and power facility to secure a long-term energy solution and alleviate the impact of oil price volatility. The cogeneration plant, which will be powered by LNG, is expected to achieve significant monetary saving and considerably decrease its emissions.

Total carbon emissions (scope 1 and 2) in 2016 amounted to 2.34 million tonnes CO<sub>2</sub> equivalent. We set intensity reduction targets across our operations

and shipping business at the level of individual assets to manage our energy use and carbon emissions. These targets, include energy and key material inputs. The targets are aggregated at the Group level. In 2010, we started to set emission targets on the carbon intensity of product traded and business travel per full time employees. Both targets were met ahead of time, the cumulative progress made led us to set further goals in 2013 and 2015.

The Group level travel policy has also been effective at reducing overall business travel and encouraging the use of video conferencing. In 2015, we endeavour to further reduce our staff business travel for an additional 10% reduction per full-time employee in 2020. For more information about our energy efficiency initiatives in chartering, see the section - Pollution Prevention and Mitigation.

Our flagship Carbon Neutral Project has now continued for 11 years, covering all Noble offices worldwide and publications. We make every effort to improve resource management across our operations, including energy and fuel use, paper, water and waste. Our efforts save costs and enhance productivity. As the final step to neutralising the remaining emissions, we retire verified carbon credits from renewable and low carbon energy projects that bring positive socio-economic benefits. Since inception of the project, we have offset more than 1,250,000 tonnes of carbon.

In our offices, we encourage staff to reduce greenhouse gas emissions through making conscious daily choices. We raise awareness and promote eco-friendly habits through our publications and with our regular commuting and business travel

survey. In some of our major offices, bike storage and shower facilities are available to facilitate cycling or walking to work. In the US, we offer a commuter benefit programme to encourage staff to use public transportation.

## Supplying the Growing Demand for Cleaner Fuels

102-13, 201-2

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 supplies fuel solutions with reduced carbon or other environmental impacts. Further to a multi-year supply agreement made to Egypt, in December 2015, we are expanding our footprint to supply liquefied natural gas (LNG) cargoes to end users in the US and Asia Pacific. We are becoming a major player in this segment. LNG has several advantages, including being a clean-burning fuel that produces virtually no particulate matter during combustion and emits less GHGs compared to other fossil fuels.

Across North America, we operate our ethanol and biodiesel marketing business through Mansfield Oil.

In 2016, we increased our stake in this venture to 100% to expand our role in trading clean fuels. The entity works with a network of renewable fuels production facilities, and its marketing and extensive distribution system reaches over 200 trading locations.



# Carbon and Energy Performance in Our Operations<sup>1</sup>

302-1, 302-3, 302-5, 305-1, 305-2, 305-3, 305-4

	2016	2015	2014
<b>GREENHOUSE GAS EMISSIONS (MT CO<sub>2e</sub>)</b>			
Total emissions <sup>2</sup>	2.373	3.066	2.943
Direct (scope 1) GHG emissions	2.332	3.034	2.937
Gross location-based energy indirect (scope 2) GHG emissions	0.042	0.032	0.006
Gross market-based energy indirect (scope 2) GHG emissions <sup>3</sup>	0.042		
Other indirect (scope 3) GHG emissions <sup>4</sup>	0.009	0.011	0.015
CO <sub>2</sub> emissions per products traded (MtCO <sub>2e</sub> /Mt)	0.0107	0.0113	0.0137
CO <sub>2</sub> emissions on business travel per employee (t CO <sub>2e</sub> /office employee)	5.23	5.29	7.50
<b>ENERGY CONSUMPTION (MWH)</b>			
Fuel	8,233,040	10,736,419	10,366,161
Electricity	78,352	73,002	11,961
Heat	40	29	110
Steam	-	-	112
Cooling	1,252	1,093	1,106
Energy intensity per products traded (MWh/Mt)	0.031	0.040	0.048

<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 includes Noble Group's beneficiary ships, chartering, assets, worldwide offices and publication. The GHG inventory is assured by TÜV NORD CERT GmbH according to ISO 14064 standard. This GHG emissions calculation covers all relevant GHGs: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF<sub>6</sub>) and nitrogen trifluoride (NF<sub>3</sub>). The inventory has been maintained in a centralised environment data assessment system since 2010.

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

<sup>3</sup> The calculation of market-based GHG emissions is supplemented with location-based emission factors, in case the emissions data of the purchased electricity is unavailable

<sup>4</sup> Data includes business travel, commuting, water and waste, paper use and publication in Noble Group's offices

Our world-class corn ethanol facility, located in South Bend, Indiana began production in 2016. The facility meets the surging demand in eco-friendly transportation fuels with its 102 million gallons of annual 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 clean fuel solution.

Thermal coal with high caloric value, and with lower environmental consequences remains in strong demand in many Asian countries. In our energy coal business, we continue to strengthen our flows of top quality coal with low ash and low sulphur content from Australia, which helps mitigate the impact of coal burning and improve efficiency in coal-fired power generation.

## Pollution Prevention and Mitigation

While ships are universally recognised as the most fuel efficient mode of bulk transportation, 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 logistics solutions. A major component of its success comes from our strategy to use modern ships responsibly.

201-2

Noble is modernising its owned fleet of ships to meet the growing demands of its integrated supply chain strategy. Our new ships are equipped with modern fuel efficient engines. To control and minimise the introduction of nonindigenous species to marine

environments, we have installed ballast water treatment systems on 5 ships. Related investment was estimated to be US\$ 2.5 million in 2016.

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. We require our partners to hold the International Safety Management Code compliance certification in line with International Maritime Organization (IMO) requirements.

302-4, 305-5

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/or "Eco Speed"

since 2012. A monitoring parameter “Energy Efficiency Operational Indicator” is applied across our fleet to measure and improve our overall fuel use efficiency. Five of Noble’s owned ships have Environmental Awareness (EA) certification or equivalent notation. Likewise, our ships comply strictly with the latest IMO regulations to reduce the emissions of sulphur oxide, nitrogen oxide and particulate matter by switching to low sulphur content fuels in Emission Control Areas. In 2016, Noble’s owned ships emitted 27% less CO<sub>2</sub>e emissions (scope 1) per nautical mile compared to 2010.

103-1, 103-2, 103-3, 306-3

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 spills. We are pleased to report that in 2016 we had no spills overboard across our owned fleet operations.

Furthering our commitment to be cost effective and reduce greenhouse gas emissions, we continue using the Greenhouse Gas (GHG) Emissions Rating, a tool developed by RightShip to assess vessel fuel efficiency. The GHG emissions rating, alongside RightShip’s safety rating, form a part of the vessel selection process in our chartering procedures, we also voluntarily use this mechanism to rate our own fleet’s environmental performance.

## Conservation Efforts Around the World

We pursue pragmatic partnerships supporting nature and biodiversity conservation. In our two Indonesian palm oil plantations, our conservation efforts ensure that we not only meet certification standards for sustainable palm oil production, but also create long-term structural improvements to lessen our environmental impact. We are a member of the Roundtable on Sustainable Palm Oil (RSPO) and both plantations are on track to achieve the RSPO certification.

A dedicated team of conservation field staff conducts inventory counts regularly on flora and fauna within, and adjacent to, the plantations. The ongoing biodiversity monitoring is supported with the use of automatic field cameras and mist netting. Information is catalogued in an extensive database that tracks species distribution and abundance, among other data points.

Illegal logging and hunting of protective wildlife causes soil erosion and destruction to important habitats. Throughout 2016, we continued to install boundary markings and informative sign boards at the conservation reserve areas. We monitor the locations of destruction and rehabilitate the land through our tree planting and community education programme. Engagement with local communities is a key component to the success of our programme. Staff exchange knowledge and best practices with local villages to promote sustainability and to help preserve traditional ways of life. In 2016, we planted more than 6,600 seeds in our two seedbed maintenance nurseries and 3,300 seedlings of forest plants, while maintaining over 2,000 planted trees around our mill.

In 2012, 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.

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



# Responsible Supply Chain

A thorough understanding of our trade flows enables us to create value for customers and society at large. Wherever we source products, we believe the workers that have produced them and the communities living near the sourcing locations should be treated with dignity and respect. We want to ensure that there is no link between our business activities and adverse human rights impacts through our business relationships.

We take a holistic approach to managing these supply chain risks. This includes implementing robust due diligence and continuous monitoring programmes to evaluate and manage foreseeable risks and social impact from our supply chains. Through ongoing community involvement and consultation, we tailor engagement programmes to address community concerns; in particular, we acknowledge the rights of indigenous people to customary land. We support rural social infrastructure and improve access to quality education, healthcare, clean water and sanitation to benefit host communities. Together, these steps help us develop supply chains in a responsible manner.

## Our Commitment

102-16

Noble is committed to uphold the United Nations Universal Declaration of Human Rights. The Declaration proclaims fundamental human rights principles, while at a community perspective, the access to public services are the foundation for growth and economic development. Our effort to prevent, address and remedy human rights issues is guided by the United Nations Guiding Principles on Business and Human Rights.

Our 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 community members.

From 2016, we will publish an annual statement on the efforts we take to address human rights issues, following the newly enforced United Kingdom Modern Slavery Act 2015. The statement underscores our commitment to supply chain accountability. Together with our sustainability report, it illustrates how we prevent slavery and human trafficking at Noble and in our supply chains.



## Community and Growth

103-1, 103-2, 103-3, 413-1

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

In Asia, the expansion of trade has been a major contributor to prosperity in recent decades. We wish to understand the contribution of international trade to sustainable outcomes. To address this question, we participated in the development of the Hinrich Foundation Sustainable Trade Index. Launched in April 2016, the index aims to measure the capacity of Asian economies in supporting long-term domestic and global goals of economic growth, environmental protection, and strengthening social capital.

In 2016, we continued to make significant community investments in Jamaica and Indonesia, amongst other places. At a global level, we have invested over US\$ 1 million in our global outreach and community projects, not including the costs of administration. The 34 programmes we support have a footprint in 67% of the countries in which

we have a significant presence. Our partnerships on the ground provide local understanding and networks to allow us to identify and deliver services that surrounding communities need the most.

## Indigenous Relations

103-1, 103-2, 103-3, 411-1

Noble recognises its responsibility to foster a respectful and enduring relationship with traditional land owners near our activities. We are committed to obtain their Free, Prior and Informed Consent in advance of any development. 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 2016 we received no formal complaints of any violations of the rights of indigenous people.

## Social and environmental risk management in Project Finance

103-1, 103-2, 103-3

Strategic investments along the supply chain enable greater flexibility to meet our needs for infrastructure, logistics, storage and transport access. In line with our asset-light strategy, we assist our origination partners through participating in funding solutions and using our financial expertise, networks

and know-how to bring product to world markets.

When we participate in a project, we ensure our partners are conducting their business in a socially and environmentally sound way, and free from the risks of modern slavery and human trafficking. Our asset development team and technical consultants (in-house and external) visit target locations to evaluate the inherent risk factors for each transaction. These assessments include consideration of risks arising from past or potential environmental damage, including any possible negative impacts on community health, wellbeing and livelihood.

We have a formalised process to review and approve capital investment, and internal experts are involved to evaluate the analyses and consider any issues that arise. 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.

We typically work in partnership with market-leading asset managers and owners, who originate product for us. The vast majority of whom are public companies, this of itself provides an additional source of transparency. We also usually will have Board representation and, where necessary, we commission further external industry experts to conduct detailed assessments on

the health and safety, and the social and environmental performance of our potential investments and origination sources. Following the assessments, we collaborate with our partners to implement recommended policies or processes.

412-3

In 2016, we closed two significant transactions<sup>3</sup> (above US\$5 million), neither of which required enhanced human rights screening as in one case, it was a continuation of an existing contract, while for the other transaction, since it is a greenfield project, an environmental impact assessment will be conducted before construction begins.

### Due diligence for minerals supply chains

103-1, 103-2, 103-3

Noble trades a variety of physical commodities and provides value-enhancing solutions to our network of customers across the globe. 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 our teams unlock new 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. 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 aligned to international management and essential performance standards. 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.

417-1

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 relevant to our minerals trade with the Democratic Republic of Congo and adjoining countries. Consequently we continue to focus on this area of concern to mitigate potential reputational risks and conform to the Organisation for Economic Co-operation and Development (OECD) due diligence guidance to assure we source solely with responsible supply chain participants.

In 2012, we formalised our practice into the Conflict Minerals Policy and created a mechanism to implement the policy. Both our policy and due diligence framework are reviewed annually. In the reporting year, all minerals trades have successfully embedded a new technology solution into our know your

counterparty procedures. It focuses on reducing potential reputational and compliance risks, including human rights practices of suppliers, by implementing further integrity checks to complement existing risk systems. Noble representatives regularly visit suppliers, freight-forwarders, warehouses and port terminals to evaluate compliance effectiveness.

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Noble is a member of the ITRI Tin Supply Chain Initiative (iTSCI) Programme and International Tungsten Industry Association. Under the iTSCI chain of custody system, programme compliance requires that all minerals we handle 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.

<sup>3</sup> The threshold of above US\$5 million is used to define transaction as significant. A committee made up of senior management executives participates in the review process for such transactions.



## Prioritise Rural Infrastructure, Education and Health Care Service

In Indonesia, we tailor our community support to address the root causes of poverty, and tackle developmental challenges in underprivileged regions.

### Improve Road Access in Remote Villages

Rural roads play a critical role in connecting people to facilities and services. In Kalimantan and Papua, we support ongoing road development in remote villages by providing heavy equipment and embankment materials for road maintenance. This includes improving structural conditions of roads, road resurfacing and repairing pot holes. Improved road quality saves travel time and makes the areas accessible to motorised transport.



Developing rural road network to connect villages to social facilities

### Boost School Attendance

According to World Bank statistics, primary school net enrolment rates are below 60% in poor districts of Indonesia, while net enrolment rates in Senior Secondary education are below 50%. To increase access to education, we have provided multiple levels of scholarships to more than 66 villagers. Funding also covers schools' facilities and teachers' wages in South Barito.

Attendance rates in schools are often hindered by the lack of basic facilities and most children are living in remote areas. In 2016, we donated a school bus and table and chair sets to a community in Sorong to help remove barriers to attending school. Our staff volunteers lead scout activities at a junior high school.



Staff volunteer to lead scouting activity



In Sorong, we donated a school bus to shorten commute time to school

### Support Child and Maternal Health Service

Child malnutrition and maternal health are some of the major challenges in the health sector. In some of our sourcing areas, maternal healthcare, nutritional advice and vaccinations is limited to a monthly gathering in the village with health clinic staff and volunteers. We are supporting improved health services through a programme that funds multiple service centres in Sorong (Klamono, Klasafet, Malalilis) and Timika.

In Ipumea village, East Barito, we have been supporting a supplementary feeding programme in collaboration with the regional community health service centre. The programme provides eggs, milk, rice, chicken porridge, green bean porridge, and bread. Currently, 45 children and 50 elderly persons benefit from having extra nutrition in their diets.

# GRI Content Index

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GENERAL DISCLOSURES		EXTERNAL ASSURANCE	PAGE	REMARKS/OMISSIONS
ORGANIZATIONAL PROFILE				
102-1	Noble Group	✓	About Noble Group (3)	
102-2	Primary brands, products and services	✓	About Noble Group (3) 2016 Annual Report (9-11)	
102-3	Noble Group's headquarters	✓	Head Office (1)	
102-4	Countries of operations	✓	About Noble Group (3) 2016 Annual Report (8-11)	
102-5	Ownership and legal form	✓	About Noble Group (3)	
102-6	Market served	✓	About Noble Group (3) 2016 Annual Report (6-7)	
102-7	Scale of the organisation	✓	About Noble Group (3) Our People (12) 2016 Annual Report (6-7, 46-54, 145)	
102-8	Employee and workforce information	✓	Our People (12)	
102-9	Supply chain description	✓	About Noble Group (3)	
102-10	Significant changes to the organisation	✓	2016 Annual Report (2-4)	
102-11	Precautionary approach	✓	Business Integrity (17)	
102-12	External charters and principles	✓	Co-CEO's Message (2)	
102-13	Memberships of associations	✓	Co-CEO's Message (2) Business Integrity (18) Environment (22, 24) Responsible Supply Chain (26)	
STRATEGY				
102-14	CEO message	✓	Co-CEO's Message (2)	
ETHICS AND INTEGRITY				
102-16	Values, principles, standards and norms	✓	Our People (11) Business Integrity (16, 17) Environment (20) Responsible Supply Chain (24)	
GOVERNANCE				
102-18	Governance structure	✓	Roles and governance (17) 2016 Annual Report (28-45)	
STAKEHOLDER ENGAGEMENT				
102-40	List of stakeholder groups	✓	Understanding our Responsibility (5)	
102-41	Collective bargaining agreements	✓	Our People (13)	Noble's workforce being mostly office-based is not covered by specific collective bargaining agreements.
102-42	Identification of stakeholders	✓	Understanding our Responsibility (5)	
102-43	Approach to stakeholder engagement	✓	Understanding our Responsibility (5)	
102-44	Key concerns raised by stakeholders	✓	Understanding our Responsibility (5)	
REPORTING PRACTICE				
102-45	Entities included in the financial statements	✓	2016 Annual Report (145) <a href="http://www.thisisnoble.com/images/ar2016.pdf">http://www.thisisnoble.com/images/ar2016.pdf</a>	
102-46	Report content and aspect boundaries	✓	About this Report (4) Identifying Material Issues (6-7)	
102-47	List of material aspects	✓	identifying material issues (6-7)	
102-48	Effect of any restatements	✓	No restatements from previous year	
102-49	Significant changes to scope and aspect boundaries	✓	No significant changes from previous year	
REPORT PROFILE				
102-50	Reporting period	✓	About this Report (4)	
102-51	Date of previous report	✓	May 31, 2016	
102-52	Reporting cycle	✓	About this Report (4)	
102-53	Contact point	✓	Head Office (1)	
102-54	This report has been prepared in accordance with the GRI Standards: Core option	✓	External Assurance (4) GRI content index (28-30)	
102-55	GRI content index	✓	GRI content index (28-30)	
102-56	External assurance policy and practice	✓	External Assurance (4) Ernst & Young's Assurance Statement (31-32)	



TOPIC-SPECIFIC STANDARDS		EXTERNAL ASSURANCE	PAGE	REMARKS/OMISSIONS
<b>ECONOMIC</b>				
<b>ECONOMIC PERFORMANCE</b>				
103-1, 103-2, 103-3	Management Approach	✓	2016 Annual Report (2-4)	
201-1	Direct economic value generated and distributed	✓	2016 Annual Report (46-54) Financial Highlights (4)	
201-2	Financial implications and other risks and opportunities for the organization's activities due to climate change	✓	Environment (21,22)	
201-3	Coverage of the organization's defined benefit plan obligations	✓	2016 Annual Report (161) Our People (12)	
<b>ANTI-CORRUPTION</b>				
103-1, 103-2, 103-3	Management Approach	✓	Business Integrity (18-19)	
205-1	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	✓	Business Integrity (18)	
205-2	Communication and training on anti-corruption policies and procedures	✓	Business Integrity (19)	
205-3	Confirmed incidents of corruption and actions taken	✓	Business Integrity (18)	
<b>ENVIRONMENTAL</b>				
<b>ENERGY</b>				
103-1, 103-2, 103-3	Management Approach	✓	Environment (21)	
302-1	Energy Consumption Within the Organization	✓	Environment (22)	
302-3	Energy Intensity	✓	Environment (22)	
302-4	Reduction of Energy Consumption	✓	Environment (21-23)	
<b>EMISSIONS</b>				
103-1, 103-2, 103-3	Management Approach	✓	Environment (21)	
305-1	Direct Greenhouse Gas (GHG) Emissions (Scope 1)	✓	Environment (22)	
305-2	Energy Indirect Greenhouse Gas (GHG) Emissions (Scope 2)	✓	Environment (22)	
305-3	Other Indirect Greenhouse Gas (GHG) Emissions (Scope 3)	✓	Environment (22)	
305-4	Greenhouse Gas (GHG) Emissions Intensity	✓	Environment (22)	
305-5	Reduction of Greenhouse Gas (GHG) Emissions		Environment (21-23)	
<b>EFFLUENTS AND WASTE</b>				
103-1, 103-2, 103-3	Management Approach	✓	Environment (23)	
306-3	Total number and volume of significant spills	✓	Environment (23)	
<b>COMPLIANCE</b>				
103-1, 103-2, 103-3	Management Approach	✓	Environment (20)	
307-1	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	✓	Environment (20)	
<b>SOCIAL</b>				
<b>EMPLOYMENT</b>				
103-1, 103-2, 103-3	Management Approach	✓	Our People (12-15)	Our disclosure includes both employees and contractors.
401-1	Total number and rates of new employee hires and employee turnover by age group, gender and region	✓	Our People (14)	
<b>LABOR/MANAGEMENT RELATIONS</b>				
103-1, 103-2, 103-3	Management Approach	✓	Our People (12-13)	
402-1	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	✓	Our People (12-13)	
<b>OCCUPATIONAL HEALTH AND SAFETY</b>				
103-1, 103-2, 103-3	Management Approach	✓	Our People (14)	
403-2	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	✓	Our People (15)	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 targets to report other occupational health and safety data in 2017.
<b>TRAINING AND EDUCATION</b>				
103-1, 103-2, 103-3	Management Approach	✓	Our People (12-14)	

TOPIC-SPECIFIC STANDARDS		EXTERNAL ASSURANCE	PAGE	REMARKS/OMISSIONS
404-3	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	✓	Our People (12-13)	It is our regular practice to include permanent employees who are employed on 30 September of the performance year in our appraisal process. In 2016, we did not enforce the appraisal process for all employees, as we focused on macro changes around our business, and secondly, there was wider dialogue on the effectiveness of this process.
<b>DIVERSITY AND EQUAL OPPORTUNITY</b>				
103-1, 103-2, 103-3	Management Approach	✓	Our People (13-14)	
405-1	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	✓	Our People (12,17)	
<b>NON-DISCRIMINATION</b>				
103-1, 103-2, 103-3	Management Approach	✓	Our People (13-14)	
406-1	Total number of incidents of discrimination and corrective actions taken	✓	Our People (13-14)	
<b>FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING</b>				
103-1, 103-2, 103-3	Management Approach	✓	Our People (12-13)	Our disclosure includes both employees and contractors.
407-1	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	✓	Our People (12-13)	
<b>CHILD LABOR</b>				
103-1, 103-2, 103-3	Management Approach	✓	Responsible Supply Chain (24-26)	
408-1	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	✓		Noble's major operations are office-based, therefore child labor 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.
<b>FORCED OR COMPULSORY LABOR</b>				
103-1, 103-2, 103-3	Management Approach	✓	Responsible Supply Chain (24-26)	
409-1	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	✓		Noble's major operations are office-based, therefore forced labor 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.
<b>INDIGENOUS RIGHTS</b>				
103-1, 103-2, 103-3	Management Approach	✓	Responsible Supply Chain (25)	
411-1	Total number of incidents of violations involving rights of indigenous peoples and actions taken	✓	Responsible Supply Chain (25)	
<b>INVESTMENT</b>				
103-1, 103-2, 103-3	Management Approach	✓	Responsible Supply Chain (25-26)	
412-3	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	✓	Responsible Supply Chain (26)	
<b>LOCAL COMMUNITIES</b>				
103-1, 103-2, 103-3	Management Approach	✓	Responsible Supply Chain (25)	
413-1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	✓	Our People (15) Responsible Supply Chain (25)	
<b>PRODUCT AND SERVICE LABELING</b>				
103-1, 103-2, 103-3	Management Approach	✓	Responsible Supply Chain (26)	
417-1	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	✓	Responsible Supply Chain (26)	
<b>COMPLIANCE</b>				
103-1, 103-2, 103-3	Management Approach	✓	Business Integrity (18)	
419-1	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations in the social and economic area	✓	Business Integrity (18)	



# Ernst & Young's Assurance Statement

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## Independent Limited Assurance Report in relation to Noble Group Limited's Sustainability Report 2017

### 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 Sustainability Report 2017 (the "Report"). Noble has defined the scope of the Report in the GRI Index on pages 28-30 in the Report.

#### Subject Matter and Applicable Criteria

The Subject Matter for our limited assurance engagement included:

- The selected sustainability performance indicators listed on pages 28-30 (except for indicators under "Energy" and "Emissions") for the year ended 31 December 2016.
- Disclosures on stakeholder engagement and materiality assessment.
- Reported alignment to the self-declared 'Core Option' of the 'in accordance' requirements of the Global Reporting Initiative's ('GRI') Sustainability Reporting Standards.

The following criteria have been applied:

- The principles of Inclusivity, Materiality and Responsiveness ("the Principles"), in AA1000 AccountAbility Principles Standard 2008 ("AA1000APS(2008)") issued by AccountAbility.
- Specific criteria from the 'Core Option' of the GRI Sustainability Reporting Standards (the "GRI Standards") issued by the GRI.

#### 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, namely the Principles in AA1000APS(2008), and the specific criteria from the 'Core Option' of the GRI Standards.

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, is to carry out a limited assurance engagement in respect of the Subject Matter contained within the Report, and to express a limited assurance conclusion based on our engagement. 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, issued by the International Auditing and Assurance Standards Board and in accordance with the requirements

of a Type 2 assurance engagement in AA1000 Assurance Standard 2008 ("AA1000AS(2008)") issued by AccountAbility. The reporting criteria as set out in the 'Core Option' of the GRI Standards and the Principles as set out in AA1000APS(2008) 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;
- Understanding the 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 checking related supporting documents;
- Performing analytical tests and detailed testing for material



- qualitative and quantitative information on a sample basis;
- Checking the arithmetical accuracy of the calculations performed;
- Checking if 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 Standards; and
- Assessing Noble's disclosures associated with the alignment to the Principles in AA1000APS(2008).

### Inherent Limitations

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 AA1000APS(2008) and the GRI principles is subjective and will be interpreted differently by different stakeholder groups.

Our assurance was limited to Noble's Sustainability Report 2017. 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 conclusion or an audit opinion, as the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would be obtained had a reasonable assurance engagement been performed. 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.

### Limited Assurance Conclusion

Based on the limited assurance procedures specified above, nothing has come to our attention that causes us to believe that the Subject Matter has not been reported and presented fairly, in all material respects, in accordance with the applicable criteria.

### 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 this report is entirely at its own risk.

The applicable criteria are designed solely for the purpose of the preparation of the Subject Matter included in the

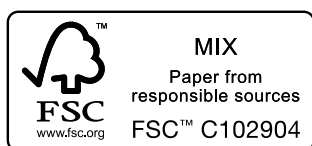
Report and, as a result, the subject matter information may not be suitable for another purpose.

### Independence and Quality Control

We have complied with the independence and ethical requirements of the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants and the Code of Ethics issued by the International Ethics Standards Board for Accountants which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Control (HKSQC) 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements" which conforms with International Standard on Quality Control (ISQC) 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and other Assurance and Related Services Engagements".

Ernst & Young  
Hong Kong  
26 May 2017



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FSC™ certified paper with soy ink.

