

Eni for Human rights

July 2021



Mission

We are an energy company.

- 13 15** We concretely support a just energy transition, with the objective of preserving our planet
- 7 12** and promoting an efficient and sustainable access to energy for all.
- 9** Our work is based on passion and innovation, on our unique strengths and skills,
- 5 10** on the equal dignity of each person, recognizing diversity as a key value for human development, on the responsibility, integrity and transparency of our actions.
- 17** We believe in the value of long-term partnerships with the Countries and communities where we operate, bringing long-lasting prosperity for all.

The mission represents more explicitly the Eni's path to face the global challenges, contributing to achieve the SDGs determined by the UN in order to clearly address the actions to be implemented by all the involved players.

Global goals for a sustainable development

The 2030 Agenda for Sustainable Development, presented in September 2015, identifies the 17 Sustainable Development Goals (SDGs) which represent the common targets of sustainable development on the current complex social problems. These goals are an important reference for the international community and Eni in managing activities in those Countries in which it operates.



On the cover: The floating production, storage and offloading (FPSO) unit Olombedo in Angola, which operates in East Hub and was named after a traditional wind instrument of the Ovimbundu people, a Bantu ethnic group from the centre of Angola.

Some photos contained in this report were taken by Eni colleagues who participated in an internal Photo Contest organized to help Eni to describe its sustainability path.

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Why read Eni for Human rights?

This is an updated version of the Eni's human rights report – released in June 2020 – aimed at illustrating its commitment to respect for human rights in compliance with the UN Guiding Principles (UNGPs) and in line with the main recommendations of the UN Guiding Principles Reporting Framework (published in February 2015).

The Introduction of the Report provides an overview of Eni's activities and the relevant challenges and opportunities in terms of respect for human rights, also taking into consideration the evolution of the business and human rights scenario. Eni's approach to human rights builds on these premises and mirrors the structure of the UNGPs. The document analyses the three main components of Eni's approach:

- commitment to respect for human rights, including the internal policies and rules on human rights, how they are integrated in Corporate Governance, the awareness and training initiatives and the long-term relationships with human rights experts and organizations;
- the human rights due diligence where, in addition to a description of cross-cutting impact assessment processes, information on due diligence is provided with specific reference to Eni's human rights salient issues;
- access to remedy, which describes the methodology and the process applied by Eni to provide access to remedial measures in the event of impacts resulting from or associated to its activities.

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Focus **HEALTH EMERGENCY**



Message to our Stakeholders

Last year was marked by the world health crisis due to COVID-19, which will be remembered over time for the impact it has had on global economies, energy use and on society as a whole. Profound effects of the crisis will be evident in particular in non-OECD countries.

In tackling COVID-19, we reacted promptly, making the most of the experience we have gained in past pandemics, such as SARS-CoV-1 and Ebola. We mobilised relevant resources in terms of economics, and human and technological capital, to support our country, our people and the communities where Eni operates.

As the world continues to cope with the impacts of COVID-19, it is essential that the efforts to support economic recovery are aligned with the path to net zero. That is why, during the last year, we have worked even harder to make our targets stronger. We have taken the momentum to strengthen our climate commitment and our role in a just energy transition, boosting the strategy that will allow Eni to reach complete carbon neutrality by 2050.

The commitments we have made to continue our transformation process are concrete, sound and scalable. Our plans are in line with the Paris Agreement's highest ambition to keep global warming within 1.5°C. At the same time, we want to be a leader in delivering a transition that is fair and inclusive from a social perspective. We are now at an historic turning point and each of us needs to play an active role. To be successful in delivering on such a complex and delicate process as the energy transition, we need to shape ad hoc solutions for each economic entity and country, taking into consideration the specificities of different stakeholders and different geographical contexts. We can follow different paths, pursuing the common goal to protect our planet while giving access to energy to everyone. We cannot move on too quickly, leaving others behind. We cannot move on too slowly, risking missing our target.

We want to grow in an inclusive way: for us, respecting human rights means recognising the value of each person, ensuring their dignity, health and safety, and equal working conditions, as well as promoting diversity. This starts with the relationships we have with our employees and co-workers, and extends to our relationships with local communities, governments, suppliers and business partners, as well as to security activities and labour rights. We commit to fostering an open dialogue wherever we operate, by building bridges with host countries, especially in critical areas, and supporting them towards sustainable development.

June 2021 marked the 10th anniversary of the unanimous endorsement by the United Nations Human Rights Council of the UN Guiding Principles on Business and Human Rights (UNGPs), a cornerstone in defining an authoritative international framework outlining the role and responsibilities of enterprises in relation to human rights. With the introduction of the UNGPs, companies are expected to make a clear commitment to respecting human rights and practising due diligence by proactively seeking information about the human rights impacts of their activities, while mitigating the negative impacts, whether these impacts are directly or indirectly connected with their own operations.

For Eni, this anniversary represented an opportunity to take stock of the work done over the past years to give new strength to our approach to human rights. It has been a fruitful journey to progressively consolidating our commitment on human rights. In 2016, I chaired the internal event 'Raising awareness of human rights in Eni's activities' and thereafter many people were involved in an internal programme to spread and disseminate responsibility on human rights. In 2017, a multifunctional working group was established and over 150 colleagues from more than 50 Eni functions were involved in implementing a challenging action plan. One of the key outputs achieved by the Working Group is Eni's Statement on Respect for Human Rights, approved by the Board of Directors in 2018. To make concrete the commitments made in the Statement, in 2020 we consolidated our due diligence framework, defining specific risk models for all the riskiest processes.

We have also consolidated our operational tools to evaluate and manage risks related to human rights: we have acquired expertise on carrying out Human Rights Impact Assessments on the most at-risk industrial projects and defining specific action plans to manage the impacts identified; we have become an 'Engaged Company' in the Voluntary Principles on Security and Human Rights, a multi-stakeholder initiative dedicated to ensuring human rights in security operations; we have structured our collaboration approach with suppliers by adopting a Code of Conduct. With this in mind, we have also launched the JUST programme – Join Us in a Sustainable Transition – aimed at involving our suppliers in the energy transition process, promoting further collaboration with the best companies in the market, in the hope of protecting our mutual commitment to the fundamental values of sustainability,

integrity of behaviour and protection of human rights; and we have launched the digital platform Open-es to foster measurement and management of suppliers' environment, social and governance (ESG) metrics.

The solidity and effectiveness of our approach has been recognised by the Corporate Human Rights Benchmark, which in 2020 ranked us first together with another company from a different business sector, evidenced by the results obtained from other specific initiatives we have voluntarily taken part in – acting as pioneers in the industry – such as the Workforce Disclosure Initiative.

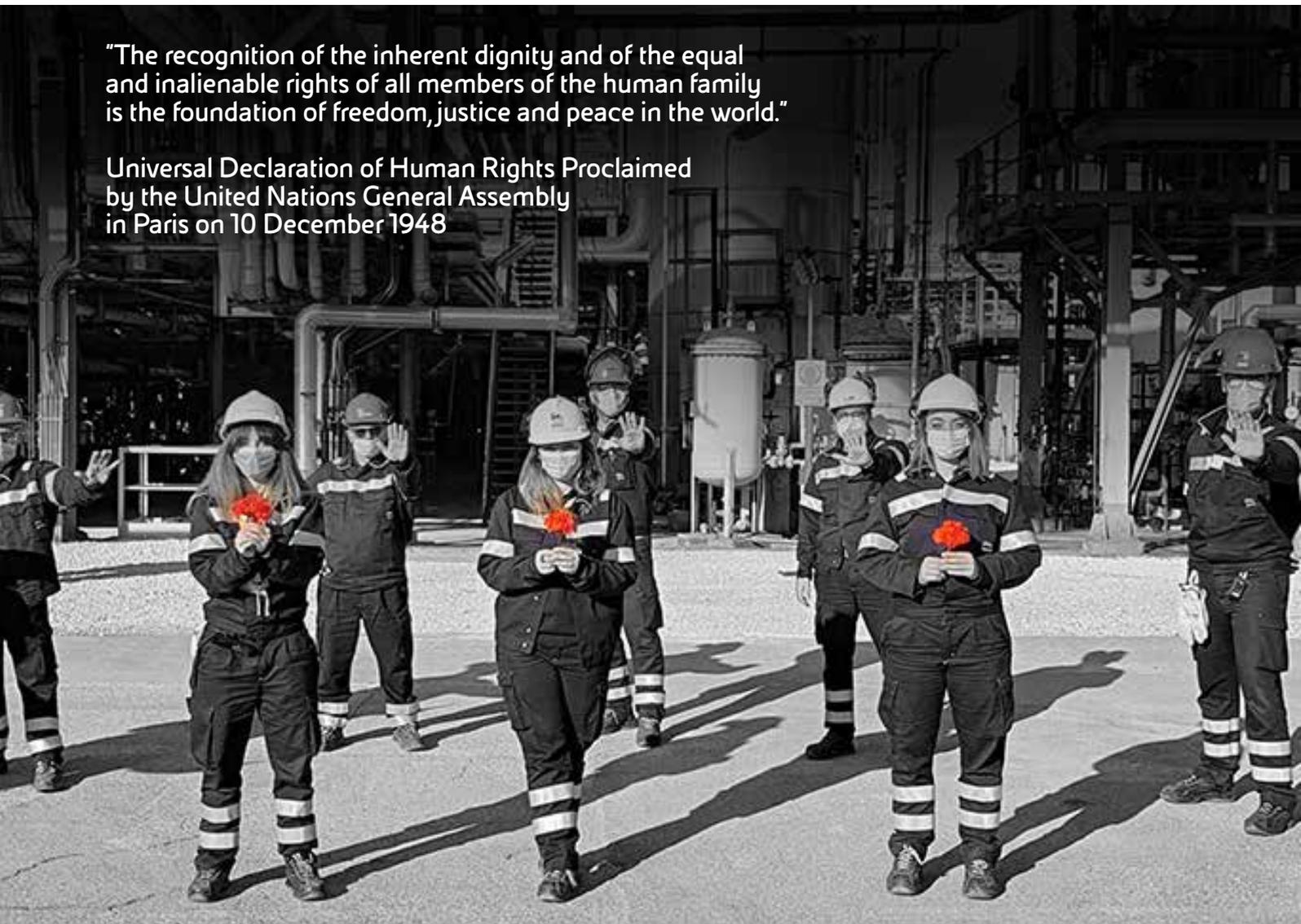
We are aware of the growing interest on the subject by both investors and policymakers, especially from European institutions. We firmly believe that the efforts made in recent years will allow us to properly address society and investors' expectations: we are ready to face the regulatory requirements emerging internationally, which will require companies to adopt mandatory due diligence on human rights.

It is time to be aware that the challenges of the current global context can only be faced and overcome by looking to the future, with the dignity of every human being as a compass. To be successful, each of us must play a role in a just transition process, placing ourselves at the service of others.

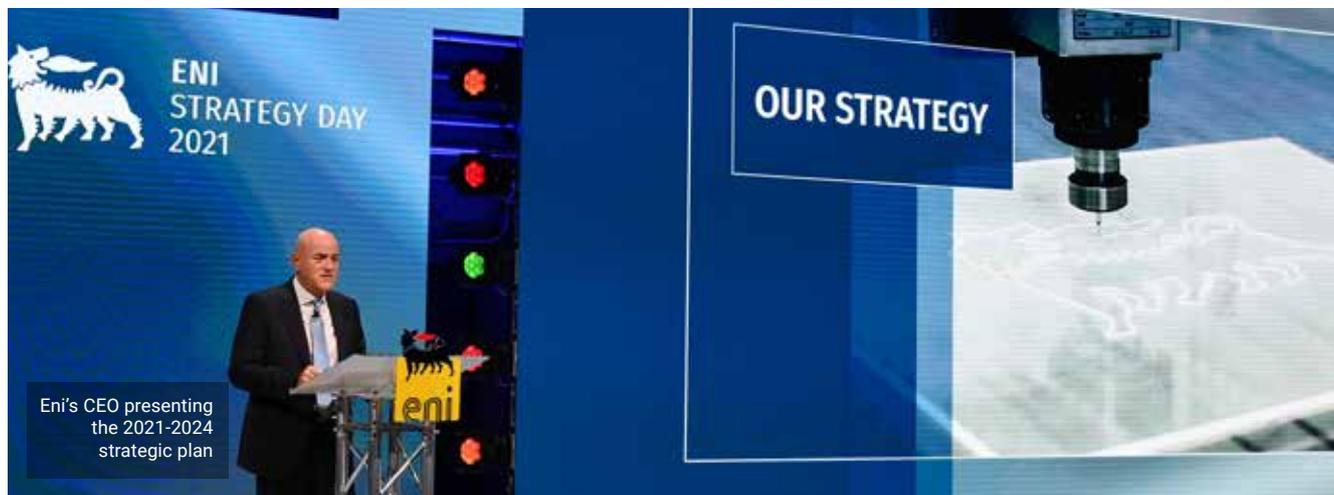
Claudio Descalzi
Chief Executive Officer

"The recognition of the inherent dignity and of the equal and inalienable rights of all members of the human family is the foundation of freedom, justice and peace in the world."

**Universal Declaration of Human Rights Proclaimed
by the United Nations General Assembly
in Paris on 10 December 1948**



Business model



Eni's business model is focused on creating value for all its stakeholders through a strong presence along the entire value chain

Eni organically combines its business plan with the principles of environmental and social sustainability, extending its range of action along three pillars:

- 1. operational excellence;**
- 2. carbon neutrality by 2050;**
- 3. alliances for development.**

1. First of all, Eni business is constantly focused on operational excellence. This translates into an ongoing commitment to valuing people, safeguarding both the health and safety of people and asset integrity, protecting the environment, integrity and respect for human rights, resilience and diversification of activities and ensuring sound financial discipline. These elements allow the company to seize the opportunities related to the possible evolutions of the energy market and to continue on the path of transformation.

2. Second, Eni's business model envisages a decarbonisation path towards carbon neutrality based on an approach oriented to emissions generated throughout the life cycle of energy products and on a set of actions that will lead to the total decarbonisation of processes and products by 2050. This path, achieved through existing technologies, will allow Eni to totally reduce its carbon footprint, both in terms of net emissions and in terms of net carbon intensity.

3. The third guideline refers to alliances for the promotion of development through the enhancement of the resources of the Countries where it operates, promoting access to electricity and promoting Local Development Programmes (LDPs) with a broad portfolio of initiatives in favour of communities. This distinctive approach, referred to as Dual Flag, is based on collaborations with other internationally recognized players in order to identify the needs of communities in line with the National Development Plans and the United Nations 2030 Agenda. Eni is also committed to creating job opportunities and transferring its know-how and expertise to its local partners.

Eni's business model is developed along these three pillars by leveraging internal expertise, the development and application of innovative technologies and the digitalization process.

A fundamental element of the business model is the Corporate Governance system, inspired by the principles of transparency and integrity, outlined further in the Governance section.

VALUE CREATION FOR ALL STAKEHOLDERS

Through integrated presence in the entire energy value chain

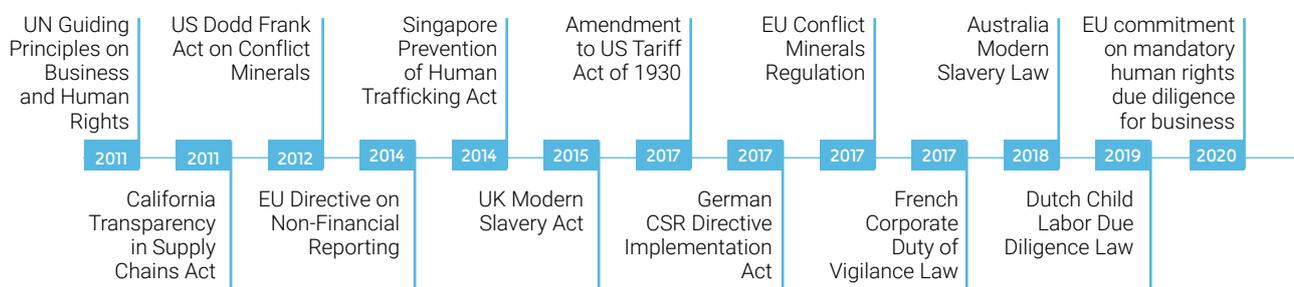


Scenario

To face the risks and opportunities of Eni's activities and regional presence it is important to understand the global landscape

Eni works in 68 different Countries, with around 31,000 employees all over the world. We are aware that Eni's regional presence and business activities and relationships pose remarkable risks and opportunities. It is interesting to acknowledge, however, that the landscape and the rules of the game are continuously changing. States are increasingly conscious of the importance of the Business and Human Rights workstream and willing to advance their agenda in terms of both regulations and initiatives aimed at accompanying and supporting private sector and civil society actors. Since 2011, when the United Nations adopted the "Guiding Principles on Business and Human Rights", legislations, initiatives, standards and documents on the issue have proliferated at international and domestic level.

New international references in the field of human rights



Since 2011, when the United Nations published its "Guiding Principles on Business and Human Rights", relevant legislation and documents have proliferated worldwide. Internationally, in particular at the European level, there is a constant and growing focus on the introduction of regulatory prescriptions providing for reporting obligations and due diligence processes on human rights by companies.

Source: Eni revision of the CEO Guide to Human Rights, WBCSD 2020

The evolution of the regulatory framework

Since 2011, international references to business and human right have been multiplied, from a regulatory and non-regulatory perspective. In addition, Europe is experiencing a constant and growing attention towards the introduction of other regulatory provisions providing human rights reporting obligations or due diligence requirements. In 13 EU countries these initiatives are under discussion and at regional level the EU Commissioner for Justice has recently announced that the EU plans to develop a legislative proposal on mandatory human rights and environmental due diligence in 2021.

A growing public attention to companies' respect for human rights

The availability of data, information and practices on businesses' approach to human rights has grown considerably, and they are now available to a wide audience, including consumers who can make responsible choices aware of companies' practices. A pivotal role is played by specialized organizations and think tanks that have collected and spread such information.

Groups of investors are joining forces to evaluate companies' commitment and actions to respect human rights

More than 85 investors and civil society organizations led a unique collaboration, the **Corporate Human Rights Benchmark** (CHRB), dedicated to creating the first open and public benchmark of corporate human rights performance. CHRB every year compares the approach and performances of over 200 companies worldwide and draws up a public and free ranking.

The **Workforce Disclosure Initiative** (WDI) – carried out by ShareAction, a no profit organization in the UK – over the past few years has worked with institutional investors to improve corporate workforce transparency about both companies' workers and those employed in their value chains.

(1) It was founded to bring further expertise to the European Parliament on topics related to responsible business and to increase discussion between various stakeholder groups and EU institutions.

MAIN HUMAN RIGHTS CHALLENGES LINKED TO THE SUSTAINABLE DEVELOPMENT GOALS (SDGS)

The UN’s 2030 Agenda for Sustainable Development, presented in New York in September 2015, identifies 17 Sustainable Development Goals (SDGs) which represent common goals for the current complex challenges and are an important reference for the international community. The Agenda recalls the importance of the Universal Declaration of Human Rights, as well as other international instruments relating to human rights, and remarks that the SDGs seek to realize the human rights of all.

Eni is aware that promoting respect for human rights in its business and value chain is a cornerstone for the achievement of the SDGs and their 169 targets. A study issued by the Danish Institute for Human Rights² outlines how human rights and the 2030 Agenda are interwoven, with 92% of the SDGs’ targets linked to international human rights instruments.

Eni’s strategy of promoting human rights and recognizing the dignity of the human person must face global challenges both outside the organization, as guaranteeing access to energy, basic sanitation and various forms of education of the communities in the Countries where it operates, and within its business, as protecting from accidents its workforce and guaranteeing equal pay for men and women, as well as enforcing the respect of the workers’ rights along its value chain.

SUSTAINABLE DEVELOPMENT GOALS



(2) “Human rights and the 2030 Agenda for sustainable development.”

Un Guiding Principles on Business and Human Rights

The **UN Guiding Principles on Business and Human Rights** (UNGPs) are a set of guidelines developed by Professor John Ruggie, UN Special Representative on the issue of human rights and transnational corporations and other business enterprises. In 2011, the UN Human Rights Council unanimously endorsed the Guiding Principles for Business and Human Rights, making the principles the first authoritative standard on human rights and corporate responsibility to be endorsed by the United Nations.

The UN Guiding Principles on Business and Human Rights rest on three pillars:

PROTECT	THE STATE DUTY TO PROTECT	States must protect against human rights abuses by third parties, including business enterprises, through regulation, policymaking, investigation, and enforcement
RESPECT	THE CORPORATE RESPONSIBILITY TO RESPECT	Companies should carry out proper due diligence processes to minimize and address potential negative impacts on human rights
REMEDY	THE VICTIMS, RIGHT TO ACCESS TO EFFECTIVE REMEDY	The need for rights and obligations to be matched to appropriate and effective remedies through judicial, administrative, and legislative means. Companies have the responsibility to prevent and remediate any human rights violations that they contribute to

In order to meet their responsibility to respect for human rights, companies should adopt specific policy commitment on human rights and a due diligence process. The Guiding Principles provide for the implementation of due diligence to identify, address and mitigate human rights impacts. In particular, companies are expected to: i) assess actual and potential human rights impacts; ii) integrate and act upon the findings; iii) monitor and track performance; and iv) report how impacts are addressed.

The framework itself reflects the international community's efforts to reach consensus over outstanding issues such as:

What needs to be done to ensure that people have their human rights protected, respected and promoted?	Who are the duty bearers in this regard?
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The Guiding Principles apply to all States and all businesses worldwide and are currently being implemented by companies, governments and their stakeholders everywhere in the world.

Industry associations like IPIECA played a key role in disseminating and operationalising the UN Guiding Principles, also by publishing guidelines and tools on fundamental topics such as Human Rights Impact Assessments and grievance mechanisms

Following the adoption of the UN Guiding Principles, the Business and Human Rights international agenda has been further developed. The main international standards on social performance, such as the OECD Guidelines for Multinational Enterprises and the IFC Performance Standards, were subject to review namely in 2011 and 2012 in order to align them with the UN Guiding Principles. Sectorial initiatives launched by Regional Bodies, such as the European Commission Oil & Gas Sector Guidance on Business and Human Rights approved in 2013, were powerful catalysts of these widespread efforts towards a new common ground. Further examples of this development was the release of the G4 version of GRI's Sustainability Reporting Guidelines in 2013 (evolved into the GRI Standards), which recognized the importance of due diligence and identified links to the UN Guiding Principles. Industry associations like IPIECA played a key role in disseminating and operationalising the UN Guiding Principles, also by publishing guidelines and tools on fundamental topics such as Human Rights Impact Assessments and grievance mechanisms. Eni participated in most consultation processes preceding the issuance of these standards providing inputs based on its experience and criticalities.

Eni's approach to human rights

Eni's approach to human rights is integrated into its **mission** and it is carefully explained in Eni's Statement on Respect for Human Rights, approved by the Board of Directors in December 2018. Eni's vision of human rights builds on the dignity of every human being and on companies' responsibility to contribute to the well-being of local individuals and communities. This vision goes beyond obtaining a social licence to operate: it is an integral part of Eni's identity and its way of doing business.

Indeed, Eni believes that business must respect internationally recognized human rights, as established in the UN Guiding Principles on Business and Human Rights. As seen in the previous paragraph, the paramount importance of upholding the business and human rights framework is also confirmed by the current landscape at global level.

Eni's approach to human rights due diligence has been developed in line with the evolution of the business and human rights framework and mirrors the UN Guiding Principles' structure:

Commitment to respect for human rights	Due diligence	Access to remedy
<p>See section Eni's commitment to respect for human rights</p>	<p>See section Human rights due diligence</p>	<p>See section Access to remedy</p>
<p><i>Eni's Statement on Respect for Human Rights expresses the company's commitment to respect for human rights in line with the UN Guiding Principles on Business and Human Rights. Human rights are also embedded in Eni's policies and governance processes. Furthermore, Eni values continuous engagement and training on human rights for its people and its business partners, starting from communication initiatives from the highest level; and works with other organizations to improve its performance and promote the implementation of the business and human rights agenda.</i></p>	<p>Eni has developed a wide range of processes and tools to assess its salient human rights issues, risks and impacts; in addition, it applies the due diligence requirement to its salient human rights issues. Eni assesses and monitors its risks and identifies customized strategies and solutions in an ongoing effort to be more effective in preventing and mitigating its impact. It has also been working on the design, implementation and reporting of Eni's human rights due diligence process to ensure its alignment with the UN Guiding Principles on Business and Human Rights.</p>	<p>Eni has defined a "Grievance Mechanism" for handling communities and individuals' grievances; and it has a whistleblowing process in place that enables anyone to send information concerning violations of the Code of Ethics, including human rights issues.</p>

Eni in the Corporate Human Rights Benchmark assessment

CHRB is an initiative resulting from the collaboration between investors and civil society organisations to create the first public benchmark to assess companies' performance with respect to human rights, in line with UNGPs. The initiative annually compares the world's largest companies in the extractive, agricultural products, apparel, ICT, manufacturing and since 2020 automotive sectors. Due to the global pandemic, in 2020 the companies taking part in the benchmark were judged on a restricted set of indicators related to the three pillars of the UNGPs. Eni confirmed its leadership in its approach to human rights, ranking first among the around 200 companies assessed by the CHRB in 2020, *ex aequo* with only one other company. The work carried out in recent years has enabled Eni to further improve its performance with a considerable increase in score, thanks to the strengthening of due diligence processes, monitoring and evaluation of the effectiveness of the actions taken to identify risks and deal with possible impacts, also with a view to constantly improving its approach, and the accessibility of this information.

In 2020, Eni ranked first among the around 200 companies assessed by the Corporate Human Rights Benchmark (CHRB), *ex aequo* with only one other company

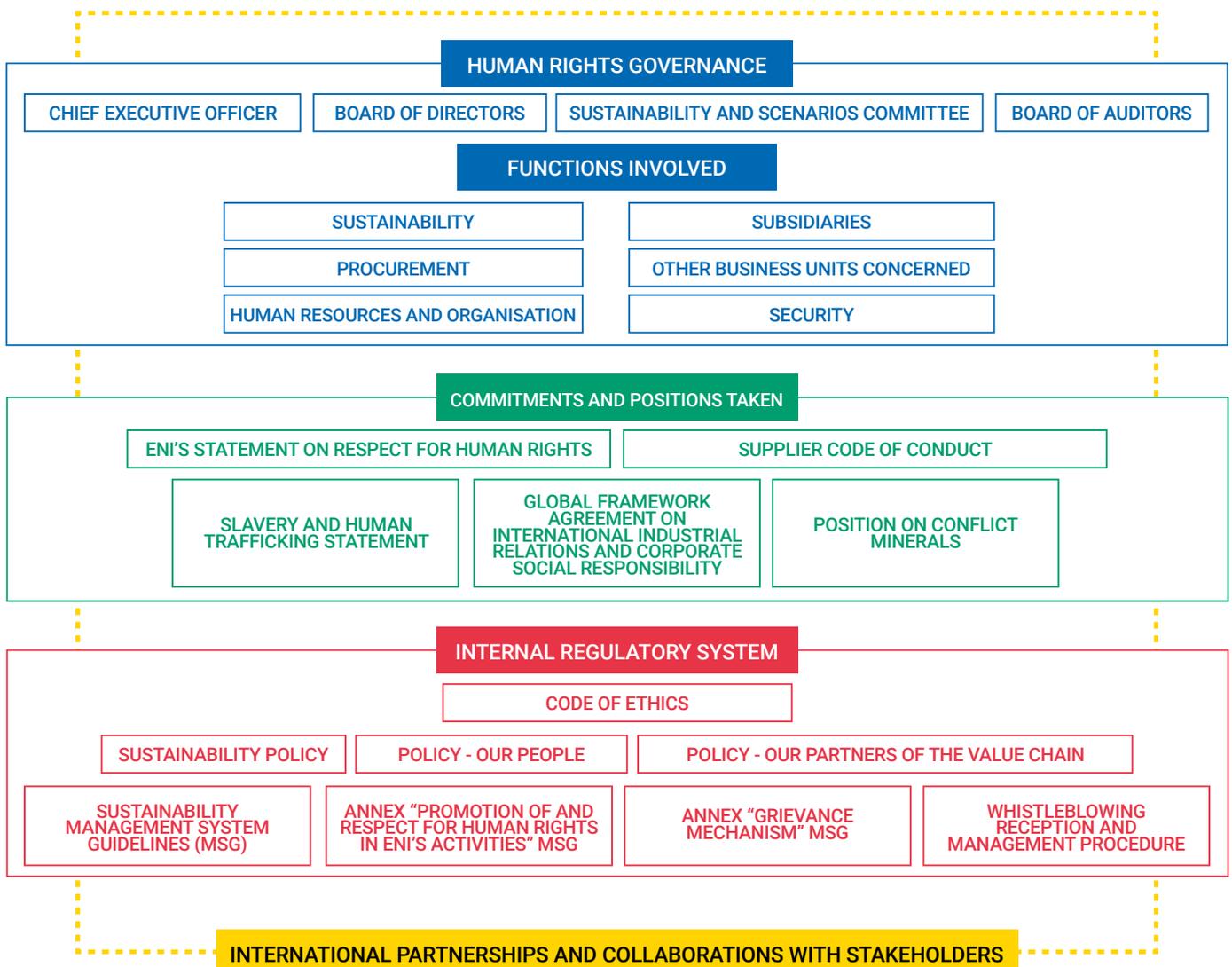
Eni's commitment to respect for human rights

How Eni integrates human rights in its activities

Eni started to integrate respect for human rights into its policies, procedures and practices since 2000s, which led to the publication of Eni's Statement on Respect for Human Rights in 2018. Eni's commitment towards human rights starts from the top with the CEO and the Board of Directors and spreads along the entire organization. To ensure that everybody who works in or for Eni is aware of the importance the company places on human rights, Eni developed training and awareness-raising activities dedicated to its employees and business partners. Moreover, Eni collaborates with human rights experts and organizations to contribute to the debate on the topic.

This section presents information on:

- The evolution of Eni's human rights legal framework, in terms of human rights integration into policies and practices [see p. 11](#);
- Eni's Statement on Respect for Human Rights [see p. 12](#);
- Human rights reflected in Eni's internal policies, including a description of policies, procedures and guidelines [see p. 14](#);
- Human rights governance, including performance incentives [see p. 18](#);
- Communicating commitment: Eni's CEO speaks out on human rights [see p. 23](#);
- Embedding human rights: training activities [see p. 24](#);



The evolution of Eni's human rights legal framework

Eni began working to **integrate respect for human rights** into its policies and practices in the 2000s and has experienced renewed impetus in the last five years. Indeed, Eni's Top Management workshop on business and human rights held in October 2016 added momentum to the Company's human rights agenda. The renewed commitment from Eni's CEO, who opened the workshop and published a post on his blog on the importance of human rights for Eni (for details [see p. 23](#)), led to the launch of a training program and to the appointment of the second Working Group on Human Rights and Business (HRBWG, for details [see p. 19](#)).



(*) The GFA was renewed again in 2019.

(**) The Management System Guidelines (MSG) define the rules common to all Eni units and may regard either processes or compliance/governance.

Eni's Statement on Respect for Human Rights

In 2018 Eni's Statement on Respect for Human Rights was published



OBJECTIVE OF THE STATEMENT

A decisive moment in Eni's development of the business and human rights agenda was the publication, in 2018, of **Eni's Statement on Respect for Human Rights** approved by the Board of Directors (BoD). The ultimate goal of the document is **to illustrate Eni's approach to human rights, the standards adopted and the commitments to meet its responsibilities**.

The Statement is addressed to all parties working for and with Eni, including employees, business partners and local communities and its application is mandatory for Eni SpA and all companies directly and/or indirectly controlled by Eni in Italy and abroad.

The document aims to meet the requirements set out in the UN Guiding Principles starting from an explicit commitment to both implementing the human rights due diligence and providing access to remedy. Moreover, the Statement sets out Eni's human rights salient issues and outlines the standards and processes in place to manage them. The document also addresses cutting-edge topics such as biodiversity, ownership and use of land and natural resources, including water, as well as vulnerable groups, including children, human rights defenders and other affected stakeholders.

SET UP PROCESS

The Statement was drafted thanks to the cooperation within the **inter-functional working group on human rights and business** (for details [see p. 19](#)). Following its drafting, the document was **shared with rights-holders' representatives** (IndustriAll) and **authoritative third-party organizations and experts**, such as the Danish Institute for Human Rights (DIHR), the Institute for Human Rights and Business, Unicef Italia and the Italian Interministerial Committee for Human Rights. The aim of this consultation was to gather input on Eni's commitments, strategies and processes in order to integrate rights-holders' and stakeholders' views and concerns into the draft. Furthermore, the CEO actively participated in the process and Eni's Board approved the Statement. Discussions at the maximum decision levels provided a unique opportunity to consolidate Eni's mindful commitment to respect for human rights.

MAIN ISSUES ADDRESSED IN THE STATEMENT

- Explicit reference to **international treaties and standards** such as:
 - International Bill of Human Rights;
 - ILO Declaration on Fundamental Principles and Human Rights at Work;
 - UN Guiding Principles on Business and Human Rights;
 - Principles of the UN Global Compact;
 - OECD Guidelines for Multinational Enterprises;
 - Voluntary principles on Security and Human Rights;
 - IFC Performance Standard on Land Acquisition and Involuntary Resettlement.
- Provisions on the development of **complaint and remediation** mechanisms in case of negative impacts and against retaliation;
- Specific commitments regarding respect for human rights in the workplace, for individuals and local communities, in security and in business relations, including suppliers, in order to assess, manage and prevent the most critical aspects related to the respect of human rights;
- **Provisions** ranging from using its leverage with **Joint Venture Partners and other Business Partners** to expressing concern in case of human rights issues in a Country of operation;

Moreover, in the event of obstacles to the implementation of the Statement deriving from divergence between national local laws and its operating standards, Eni is committed to striving to develop alternative measures aimed at promoting respect for human rights.

- Commitment to issue specific instructions and deliver focused training to Eni's employees and other awareness-raising initiatives dedicated to contractors and other business partners;
- Participation in multi-stakeholder initiatives at local, national or international level, and public/private partnerships in this area.

Eni's Statements in compliance with national laws

ENI'S SLAVERY AND HUMAN TRAFFICKING STATEMENT

OBJECTIVES

- **Eni's Slavery and Human Trafficking Statement** is set out to be compliant with the UK Modern Slavery Act 2015 and the Australia Modern Slavery Act 2018 that require companies to report the measures taken to address modern slavery in their direct operations and supply chains.
- The Statement represents Eni's and its companies' commitment to combat modern slavery and the trafficking of human beings within the organization.



BOARD APPROVAL

- On April 29th 2021, the Eni SpA Board of Directors approved the 2020 Statement.

ENI'S POSITION ON CONFLICT MINERALS

OBJECTIVES

- **Eni's position on Conflict Minerals** is set up to be compliant with the Section 1502 of the Dodd-Frank Act enacted by United States Security and Exchange Commission, that requires companies listed in the U.S. to disclose any sourcing of conflict minerals and the due diligence measures adopted in the supply chain.
- Eni's standard contractual terms regarding the supply of products that contain or may contain Conflict Minerals include binding and clear-cut requirements regarding Conflict Minerals and responsible sourcing.



SPECIFIC AGREEMENTS

THE GLOBAL FRAMEWORK AGREEMENT ON INTERNATIONAL INDUSTRIAL RELATIONS AND CORPORATE SOCIAL RESPONSIBILITY

OBJECTIVES

- **The Global Framework Agreement (GFA)**, renewed in June 2019 with the FILCTEM CGIL, FEMCA CISL, UILTEC UIL trade unions and with IndustriALL Global Union includes a number of commitments to comply with the UN Universal Declaration of Human Rights, the Declaration on the elimination of all forms of discrimination against women, the Declaration of the Rights of the Child, the International Covenant on Civil and Political Rights, the ILO Conventions more directly applicable to Eni's business, the OECD Guidelines for Multinational Enterprises, the principles of the UN Global Compact, the ILO Declaration on Multinational Enterprises revised in 2017, and the UN Guiding Principles on Business and Human Rights.

For details [see p. 39](#).



Human rights reflected in Eni's internal policies

Eni's Statement on Respect for Human Rights represents both Eni's manifesto on human rights and the summary of its journey over the last decade whose strategic landmark was the integration of human rights into the internal legal framework. Indeed, provisions aimed at ensuring respect for human rights have been embedded in a number of policies and procedures specific to: **Human Resources**, relations with **Business Partners**, including **suppliers, relations with Host Communities, and Security operations**.

Internal policies

Policies are part of Eni's regulatory system, they are mandatory documents that define the general principles and rules of conduct that must inspire all of Eni's activities, in order to achieve corporate objectives, having taken due account of risks and opportunities. Policies cut across processes and each focuses on a key element of Company management. The policies are approved by Eni's Board of Directors.

CODE OF ETHICS



OBJECTIVES

- A new **Code of Ethics** was approved by the Board of Directors in March 2020. This new version is a Charter of Values which further enhances Eni's commitment to respect its people and the human rights.
- The Code of Ethics is addressed to the members of Eni's administrative and control bodies, to Eni employees and to any third party who collaborates or works in the name, on behalf of, or in the interest of Eni, wherever it operates and in any way it contributes creating value for the company.
- To ensure its extensive understanding, the Code is widely disseminated and promoted through a large variety of initiatives, including specific training activities and translation into the different languages of the countries in which Eni operates.

COMMITMENTS

- To operate in accordance with the United Nations' **Universal Declaration of Human Rights**, the eight **Fundamental Conventions of the ILO** and the **OECD Guidelines on Multinational Enterprises**.
- To take **all possible measures** to ensure the respect of the principles included in the Code of Ethics within Eni's relations with its Business Partners, including Joint Venture partners and suppliers.
- To carry out Eni's activities in compliance with international standards on **occupational health and safety and environmental and public safety protection**. Indeed, **Eni employees and managers are required to actively participate in the risk prevention process as well as environmental, public safety and health protection for themselves, their colleagues and third parties**.
- To **engage stakeholders** and integrate the outcomes of these informed consultations into its projects in order to minimize impacts.
- To provide potential users of a **whistleblowing process** with transparent information on the process and **guarantee confidentiality and non-retaliation**.
(For details [see p. 101](#)).

SUSTAINABILITY POLICY

OBJECTIVES

- The **Sustainability Policy** illustrates **Eni's will to endorse human rights** and communicates its expectations to both its own people and its Business Partners.

COMMITMENTS

- To set out several provisions concerning **respect for the human rights of host communities** with reference to the most critical activities, including consultation, land management, security activities and relations with indigenous peoples.
- To develop alternative measures aimed at promoting respect for human rights in the event of obstacles to the implementation of Eni's internal policies deriving from divergence between national local laws and its operating standards.



OUR PEOPLE POLICY

OBJECTIVES

- Eni's **Our People Policy** strengthens the **Company's approach to human rights** and encompasses not only the labour rights recognized in the fundamental ILO Conventions, but also other entitlements and freedoms included in the decent work agenda, including dignity at work and zero-tolerance for harassment in the workplace.

COMMITMENTS

- To ensure **non-discrimination** and encourage initiatives aimed at fostering international mobility and internal communication.
- To provide **equal opportunities** without any discrimination based on race, colour, gender, religion, nationality, political preferences, sexual orientation, social status, age or any other personal condition not relevant to the work requirements.
- To uphold the rights recognized in the **"Universal Declaration of Human Rights"** in the Countries in which Eni operates, condemning any behaviour against those principles and promoting actions inspired by **honesty, integrity and respect**.
- To condemn all forms of harassment in or outside the workplace.
- To recognize merit-based raises and incentives which are based exclusively on criteria relating to assigned levels of responsibility, competencies and performance, which are assessed through standardized international methods and on the basis of market references, excluding any form of discrimination.
- To recognize fair remuneration, aligned with relevant market references, significantly higher than minimum level wages.



THE INTEGRITY OF OUR OPERATIONS POLICY

OBJECTIVES

- **Eni's integrity of our Operations Policy** formalizes its **culture**, which guides Eni's actions to **prevent risks and improve integrity in its operations**. With this aim in mind, Eni adopts a proactive approach in mitigating risks, as an integral part of management and business activities.

COMMITMENTS

- To manage the security risk by adopting preventive and defensive measures, in full accordance with human rights regulations and the highest international standards.



OUR PARTNERS OF THE VALUE CHAIN



OBJECTIVES

- Eni's **Our partners of the value chain Policy** promotes the creation of long-term relationships with strategic partners. Eni recognizes that managing partner relationships is vital to guarantee an integrated, coordinated and transparent approach, in order to take advantage of the best opportunities and minimize risks. Eni is also aware that providing high-quality products and services to customers is of fundamental and indispensable value.

COMMITMENTS

- To promote sharing of know-how, technology and processes with strategic partners.
- To contribute to sustainable development through tangible projects in the territories in which it operates.
- To select partners that satisfy the necessary requirements of professionalism, ethics, honourability, and transparency, within a framework of transparency and fairness.
- To favour free competition adopting antitrust rules.
- To monitor the performance of its partners through appropriate feedback and reporting tools.

SUPPLIER CODE OF CONDUCT - "CREATING SUSTAINABLE VALUE TOGETHER"

2020-2021 objectives:
spread of the
Supplier Code
of Conduct



OBJECTIVES

- In April 2020, the **Supplier Code of Conduct** was published, in line with the renewed Code of Ethics. It establishes the mutual commitment to recognize and protect the value of all the people, commitment to contrasting climate change and their effects, operating with integrity, protecting company resources, promoting the adoption of these principles within their own people and supply chain. Among these principles, regarding human rights and work, the reference is the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work. All suppliers will be asked to sign the Code and to promote the principles contained in it along their supply chain.

COMMITMENTS ON HUMAN RIGHTS

- Prohibit the forced labor, the undeclared labor, the compulsory labor and all the forms of modern slavery and human trafficking.
- Prevent any form of work by children under the age of 15 and ensure, in compliance with local law, that teenagers under the age of 18 are not employed in hazardous jobs.
- Abide by working times and rest periods in compliance with the applicable legislation and in line with international standards.
- Prevent any kind of discrimination.
- Ensure respect of workers' rights and trade unions freedoms.
- Establish clear and fair working conditions defined in the employment contract.
- Respect the cultural, economic and social rights of the local communities, minorities, indigenous peoples and other vulnerable groups.

Internal guidelines

Management System Guidelines (MSG) define the rules common to all Eni units and may regard either processes or compliance/governance (the latter usually approved by the Board of Directors).

ENI'S MANAGEMENT SYSTEM GUIDELINES ON RESPONSIBLE AND SUSTAINABLE ENTERPRISE

OBJECTIVES

- Eni's **Management System Guidelines on Responsible and Sustainable Enterprise** reflect the increasing importance and complexity of the business and human rights framework. The document was specifically meant to implement Eni's Sustainability Policy, as well as to summarize the main processes aimed at improving Eni's performance relating to human rights and its social footprint in general.
As an **Annex** to this fundamental document, Eni adopted a new internal procedure ("Respect and promotion of human rights in Eni's activities"). It is specifically focused on **human rights** and aimed at regulating Eni's human rights due diligence process both at entity and process level. The due diligence approach is described at [p. 28](#).



COMMITMENTS

- To provide instructions to the owners of the most critical activities in terms of processes and tools to be aligned with the business and human rights framework.
- To be compliant with international standards on workers' rights and access to remedy.
- To prevent and mitigate human rights risks deriving from the conduct of Business Partners, including suppliers.

INTERNAL PROCEDURE "RESPECT AND PROMOTION OF HUMAN RIGHTS IN ENI'S ACTIVITIES" OF THE MANAGEMENT SYSTEM GUIDELINES ON RESPONSIBLE AND SUSTAINABLE ENTERPRISE

OBJECTIVES

- This internal procedure regulates how to perform human rights due diligence and provides a concrete approach to the commitment expressed in the Eni's Statement on Respect for Human Rights.
The document details the model adopted by Eni to ensure the respect for human rights in its business activities. The purpose of the procedure is to define roles and responsibilities, including on the conduction of the human rights due diligence as the process of identification, evaluation, prevention and management of negative impacts on human rights that the company can produce, or help to produce, through its activities and business relationships.



COMMITMENTS

- To provide a framework responding to the request of the UN Guiding Principles on Business and Human Rights about the due diligence.
- To ensure an ongoing human rights due diligence (not once-off), that is context-specific and covering all human rights, although certain risks may be prioritized based on severity.
- To ensure a holistic approach, collaboration and integration of Eni's several actors involved in the process (from the headquarter functions to the local subsidiaries).

Human rights governance

Managing human rights starting from the top

STRUCTURE	MAIN ACTIVITIES
CEO	<p>The CEO proposes the Company's strategy and objectives, including those for sustainability, to be approved by the Board of Directors, and ensures the implementation of Board resolutions, periodically reporting the results to the Board. During some meetings held in 2020, the CEO informed the Board also on human rights issues.</p>
BOARD OF DIRECTORS	<p>The Board plays a central role in the integration of aspects related to human rights into the governance of Eni's sustainability: it approves the Company's strategy and objectives, including those for sustainability, and it is also responsible for approving the most important internal policies, including Eni's Statement on Respect for Human Rights and the Code of Ethics. The Board addressed the following issues, which directly concern human rights or are particularly relevant to the topic:</p> <ul style="list-style-type: none"> • Eni's Statement on Respect for Human Rights (in 2018); • The 2020 Annual Report, which includes the Consolidated disclosure of non-financial information; the 2021 Report on remuneration policy and remuneration paid, which includes sustainability objectives in the determination of performance incentives, including those for health and safety; and the 2020 Sustainability Report "Eni for 2020 – A just transition"; • HSE Performance in 2020, which examines issues with a direct impact on respect for human rights by Eni, which applies not only to workers but also to local communities. As an example, the HSE Performance reports on Eni's capacity to respect the right to safe and healthy working conditions and the right to the highest attainable standards of physical and mental health; • Sustainability scenario, which sets out emerging issues – including those connected with respect for human rights – and the initiatives Eni has planned in this area; • Updating of the Slavery and Human Trafficking Statement 2020, prepared according to the UK "Modern Slavery Act" and – for the first time – to the Australian "Modern Slavery Act"; • Memorandum of Understanding with the UNDP (United Nations Development Program), aimed at expanding the access of local communities to social and economic rights.
ENI WATCH STRUCTURE	<p>Eni Watch Structure acts as the Guarantor of the Code of Ethics, responsible for promoting and verifying the Code's implementation. It is appointed by the Eni Board and it is made up of both internal and external members, including the Chairman, who meet specific requirements for their independence, expertise and professionalism. Eni Watch Structure is also responsible for presenting a report every six months on the Code's implementation and any necessary updates to the Control and Risk Committee, the Board of Statutory Auditors and to Chairman and CEO of Eni, who reports to the Board.</p>
SUSTAINABILITY and SCENARIOS COMMITTEE	<p>Established in 2014, the Sustainability and Scenarios Committee within the Board advises the Board on scenarios and sustainability issues. The Committee is also in charge of evaluating the processes, initiatives and activities aimed at supporting Eni's commitment to sustainable development throughout the value chain. The Rules of the Committee were updated in 2017, explicitly including human rights among the sustainability issues for which the Committee submits proposals and advice to the Board.</p> <p>The Committee is appointed by the Board and consists of four non-executive directors, most of whom are independent, in line with current legislation and Corporate Governance Code, including the Chairman.</p> <p>During 2020, the Sustainability and Scenarios Committee also examined several aspects directly or indirectly concerning human rights, including the Eni's due diligence approach and its risk models elaborated and implemented referring to direct workers, suppliers, security forces and industrial projects, the Slavery and Human Trafficking Statement 2020, and the results and findings of the Corporate Human Rights Benchmark.</p>

STRUCTURE

MAIN ACTIVITIES

**SUSTAINABILITY FUNCTION
“Responsible and Sustainable
Enterprise (SOST)” and local
sustainability functions**

The **Sustainability function** is in charge of coordinating Eni’s overall approach to human rights due diligence and supporting Eni’s business/support functions to ensure respect for human rights. Clearly, such an ambitious role can only be filled through leadership and coordination aimed at engaging and creating synergies with all Eni’s functions playing a role in ensuring the Company’s respect for human rights.

The Sustainability function is also in charge of:

- cooperating with all the Company’s functions in finding day-to-day solutions if human rights issues arise;
- providing technical assistance to the Sustainability and Scenarios Committee;
- proposing Human Rights Management Objectives to the Company’s management and monitoring their achievement.

The competent **local sustainability functions** support those in charge of industrial projects and ensure the implementation of Eni’s human rights due diligence at the local level, including context specific human rights issues such as respect for indigenous peoples’ special rights and the responsible acquisition of land, making use of the technical assistance provided by the Sustainability function.

**INTERNAL HUMAN RIGHTS
AND BUSINESS WORKING
GROUP (HRBWG)**

The Human Rights and Business Working Group (HRBWG), led by the Sustainability function, was appointed in 2017, and completed its activities in June 2018, publishing a Report with 35 identified actions, 29 of which were to be completed by December 2018 and the remaining ones by December 2019.

The HRBWG had a cross-cutting nature and was initially composed of approximately 20 members, covering several functional areas and business units, then involving over 100 colleagues belonging to over 50 units, with over 100 meetings. The represented functions were Exploration, Refining & Marketing, Upstream Operations, Versalis, Sub Saharan Region Sustainability Manager, Procurement, Human Resources, Compliance, Health, Safety, Environment, Security, International Negotiations, Integrated Risk Management, Investor Relations, Governance, International Relations and External Communication.

The main achievement of the HRBWG was to define the model for the governance of human rights in the Company, which sees the Sustainability function having a coordination role in the human rights due diligence, whose responsibility for its proper execution remains under each department in charge of the most salient processes.

Moreover, a specific internal procedure to Eni’s Management System Guidelines on Responsible and Sustainable Enterprise was published in March 2020 in order to make the activities of the HRBWG more systematic and continuative.



The Human Rights and Business Working Group (HRBWG), appointed in 2017, during one of its meetings

Human rights in the Integrated Risk Management (IRM)

Eni has been gradually integrating human rights into the IRM process since 2012. Eni achieved this goal by considering human rights in terms of both:

- risk events, provided that events related to possible human rights violations are considered in the Eni risk catalogue, which is periodically updated following the results of the risk assessment process or maybe integrated upon specific requests/events;
- impact clusters related to human rights violations, which are included in the risk evaluation metrics in terms of social, environmental, health and safety, security, image and reputation impacts.

In recent years, Eni has worked at ensuring that all human rights (i.e. right to life, health, healthy working conditions, free, prior and informed consultation) are integrated within the impact clusters so that each risk event is also evaluated in terms of its human rights impact. In addition to supporting the Risk function in the integration of human rights into IRM's methodology and tools, the Sustainability Department plays another important role as Impact Matter Specialist.

This particular role allows any function with experience and competence in a particular issue to contribute to the assessment process. In order to support corporate decision-making, the findings of the periodic risk assessment and monitoring activities and relative treatment plans are presented to the Control and Risk Committee and to the Board of Directors on a quarterly basis.

The Board of Directors plays a central role in risk governance because it is responsible for defining the nature and level of risk in line with the Company's strategic objectives

The Board of Directors plays a central role in risk governance because it is responsible for defining the nature and level of risk in line with the Company's strategic objectives – including all risks that could affect the medium-to-long-term sustainability of the business. Since human rights are fully integrated into the IRM, human rights risks are also reported to Eni SpA's control bodies, where relevant.

Finally, after consulting with the Control and Risk Committee, the Board of Directors draws up the guidelines for the management of risks so that they can be properly identified, measured, managed and monitored reviews periodically periodic review of Eni's main business risks evaluates periodically the adequacy and effectiveness of the Internal Control and Risk Management System of Eni.

In addition, when entering new Countries, Eni performs a specific analysis aimed at assessing the risks associated with the initiative. The risk analysis covers several aspects and gathers information on different topics, including stakeholders and the human rights scenario in the Country. These risks of potential human rights violations are mapped through the "Integrated Country Risk" (ICR), whose purpose is to offer an integrated analysis of risks existing in Countries of either presence or interest for the company. To evaluate the human rights risks of the Countries is used a third-party provider (Verisk Maplecroft).

Incentives and remuneration linkedin to sustainability and human rights targets

The Board of Directors approves the policy for the remuneration of the Directors and other Managers with strategic responsibilities, which is described in the **Report on remuneration policy and remuneration paid**. The Remuneration Policy and its implementation are also subject to the Annual General Meeting's vote. The Eni Remuneration Policy for the entire mandate 2020-2023 has been approved by Annual General Meeting held on May 13, 2020. When specific activities and issues require special attention due to their potential impact on human rights, whether positive or negative, Management Objectives are also assigned to Eni's subsidiaries at all levels, including Managing Directors.

The commitment to energy transition is reflected in the Variable Incentive Plans for the CEO and company management. The 2020-2022 Long-Term Equity Incentive Plan supports the implementation of the strategy through parameters related to the objectives of decarbonisation, energy transition and circular economy, with an overall weight of 35% for both the CEO and all Eni's management recipients of the Plan; the 2021 Short-Term Incentive Plan with deferral (IBT) includes, as in previous years, a target on reducing the intensity of GHG emissions, now extended to indirect emissions (so-called Scope 2) and non-operated activities (weight 12.5%), and a target on personnel safety (weight 12.5%) measured through the Severity Incident Rate (SIR) index, which aims to focus Eni's commitment on reducing the most serious incidents, as it calculates the frequency of total incidents that can be recorded with respect to the number of hours worked, attributing progressively increasing weights as the level of incidents severity increases. From this year, within the operating results, the incremental installed capacity of renewable sources (weight 12.5%) replaces the indicator of exploratory resources, to support the energy transition. As a result, the overall weight of sustainability objectives is 37.5% for the CEO, while weights for company management depend on responsibilities assigned as well as to specific objectives based on the role (e.g. linked to environmental issues, human rights, or local development projects).

37.5%

CEO sustainability objectives for Short-Term Incentive Plan

35%

CEO sustainability objectives for Long-Term Incentive Plan

The following table shows, for the current and previous term-office of the CEO: i) the percentage of variable remuneration linked to long term objectives with respect to total remuneration; ii) the percentage of short-term and long-term variable remuneration linked to sustainability objectives with respect to total variable remuneration, calculated by target and maximum level of sustainability performance within an overall target level of performance.

	Policy Mandate 2017-2020		Policy Mandate 2020-2023	
	Target	Maximum	Target	Maximum
CEO remuneration linked to long-term objectives (%)	53	65	55	65
CEO variable remuneration on sustainability objectives ^(a)	20	30	36	55

(a) With reference to the percentage of variable remuneration of the CEO, it should be noted that the calculation method has been modified to give evidence of the sustainability objectives included in the Long Term Plan, thus updating the data of the 2017-2020 Mandate.

Eni Managers working in Departments which carry out activities that may impact human rights have objectives linked to the integration of the human rights perspective in their analyses and activities, together with operational and economic-financial targets. These objectives can be assigned to Managers with various degrees of responsibility (i.e. Directors, Vice Presidents, Global Heads or Managing Directors, Commercial Managers of Eni subsidiaries, etc.).

For Managers with strategic responsibilities, remuneration plans are also strictly aligned with those of the Chief Executive Officer and the Chief Operating Officers, and to better guide and align managerial action with the objectives set out in the Company's Strategic Plan.

In addition, Eni's variable remuneration schemes maintain a strong link with Eni's sustainability goals, including those relating to human rights, with a weighted percentage ranging between 10% and 25%, depending on the responsibilities assigned and the impact on the results.

The Sustainability function is responsible for proposing and monitoring progress in Management Objectives on Sustainability issues, including human rights.

The Management Objectives are directly linked to the implementation of the Company's human rights policy commitment and to the Eni's salient human rights issues synthesized in 4 clusters: human rights (i) in the workplace, (ii) in the communities, (iii) in the supply chain and (iv) in security operations. In 2020, such objectives were assigned to all 18 top managers who report directly to the CEO and to over 50 senior managers and Managing Directors of Eni's subsidiaries, in addition to their operational and economic-financial targets.

These Management Objectives linked to several human rights targets are reviewed annually according to the Action Plan on human rights and the issues emerging from the due diligence

These Management Objectives linked to several human rights targets are reviewed annually according to the Action Plan on human rights and the issues emerging from the due diligence. They cover the entire spectrum of Eni’s salient human rights issues such as, among others: freedom of association and collective bargaining, health and safety, modern slavery, land rights, indigenous people rights, security, water sanitation.

The organization of Human Rights workshops for security forces, the update of the methodology in use to assess the social performance of suppliers, the development of specific training initiatives are examples of the criteria that have been in place for assigning and measuring Management Objectives.

In specific circumstances, Eni’s Business Partners were involved in this process, for example in the drafting, negotiation and application of a human rights clause to be reflected in business agreements.

The application of Management Objectives also related to the performance of human rights studies, aimed at understanding the impacts of specific business projects on communities and individuals.

Roles and responsibilities of the Board of Directors on sustainability topics

BOARD OF DIRECTORS			
<p>Defines:</p> <ul style="list-style-type: none"> the Corporate Governance system; the fundamental lines of the organisational, administrative and accounting set-up and the guidelines of the internal control and risk management system; the strategic lines and the objectives, including sustainability objectives, at the CEO’s proposal. 	<p>It reviews or approves:</p> <ul style="list-style-type: none"> the basic outlines of the internal regulatory system and the main corporate regulatory instruments; the main risks, including socio-environmental ones; the Policy for the Remuneration of Directors and managers with strategic responsibilities; financial and non-financial reporting. 		
CHIEF EXECUTIVE OFFICER	CHAIRMAN		
<ul style="list-style-type: none"> The main responsible for the management of the Company, without prejudice to the tasks reserved to the Board; Implements the resolutions of the BoD, informs and submits proposals to the BoD and to the Committees. 	<ul style="list-style-type: none"> Central role in the internal control and risk management system; Steers the BoD’s activities and ensures that Directors are trained on sustainability matters. 		
COMMITTEES			
SUSTAINABILITY AND SCENARIOS COMMITTEE	CONTROL AND RISK COMMITTEE	REMUNERATION COMMITTEE	NOMINATION COMMITTEE
<p>It provides proposals and advice to the BoD on scenarios and sustainability and delves further into the integration between strategy, evolutionary scenarios and business sustainability in medium-long term.</p>	<p>It supports the Board in evaluations and decisions relating to the internal control and risk management system, and in particular in the quarterly review of the main risks, including ESG risks, and the approval of periodic financial and non-financial reports.</p>	<p>It makes proposals and provides advice to the Board of Directors on remuneration topics, and in this context proposes annual and long-term incentive systems, defining their objectives, also supporting the guidelines adopted on sustainability issues.</p>	<p>It supports the BoD in the appointments, in the periodic assessments of the directors’ requirements and in the self-assessment process, formulating opinions to the BoD on the composition of the BoD and of its Committees also with respect to required competencies.</p>

Communicating commitment: Eni's CEO speaks out on human rights

Eni wants to ensure that everybody who works in or for Eni is aware of the importance the Company places on human rights: this is why Eni's CEO has been speaking out on the topic.

"Our commitment to safeguarding human rights, which places people at the centre and recognises the diversity of the other as a resource, must be the foundation of our daily activity"

Claudio Descalzi, CEO of Eni

- In October 2016, the CEO published a message on his **blog** remarking the start of the training workshop for the Company's senior management entitled "Raising awareness on Business and Human Rights in Eni Activities". The leaders of international associations and organizations were invited to speak on the opportunities and challenges in the implementation of the business and human rights framework. The event's goal was to **raise awareness about business and human rights** issues and it involved a panel of **experts from key associations** for the business and human rights community such as the Danish Institute for Human Rights, Amnesty International, the Institute for Human Rights and Business, the University of Notre Dame (Indiana, US) and IPIECA. Eni's **Board of Directors** and Board of Statutory Auditors attended the event, as well as management representatives (200 people in person and 200 via video link from abroad).
- The CEO's commitment on human rights was highlighted in December 2018, ahead of the approval of **Eni's Statement on Respect for Human Rights**, when he published a post on his **blog** about the paramount importance of human rights for Eni. This message mirrors the Eni CEO's commitment to actively promoting a company culture based on placing the human element in achieving the objectives at the centre of the business activities. Within this context, the CEO's blog on the company intranet was launched in 2015, triggering an open and direct dialogue with all Eni's people, which recorded over 240,000 hits in 2017.
- In 2019, Eni was the first oil and gas company to comply with the **CEO Water Mandate**, a UN Global Compact initiative that mobilizes business leaders on water, sanitation, and the Sustainable Development Goals (for details [see p. 80](#)).
- In 2019, the CEO signed the **"CEO Guide to Human Rights"** published by the **World Business Council for Sustainable Development**, which reports Eni's CEO Statement about the importance of respecting human rights and improving Eni's business and human rights standards. The CEO of Eni also contributed with a video to the campaign for launching this Guide.
- In 2020, the CEO published a post on LinkedIn **"Let's come together to reflect on human rights. My thoughts on the Floyd case."**

In 2019, the CEO signed the "CEO Guide to Human Rights" published by the World Business Council for Sustainable Development

Communicating commitment to business partners

Business partners are made aware of Eni's expectations in relation to respecting human rights during the early stages of business relationships. Besides the specific provisions on human rights included in the Code of Ethics and Management System Guideline on Sustainability, Eni implements training initiatives depending on the contractual relationship and the leverage it has on the partners. In particular, Joint Venture partners, suppliers and public and private military forces are identified as a priority for engagement on these issues.

As for training, initiatives on the Code of Ethics dedicated to Joint Venture partners are delivered in controlled companies as well as in Eni's subsidiaries.

Furthermore, Eni employees and management, which are responsible for procurement activities and suppliers are also invited to participate in ad hoc courses and awareness raising initiatives.

Embedding human rights: training activities

In 2020, + 28% hours of training provided on human rights (vs 2019)

In 2020, training on human rights delivered to 91% of security personnel

Eni considers training and awareness-raising activities dedicated to its **employees** and **Business Partners** to be a **key element** of its commitment to respecting human rights. Eni wants to ensure that **every employee is aware** of the importance that the Company places on human rights.

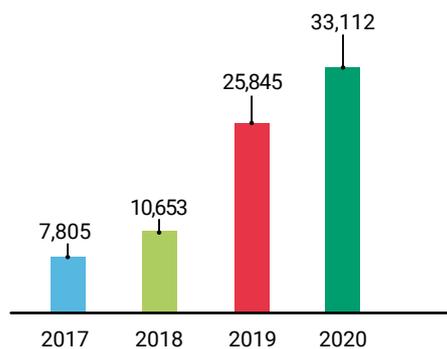
Initiatives and tools to raise awareness on human rights

Over the last few years, Eni has developed a wide range of training courses on business and human rights which differ in terms of format and content in order to offer colleagues the training options that best suit their needs.

Eni's training on business and human rights is organized in a diversified strategy along four lines:

1. **General courses on business and human rights** for all Eni people.
2. **Specific courses on topics and areas** particularly exposed to risks of negative impacts.
3. **Training initiatives on issues closely linked with human rights** (e.g. Code of Ethics, HSE, etc.).
4. **Practical workshops for Security providers on security and human rights.**

Hours of training of human rights (Number of hours)

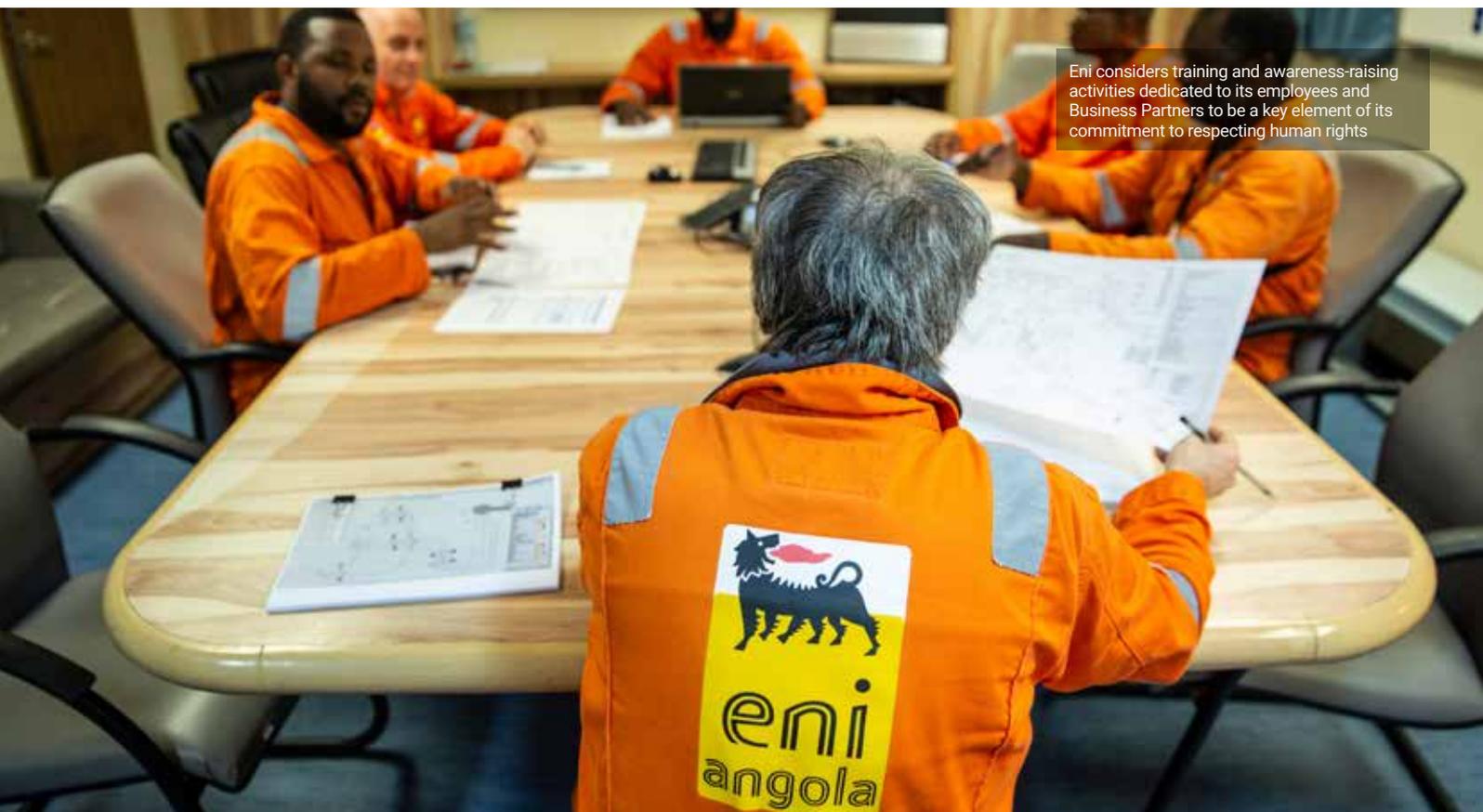


In 2020, the Human Rights program continued engaging along the year more than 7,000 people, after the massive campaign held between 2016 and 2019, with specific in-depth thematic follow-ups (e.g., Security in the Workplace, Relations with Community and Procurement) aimed at different targets depending on the content of the modules. According to a three-year plan for 2018-2020, in 2020, colleagues from additional departments not included in the previous target were involved in these in-depth thematic follow-ups.

In 2019 Eni launched a specific training module on human rights risks along the supply chain for the Eni's Procurement professionals that was progressively extended in 2020. Participants were trained on modules shaped on two case studies: 1) the first one addresses the topics of working conditions, working hours and vulnerable workers; 2) the second one is focused on modern slavery practices such as wage deductions and passport retentions. Both case studies terminate with a description of Eni's expectations in terms of both remedy for abused workers and approach with the supplier.

The training also addresses key topics and dilemmas such as:

- unintentional effects deriving from common business practices such as exerting pressure on delivery deadlines, potentially leading to workers' rights abuses on working hours;
- challenges deriving from local content requirements in Petroleum Contracts which, under certain conditions, might lead to severe problems in finding suppliers whose standards are in line with international conventions.



Eni considers training and awareness-raising activities dedicated to its employees and Business Partners to be a key element of its commitment to respecting human rights

1. GENERAL COURSES ON BUSINESS AND HUMAN RIGHTS

TRAINING PROGRAM	ACTIVITIES
<p>BUSINESS AND HUMAN RIGHTS WORKSHOPS AND TRAINING SESSIONS</p>	<p>Human Rights training sessions opened the Human Rights Assessments and relevant follow-ups held in Mexico (2019), Angola (2018 and 2017), in Mozambique (2018 and 2014) and in Myanmar in 2016.</p> <p>In 2017, during the first meeting of the Eni internal Human Rights and Business Working Group, a training session on business and human rights was run by the Danish Institute for Human Rights.</p> <p>In 2016, a workshop dedicated to Top Managers was also held in San Donato Milanese. The event was chaired by Eni's CEO, who highlighted the importance of Human Rights and introduced the new e-learning program on the topic, which involves all Eni staff.</p>
<p>BUSINESS AND HUMAN RIGHTS E-LEARNING PROGRAM</p>	<p>Eni began working on a human rights e-learning program in 2016 with the aim of:</p> <ul style="list-style-type: none"> • creating a common and shared language concerning human rights within the Company by promoting corporate culture on the issue; • improving the understanding of business's possible impact on human rights; • promoting Eni's commitment to respect such rights. <p>All staff and managers who could be involved in impacts on human rights due to their role and the geographic areas where they operate were mapped, and later invited to take part in the program, which was designed and developed in cooperation with the Danish Institute for Human Rights. More than 57,000 people at Eni, from staff to middle and top managers, completed human rights remote training between 2016-2020.</p> <p>Furthermore, the internal Eni Human Rights Working Group designed a learning strategy aimed at reaching all Eni people on a continuous basis, in order to offset unintentional effects deriving from internal and external mobility as well as turnover.</p>

2. SPECIFIC COURSES ON TOPICS AND AREAS PARTICULARLY EXPOSED TO RISKS OF NEGATIVE IMPACTS

TRAINING PROGRAM	ACTIVITIES															
TRAINING INITIATIVES ON SALIENT HUMAN RIGHTS ISSUES	<p>Human Rights training modules have been planned since 2017 on specific topics as described below, and are offered to new hires and Eni employees joining high-risk functional areas from other departments.</p>															
	<table border="1"> <thead> <tr> <th>Topic</th> <th>Participants (in HQs and subsidiaries)</th> <th>Status</th> </tr> </thead> <tbody> <tr> <td>Respect for human rights in the management of Security Operations</td> <td>All employees and managers of the Security function</td> <td>Launched in 2017</td> </tr> <tr> <td>Respect for the Rights of Host Communities</td> <td>All employees and managers of the Sustainability function, including Community Liaison Officers*</td> <td>Delivery started in 2018</td> </tr> <tr> <td>Respect for Human Rights in the Workplace</td> <td>All employees and managers of the Human Resources function and all Eni employees responsible for supervising workers</td> <td>Delivery started in 2018</td> </tr> <tr> <td>Respect for Human Rights in the Supply Chain</td> <td>All employees and managers of the Procurement function</td> <td>Delivery started in 2019</td> </tr> </tbody> </table>	Topic	Participants (in HQs and subsidiaries)	Status	Respect for human rights in the management of Security Operations	All employees and managers of the Security function	Launched in 2017	Respect for the Rights of Host Communities	All employees and managers of the Sustainability function, including Community Liaison Officers*	Delivery started in 2018	Respect for Human Rights in the Workplace	All employees and managers of the Human Resources function and all Eni employees responsible for supervising workers	Delivery started in 2018	Respect for Human Rights in the Supply Chain	All employees and managers of the Procurement function	Delivery started in 2019
	Topic	Participants (in HQs and subsidiaries)	Status													
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Respect for Human Rights in the Workplace	All employees and managers of the Human Resources function and all Eni employees responsible for supervising workers	Delivery started in 2018														
Respect for Human Rights in the Supply Chain	All employees and managers of the Procurement function	Delivery started in 2019														
TRAINING ON THE GLOBAL FRAMEWORK AGREEMENT	<p>The training course focused on the contents and implementation of the Global Framework Agreement on International Industrial Relations and Corporate Social Responsibility was developed and delivered in 2018, involving all Eni employees worldwide. This measure was also set out in the GFA itself. In order to ensure that all Eni workers, and in particular those with specific responsibilities for ensuring respect for workers' rights, are aware of the commitments included in the Global Framework Agreement, the agreement itself provided for the development of a training course about the contents and implementation of the agreement.</p> <p>The training program consists of a one-hour e-learning module on the GFA's main topics, it is available to all Eni employees, translated in seven languages and accessible on Eni's online training platform, EniCampus.</p> <p>Furthermore, in 2019 the aforementioned course has been included into institutional training paths dedicated to managers and newly hired experts.</p>															
WEBINAR ON HUMAN RIGHTS IN INTERNATIONAL NEGOTIATIONS	<p>In November 2018, Managers from both Sustainability and International Negotiations Departments held a webinar to disseminate knowledge on the new human rights clauses proposed during negotiations of Petroleum Contracts and Joint Venture Agreements, including the international standards mentioned.</p> <p>The event was also meant to shed light on potential risks deriving from contract negotiations as well as from relationships with Business Partners. All Eni upstream negotiators, commercial managers and managing directors have actively participated in the webinar. In addition, a technical guide has been provided to all the upstream negotiators soon after the webinar so that they become more acquainted with human rights principles and guidelines.</p>															
TRAINING ON VOLUNTARY PRINCIPLES ON SECURITY AND HUMAN RIGHTS	<p>Eni has developed a Training Program on Security & Human Rights dedicated to Security Managers and Public and Private Security Forces both in Italy and abroad. In particular, training sessions have been held in Angola (2020), Nigeria and Pakistan (2019), Tunisia (2018), Nigeria (2017), Venezuela and Ecuador (2016), Kenya (2015), Mozambique (2014), Indonesia and Algeria (2013), the Republic of Congo and Angola (2012), Pakistan and Iraq (2011), Egypt and Nigeria (2010) and in Eni's offices in Rome and San Donato Milanese (2009).</p> <p>The most recent training courses in Angola on Security & Human Rights focused on the Angolan security forces (for details see p. 86).</p> <p>Eni has also developed material for subsidiary-led training initiatives for local Security managers willing to undertake autonomous training courses, which resulted in particularly relevant cases of emerging risks and/or with training needs due to job rotation.</p> <p>Eni's training program on Security and Human Rights has been recognized as a best practice in "Responsible businesses advancing peace", the joint publication between the United Nations Global Compact and Principles for Responsible Investment (PRI).</p>															
SUPPLIERS TRAINING ON HUMAN RIGHTS	<p>Eni has developed material for training initiatives for suppliers during the meeting with the trade association with the aim of explaining Eni's approach in Respect for human rights as priority in our way of doing business.</p>															

(*) Chosen among the members of communities to manage the needs of the community.

3. TRAINING INITIATIVES ON ISSUES CLOSELY LINKED WITH HUMAN RIGHTS

TRAINING PROGRAM	ACTIVITIES
ENI ACADEMY	<p>In 2017, the training project Eni Academy, dedicated to young graduates, was launched. The program consists of a 10-day induction divided into three modules and is aimed at reaching multiple goals including:</p> <ul style="list-style-type: none"> • facilitating general knowledge on the Company's business, vision, mission and culture; • encouraging networking as an opportunity to develop new skills and build strategic relationships. <p>Human Rights are integrated into this program. The programme was renewed in the format during the 2020 in order to face the challenges posed by the pandemic and allow participants to be engaged online.</p>
INTRODUCTORY TRAINING PROGRAM FOR THE SUSTAINABILITY FUNCTION	<p>Newcomers in the Sustainability function, at HQ and subsidiary level, and in other functions involving human rights risks also take part in an introductory training program which focuses on ensuring that they receive the most important information on Sustainability activities, responsibilities and the tools and processes in place. Human Rights are part of the introductory training program. This consolidates a network of people able to deal with human rights issues in every Country where Eni is present, as focal points for human rights due diligence and training initiatives.</p>
SUSTAINABILITY AND BUSINESS INTEGRATION WEBINAR	<p>This training includes reference to the grievance mechanism, stakeholder engagement and human rights implications of these topics. The "Sustainability and Business Integration" course in Italian, English and French was made available in open mode to all Eni employees, for a total of approximately 7,100 enrolments in Italy and abroad.</p>
TRAINING ON ENI'S APPROACH TO HEALTH, SAFETY AND THE ENVIRONMENT	<p>Beyond a full range of training courses on HSE issues, Eni periodically organizes events aimed at spreading the HSE culture and its own commitment to continuously improving HSE performance, guaranteeing the protection of the environment and the prevention and protection from HSE risks:</p> <ul style="list-style-type: none"> • Safety & Environment Day: it is dedicated to illustrating Eni's results and objectives in safety and environmental protection. The first edition was held in 2011 specifically for safety and starting from 2017 for both safety and the environment. Prizes are awarded to Eni's industrial sites from the business lines which have achieved excellent results in Safety and the Environment, as well as to colleagues who come up with the most innovative ideas and projects. • The 2019 event was attended by our Chairman, CEO and Board of Directors, as well as about 200 managers from different company functions. A Safety Day dedicated to suppliers is also organized and involves approximately 150 suppliers operating in the various commodity classes which are considered as the most critical for Eni in terms of safety.

Key performance indicators

HUMAN RIGHTS

Training and security

	2016	2017	2018	2019	2020
Human rights training hours	(number) 88,874	7,805	10,653	25,845	33,112
In class	354	52	164	108	260
Distance	88,520	7,753	10,489	25,737	32,852
Attendances in human rights training courses	22,307	2,084	10,557	44,396	21,150
Employees trained on human rights	21,682	1,360	8,512	19,745	7,076
Employees trained on human rights ^(a)	(%) n.a.	74	91	97	92
Security contracts containing clauses on human rights	91	88	90	97	97
Countries with armed guards protecting sites	(number) 8	7	7	8	8
Security personnel trained on human rights ^(b)	53	308	73	696	32
Security personnel (professional area) trained on human rights ^(c)	(%) 83	88	96	92	91

(a) This percentage is calculated as the ratio between the number of registered employees who have completed a training course on the total number of registered employees.

(b) The variations of the KPI Security personnel trained on human rights, in some cases even significant from one year and the next, are related to the different characteristics of the training projects and to the operating contingencies.

(c) This data is a cumulative percentage value. The 2020 data is calculated considering only Eni employees, unlike the 2019 figure which also includes contractors.

Human rights due diligence

How Eni operates

Eni assesses and monitors its risks, identifying customized strategies and solutions, in an ongoing effort to be more effective in preventing and mitigating impacts. In addition, to building a consistent set of internal norms guiding Eni employees and business partners to ensure their practices comply with international human rights standards, Eni has also been working on the design, implementation and reporting of its human rights due diligence process to ensure its alignment with the UN Guiding Principles on business and human rights.

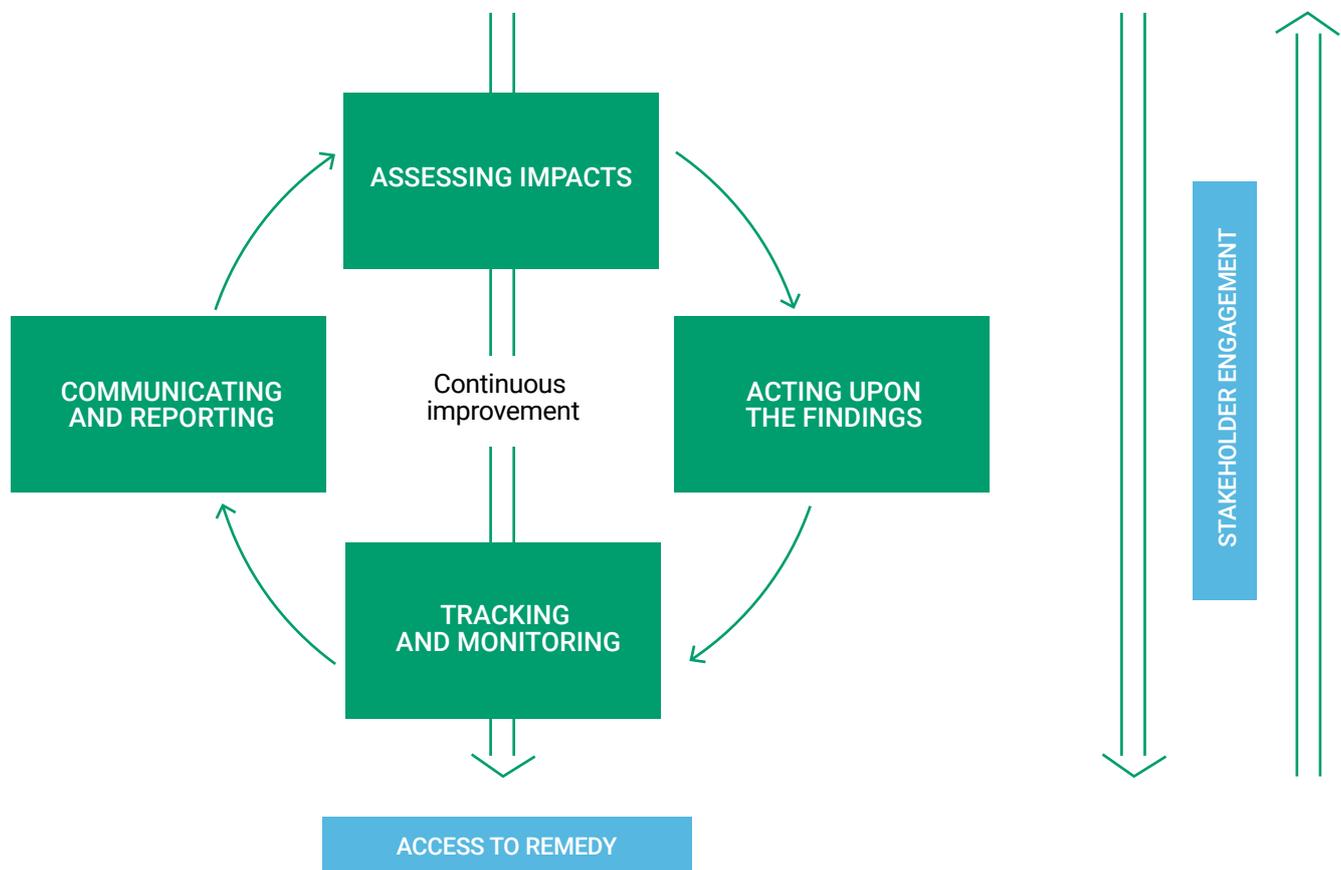
This section presents information on:

- the **Eni's human rights due diligence approach** ([see p. 29](#)).
- the **identification of salient human rights issues**, resulted from the analysis of the internal human rights working group ([see p. 32](#)).
- the due diligence process applied to the functional areas which are most exposed to human rights risks, and namely **workplace** ([see p. 34](#)), **relations with suppliers and other business partners** ([see p. 54](#)), **host community relations** ([see p. 70](#)), **security** ([see p. 83](#)).

In particular, an overview can be found of:

- Eni's commitments and processes in place in relation to each function's human rights impact;
- a description of the processes and tools in place to identify, prevent, mitigate and account for human rights risks and impacts associated with each function.

Concerning HSE, health and asset integrity processes, which are also relevant while talking of human rights, they are fully tackled in accordance with their respective management system guidelines and procedures.



Eni’s human rights due diligence approach

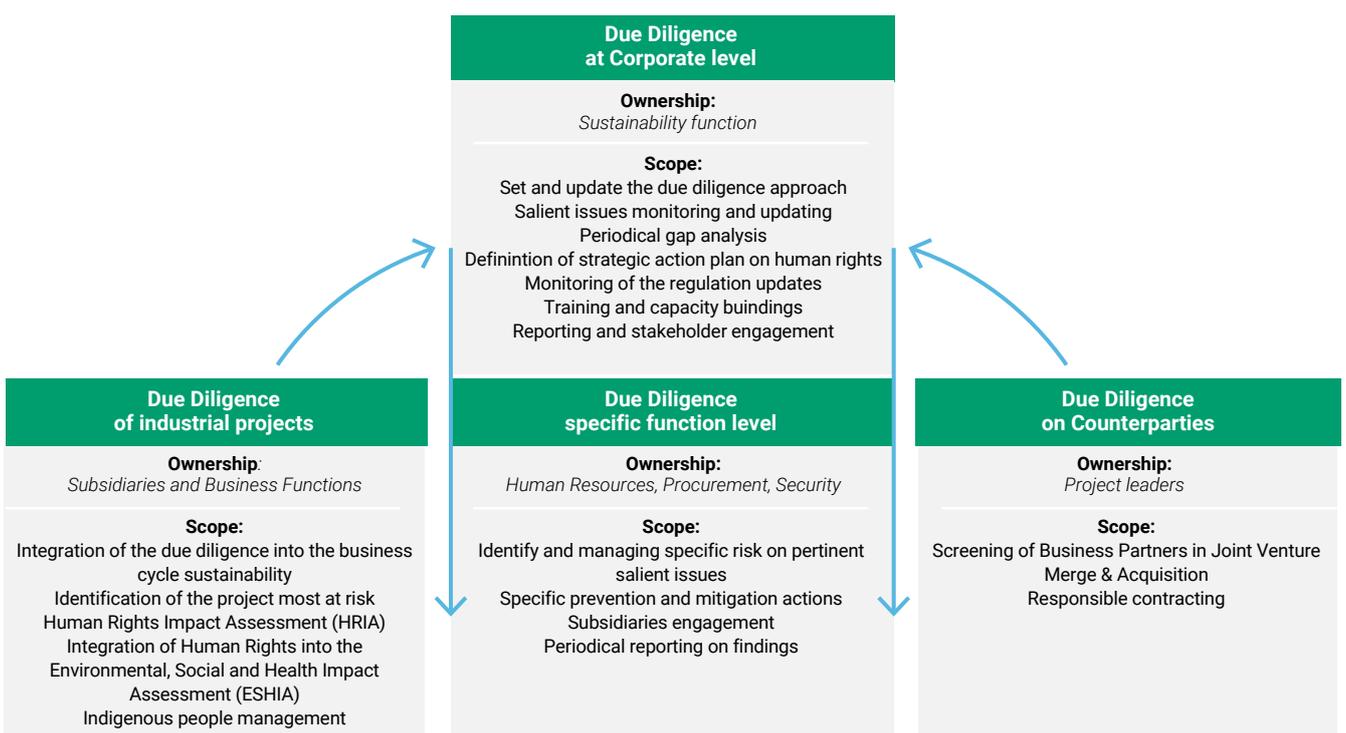
Eni’s approach to human rights due diligence was established by the internal procedure “Respect and Promotion of the Human Rights in Eni’s Activities”, issued on March 2020 as part of the Management System Guidelines of Eni.

This procedure represents a fundamental framework for all the people involved in preventing human rights violations and managing human rights issues; the due diligence is set on an ongoing basis (not once-off) process, context-specific and covers the entire spectrum of human rights implications for Eni, therefore besides the list of salient human rights issues which will be introduced in the next section.

The human rights due diligence model adopted by Eni, designed to be multidisciplinary, multilevel and integrated at any level of the company’s processes, follows a risk-based approach with the aim of identifying, preventing, mitigating and accounting for adverse corporate impacts on human rights. The risks identified through the due diligence are defined as risks to rights-holders, therefore extending the traditional company’s risk management perspective.



In order to fulfill its tasks, the human rights due diligence model is translated into practice with four separate dimensions: i) at corporate level, ii) on industrial projects, iii) on specific processes connected with Eni’s salient human rights issues, iv) and on counterparties.





The due diligence at Corporate level is periodically carried out towards Eni as a whole, in order to update and evaluate the salient human rights issues ([see p. 32](#)).

Such evaluation takes into account the evolution of the company, the external context and best practices emerged in the field of business and human rights to be eventually applied to Eni's processes.

Every year the Sustainability Department updates a Corporate Action Plan on human rights taking into account the results of the monitoring process of the previous Plans and the issues emerging from the other due diligences (at project level, on specific salient issues and on business partners, described below).

A PRACTICAL EXAMPLE OF THE DUE DILIGENCE AT CORPORATE LEVEL

In 2017, Eni with the support of the Danish Institute for Human Rights carried out a gap analysis on business and human rights as part of a wider project aimed at restructuring Eni's management approach. The project conducted to the identification of the Eni's salient human rights issues and to the adoption of a Human Rights Action Plan based on the findings of the gap analysis and taking into account the salient issues as well. The Action Plan was set for a 3 years' timeframe (2017-2019) and has been updated every year according to the monitoring activities carried out, the lessons learned from the due diligence approach application and other assessment activities done. Moreover, in 2019 and 2020 respectively, two gap analysis were conducted at Corporate level on two specific business areas: refining and marketing (2019), and renewable energy (2020). Both the analysis were carried out in order to evaluate the completeness of the salient human rights issues mapped and to identify specific gaps and improvement areas related to these specific business in their evolution. According to the results of the gap analysis, no specific new salient human rights issues were added and gaps and improvement areas were included in two Human Rights Action Plans that are under implementation.

The due diligence of the industrial projects is performed in order to identify specific risks of the projects and evaluate the proper actions to be undertaken, as part of the wider integration of sustainability issues into the business cycle.

The risk-model used to carry out the due diligence is described in the chapter dedicated to the human rights in host community relations ([see p. 75](#)).

According to the characteristics of the project, different assessments are conducted to identify and evaluate potential impacts on human rights: ad hoc Human Rights Impact Assessment (HRIA) and specific analysis on human rights integrated into the Environmental, Social and Health Impact Assessment (ESHIA) that usually are carried out for every industrial project. The HRIA is carried out to evaluate in depth project more at risk ([see p. 76](#)); in both cases, when a HRIA or an ESHIA is carried out, an Action Plan is defined based on the findings.

In addition, a new analysis methodology – Human Rights Risk Analysis – is being developed to be applied to medium risk projects and will be tested in 2021.

To monitor the effectiveness of the Action Plans, at least once a year, the Sustainability Department works together with the subsidiaries in order to track progress and criticalities also through the adoption of specific KPIs.

A PRACTICAL EXAMPLE OF THE DUE DILIGENCE OF AN INDUSTRIAL PLAN

In 2019, Eni carried out a HRIA in Mexico of the "Area 1 Development Project" due to the risks and possible impacts connected with the characteristics of the project (see the findings Report available on Eni's website). Based on the results of the HRIA, Eni adopted an Action Plan (2019-2021) and specific management measures that have been monitored in the past two years to evaluate their effectiveness. As part of the monitoring and effectiveness evaluation process, in 2020 Eni's published a summary report of the Action Plan where progresses in implementation are described as well as challenges faced and lessons learned ([see p. 90](#)).

Specific functions due diligences are carried out according to the salient human rights issues. Indeed, there are some specific functions primarily interested in managing human rights due to the process managed:

- **Procurement** for the issues along the **supply chain**.
- **Human Resources** for issues at the **workplace**.
- **Security** for the issues in managing **security operations**.

Each of them sets a due diligence tailored to seize potential impacts of the specific processes managed. It is a risk based model consistent with the due diligence at Corporate level. Each model is described in the respective in-depth chapter (workplace [see p. 38](#); supply chain [see p. 59](#); security [see p. 84](#)).

It requires to set pluriannual Plans to address the issues identified and monitor the effectiveness of the actions.

A PRACTICAL EXAMPLE OF THE DUE DILIGENCE TOWARDS SUPPLIERS

In the chapter "Assessing and monitoring suppliers' risks" ([see p. 64](#)) a case studies about a social audit carried out on a contractor in Mexico. The audit was conducted because the due diligence approach revealed activities at risk. Eni visited and assessed the practices of these suppliers and agreed with them some corrective actions to be implemented on critical issues identified. In the following months Eni monitored the progress of both the suppliers to ensure the mitigation of risks and avoid impacts towards suppliers' workers. The lessons learned by the assessments fed Eni's entire management system.

The due diligence on counterparties and business partners is conducted before the conclusion of a JV agreement or in case of merge & acquisition operations. The process is based on open sources screening to identify if the counterparts have been involved in human rights violation or are exposed to specific risks.

If the screening reveals recent critical issues, Eni's Sustainability function will deepen such information and provide feedback to the proposing unit in order to undertake proper actions to manage the issues or exercise Eni's leverage over its partners (taking into account the role Eni will have according to the agreement).

In the JV agreements specific clauses on human rights (responsible contracting clauses) are negotiated, as described in depth at the paragraph "Assessing and monitoring business partners' risks" ([see p. 66](#)).

Monitoring the effectiveness of the entire process

The management process thus structured allows the implementation of proper mitigation actions and monitoring measures, as well as facilitates the sharing of issues and lessons learned within the entire company (from the local actors to Corporate ones).

Once a year, the Sustainability department collects all the Action Plans – as well as spare actions undertaken on specific topics – emerging from the due diligence process to feed the update of the Corporate Action Plan on human rights and as an input for the gap analysis described to evaluate the effectiveness of the entire system.

The actions of the Plan are declined into the Management Objectives assigned to the top management of Eni.

The process to monitor the effectiveness of the actions involves:

- the use of several internal and public KPIs that are disclosed into this report.
- the engagement of stakeholders to share Eni's approach and listen to their expectations.

The identification of salient human rights issues

The process of identification

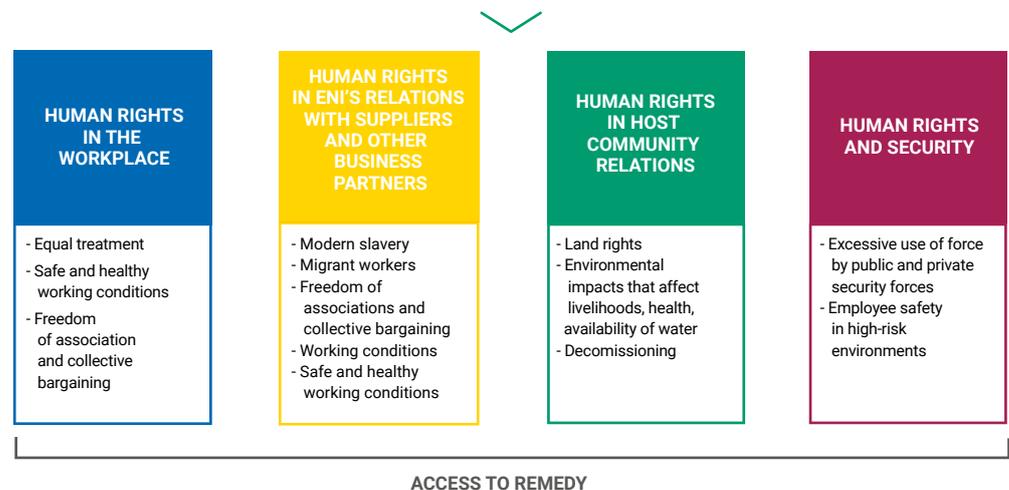
In **2017**, the established Eni Human Rights and Business Working Group (HRBWG) started its activities by hosting a **Workshop aimed at launching the identification of the Company's salient human rights issues**, with the support of the Danish Institute for Human Rights. The Workshop took place at Eni's Headquarters in San Donato Milanese and involved 26 Managers from 22 Functional Areas.

Most of the participants had already been involved in human rights activities, but some of them were relatively new due to turnover and because of the need to widen the scope of human rights activities to integrate recent developments in the field of business and human rights. Taking these differences in terms of expertise and backgrounds into consideration, a business and human rights training session opened the Workshop on salient issues.

This activity led to the identification of a list made of 13 salient issues, split into 4 main areas, deemed to be the topics where lie the most severe, potential, negative human rights risks

The Workshop gave the opportunity to participants, divided in three groups, to be involved in a discussion facilitated by the Danish Institute for Human Rights, aimed at sharing their experiences and views regarding the main human rights issues for the Company, adopting the lens of risk to people. This activity led to the identification of a list made of 13 salient issues, split into 4 main areas, deemed to be the topics where lie the most severe, potential, negative human rights risks.

Workshop with Eni's HRBWG supported by the Danish Institute for Human Rights



The final list of salient human rights issues was shared with external stakeholders in 2018

In **2018**, the final **list of salient issues identified by the workshop participants was shared with external stakeholders and prominent experts** in the field of business and human rights, in order to gather feedbacks and suggestions. These meetings were held with the **Institute for Human Rights and Business, IndustriAll, the Italian Interministerial Committee on Human Rights (CIDU), AVSI and Unicef Italia**. Besides confirming the initial list of 13 salient issues, this engagement allowed Eni to receive input to strengthen its approach and to get important information on the upcoming issues on business human rights.

Below some of the most relevant input that came up during this engagement:

- Issues related to the working conditions of **temporary, subcontracted workers, especially those hired locally**, who are involved in several phases of the O&G industry (preparation phase, construction, etc.), without enjoying - in some circumstances - the same benefits guaranteed to workers hired by the Company directly;

- Need to **keep vulnerable groups’ rights** at the center of Eni’s approach, granting full access to consultations and opportunities to have their voice be heard. Moreover, particular attention should be paid to **minors’** – especially children – views;
- Considering the **“how”** and **“when” as crucial features** when implementing actions to ensure human rights respect and working to **social development projects**;
- **The paramount importance of CEO** activism on BHR discussions, which is expected to take a prominent role in institutional talks.

Input and feedback received during these meetings have been integrated in the development and planning of policies and tools, informing both Eni’s policy commitment and its due diligence process, strengthening the Company’s approach to human rights in these areas.

An example of how this feedback and input were received can be found in the Eni’s Statement on Respect for Human Rights, whose concept of vulnerable groups was extended to include women and children – in addition to indigenous peoples – in order to mirror the results of such informative and fruitful discussions held with these external stakeholders and prominent experts.

Enablers to addressing human rights impacts	Challenges to addressing human rights impacts
<p>Eni’s solid management systems (e.g. health and safety; operational-level grievance mechanism).</p> <p>The commitment to engage and work with business partners on specific issues and challenges.</p>	<p>The use of Eni’s leverage in business relationships due to the different nature of these relations with governments, subcontractors and beyond first-tier suppliers.</p>

In 2019 and 2020, the list of salient human rights issues has been assessed as part of two wider gap analysis conducted at Corporate level on two specific relevant business areas: refining and marketing (2019), and renewable energy (2020).

These gap analysis were carried out taking into account the business areas characteristics and the first step was the identification of the most relevant risks and related impacts. The analysis were done through a desk analysis – using relevant international studies, research and benchmarks – as well as engaging two selected working groups composed by Eni’s representative with relevant expertise in these business areas and managing the related process. The gap analysis allowed to evaluate the completeness of the salient human rights issues mapped and to identify specific gaps and improvement areas related to these specific business in their evolution. According to the results of the gap analysis, no specific new salient human rights issues were added, due to the fact that the current list was considered exhaustive and inclusive of the specific risks associated with these business areas. Nevertheless, gaps on specific issues and improvement areas were identified and included in two Human Rights Action Plans that are under implementation. To date, all the actions of the Plans are on-track; these actions embrace a wide spectrum of activities: from mapping the origin of biomass used in green refinery to the specific safeguards for the fuel retailers’ workers; from the screening of JV counterparties and the adoption of specific commitment and clauses to be included in JV agreements, to the on field audit and assessment of the contractors involved in developing wind or solar farms.

In the following sections, a detailed description is given for each cluster of salient issues, which focusses on the respective due diligence approach, the measures undertaken to mitigate and prevent identified impacts and the way their effectiveness is monitored.

In 2019 and 2020, the list of salient human rights issues has been assessed as part of two wider gap analysis conducted at Corporate level on two specific relevant business areas: refining and marketing (2019), and renewable energy (2020)

Human rights in the workplace

HUMAN RIGHTS IN THE WORKPLACE

- Equal treatment
- Safe and healthy working conditions
- Freedom of association and collective bargaining

Eni's approach to Human Rights in the workplace

People are essential and fundamental to all Eni's activities. Eni can only achieve its business goals thanks to its people's dedication, and Eni is profoundly aware of how important people are in creating value over time. Other than being "the right thing to do", respecting the rights of the people working at Eni and for Eni is fundamental to build mutually satisfactory and lasting relationships. Prioritization of the areas for improvement was carried out on risk-based criteria, through labour assessment processes and gap analysis on both ratification and enforcement of ILO standards across operating Countries. These processes led to the adoption of rules and actions ranging from further integrating workers' rights into Eni's internal legal framework to launching specific measures, including training programs and a multifaceted strategy for combatting discrimination. Increasing attention is paid to monitoring activities through the identification of effective KPIs and by tracking specific salient issues such as fair compensation and discrimination.

Eni's commitments: drivers and pillars

Eni is committed to respecting and promoting internationally recognized workers' rights in all the Countries where it operates.

As a first step to meeting Eni's responsibilities in this field, the process involved:

- a. the analysis of **international conventions and standards** that could be most relevant to Eni's business. Besides the eight fundamental ILO Conventions, Eni identified two further treaties addressing human rights in the workplace which needed to be considered in relation to its business activities:
 - the **ILO Convention 135** explicitly banning any **discrimination** of workers' representatives in connection with their activity ;
 - the **ILO Convention 183** concerning the Revision of the **Maternity Protection** Convention.

As a result of this policy-gap analysis, the commitment to respect for human rights in **Eni's Management System Guideline on Sustainability** goes beyond the International Bill of Human Rights and the ILO Declaration on **Fundamental Principles and Rights at Work**, which together constitute the minimum requirements of businesses according to the UN Guiding Principles.

- b. The development of a comprehensive framework of **internal policies** and rules to affirm the commitment to respecting internationally recognised workers' rights that could be most relevant to Eni's business.
- c. The **commitment of Business Partners and suppliers** to also comply with them.
- d. The collaboration with **unions** and the engagement with **international organizations** including the ILO.

Thanks to its effort in dealing with human rights in the workplace, in the **CHRB report** published in August 2019, **Eni was selected as a case study** since it scored almost full marks across the three indicators in the measurement of the Company's Human Rights Practices: **living wage, respecting freedom of association and collective bargaining, and health and safety**.

Specific policies to respect human rights in the workplace

a. Eni's Statement on Respect for Human Rights

Eni's Statement on Respect for Human Rights mirrors the detailed and comprehensive commitments included in the Global Framework Agreement (GFA) (for details [see p. 13](#)).

The publication of a new Statement on Human Rights was also a valuable opportunity to confirm Eni's zero-tolerance approach to any harassment and mobbing and the Company's commitment to offering fair pay as well as to providing a safe and healthy working environment, also by ensuring access to preventive and curative health services, including emergencies and working conditions in line with international standards.

b. The international collective agreements

Eni has signed three international collective agreements:

- the Eni European Works Council, renewed in July 2018
- the European Observatory for Health, Safety and Environment, renewed in December 2016
- the Global Framework Agreement on International Industrial Relations and Corporate Social Responsibility (for details [see p. 13](#))

According to the GFA agreement, Eni is committed to recognising its workers' rights to:

- collective bargaining;
- join labour organizations of their own choice, without distinction, interference or prior authorization;
- protect their own employment interest;
- enjoy fundamental trade union rights in compliance with local law, universally accepted labour rights and the core labour standards found in the fundamental conventions of the ILO.

Eni is committed to treating unions fairly, refraining from all anti-union activities and remaining strictly neutral in relation to an employee's preference to join, stay or cease his relationship with a union organization.

Eni is committed to treating unions fairly, refraining from all anti-union activities and remaining strictly neutral in relation to an employee's preference to join, stay or cease his relationship with a union organization.

The GFA also ensures that in situations diverging from or violating what has been agreed, the Parties shall promptly notify each other. Once the facts have been determined, the signatories can work together to find an effective and constructive solution that is in the interests of all the parties, through dialogue and within a reasonable amount of time. A dedicated, one-hour e-learning training has been developed on GFA's main topics, in order to allow every Eni employee to become aware of the agreement and its contents. The course is available in seven languages on Eni's online training platform, EniCampus and it's focused on the GFA's main principles, such as fundamental rights, relations with suppliers/subcontractors/business partners, occupational Health and Safety, Sustainable Development and Environmental Protection.

c. Eni's Slavery and Human Trafficking Statement

(For details [see p. 13](#))

d. Eni's Our People Policy

(For details [see p. 15](#))

e. Eni's Sustainability Policy

(For details [see p. 15](#))

f. Code of Ethics

The Code of Ethics clearly expresses the Company's commitment to respect for internationally recognized human rights in the workplace (for details [see p. 14](#)).

Furthermore, Eni undertakes to offer **equal opportunities** to all its employees in full compliance with applicable legal and contractual provisions, making sure that each of them receives a fair statutory and wage treatment based exclusively on merit and expertise, without discrimination of any kind.

Consistently with this commitment:

- all decisions concerning human resources are adopted following criteria based on merit and ability;
- the human resource selecting, hiring, training, compensating and managing activities are conducted in line with equity, meritocracy, personal care and without discrimination of any kind;
- plurality and diversity are considered as sources of enrichment which create an inclusive working environment and which ensures the wellbeing of all Eni's People.



Eni protects workers' representatives from discrimination and retaliation as provided for in the GFA, together with a commitment to grant reasonable access to the workplace to unions and workers representatives.

Eni's Statement on Respect for Human Rights includes a commitment to ensure that third-party companies when working for or together with Eni agree to apply the guarantees provided for in the Statement to their workers

Respect for human rights from Eni's staff and Business Partners, including contractors

Eni's Statement on Respect for Human Rights includes a commitment to ensure that third-party companies when working for or together with Eni agree to apply the guarantees provided for in the Statement to their workers, including suitable contractual clauses against possible violations. Furthermore, the **Global Framework Agreement** on International Industrial Relations and Corporate Social Responsibility reiterates Eni's commitment "to finding suppliers and independent contractors that have suitable professional qualifications and a commitment to sharing its corporate values". To ensure that suppliers meet these requirements, they undergo a risk-based assessment process.

Moreover, the **Sustainability Policy** calls for Eni's active role in terms of promotion of human rights when dealing with Business Partners.

Eni protects workers' representatives and whistleblowers from discrimination and retaliation as provided for in the GFA, together with a commitment to grant reasonable access to the workplace to unions and workers representatives

Protection of workers' representatives and other human rights defenders

Eni protects workers' representatives and whistleblowers from discrimination and retaliation as provided for in the GFA, together with a commitment to grant reasonable access to the workplace to unions and workers representatives, as stated in the ILO Convention 135 and in the Eni's Statement on Respect for Human Rights.

Furthermore, as stated in the Statement, Eni prohibits, and undertakes to prevent, retaliation against workers and other stakeholders for raising human rights-related concerns, and neither tolerates nor contributes to threats, intimidation, retaliation or attacks (both physical and legal) against human rights defenders and affected stakeholders in relation to its operations.

The **rules on whistleblowing reports** received, including anonymously, by Eni SpA, also envisage possible measures for any potential retaliation perceived. In addition, the Code of Ethics includes commitments to non-retaliation, together with other important safeguards such as guarantees on full confidentiality and non-interference with judicial and non-judicial mechanisms.

For details on the protection of whistleblowers [see p. 101](#).

Eni's CEO also highlighted Eni's expectations in relation to respecting workers' rights during its participation in the **awareness-raising workshop** for the Company's senior management held in October 2016 entitled "Raising awareness on Business and Human Rights in Eni Activities".

Working together with rights holders and strategic stakeholders for workers' rights

The daily and proactive dialogue, in place with different stakeholders, is essential in order to establish a solid and transparent relationship of trust. Eni is involved in numerous engagement activities with the main rightsholders and strategic stakeholders in order to fully understand and assess the potentially severe negative impacts on workers' rights.

- **Industrial Relations at Eni**

Workers and their representatives are Eni's main stakeholders on subjects concerning workers' rights.

- **Eni's dialogue with unions: a collaborative and ongoing process**

Eni's relational model is based on national and international agreements that establish the process for consultation with Trade Unions and when and how information should be disseminated.

In Italy the information and consultation process usually starts within the Industrial Relations Committee, attended by a delegation of Eni and the most representative Unions of the Energy and Chemical sectors. The Eni strategic plan is presented with a specific focus on Eni employment during this meeting.

The same information is provided during the Eni European Works Council, an annual plenary meeting. This meeting is usually attended by representatives from the IndustriAll European Trade Union, Italian General and National Unions (FILCTEM, CGIL, FEMCA, CISL, UILTEC and UIL) and the European Works Council.

Furthermore, when relevant organizational changes or difficult situations which may have an impact on workers arise (such as turn-around processes, mergers, divestments of business areas), the Eni Industrial Relations Unit leads a consultation process with unions.

The Global Framework Agreement (GFA) which was renewed in June 2019, also includes a provision for an Annual Meeting to promote a system based on information, consultation and dialogue, increase knowledge regarding Corporate Social Responsibility issues and allow the involvement of local representatives. See section "Monitoring respect for workers' rights with workers' representative" for further information on this.

11,342

Eni employees belonged to a union in 2020

83.40%

Employees covered by collective bargaining in 2020

HEALTH EMERGENCY

Eni's industrial relations model in relation to the management of the SARS-CoV2 emergency

Eni's consolidated model of industrial relations made it possible, in relation to the management of the SARS-CoV2 emergency, to identify common paths with the reference trade unions, to share information and action plans aimed at containing the effects of the pandemic in the workplace. In Italy, this approach took concrete form in the signing with the Italian trade unions of the "Shared protocol regulating the measures to contrast and contain the spread of the COVID-19 virus in workplaces", containing a series of provisions to protect the health of employees, including the establishment of the "Committee for the application and verification of the rules of the protocol", a body with joint company and trade union representation, which met periodically to analyse the situation at national and international level. Within the framework of the European Works Council activities, Eni maintained a constant flow of information to the workers' representatives, also holding a meeting of the relevant Restricted Committee, in which the main evidence relating to emergency management was analysed. With regard to the GFA's scope of competence, Eni fed the communication channel to IndustriALL Global Union, co-signatory of the Agreement itself, periodically providing an overview of the measures adopted at global level to address the crisis situation.

Collaboration with international organizations

Eni has developed a number of initiatives on the subject of international labour standards and equal opportunities, with the collaboration of the International Labour Organization (ILO), including online seminars and studies on international legal and regulatory frameworks.

Eni joined the Global Business Network for Social Protection Floors promoted by the ILO in 2015 to share practices multinationals have adopted in relation to social security.

Eni also supports the Closing the Gender Gap Initiative led by the World Economic Forum, aimed at creating global and national collaboration platforms to address current gender gaps and reshape gender parity for the future.

Furthermore, Eni is part of the European Round Table of Industrialists (ERT) which groups together around 50 Chief Executives and Chairmen of major European multinational companies, covering a wide range of industrial and technological sectors. Within this context, Eni participates in a panel of companies set out to share best practices and monitor diversity and inclusion trends.

Assessing respect for labour standards and monitoring salient issues

Eni is aware that in some Countries of operations there are relevant context risks related to human rights violation. Conscious of this, Eni has in place an articulated framework of policies, management models, contractual clauses and practices adopted by Eni's subsidiaries – in line with the commitments undertaken by the parent company in the Code of Ethics and in the Eni's Statement for the respect of human rights – which allows to effectively manage these risks in direct workforce management.

This risk-based model aimed at segmenting Eni's subsidiaries on the basis of specific quantitative and qualitative parameters that capture the characteristics and risks of the operating context and related to the human resources management process

In addition, in 2020 a pilot application of a new risk evaluation model was carried out on some of the Group's subsidiaries. This risk-based model aimed at segmenting Eni's subsidiaries on the basis of specific quantitative and qualitative parameters that capture the characteristics and risks of the operating context (Country in which the subsidiary is based) and related to the human resources management process, including the fight against all forms of discrimination, gender equality, working conditions, freedom of association and collective bargaining.

The application of the model allows the company to identify any areas of risk as well as their evaluation in order to define specific actions to be monitored over time.

In 2021, the model will be extended to the other subsidiaries thus allowing a broader clustering of human rights risk in the workplace.



Participation at the Workforce Disclosure Initiative (WDI)

For the second consecutive year Eni has voluntarily taken part in the annual survey of the **Workforce Disclosure Initiative (WDI)**, an initiative of the British NGO ShareAction, supported by a coalition of over 50 international investors, conceived with the aim of encouraging voluntary disclosure by part of the main listed companies on aspects relating to the management of direct workers and those of their suppliers and sub-suppliers. In 2019 Eni participated as a pioneer in the O&G sector, followed in 2020 by another company in the sector.

As part of the survey conducted by WDI in 2020, Eni obtained an excellent level of response, so much so that it was cited, in the 2020 WDI results report, among the companies that provided the most information for the preparation of the survey.

During the annual WDI conference held on March 31st 2021, Eni received a special mention in the context of "The Workforce Action Award" and "The COVID-19 Transparency Award". Furthermore, Eni was included in the short-list of possible winners within the following award categories "The WDI general Award", "The Supply Chain Data Award" and "The Contingent Workforce Data Award", category in which it was also awarded.

Monitoring respect for labour standards

a. Monitoring respect for workers' rights with workers' representatives

The Global Framework Agreement (GFA) provides for an Annual Meeting between Eni and workers' representatives to share information on Sustainability issues, including human rights. This is a key opportunity for the joint monitoring of Eni's capacity respect for workers' rights. As for the meeting's participants, the GFA calls for a delegation of 10 worker's representatives to participate, including:

- 5 members of the Select Committee of the European Works Council;
- 5 workers representatives from different Countries and business units of Eni.

Various matters are discussed at the annual meeting, including for instance Eni's economic performance and financial situation, Eni's actions and plans concerning health, safety and environmental issues (including main HSE indexes related to employees and contractors), Eni's implementation of CSR actions and projects, whistleblowing (especially with regard to human rights), positive actions in favour of non-discrimination, etc.

In 2019 the third annual meeting, held in Athens, culminated in the signing of the renewal of the GFA. The main theme of the meeting was the pursuit of a view to develop joint responses to the major issues of the near future: Sustainability, Decarbonisation and Workers' Safety, in the context of energy and digital transformation.

With this renewed agreement Eni, the General Secretaries of Filctem CGIL, Femca CISL, Uiltec UIL and IndustriAll Global Union, confirmed their joint commitment to promote sustainable development and raise awareness among direct and indirect employees about the key principles of human and employment rights over the next four years.

Participants also discussed adopting models for monitoring the implementation of the Agreement during the meeting which also provided an opportunity to exchange views and take an in-depth look at the different social realities in the companies and unions among the different Countries represented.

The Global Framework Agreement (GFA) provides for an Annual Meeting between Eni and workers' representatives to share information on Sustainability issues, including human rights

In 2019 the third annual meeting, held in Athens, culminated in the signing of the renewal of the GFA



The occasion was likewise used to bilaterally underline the importance of complying with the principles of the Fundamental Conventions of the ILO (International Labour Organisation) and the OECD Guidelines across the entire operational chain and to use these tools to implement socially responsible, ethical and morally correct behaviour when doing business.

b. Eni’s Key Performance Indicators

Eni has developed a tracking and reporting system focused on respect for labour rights in order to be able to detect any risks of violations and assess the implementation of Eni policies, also in accordance with the UN Guiding Principles on Business and Human Rights.

To this end, Eni has identified the following specific KPIs that are monitored on an annual basis:

- Ratio between Eni’s minimum wage policy and the market minimum wage;
- Equal opportunities (Women employees in service, Women hired, Women in managerial positions - senior and middle managers), Replacement rate by gender, Pay gap (senior and middle managers, white and blue collar workers);
- KPIs on Health;
- KPIs on Safety;
- Industrial relations;
- Employment disputes.

For details see section “Key Performance Indicators” at the end of the chapter.

c. Focus on fair compensation

Eni places all its people at the heart of its business strategy in line with the United Nations objectives of wage improvement, reduction of income inequality, promotion of decent job opportunities, gender, generational, ethnic equality etc. according to the “equal pay for equal work” principle.

Eni has been monitoring on an annual basis the remuneration gap between women and men since 2011, finding a substantial alignment of remuneration

Remuneration policies for Eni’s employees are defined according to a global integrated model and promote salary progression based exclusively on meritocratic criteria based on role related skills, performance achieved and local remuneration market benchmarks. In order to verify implementation of these policies, Eni has been monitoring on an annual basis the remuneration gap between women and men since 2011, finding a substantial alignment of remuneration.

Gender pay ratio*

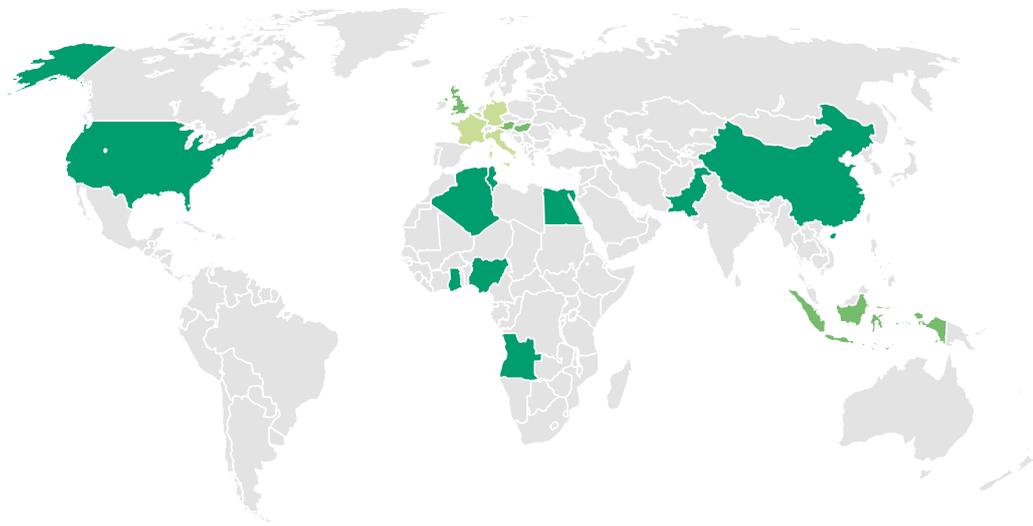


* As in previous years, Eni’s methodology neutralises any effects arising from differences in role level and seniority.

In the various Countries in which Eni operates, Eni guarantees fair and competitive remuneration policies with respect to roles and professional skills, providing salaries that ensure a decent standard of living, above mere subsistence levels and/or legal or contractual minimums in force, as well as minimum remuneration levels found on the local market.

This system adopts market references made up, for each role, by the median of the sectors to which they belong, thus guaranteeing the application of fair and competitive remuneration policies with respect to the role and professional skills and always able to support a decent standard of living, higher than the mere subsistence levels and/or the legal or contractual minimums in force, as well as the minimum wages found on the local market. For this purpose, Eni provides its business lines, for each Country, with policy salary references that are significantly higher than the 1st decile of the local salary market, as well as the legal/contractual minimums as found in the checks that Eni carries out annually on the salaries of local staff in the main Countries where it operates, compared to the minimum reference salaries provided by international providers.

Ratio between Eni minimum wage and law minimum wage (1st decile)
(Middle manager – Senior staff – Employee)



The minimum wage levels of Eni's personnel are significantly higher than both the legal minimum wages and market minimum wage levels

- Eni minimum > 250% of minimum reference
- Eni minimum between 201% and 250% of minimum reference
- Eni minimum between 151% and 200% of minimum reference
- Eni minimum between 110% and 150% of minimum reference

Eni guarantees the application of fair and competitive remuneration policies to a decent standard of living, higher than the mere subsistence levels and/or the legal or contractual minimums in force, as well as the minimum wages found on the local market



Eni has been adapting its training portfolio to the evolution of its own human rights agenda, selecting the priority issues whose contents and solutions needed to be primarily applied in a widespread manner

Tailored strategies and actions for workers' rights

Eni has taken specific actions following the assessment processes and based on the gap analysis concerning the adoption of ILO standards that was carried out in 2013; these actions range from integrating its internal legal framework to launching appropriate measures on both a broad spectrum of workers' rights and on particular vulnerable groups of workers.

1. Training programs

Eni has been adapting its training portfolio to the evolution of its own human rights agenda, selecting the priority issues whose contents and solutions needed to be primarily applied in a widespread manner. Every learning aspect, including tools, managers selected as spokespersons and case studies has been carefully designed with the goal of maximizing the effectiveness of communication.

- **Training module on Human Rights in the Workplace:** after the massive e-learning program (for details [see p. 25](#)) on companies' responsibilities to respect human rights, in 2017 Eni developed **targeted courses** on specific issues and functional areas. The Human Rights in the Workplace module encompasses all workers' rights relevant to Eni's activities, and goes beyond the fundamental ILO conventions. Indeed, the module covers decent work elements such as fair and clear employment terms and conditions, working hours, maternity protection, migrant workers' rights and bullying and harassment. These workers' rights issues are explored taking into consideration different dimensions, including indicators of abuses and international standards as well as Eni's commitment in terms of both policies and actions to prevent and mitigate impacts. The case studies included in the course address freedom of association and collective bargaining, discrimination, mobbing and bullying. Furthermore, the course is dedicated not only to Human Resources professionals but also to all Eni people responsible for supervising workers. In 2018, Eni started rolling out the Human Rights in the Workplace module to the target population; in 2019, about 480 colleagues were enrolled in the training course with an 86% attendance rate.
- **Training module on the Global Framework Agreement** (for details [see p. 26](#)): in 2018 and in 2019 around 300 colleagues enrolled in several open courses.
- **Non-discrimination e-learning courses:** In collaboration with the International Training Centre of the International Labour Organization (ITCILO), Eni launched two e-learning courses on the subject of non-discrimination:
 - a company-wide course dedicated to all Eni staff and management available in Italian, English and Russian;
 - an advanced-level training course for Human Resources managers, executives and professionals, where participation was mandatory and tracked. Almost 13,000 employees attended the specific module (3,189 employees in 2014, 8,494 in 2015, 887 in 2016 and 385 in 2017).

In relation to Eni's strong commitment to upholding international labour standards, in January 2019, a **practical manual** was drawn up in collaboration with the International Training Centre of the ILO, as a result of the analysis aimed at mapping the state of ratification of ILO Fundamental Conventions and other selected ILO Conventions of interest to HR across the Countries where Eni operates. The practical guide includes:

- a description of the main roles and activities performed by the ILO;
- a summary of the ILO Fundamental Conventions in the Countries where Eni is present and other selected technical conventions;
- an overview of Eni's internal rules and documents on respect for workers' rights;
- Country ratification maps illustrating the state of ratification of the Fundamental ILO Conventions and other selected ILO Conventions in all the Countries where Eni currently operates.

2. Eni's strategy against discrimination

Thanks to the assessments on respect for human rights carried out over the years, Eni has been able to analyse the main challenges in this area and the actions that could substantially make a difference in terms of opportunities for potentially impacted people. Following the identification of the main diversity dimensions deserving specific attention, Eni's strategy was based on the adoption of tailor-made initiatives, taking into account specific causes as well as enablers.

Diversity and inclusion – The culture of plurality

Eni's approach to Diversity and Inclusion (D&I) has developed in the wake of its international culture of plurality, based on the fundamental principles of non-discrimination, equal opportunities and inclusion of all forms of diversity, as well as integration and balancing work with personal and family needs.

Eni is committed to creating a working environment in which different personal and cultural characteristics or orientations are considered a source of mutual enrichment and an indispensable element of business sustainability, both through constant individual involvement and responsibility and through communication and awareness-raising actions by top management towards all employees, as in the case of the violent episodes of racial discrimination that occurred in the US (George Floyd) in the summer of 2020. At Eni there are no differences in gender, religion, nationality, political opinion, sexual orientation, social status, physical abilities, medical conditions, family circumstances, age and any other irrelevant aspect; furthermore, Eni aims to establish working relationships free from any form of discrimination, requiring that similar values be adopted by all third parties.

Eni is committed to creating a working environment in which different personal and cultural characteristics or orientations are considered a source of mutual enrichment and an indispensable element of business sustainability

All Eni's people and third parties have a duty to report any violations of one of the principles of the Code of Ethics, using one of the Reporting Channels available, in line with relevant regulatory provisions.

Since the beginning of 2021 a new D&I unit ensures the coordination overall and reports to the Director, Human Capital & Procurement Coordination, who in turn reports directly to the CEO. The purpose of this unit is to develop the company's D&I strategy, develop its portfolio of initiatives and carry out relevant benchmarking and reporting analyses, as well as promote management accountability in cooperation with all the company functions.

INITIATIVES TO PROMOTE INCLUSION

D&I Matters programme	A D&I Matters training and internal communication programme was launched in 2019 to raise awareness of unconscious biases and in 2020 the "Eni Global Inclusion" event was organised to further explore this content in corporate culture and in daily and working relational life.
Unconscious Bias education campaign	A training campaign on unconscious biases was launched for all employees, in English, Italian and soon French. The campaign is designed to address the issue both from a theoretical point of view and through a series of exercises and self-observation possibilities, as well as in-depth studies, to strengthen individual awareness and the ability to manage prejudice correctly and effectively.
International intergenerational female mentoring	Processes to reinforce the value of intergenerational exchange and make internal relations more open to dialogue between different sensitivities and mutual inclusion, with particular attention to women's careers. Since 2017, about 250 mentoring paths have been implemented with about 130 mentors, involving younger colleagues (including women returning from maternity leave).
Orange the world	Adhesion to the worldwide initiative against gender-based violence "Orange the world" (25 November - 10 December) through support to the campaign by top management, including the CEO and the President, individual adhesion of Eni's people, orange lighting at Eni's headquarters in Rome, activation of a new e-learning course on harassment.

Human Focus	At this time of transformation, Eni's framework for skills and behaviours is evolving too . The result is Human Focus , a tool that allows us to interpret and identify our behaviours and skills on the basis of a shared language and link each to our own role. One of the main transversal stream of Human Focus is the diversity and inclusion that is one of the main behaviours that starts from thought, passes through the language and it realizes through concrete actions.
D&I Objectives within annual performance evaluations	Integration and inclusion: this objective has been assigned to all Eni employees with the aim of becoming aware of our actions taking into account the D&I values.
Diversability in Eni	A deep analyses of the legislative contest of all the countries where Eni works was conducted in order to define a common action plan with the aim of respect and inclusion of disabled people in all Eni subsidiaries

➤ [For more information: eni.com](https://www.eni.com)

Women's empowerment

33%

CEO's direct reports are women

26.6%

People in positions of responsibility are women
+0.6 p.p. vs. 2019



With regard to gender diversity, Eni pays particular attention to the promotion of initiatives to attract female talents at a national and international level, and to the development of managerial and professional growth trajectories for women in the company. This commitment is confirmed by the main employment and development indicators monitored to enhance the presence and development of women. In fact, of all permanent hires in 2020, 34.6% were women (up 2.3 percentage points vs. 2019). Furthermore, in 2020, the percentage of women in positions of responsibility rose to 26.64%, compared to 26.05% in 2019; overall, women accounted for 24.56% of Eni's total workforce. At Eni, 33% of people reporting directly to the CEO are women.

Eni is also committed to continually improving its ability to integrate women's perspectives in its internal business processes as well as in the contexts where it is present and where it operates indirectly, with the following evidence for the year 2020:

- local development projects to promote women's empowerment such as "100 Women in demining", promoted by HALO Trust to involve Angolan women in the clearance of land mines;
- involvement of the supply chain: adhesion to the JUST initiative, whereby Eni is committed to reducing and eliminating all possible forms of discrimination and making sure that suppliers guarantee equal opportunities in their employee recruitment process and professional career paths;
- attention to the marketing chain: Eni takes care of the representation of the female role in the media, paying the utmost attention not to convey gender stereotypes and harm the image of other diversities through its communication;
- support for female entrepreneurship: through its Joule business school, Eni promotes the entrepreneurial development of women, encouraging business ideas and participating in the Women 4.0 - The Women Enterprise Project. In addition, Eni promotes the CoLABoRA programme aimed at developing innovative business ideas through start-ups with a specific focus on those owned and/or managed by women.

For more information on Diversity & Inclusion and Women's empowerment: [eni.com](https://www.eni.com)

Internationality

Eni's strong international presence is characterised by solid alliances with host Countries aimed at creating value, also through knowledge transfer, while respecting local cultures.

86%

Local employees in countries with a historical presence

16%

Local senior managers & middle managers abroad

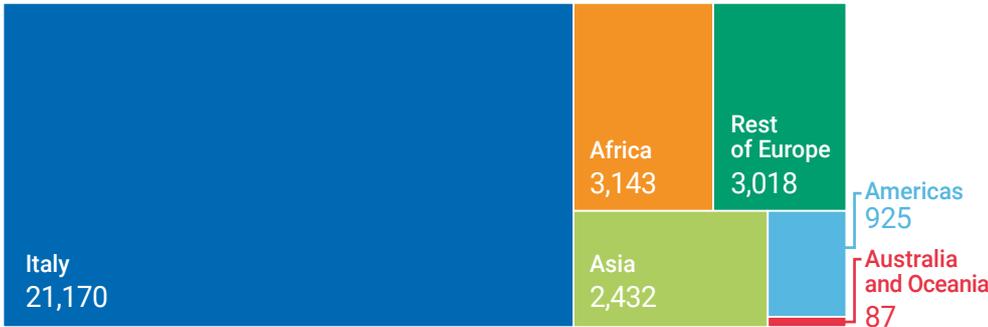
68

Countries of presence

106

Nationalities

Employees by geographical area in 2020

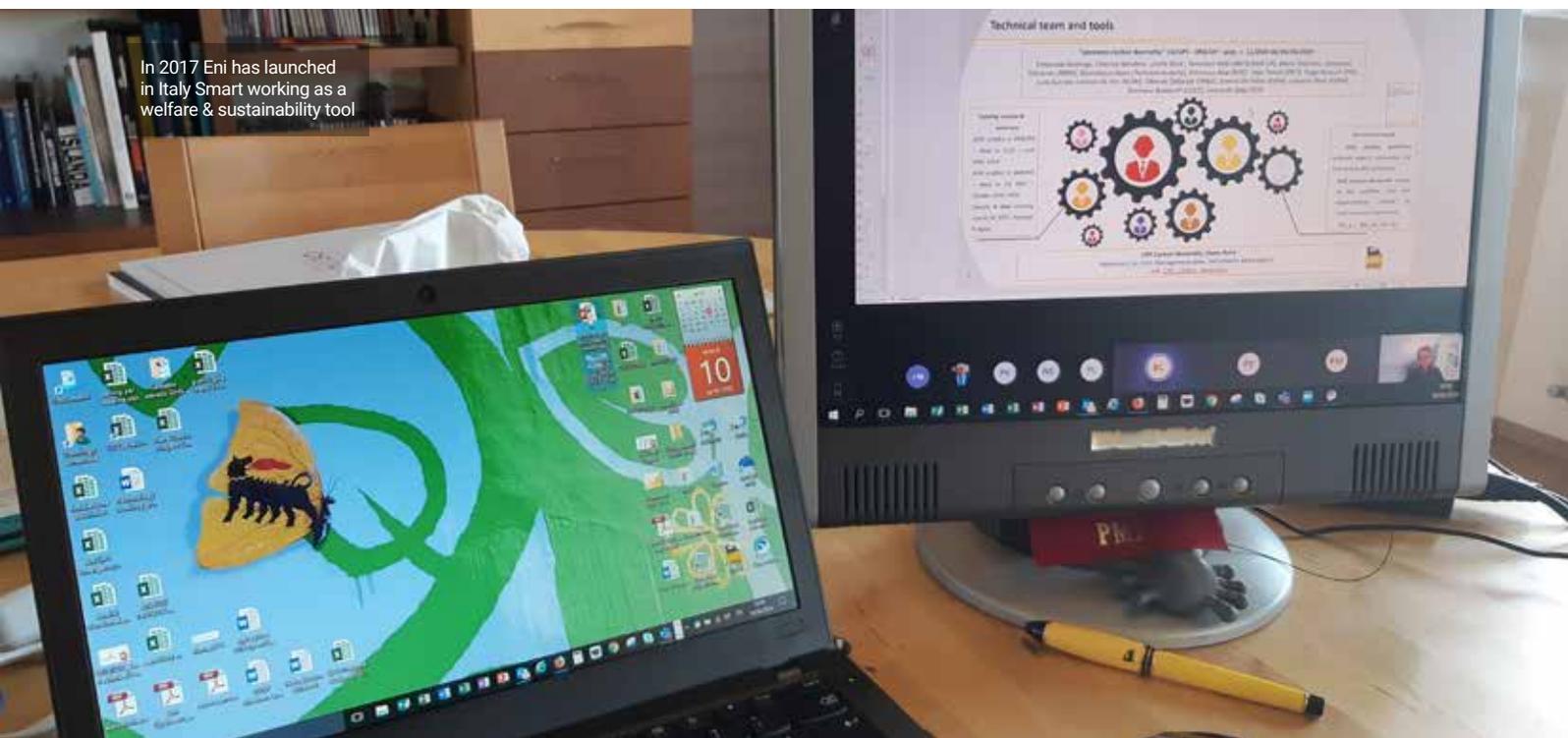


The average presence of local staff abroad has remained substantially constant at around 84% over the last three years, confirming Eni's attention to local content through the involvement of local communities in operational activities in each Countries. The use of expatriate staff is limited to particular skills and expertise that are not readily available at local level. Eni promotes cross professional exchange through a series of processes, including geographical mobility, as an important experience for personal growth.

Welfare

In 2017 Eni has launched in Italy Smart working as a welfare & sustainability tool, providing specific support to new parenthood, employees with pathologies or with disables family members. In these specific cases, Eni grants a larger number of days, to spend working from home or other premises on monthly basis. The evolution of Eni's Smart working model and the New Smart working Eni, developed after the pandemic phase, will allow a reinforcement of these assistance opportunities in terms of welfare & sustainability.

In 2017 Eni has launched in Italy Smart working as a welfare & sustainability tool



Health&Safety

Health

354,192

Health services sustained by Eni in 2020

0.13

Occupational illness frequency rate (OIFR)^(a)

The extreme variability of working contexts requires constant updating of the health risk matrices of the Countries where Eni operates, based both on international indicators and, in case of exceptional events such as epidemic/pandemic outbreaks with significant impacts on Country risk. This variability makes it particularly challenging to ensure health at every stage of the business cycle, and for this reason Eni has developed an operational platform ensuring services to its people through occupational health and hygiene, travel medicine, health care and medical emergencies, as well as health promotion initiatives for Eni people and the communities where it operates. In 2020, all the companies continued to implement health management systems with the objective of promoting and maintaining people’s health and well-being and ensuring adequate risk management in the workplace.

ENI’S HEALTH MANAGEMENT STRATEGY

Health care	Increasing access to health care for all Eni people, reinforcing community-based interventions and emergency shelters to support situations of fragility created or aggravated by the pandemic.
Culture of health	Disseminating a culture of health by implementing initiatives for workers, their families and communities identified as a result of risk and health impact assessment.
Community health	Promotion of the state of health of the populations of the Countries of presence as a prerequisite for socio-economic development, through the implementation of specific programs.
Occupational medicine	Implementing identified occupational health activities, while also considering risks inherent in new projects, industrial processes and the findings of industrial hygiene activities.
Process digitalisation	Promoting the digitalisation of health processes and services through the use of mobile information and communication technologies.

In 2020, 354,192 health services were supported by Eni, including occupational medicine and health care services; the flu vaccination campaign was implemented and initiatives for early diagnosis of chronic diseases continued for Eni’s employees in Italy. Initiatives to meet the health needs of the populations of the Countries where Eni operates have continued, through Health Impact Assessments and the implementation of community health projects.

Efforts and initiatives to deal with the health emergency

In the critical global health context, Eni has taken a range of measures to support those on the front line managing emergencies and local health facilities, also guided by the experience gained in dealing with epidemic events around the world, through: i) epidemiological updates and new guidelines from international bodies, ii) hygiene measures for prevention and containment of epidemics/pandemics, iii) clinical and care flow management best practices, vaccination and recommendations for travel medicine and iv) support in defining technical specifications for services related to emergency response. Activities to promote the psychological wellbeing of employees and in-depth studies on various health issues were initiated, especially on the new virus, new lockdown habits, necessary precautionary measures, as well as constant updates on the ongoing health emergency.

During 2020, the medical emergency procedure, the “Medical Emergency Response Plan” (MERP), of all Eni’s subsidiaries with operational and management specificities was updated several times, “Pandemic Preparedness Response Plans” were activated and specific health emergency response actions were identified.

(a) OIFR: (cases of occupational illness/worked hours) x 1,000,000.

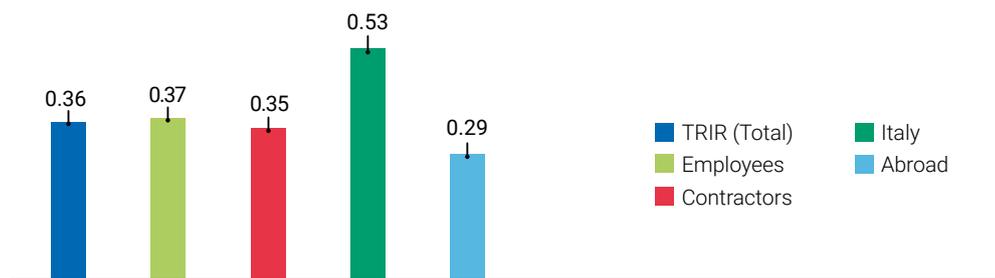
Safety

Eni is constantly committed to ensuring safety in the workplace, regardless of any contingent situation, in order to guarantee the safety of its employees and contractors. Commitment to zero incidents is achieved through the implementation of organisational models for risk analysis and management and the application of a thorough system of procedures and standards for the protection of employees, suppliers, processes and plant integrity. The commitment to safety also includes the dissemination and strengthening of the safety culture as an essential part of the activities, with the development of campaigns and projects promoting healthy and safe behaviour in every working and, in general, living environment.

MAIN INITIATIVES TO STRENGTHEN THE SAFETY CULTURE

<p>The Safety Pact game</p>	<p>Implementation by the staff of the Safety Competence Centre (SCC - safety competence centre for the coordination and supervision of contract works, in Italy and abroad) of a training-experiential course for company supervisors to develop, through "gamification" (which makes classroom training fun, interactive and exciting), technical skills on safety management and leadership skills.</p>
<p>THEME (The Human Error Model for Eni)</p>	<p>The THEME Project (The Human Error Model for Eni) saw the creation of a model for analysing the human factor in the field of safety, with the support of the University of Bologna ALMA MATER, for the development of the methodology and application tools. The methodology identifies factors influencing behaviour, assesses 'barriers' and characterises the influence of cultural elements in a given operational reality in order to identify appropriate interventions. The novelty lies in the redefinition of the role of man, who is no longer seen as a passive subject or only partially involved in the improvement process, but as the first barrier to prevent incidents. An on-site test of the methodology was conducted in 2020, and on-site activities are planned for 2021-23, both in Italy and abroad, with several assessments.</p>
<p>HSE behavioural training line</p>	<p>In 2020, a new line of behavioural training was launched in the field of behavioural safety and Non-Technical Skills, to promote safe and virtuous behaviour at work and in everyday life (in continuity with the "Safety Starts @HOME" and "safety starts@office" campaigns). Two courses were designed for all staff with the aim of influencing behaviour and developing a new sense of responsibility towards oneself and others, with greater awareness of HSE aspects: (i) leadership in HSE: to enhance the ability to make decisions that will increase the awareness of employees; (ii) acting in Safety: to increase the ability to act in safety, through the monitoring of risk variables and awareness of possible errors of perception and evaluation.</p>

Total recordable injuries rate (TRIR) (Total Recordable injuries/worked hours) x 1,000,000



Key performance indicators

Minimum Wage

As described, Eni has policy remuneration standards well above the legal/contractual minimums, as well as the 1st decile of the local remuneration market, for all Countries in which it operates.

We annually check our positioning in terms of remuneration, adopting any necessary corrective actions. The table below shows a comparison between the 1st decile of Eni, the 1st decile of the market and the legal minimum for the main Countries where Eni is present.

Pay ratio with law and market minimum wages

Country	Ratio % between 1° Eni's decile and 1° market decile ^(a)	Ratio % between 1° Eni's decile and the minimum required by law ^(b)		
		women	men	total
Italy	■	■	■	■
Algeria	■	■	■	■
Angola	■	■	■	■
Austria	■	■	■	■
Belgium	■	■	■	■
China	■	■	■	■
Egypt	■	■	■	■
France	■	■	■	■
Germany	■	■	■	■
Ghana	■	■	■	■
Hungary	■	■	■	■
Indonesia	■	■	■	■
Nigeria	■	■	■	■
Pakistan	■	■	■	■
Tunisia	■	■	■	■
United Kingdom	■	■	■	■
United States	■	■	■	■

Legend:

- Eni's minimum > 250% of the minimum reference.
- Eni's minimum between 201% and 250% of the minimum reference.
- Eni's minimum between 151% and 200% of the minimum reference.
- Eni's minimum between 110% and 150% of the minimum reference.

(a) The ratio was calculated with reference to the fixed and variable remuneration of blue-collar employees or, for Countries where Eni has no blue-collar, white-collar level (for market data, source: Korn Ferry).

(b) Minimum wages defined by law in the various Countries or, where not provided for, by the national collective agreement.

Equal opportunities

	2016	2017	2018	2019	2020
Women employees in service	(%) 23.24	23.54	23.61	24.23	24.56
Women hired	25.34	24.70	29.11	32.29	34.60
Women by professional category					
Women in managerial positions (senior managers and middle managers)	24.06	24.86	25.28	26.05	26.64
Senior managers	14.20	14.14	14.88	15.57	16.27
Middle managers	25.13	26.03	26.42	27.19	27.74
White collars	30.17	30.11	29.36	29.79	29.87
Blue collars	1.51	1.58	1.82	2.02	2.07
Replacement rate by gender	0.47	0.76	1.00	1.55	0.46
Men	0.48	0.72	0.94	1.37	0.38
Women	0.43	0.90	1.16	2.15	0.76

Female employment

By the end of 2020, 7,559 women worked for Eni (24.56% of total employees), 5,339 of whom were in Italy and 2,220 abroad, with an increase of 0.33% over 2019. Of the permanent hires in 2020, 34.6% involved female personnel (up 2.3 p.p. vs. 2019). In 2020, the percentage of female employees stood at: 16.3% of senior managers, 27.7% of middle managers, 29.9% of white collar workers, 2.1% of blue-collar workers.

34.6%

Female personnel
of the 2020 permanent hires

Compared to the past, the overall percentage of women on the Boards of Directors of subsidiaries decreased to 26% in 2020 (29% in 2019), while the overall percentage of women on the Supervisory Boards of subsidiaries remained substantially stable at 37%. In 2020, the percentage of women in positions of responsibility reached 26.64%, compared to 26.05% in 2019; in all, women accounted for 24.56% of the Eni total workforce. At Eni, 33% of the figures reporting directly to the CEO are women.

Despite the discontinuity of the energy market, Eni continued to pursue its diversity objectives: in 2020, permanent hires of female personnel stood at 34.6% of total hires compared to 32.3% in the previous year. The 2020 female turnover figure is 0.76 (vs. male turnover 0.38).

Gender Pay Ratio

Eni monitors the gender pay gap on an annual basis and shares with the relevant functions the results of the verifications for each business line and company, in order to assess corrective actions, if necessary. Furthermore, the principle of equal pay is explicitly referred to in the remuneration policies implementation provisions sent to all Eni business lines in 2021.

The table shows the gender pay ratio data for fixed and total remuneration, which show a substantial alignment between the salaries of the female and male populations for the Italian and global population, with differences between the years statistically not significant.

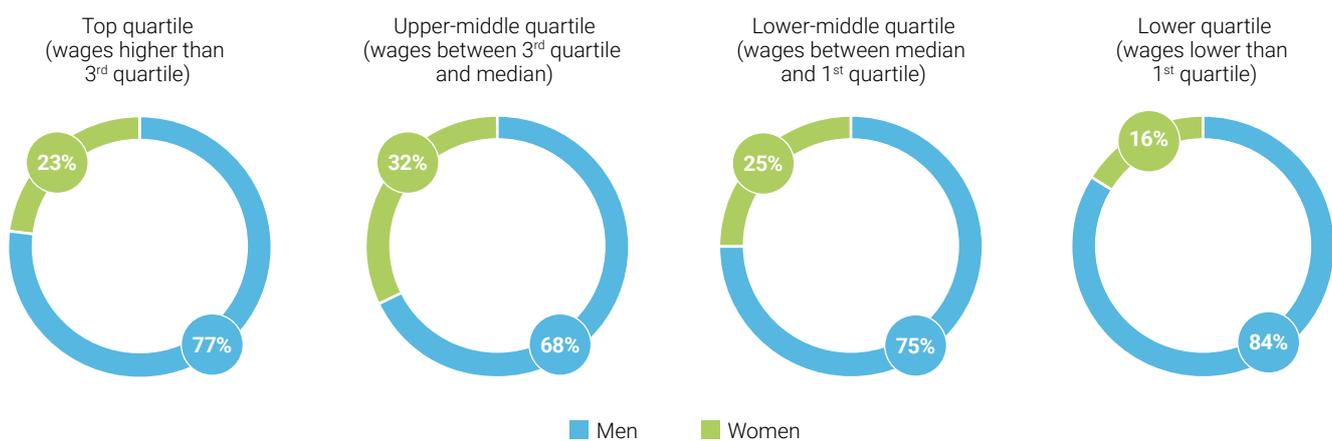
	Fixed remuneration			Total remuneration		
	2018	2019	2020	2018	2019	2020
Employees in Italy (women vs. men)	(%)					
Total pay ratio	99	99	98	100	99	99
Senior Manager	96	96	97	96	96	97
Middle Manager & Senior Staff	97	97	97	98	97	97
White collars	102	101	101	102	102	101
Blue collars	98	95	95	98	95	95
All Employees^(a) (women vs. men)	(%)					
Total pay ratio	98	98	98	98	98	99
Senior Manager	97	98	97	97	97	98
Middle Manager & Senior Staff	99	97	97	99	97	97
White collars	98	100	100	98	100	100
Blue collars	98	96	96	98	96	96

(a) The analysis for 2020 was carried out on more than 90% of Eni's employees.

In calculating the pay ratio, Eni uses a method that neutralizes the effects deriving from differences in the level of role and seniority according to the United Nations principle of “equal pay for equal work”. The alignment is confirmed also when determining the pay ratio without neutralization (99% for fixed remuneration and 98% for total remuneration in 2020).

Finally, the following graphs show the presence of women within the pay quartiles, at a global level, which highlight, in relative terms, a higher presence of women in the middle-upper pay quartile (32%) and a lower presence in the lower pay quartile (16%).

Percentage share of men and women present in each remuneration quartile



Industrial relations

		2016	2017	2018	2019	2020
Employees covered by collective bargaining	(number)	27,758	27,325	25,841	26,832	26,378
Employees covered by collective bargaining	(%)	82.48	81.96	80.89	83.03	83.40
Italy		100	100	100	100	100
Abroad		47.46	44.54	35.33	40.91	41.78
Consultations, negotiations with trade unions on organizational changes	(number)	288	275	192	149	189
Employees in trade unions		12,862	12,166	11,444	11,369	11,342
Employees in trade unions	(%)	38.22	36.49	35.82	35.18	35.86

Employment disputes

		2016	2017	2018	2019	2020
Employee disputes	(number)	812	1,310	1,211	907	1,132
Prevention/disputes ratio		562/812	626/1,310	503/1,211	345/907	632/1,132
Disputes/employees ratio	(%)	2.46	4.05	3.89	2.9	3.68

The slowdown in court times due to the COVID-19 emergency has contributed to the increase in pending litigation as it has delayed the conclusion of many judgements, changing the normal turnover between new litigation and completed cases. As regards Italy, almost half the 901 disputes pending concern claims for damages by former employees, or their heirs, for alleged occupational diseases. These alleged diseases are related to exposure to potentially harmful agents occurring in the past, often prior to the 1990s, at industrial sites that were not managed by Eni but acquired later as a result of corporate transactions.

Health

		2016	2017	2018	2019	2020
Health Impact Assessments carried out	(number)	8	13	20	14	4
Employees included in health monitoring programs		31,643	30,944	28,807	28,579	28,350
Number of health services provided		484,984	450,398	473,437	487,360	354,192
of which: to employees		349,763	297,480	320,933	312,490	242,160
of which: to contractors		72,350	56,573	68,796	94,130	65,662
of which: to relatives		56,677	79,687	66,327	72,268	39,840
of which: to others		6,194	16,658	17,381	8,472	6,530
Number of registration to health promotion initiative ^(a)		27,424	56,765	170,431	205,373 ^(b)	222,708
of which: to employees		18,245	34,458	75,938	97,493	99,758
of which: to contractors		7,762	11,739	46,930	78,330	86,357
of which: to relatives		1,417	10,568	47,563	29,550	36,593
OIFR Occupational Illness Frequency Rate ^(c)	(Occupational illnesses allegations received/ worked hours) x 1,000,000	0.15	0.13	0.16	0.16	0.13
Occupational illnesses allegations received	(number)	133	120	81	73	28
Employees		14	12	10	9	7
Previous employed		119	108	71	64	21

(a) Data refer to companies significant from the point of view of health impacts. For this reason 2018 data differs from those published in the Eni for – Sustainability performance 2018 where the scope relates to fully consolidated entities only.

(b) The increase in the figure for the number of registrations for health promotion initiatives compared to previous years depends on the improvement of the monitoring activities of the execution of the initiatives themselves.

(c) 2018, 2019 and 2020 data refer to fully consolidated entities only.

In 2020, all the companies continued to implement health management systems with the objective of promoting and maintaining the health and well-being of Eni people and ensuring adequate risk management in the workplace. As confirmation of this, the business areas completed the planned health monitoring programmes. In 2020, with the aim of assessing the potential impact of projects on the health of the communities involved, Eni completed 4 HIA (Health Impact Assessment), of which 3 were integrated ESHIA studies (Environmental and Social Health Impact Assessment): 1 HIA in Oman; 3 ESHIA, of which 1 in Montenegro, 1 in Oman and 1 in Vietnam.

The number of health services sustained by Eni was 354,192, of which 242,160 for employees, 39,840 for family members, 65,662 for contractors and 6,530 for others (e.g. visitors and external patients). The number of participants in health promotion initiatives in 2020 was 222,708, of whom 99,758 were employees, 86,357 contractors and 36,593 family members. As concerns occupational illnesses, claims fell during 2020 from 73 to 28, with an overall reduction of 61%, due to the reduction of illnesses reported, both by former employees (from 64 to 21 claims) and current employees (from 9 to 7 claims). Of the 28 occupational disease reports submitted in 2020, 10 were submitted by heirs (all relating to former employees).

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Safety

		2016	2017	2018	2019	2020
TRIR (Total Recordable Injury Rate)	(total recordable injuries/ worked hours) x 1,000,000	0.35	0.33	0.35	0.34	0.36
Employees		0.36	0.30	0.37	0.21	0.37
Contractors		0.35	0.34	0.34	0.39	0.35
Italy		0.51	0.64	0.62	0.53	0.43
Abroad		0.31	0.26	0.29	0.29	0.33
High-consequence work-related injuries rate (excluding fatalities)	(high-consequence work-related injuries/worked hours) x 1,000,000	0.01	0.00	0.01	0.01	0.00
Employees		0.01	0.01	0.00	0.00	0.00
Contractors		0.01	0.00	0.01	0.01	0.00
Lost time Injury frequency rate (LTIF)	(injuries with days of absence/ worked hours) x 1,000,000	0.23	0.21	0.23	0.19	0.21
Employees		0.30	0.27	0.28	0.17	0.26
Contractors		0.19	0.19	0.21	0.20	0.18
Italy		0.51	0.60	0.60	0.52	0.42
Abroad		0.15	0.12	0.14	0.11	0.14
Injuries severity index	(days of absence/worked hours) x 1,000	0.010	0.011	0.010	0.011	0.008
Employees		0.017	0.019	0.016	0.011	0.008
Contractors		0.007	0.008	0.007	0.012	0.008
Fatality index	(fatal injuries/worked hours) x 100,000,000	0.72	0.33	1.21	0.90	0.39
Employees		-	-	-	1.09	-
Contractors		1.09	0.47	1.67	0.83	0.58
Number of fatalities as a result of work-related injury	(number)	2	1	4	3	1
Employees		0	0	0	1	0
Contractors		2	1	4	2	1
Near miss		1,643	1,550	1,431	1,159	841
Worked hours	(millions of hours)	276.9	306.3	330.6	334.2	255.1
Employees		93.7	93.1	91.6	92.1	81.8
Contractors		183.2	213.3	239.0	242.1	173.3
Training hours on safety	(hours)	249,467	323,765	289,661	331,375	234,072
of which: to senior managers		2,144	9,567	4,945	4,399	3,399
of which: to middle managers		30,532	67,293	57,061	55,266	46,540
of which: to white collars		148,150	174,016	157,724	171,832	127,126
of which: to blue collars		68,640	72,889	69,931	99,878	57,007
Process safety events	(number)					
Tier 1		41	23	27	12	14
Tier 2		66	67	48	53	33

In 2020, the total recordable injury frequency ratio (TRIR) of the workforce increased compared to 2019 (+5%), particularly the employee ratio due to an increase in the number of injuries (30 compared to 19 in 2019). In contrast, the ratio for contractors improved by 10%. A fatal injury occurred involving an upstream contractor in Egypt due to crushing.

The ratio for injuries at work with serious consequences is nil, since there were no events falling into this category (i.e. no injuries with more than 180 days of absence or with consequences such as total or partial permanent disability).

In Italy, the number of total recordable injuries decreased (27 events compared to 37 in 2019, of which 8 employees and 19 contractors) and the total recordable injury frequency ratio (TRIR) improved by 18%; also abroad the number of injuries decreased (64 events compared to 77 in 2019, of which 22 employees and 42 contractors), but the total recordable injury frequency ratio worsened (+14%).

The trend in the number of process safety events is slightly increasing for Tier 1 and sharply decreasing for Tier 2. Tiers 1 and 2 indicate the severity of the consequences (from the most to the least severe) in terms of quantities released and damages caused.



The commitment to safety also includes the dissemination and strengthening of the safety culture as an essential part of the activities

Human rights in Eni's relations with suppliers and other business partners

HUMAN RIGHTS IN ENI'S RELATIONS WITH SUPPLIERS AND OTHER BUSINESS PARTNERS

- Modern slavery
- Migrant workers
- Freedom of associations and collective bargaining
- Working conditions
- Safe and healthy working conditions

Eni's approach to human rights in its relations with suppliers

For Eni's Suppliers the respect of human rights is a mandatory condition considered in every step of the procurement process, with a risk-based model that ensures extensive verifications on relevant and risky categories in addition to minimum requirements applied in any case.

Eni adopts a comprehensive approach to ensure a full commitment of the entire supply chain on respect for human rights, leveraging not only on specific assessments and contractual requirements but also engaging suppliers in dedicated initiatives to concretely obtain and monitor the level of awareness and attention towards supply chain.

This commitment to prevent and mitigate potential and actual impacts on human rights is outlined by the "Eni's Statement on Respect for Human Rights" and a specific "Supplier Code of Conduct", inspired by United Nations Guiding Principles on Business and Human Rights, which represent Eni's commitment and are a key reference point for suppliers and business partners in the relations with Eni.

Eni's commitment to deal with risks associated with suppliers

The respect of human rights is a key value in the relationships between Eni and its Suppliers. Thanks to specific initiatives and various check-point along the procurement process, the importance of respecting human rights is continuously stressed, not only with reference to the direct contractual relationships, but also requesting to Eni's Suppliers to check the same conditions to sub-contractors, achieving a supply chain perspective and coverage.

The involvement of suppliers and level of Eni's engagement on human rights in the supply chain have been increasingly strengthened over the years following a comprehensive approach to cover all the relevant touchpoints.

- **Regulatory and Contractual.** Eni's suppliers are requested to accept a specific "**Code of Conduct**" that represents an official deal where suppliers commit to respect universal and sustainable values, with explicit references to human rights. Moreover, each contract required Suppliers to commit to respect the principles and international standards on human rights, including the Universal Declaration of Human Rights, the UN Global Compact, as well as the specific health, safety and ethical requirements that Eni adopts.
- **Process.** Eni assesses suppliers with a risk-based model that ensures extensive verifications on relevant and risky categories in addition to minimum requirements applied in any case. In case critical evidences are identified, Eni requires the implementation of corrective actions and monitors compliance with the commitments undertaken by suppliers over time. In order to strengthen the achievement of sustainable supply chain goals, with a specific focus on people and human rights dimension, Eni has introduced the "**JUST program**", a specific initiative dedicated to the inclusion of ESG performances and UN SDGs promotion in every step of the procurement process and every stage of Suppliers' journey.
- **Communication and Awareness.** Eni strongly believe on the importance of Suppliers involvement and best practices valorisation in order to concretely obtain a full commitment and awareness on the respect for human rights in Suppliers behaviours and programs, that go beyond a most traditional "only-compliance" approach. In order to do that, Eni has launched a new communication portal named "**eniSpace**", dedicated to all the current or potential new Suppliers and with specific sections dedicated to the JUST

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program, Suppliers' Code of Conduct, qualification criteria and best practices valorisation. Furthermore, in the context of JUST program, Eni organize various **"Workshops"** in which all the suppliers qualified in specific industrial sectors are involved in order to discuss and agree on improvement goals with reference to social and environment dimensions relevant for the specific category, including also the people and human rights topics.

- **Suppliers Reporting and Development.** The importance to have a reporting process that cover all the relevant human rights topics and the awareness on Company's strengths and weaknesses with reference to ESG dimension, including human rights, are other key values for Eni's Suppliers. In order to inspire this attitude and concretely support the Suppliers in this direction, Eni has launched the **"Open-es initiative"**, a systemic initiative open to all the companies and supply chains from different industrial sectors, that through a digital platform offers to Suppliers the possibility to report the company ESG position through standard metrics, obtain gap and benchmark analysis and follow a specific development plan in order to improve the sustainability performances with a specific focus on Human Rights dimension.

In the following chapters each relevant initiative will be described more in-depth.

Eni's engagement on human rights in the supply chain

Eni Supplier Code of Conduct

The Supplier Code of Conduct represents the written commitment through which suppliers declare the pursuit of universal and sustainable values, with explicit reference to human rights, when operating as an Eni supplier, for them and their supply chain. Published in April 2020 and based on the Eni' Code of Ethics, the document states the commitment and expectations from suppliers regarding the internationally recognized human rights standards and it describes Eni's position towards laws, integrity, and transparency. It entails obligations for suppliers to take action, amongst several issues, against modern slavery, child labour, discrimination in the workplace and for the protection of workers' rights in general.

The Code of Conduct, in line with the ILO's Declaration on Fundamental Principles and Rights at Work, requires suppliers to prevent their activities from causing or contributing to violations of human rights. They shall:

- Prohibit forced labour, compulsory labour and all forms of modern slavery and human trafficking.
- Prevent, in compliance with local laws, any form of work for children under the age of 15 and ensure that workers between the ages of 15 and 18 are not engaged in hazardous work.
- Prevent any kind of discrimination (based on race, religion, national descent, social origin, colour, gender, political opinion and sexual orientation or any other condition that may give rise to discrimination), guaranteeing equal opportunities for all and ensuring a non-discriminatory work environment that is free from any kind of harassment.
- Ensure freedom of association and collective bargaining, including the right for workers to freely choose their representatives and to represent other workers, remaining neutral to the employees' preference to join and remain in a trade union organization, and to prepare an adequate access to the workplace also to employee representatives, refraining from any discrimination against the latter.
- Set clear and fair working conditions defined in a contract drawn up in the language(s) envisaged by the local legislation, which provides for fair remuneration, sustainable working hours as well as parental leave and holidays, in a safe and healthy work environment, in accordance with applicable agreements.
- Respect the cultural, economic and social rights of local communities, indigenous peoples and other vulnerable groups, taking into account the operational context and the activities carried out.

The Code of Conduct requires suppliers to comply with specific operational standards also in other areas, such as: compliance with laws, integrity, transparency and conflicts of interest,

The Supplier Code of Conduct represents the written commitment through which suppliers declare the pursuit of universal and sustainable values, with explicit reference to human rights, when operating as an Eni supplier, for them and their supply chain

Eni makes available to workers, the communities and its suppliers (including their employees) tools for a prompt response to reports of potential violations of their rights (Grievance Mechanism) as well as channels for receiving and processing reports relating to violations, improper conduct or complaints, even in a confidential or anonymous way, explicitly prohibiting retaliation against the appellant

JUST is addressed to all suppliers in order to involve them and reach a sustainable supply chain through environmental protection, economic development and social growth

the fight against corruption, health and safety, environmental protection, export control, data protection and intellectual property, and fair competition.

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Consistently with this objective and taking into account the operating context and the activities performed, as stated into the Code of Conduct, Eni expects suppliers to make available to workers, the communities and any external individual they interact with in the interest of Eni, their own accessible remedial mechanisms.

Eni's commitment included in the Statement on Respect of Human Rights has always been central in its relationship with suppliers. In recent years, it has been further strengthened through a structured and combined programme of initiatives to involve companies in the energy transition, in compliance with environmental sustainability, economic and social development, with primary focus on human rights.

The Supplier Code of Conduct refer also to Eni's "Code of Ethics" – the document that defines the values and the principles that guide the work of Eni, of its people and of those that contribute to the achievement of its goals. The Code is addressed to members of Eni's administrative and control bodies, Eni employees, all Eni controlled companies and to any third parties, such as suppliers and commercial or industrial partners, collaborating or working in the name, on behalf of, or in the interest of Eni, wherever it operates and in any way it contributes creating value for the company. Eni's expectations in this document include a number of requirements and measures to be implemented in order to minimize the risks of violating the principles included in the Code. Such provisions stress the importance of transparency and of avoiding any risks of corruption and conflicts of interest.

In particular, in the relationship with suppliers and partners, the Code requires to:

- Adopt accurate qualification, selection and monitoring process of our suppliers based on the principles of transparency and integrity.
- Commit to define and disseminate policies, standards and rules guiding the action of our suppliers and partners towards the respect for human rights and our principles of sustainability.

JUST (Join us in a sustainable transition)

JUST is the Sustainable Supply Chain Program of Eni, dedicated to its current and potential new suppliers in order to promote the achievement of sustainability goals, with specific reference to United Nations SDGs, and to introduce in all the procurement steps the evaluation of ESG material topics. JUST is addressed to all suppliers in order to involve them and reach a sustainable supply chain through environmental protection, economic development and social growth. The People dimension, with a dedicated focus on the respect of human rights, is a key characteristic evaluated in every steps of the procurement with a risk-based and prioritization model. Suppliers are required to make a formal commitment to respect human rights, starting from the qualification phase. This commitment is constantly solicited and monitored to develop and consolidate a widespread culture of human rights and prevent any contrary action with concrete measures.

The involvement of the supply chain players by the procurement is a key element of this challenge, through concrete and inclusive initiatives. Many of these represent a natural extension of Eni's commitment as a company towards respecting human rights and on others issues in the context of the work undertaken with JUST. Eni has also adopted ad hoc declarations derived from national laws and has joined private initiatives at a global level, which aim at full transparency in the supply chain with specific reference to human rights ([see p. 59](#)).

eniSpace and JUST Suppliers Workshops

The communication and involvement of suppliers represents a key leverage in Eni Suppliers Management Strategy, especially with reference to the Sustainable Development Goals included into JUST Program with a specific focus on the respect for human rights. In particular, thanks to digital tools (like the introduction of eniSpace, the new Supplier Communication and Collaboration Portal) and live discussions (like the JUST Suppliers Workshops) Eni's Suppliers can participate, fully understand and keep updated on sustainability initiatives.

eniSpace (Supplier Portal and Collaboration Environment) is a portal that combine communication, collaboration channels and open innovation instruments with traditional procurement processes. The platform was created as a common space for Eni's suppliers to involve them in Eni's energy transition with a specific focus on JUST program and respecting human rights.

Innovation and sustainability are key words in the transformation that Eni is carrying out, and eniSpace's innovations are intended to be an example of constant and concrete renewal in relations with the supply chain. The aim is to promote further collaboration with the best companies in the market in the hope of protecting and strengthening our mutual commitment to the fundamental values of sustainability, integrity of behaviour, protection of human rights and collaboration, and confirming our willingness to set off together on a common path to creating sustainable value.

In order to do that, within the JUST Program, Eni has launched the Suppliers Workshops. These Workshops are initiatives organized by Eni's procurement department to involve all qualified suppliers, share sustainability objectives and targets, as well as activate an open discussion on the opportunities and constraints to be taken into consideration for achieving a just energy transition involving people and human rights dimensions.

They represent real working groups, where companies, together with Eni's procurement and technical functions, share the limits and challenges that characterize their sector, in order to define an action plan to be monitored over time.

Open-es

In order to engage the entire supply chain and industrial ecosystem in a common development path on sustainability performances, Eni in partnership with BCG and Google Cloud launched **Open-es**, a systemic initiative open to all the companies and industrial sector. Open-es through a digital platform gives the opportunity to all the companies along all the level of supply chains to measure their ESG position, obtain a dedicated development plan and access to useful services linked to sustainability goals, with a specific focus to Small and Medium Enterprises (SMEs). Based on the Stakeholder Capitalism Metrics, a set of metrics defined by the World Economic Forum (WEF) in partnership with the big four Accounting Firms and strictly linked to the main existing standards, the model is articulated on four pillars: People, Planet, Prosperity and Principle of Governance. Each of these pillars addresses different milestones with the aim of covering all the topics related to sustainability.

The platform has a collaborative and flexible approach, suitable for all kind of companies (from SMEs to big players), that have the possibility to:

- Gauge their own sustainability performance and compare themselves with industry benchmarks through a guided path.
- Gain an awareness of their strengths and areas for improvement where the various ESG aspects are concerned in order to build a development pathway, suggestions and solutions that will help them close gaps and build on their strengths.
- Involve their suppliers by inviting them to join Open-es, thereby improving sustainable procurement processes and accessing statistics, detailed analyses and tools for collaborating with the supply chain.
- Access to useful services aimed to the improvement of ESG performances thank to a marketplace where third parties can participate to the community helping the other companies to concretely

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The aim is to promote further collaboration with the best companies in the market in the hope of protecting and strengthening our mutual commitment to the fundamental values of sustainability, integrity of behaviour, protection of human rights

Open-es through a digital platform gives the opportunity to all the companies along all the level of supply chains to measure their ESG position

By using this platform, Eni is promoting the adoption of the Stakeholder Capitalism Metrics by its suppliers and in general by the industrial ecosystem, involving them in a path of growth and development based on the values of sustainability, in order to develop greater awareness throughout the value chain

activate the development plan with the services they offer (training, initiatives for employees involvement, energy efficiency, consultancies, materiality analysis, finance, circular models) and a collaboration area where companies can share experiences, give visibility to their best practices in terms of environmental, social and economic sustainability and ask for and offer support.

The reliability of the information is furthermore strengthened thanks to the services offered by independent third parties (certification companies) that verify and validate the answers uploaded by the companies.

By using this platform, Eni is promoting the adoption of the Stakeholder Capitalism Metrics by its suppliers and in general by the industrial ecosystem, involving them in a path of growth and development based on the values of sustainability, in order to develop greater awareness throughout the value chain. It is also measuring its supply chain maturity, assessing weaknesses and providing concrete solutions to address them.

One of the milestones of the People pillar is entirely dedicated to human rights and covers the main indicators (referenced to GRI, UN Guiding Principles and WDI metrics) to understand the level awareness and attention of companies with regard to respect and protection of human rights. In particular the questionnaire has the following structure³:

- Has your company adopted policies and/or procedures to manage the risk of violation of human rights and Child labour and forced or compulsory labour risks?
- Please report the total number and percentage of activities that have been audited for human rights compliance or human rights impact assessment? (value and %).
- If relevant, can you also attach the details by country of the total number and percentage of activities that have been audited with regard to human rights or assessment of the impact on human rights?
- Please report the number and type of complaints received in relation to human rights issues? (value and %). For each type, also report the explanation and any quantification of the impact of this complaint.
- Provide an explanation of the operations and suppliers that are considered at risk of accidents related to child, forced or compulsory labor.

Other milestones inside the “People” pillar cover “Employee Wellbeing”, “Health and Safety”, “Dignity and Equality” and “Skills for the Future”.



(3) The questionnaire is referenced to the Global Reporting Initiative Standards (GRI) related to human rights, specifically: GRI 408-1a, GRI 409-1, GRI 412 and GRI 412-1.

In addition to these internal initiatives, Eni has adopted ad hoc declarations derived from national laws and has joined investor initiatives at a global level, which aim at full transparency in the supply chain with particular reference to human rights. US Conflict Minerals and the UK Modern Slavery Act are examples of the former and the World Disclosure Initiative (WDI) of the latter.

Eni's position on conflict minerals

(For detail [see p. 13](#))

Eni's Slavery and Human Trafficking Statement

(For detail [see p. 13](#))

Institutional investor initiatives

Eni joined the Workforce Disclosure Initiative (WDI), a new collaborative engagement programme in which institutional investors ask for listed companies to publish data on their workforce. The long-term goal of the WDI is to improve the quality of jobs in the direct operations and supply chains. Companies are requested to provide information on the composition of the workforce, workforce stability, workforce development and worker engagement of their direct workers and of those belonging to their supply chain.

Finally, specific commitments were taken with IndustriALL and Italians Trade Unions through the renewal of the **Global Framework Agreement**, which includes specific provisions regarding the international standards to be explicitly referred to in contract clauses, as well as requirements in terms of both qualification processes and subcontractors.

(For detail [see p. 13](#))

Assessing and monitoring suppliers' risks

Eni adopts criteria for the qualification and selection of suppliers which assesses their ability to meet corporate standards on ethics, health, safety, environmental protection and human rights. Eni implements this commitment by promoting these values in its relationships with suppliers and engaging them in the risk prevention process. Indeed, Eni performs processes aimed at minimizing human rights risks deriving from the conduct of its counterparties and monitors compliance with these commitments over time. Should critical issues emerge, Eni requires the implementation of corrective actions. Where contractors' performance in terms of respect for human rights falls below minimum standards, Eni limits or prevents their participation in tenders.

Assessing and managing risks along the supply chain

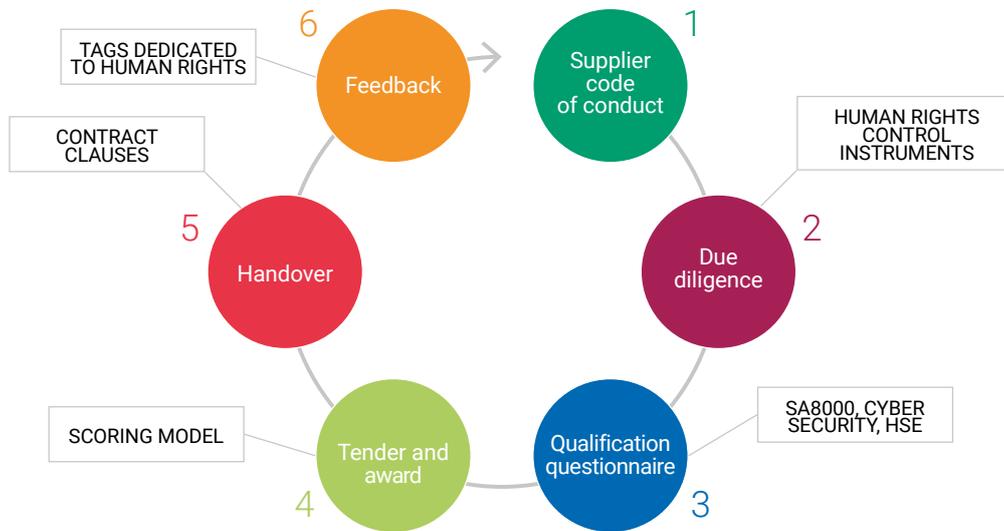
The promotion and protection of human rights in the supply chain is ensured through the adoption of transparent, impartial, consistent and non-discriminatory behaviour by adopting a model for assessing and monitoring respect for human rights, developed according to a risk-based approach, in order to identify, prevent and mitigate the risks of violations of the rules on the protection of human rights throughout the procurement process.

In 2020 Eni has implemented a new risk-based model for assessing and managing the human rights risk along the supply chain: suppliers are monitored and assessed in order to promote and guarantee the respect of human rights by excluding any form of slavery, forced labour, child labour and encourage healthy and safe working conditions, freedom of association, and adequate wages.

This model makes it also possible to apply control measures differentiated on the basis of the level of risk, using criteria inspired by international standards, such as the SA 8000 standard.

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Control measures to ensure respect for human rights in the procurement process



1) Supplier Code of Conduct: published in 2020, it sets out the principles contained in the Code of Ethics for suppliers who are required to sign it during the self-application/qualification or awarding of contracts, recognising and protecting the value of people and the prohibition of any kind of discrimination.

2) Due diligence: introduction of keyword search strings dedicated to possible human rights violations in the reputational analysis of counterparties. To support due diligence on human rights, Eni has implemented a risk-based model to segment qualified suppliers according to a potential risk of human rights violations in consideration of the risks related to the Country and the activities carried out.

3) Qualification questionnaire: verification of professionalism, technical-operational capacity, ethical, economic and financial reliability, health, safety, environmental protection, respect for human rights, by filling in a special section inspired by the SA8000 standard and cyber security to minimise the risks inherent in working with third parties.

4) Tender and award: definition of any minimum human rights requirements necessary for the evaluation of bids (scoring model) and the subsequent award of the tender. Strengthening of contractual clauses guaranteeing respect for human rights, including the possibility of specific audits of the supplier's activities.

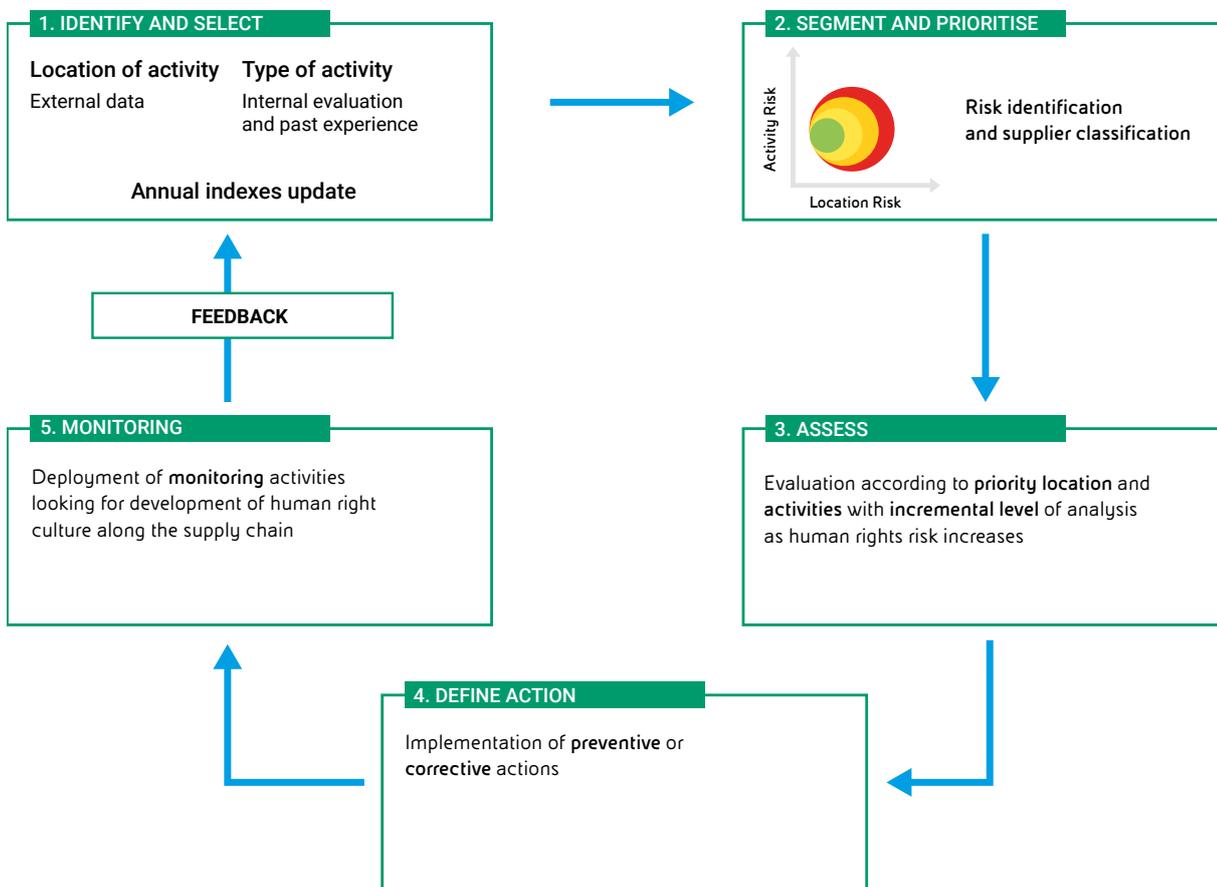
5) Handover: transmission to the contract manager of all relevant information, including the indication of the contractual clauses protecting human rights, in order to allow actions aimed at the optimal management of the contract also in relation to the protection of human rights.

6) Feedback: if critical issues are identified, improvement actions are requested or, if minimum standards of acceptability are not met, limitations or inhibitions are placed on the invitation to tender. Inclusion of dedicated tags in the system, in order to periodically detect which reports have led to action being taken against the supplier and in respect of which human rights violations.

Through the model adopted, the risk evaluation is based on an objective and transparent methodology which leads to a suppliers' classification according to potential risk of human rights violations. Such risk is evaluated taking into account the Country of operations and type of activity performed.

The geographical risk derives from external data providers and it is based on the evaluation of the occurrence probability of human rights violation in terms of forced labour, trafficking in persons and modern slavery also considering the legal and regulatory frameworks, government effectiveness and law enforcement. The risk associated to a specific activity, originated by internal evaluations, is based on the vulnerability and probability of incidence of non-compliance with human rights in working conditions such as level of workers, labour intensive work, percentage of low-skilled manpower required, HSE standards required.

Eni's approach to assess and manage risks along the supply chain



Focus on human rights assessment on suppliers

To manage the identified risks, the model allows differentiated control approaches according to the different risk levels, always inspired by international standards such as SA8000: all suppliers are evaluated on respecting human rights with a growing level of detail according to the associated risk degree. Through the acceptance of the Code of Conduct, suppliers are required to comply with Eni's principles and policies on human rights in order to become or maintain the status of Eni's supplier. Moreover, all suppliers are subject to a continuous monitoring process through due diligence verifications and enforced feedback processes with focus analysis on respecting human rights and periodic check-points with dedicated questionnaires - during the qualification stage - and on field-surveys - during the execution of the contract. In the tender evaluation process, as the human rights risk increases, minimum requirements are adopted, evaluated and monitored along the contract duration not only for contractors but also for Eni's subcontractors with the aim of preventing any forms of modern slavery such as forced labour, child labour, discrimination or unequal wages. In addition to this, depending on the level of human rights risk, other specific requirements can be put in place along the assignment process and during the execution of the contract, for instance with dedicated contractual clauses.

According to the risk-based model, evaluation and monitoring of suppliers' performance in terms of respect for human rights can be carried out with on-site audits or, when it is not possible, by a virtual audit. The result is a comprehensive approach for risk identification, prevention, and mitigation in every stage of the procurement process, from the supplier selection to the tender evaluation and performance monitoring along the entire supply chain.

According to the risk-based model, evaluation and monitoring of suppliers' performance in terms of respect for human rights can be carried out with on-site audits or, when it is not possible, by a virtual audit

Finally, in order to keep track of all the relevant information on Human Rights issues and enforce possible improvement actions, a periodic reporting activity has been implemented also in order to respond to various corporate obligations and reporting to the stakeholders required by the law.

As part of continuous evaluations of suppliers on social and environmental sustainability issues (5,655 suppliers evaluated in 2020), Eni has reached the target of 3,403 suppliers specifically assessed on the respect of human rights with a dedicated questionnaire during the qualification process. In contract execution phase, almost 2,190 feedback questionnaires have been evaluated and 97 cases have been identified to be analysed in depth. The in-depth assessment revealed that none of them were related to modern slavery issues.

HEALTH EMERGENCY

Eni has set up a task force to meet internal procurement needs and to support the National Health Service

Supply chain resilience during the health crisis

With the health emergency, Eni found itself having to respond promptly to a double challenge: i) ensuring the safe continuation of operations for its own people and contract staff, and ii) ensuring supply chain resilience during the health and economic crisis. Eni has set up a task force to meet internal procurement needs (e.g. masks, protective glasses, gloves, thermoscanners, services for the return of expatriates) and in support of the National Health Service (e.g. medical devices and equipment) as part of the broader program launched to support the Country ("Eni with Italy"). Further actions have also been implemented, such as: i) the establishment of an airlift with China through cargo charters dedicated to Eni and used to transport masks and medical supplies; ii) constant monitoring of the global supply market, which has been impacted by the emergency and is often unable to respond to growing needs with the quality and timeliness required, identifying over 100 companies of potential interest; iii) recourse to domestic supplies, as soon as production of locally produced materials becomes available, also in order to reduce procurement and logistics risks.

Finally, Eni's response to the crisis has also involved supporting its supply chain with targeted actions such as: (i) renegotiation of contracts, ensuring greater flexibility and efficiency and identifying contractual forms capable of sustaining employment levels where possible; (ii) measures to protect suppliers at greater financial risk, for example by rebalancing payment terms; (iii) tendering strategies to encourage the opening of the market also to small and medium-sized enterprises or, where not feasible, favouring joint ventures between small/medium-sized enterprises.

Engagement and training on suppliers' risks

Eni has made intense efforts with engagement and training initiatives oriented to both its procurement professionals and its suppliers over the years. The **resources of the procurement department** have been progressively engaged in initiatives aimed at boosting their capacity to address human rights issues and raise awareness on the responsibilities of their work in terms of prevention and mitigation of human rights impacts.

As part of the Business and Human Rights training program, Eni has developed a **second e-learning program**, aimed at raising awareness on the **issues typically faced** by the people operating in the procurement department.

In 2019 a specific training module on human rights risks along the supply chain was launched for the Eni's procurement professionals, that has been progressively extended in 2020.

Participants were trained on modules shaped on two case studies: 1) the first one addresses the topics of working conditions, working hours and vulnerable workers; 2) the second one is focused on modern slavery practices such as wage deductions and passports retentions. Both case studies terminate with a description of Eni's expectations in terms of both remedy for abused workers and approach with the suppliers.

As **for its suppliers**, Eni has undertaken a range of initiatives aimed at communicating its commitment to respecting human rights and raising awareness on this issue and its implications. Eni's requirements on respect for human rights are also highlighted during a Safety Day dedicated to contractors during which rewards are assigned to suppliers who stand out for their commitment and safety performance and meetings with local suppliers organized in collaboration with trade associations or local authorities. During 2020, the emergency linked to the pandemic made the events organization difficult. However, Eni has been working on the organization of initiatives for 2021.

Key performance indicators

KPIs concerning the Health and Safety of contractors are presented in the chapter on human rights in the workplace, [see p. 52](#).

Supplier assessment

		2016	2017	2018	2019	2020
Suppliers subjected to assessment on social responsibility aspects	(number)	5,171	5,055	5,184	5,906	5,655
of which: suppliers with criticalities/areas for improvement		1,336	1,248	1,008	898	828
of which: suppliers with whom Eni has terminated the relations		131	65	95	96	124
New suppliers assessed using social criteria	(%)	100	100	100	100	100

During 2020, 5,655 suppliers (including all the new ones) were subject to checks and assessment with reference to environmental and social sustainability aspects (including health, safety, environment, human rights, anti-corruption and compliance).

Potential critical issues and/or areas for improvement were identified for 15% of the suppliers audited (828). Of these, only a portion, equal to 124 suppliers, received a negative evaluation during the qualification phase or was subject to new preventive measures (attention status with clearance, suspension or revocation of qualification) or confirmation of the pre-existing preventive measures.

The identified criticalities (resulting in the request for the implementation of improvement plans) during the qualification process or Human Rights assessment are related to HSE issues or violations of human rights, such as health and safety regulations, violation of the Code of Ethics, corruption, environmental crimes.

In 2020 the percentage spent on local suppliers at some relevant foreign upstream subsidiaries amounted to about 38% of the total amount spent.



Eni with the Danish Institute for Human Rights (DIHR) carried out a Human Rights Impact Assessment (HRIA) in 2019 on the activities of Area 1 Development Project, in Mexico



Social audits to contractors in Mexico

Background

In line with the United Nations Guiding Principles for Businesses and Human Rights (UNGPs) and Eni's Statement on Respect for Human Rights, in 2019 Eni in Mexico commissioned the Danish Institute of Human Rights (DIHR) to carry out a Human Rights Impact Assessment (HRIA) on the activities of Area 1 Development Project. Among the findings of the HRIA, it was highlighted the importance of monitoring the performance of contractors and subcontractors to ensure respect for human rights.

The pilot project

In August 2019, Eni designed and used a specific questionnaire, which covered human rights issues (conditions at work, collective bargaining, gender discrimination and child labor issues), during a technical audit carried out on a contractor responsible for logistics services. This experience has set the base for the implementation of regular social audits, included as such in the Human Rights Action Plan (2019-2021) in Mexico approved at the end of that year.

Main results

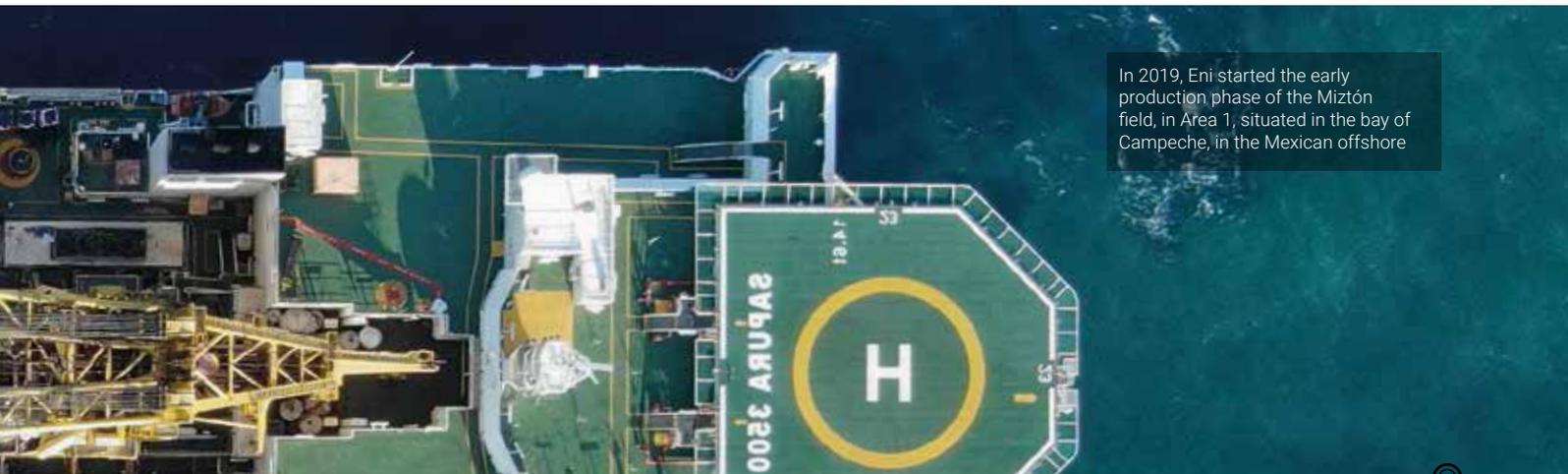
The contractor performance with regards to respect for human rights was considered generally satisfactory. Nevertheless, it was deemed appropriate to implement some actions to consolidate the level of satisfaction guaranteed, as well as to prevent the possible occurrence of problems in the future, concerning the following observations:

- some workers did not know about the presence of unions and some did not understand the principles and functions of unions even if they belong to one;
- differences between the Federal Labor Work and internal labor regulations in relation to the minimum age for work. However, through an employee registry analysis, it was detected that there were no underage workers employed at the site;
- the contractor did not have a grievance mechanism in place specifically for the workers, expressing however his willingness to establish its own grievance mechanism;
- there was no evidence of social responsibility reports, even when this element was part of contractor's internal policy;
- female staff did not have exclusive and dedicated restrooms;
- workers did not have an adequate lunchroom.

Among the good practices identified were: respect for work schedules and, according to the women interviewed, a workplace perceived as a place free from harassment.

Follow up: corrective and preventive actions

The contractor sent some evidences of the measures that they had implemented to attend the observations made during the social audit. These evidences are related to: i) the modifications



to internal labor regulations for the correction of differences with the Federal Labor Work; ii) the implementation of grievance mechanism for workers; iii) the preparation of a Corporate Social Responsibility Report by 2019; iv) the enablement of female restrooms; v) access to an adequate lunchroom for workers.

Lessons Learned & Next Steps

This initiative allowed to identify some opportunities for improvement regarding both how to provide support to contractors on human rights respect and how to monitor effectiveness of measures taken. About this aspect in particular it is crucial to sensitise the supplier to adopt a specific and formal commitment to carry out such social audits and to formalise in a specific document the planned improvement actions, in order to allow a more systematic monitoring mechanism, even in a mid-term perspective.

From the pilot to the practice

Having tested the social audit methodology in 2019, as part of its commitment to promote and guarantee respect for human rights, in June 2021 Eni Mexico carried another social audit on a contractor which provides services related to the provision and monitoring of electronic security systems, as well as the provision of personnel, including private security guards and executive drivers.

Although the main objective of the audit was to evaluate its Corporate Social Responsibility (CSR) Management – taking as a reference the processes and practices established by ISO 26000 (Social Responsibility) as well as Eni Mexico's guidelines on social responsibility and human rights – the application of the normative principles of human rights to private security was evaluated with special attention, including the Voluntary Principles on Security and Human Rights (VPSHR). In this sense, after the documentary review and the conducting of interviews, an acceptable a satisfactory level of CSR management was observed within the contractor. Although, it is worth mentioning that the security company is in an initial stage of design, planning and implementation. Eni Mexico also identified that the company has included interesting CSR initiatives within the design and planning processes, which should be followed up once the implementation process deepens.

Regarding the link between security and human rights, a satisfactory level of compliance was confirmed by implementing verification and training initiatives. As an area for improvement, the incorporation of VPSHR to the operating criteria was recommended, since the contractor has not currently considered them as part of CSR management.

Main findings

No major or minor non-conformities were identified, therefore the implementation of immediate or short-term corrective actions was not required.

- 24 observations, among others, related to the implementation of more rigorous mechanisms in favor of transparency and against corruption, the absence of a specific function for CSR management, as well as the designation of responsibilities (governance), the absence of due diligence processes in the area of human rights and social impact management.
- 20 conformities, among which are the actions to verify the background of the security personnel, the existence of a training program that includes awareness on human rights and the use of force, the promotion of employment at local level, the existence of policies on CSR, and compliance with measures to guarantee labor rights.
- 3 good practices identified in the labor area, particularly in matters of inclusion, relationship with employees and recruitment.

Due to the Covid-19 pandemic, the audit was carried out through videoconferences.



Specific policies and initiatives to deal with risks from business partners

Eni's commitments to preventing and mitigating potential and actual human rights impacts deriving from the decisions and behaviours of Business partners, is included in **Eni's Statement**. Consistent with the **UN Guiding Principles on Business and Human Rights**, the Statement sets out different approaches reflecting Eni's leverage of the different categories of business partners.

Eni's Statement on Respect for Human Rights

Eni's Statement on Respect for Human Rights sets out the Company's expectations in terms of **compliance with international standards** with regard to the activities assigned to or carried out with Business Partners as well as to the activities they may carry out in Eni's interests.

In particular, Eni acts to:

- identify and prevent potential impacts on human rights **deriving from activities carried out by Business Partners** in the management of its business relations;
- **engage its Business Partners** in the prevention and mitigation of any adverse human rights impacts that their operations, products or services might cause, or contribute to or are directly linked to.

Eni's Statement on Respect for Human Rights states that the Company commits, as far as possible, to ensure that the principles included in the Statement are integrated into the internal legal framework of the Joint Ventures in which it participates

Eni's Statement on Respect for Human Rights states that the Company commits, as far as possible, to ensure that the principles included in the Statement are integrated into the internal legal framework of the **Joint Ventures** in which it participates. Where Eni's leverage is relatively limited, Eni will make all reasonable efforts in order to guarantee that the Joint Ventures' policies and practices are fully aligned with the principles included in the Statement. Eni also commits to making all reasonable efforts to include **contractual obligations** to respect human rights in its agreements with its **Business Partners** when working for or together with Eni.

The Statement also includes provisions on relationships with **State authorities** and **Government entities**, a specific category of Business Partners with peculiar characteristics in terms of both formal engagement and substantial leverage. In its relationships with these specific stakeholders, Eni is committed to actively cooperating with them in the implementation of their human rights agenda. The Statement expresses Eni's view on the critical contribution it can give to enhancing access to human rights, also in terms of collective awareness on the importance of these principles.

As per its relations with State authorities and Government entities, the Statement includes a provision on the opportunity to express concern over potential or actual human rights issues in a Country of operation. To this aim and where necessary, the Company shall identify the most effective approaches. Finally, the Statement includes a commitment to deliver awareness-raising initiatives dedicated to contractors and other Business Partners.

Eni's general approach with Joint Venture partners is to ensure that the principles included in its Code of Ethics are integrated into the internal legal framework of the Joint Venture through the adoption of Eni's Code of Ethics

Assessing and monitoring business partners' risks

Ensuring respect for the Code of Ethics in the agreements with business partners

Eni's general approach with Joint Venture partners is to ensure that the principles included in its Code of Ethics are integrated into the internal legal framework of the Joint Venture through the adoption of Eni's Code of Ethics. Where Eni's leverage is relatively limited (for instance with non-operated JVs), Eni has formal rules in place which ensure that it makes all reasonable efforts at the highest governance levels in order to guarantee that the JV's Code is fully aligned with Eni's and keeps a record of the attempts to do so.

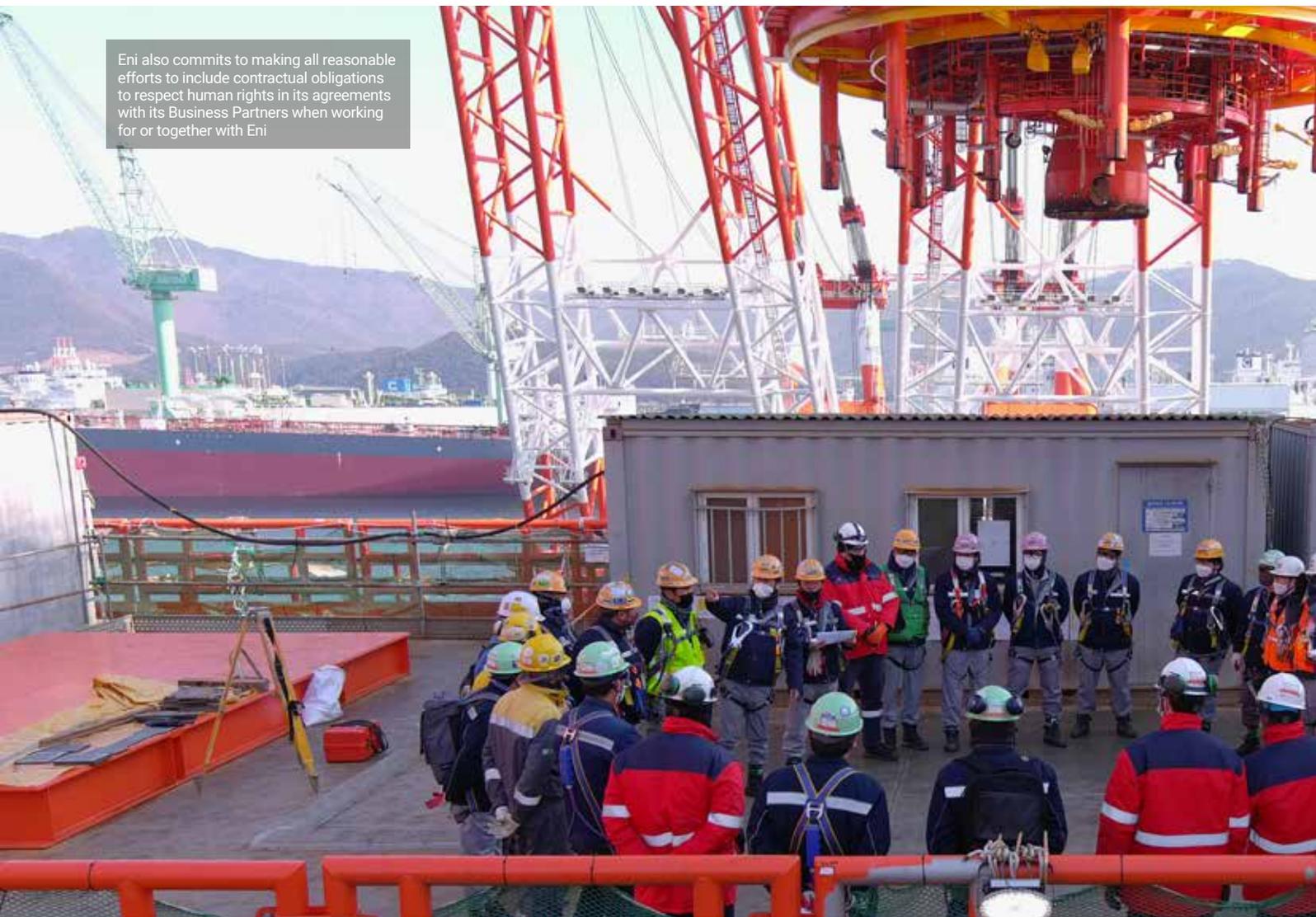
In addition to these contractual measures, **training initiatives** dedicated to business partners are implemented in order to ensure the ongoing dissemination of the principles included into the Code of Ethics. Furthermore, **clauses on respect** for the Code of Ethics are also included in agreements with Joint Venture Partners, including National Oil Companies where they act as Joint Venture Partners.

Embedding human rights in the negotiations of Joint Venture agreements and Petroleum Contracts

As part of its commitment to integrate human rights into its operating model starting from the preliminary phases, following the approval of a set of guidelines, the so-called **Sustainability Golden Rules**, to support negotiators in the management of sustainability issues during the negotiation of International Petroleum Contracts, Eni has introduced a new clause entirely focused on human rights.

This clause, to be negotiated and applied to **Joint Venture agreements and Petroleum Contracts** with State authorities and Government entities, requires partners to perform its respective obligations in compliance with the main human rights International Standards and in accordance with the UN Guiding Principles on Business and Human Rights. In case any difference occurs, Eni engages with its partners to identify potential areas for discussion and to agree the final text. To this aim, negotiators have been trained on the content of this clause and on the main human rights standards. An ad hoc webinar was held in November 2018 in which all the negotiators, commercial managers and managing directors actively participated. In addition, a technical guide was provided soon after the webinar to help the participants become more acquainted with human rights principles and guidelines.

Eni also commits to making all reasonable efforts to include contractual obligations to respect human rights in its agreements with its Business Partners when working for or together with Eni





As a result of this process, the clause was updated at the end of 2020 and spread across the Group at the beginning of 2021

In 2020, the Sustainability function and Negotiation function have undertaken a first review of the negotiating experiences of commercial colleagues working in both the head office and the subsidiaries. The exercise was conducted with the aim of having a first set of practical feedback from negotiations of this clause within contracts negotiated/concluded within the year, from which to draw possible improvements towards an updated model. As a result of this process, the clause was updated at the end of 2020 and spread across the Group at the beginning of 2021.

In addition to the human rights clause, the above-mentioned Sustainability Golden Rules require negotiators to:

- Negotiate the inclusion of a bilateral commitment to respect and promote human rights, particularly in relation to human resources, procurement, HSE, security, local communities and access to remedy, and to leverage on such inclusion to obtain a reciprocal obligation on the part of the host Country.
- Negotiate in the Petroleum Contract the commitment to promote the organization of workshops, training and awareness campaigns on the matter of human rights with the participation of local personnel, suppliers and local communities.

Due diligence checks preceding mergers and acquisitions

Moreover, human rights have been integrated into the due diligence checks preceding mergers and acquisitions and other Investment transactions and negotiations of agreements with Joint Venture partners. If red flags related to the past human rights performance of the business partners arise, the Company will adopt the appropriate measure to improve the partner's human rights standards by exerting its power of influence.

Finally, with more general reference to Eni's business partners, specific clauses on human rights were introduced in 2018 to be included in agreements entered into with Countries and other companies, aimed at representing and binding the parties to act in line with the main international standards and to exercise a suitable form of leverage on them. Each business partner is also subject to a prior audit aimed at identifying the presence of any critical issues relating to respect for human rights and providing for the appropriate measures for their management.

Human rights have been integrated into the due diligence checks preceding mergers and acquisitions and other Investment transactions and negotiations of agreements with Joint Venture partners

MANAGING HUMAN RIGHTS ISSUES WITH THE EXTRACTIVE BUSINESS PARTNERS

To properly manage the human rights issues with the extractive Business Partners, an approach shared by several departments is necessary in order to be sure that issues are taken into account from the bid phase to day-to-day operations. The Sustainability Department supports the negotiators during the bid phase to ensure that human rights are included into the petroleum contracts and Joint Ventures Agreements, via a specific human rights clause drafted according to the UNGPs and the so-called Sustainability Golden Rules, introduced by Eni on sustainability issues of interest. Once the Petroleum Contract is signed and Joint Venture is formed, the Eni's subsidiary – as counterpart of the Petroleum Contract and part of the JV – is responsible for managing all the issues referred to the operations, including those ones carried out through JVA, with the support of the Sustainability Department, when needed.

Therefore, both local subsidiaries and Sustainability Department oversee the human rights issues with its extractive business partners, exerting Eni's leverage when needed.



NAOC representatives exerts leverage on the JV to share Eni's standards

Exercising leverage on business partner

Shell Petroleum Development Company of Nigeria Limited (SPDC) is operator of the unincorporated joint venture ("SPDC JV") established under the Joint Operating Agreement ("JOA"), dated 11 July 1991, between Nigerian National Petroleum Corporation ("NNPC", 55%), Shell Petroleum Development Company of Nigeria Limited ("SPDC", 30%), Total E&P Nigeria Limited ("TEPNG", 10%) and Nigerian Agip Oil Company Limited ("NAOC", 5%).

The JOA stipulates that decisions are taken jointly by the JV Partners. It is in this environment that NAOC, with a marginal weight of 5% of shares, makes all the possible efforts to ensure that the JV actions and standards are fully aligned with Eni's model both in terms of principles and approaches, in line with the recommendations set by the UN Guiding Principles on Business and Human Rights.

NAOC representatives exerts leverage on the JV to share Eni's standards and ask for any clarification on SPDC operations in order to prevent and mitigate any potential adverse impacts. In addition to the participation in several committees, NAOC may request ad hoc engagements to call the attention of the Operator on specific issues and share its own position, as well as use the Managing Directors' meetings to discuss relevant issues. Finally, in the event where Eni representatives are not in agreement with the Operator, strategic relationships with the partners in the JV are used in order to ensure that, despite the marginal share of 5%, Eni could gain the necessary support to further influence the decision making.

In light of this, NAOC confirms its commitment to using these opportunities to share what emerged from the **IndustriAll analysis** and about the **oil spill into the Niger Delta**, to collect detailed information and to present its own position within the JV.

In addition, NAOC yearly embarks on assessments of some selected facilities to ensure that operations and activities are carried out by the operator in line with Eni's model and practices. Follow up actions are then put in place to ensure that any concerns raised are addressed. E.g. in the last two years, NAOC visited the Bonny Oil Terminal, the flowstation of Tunu and the EA FPSO to assess the integrity of the facility following the execution of some major asset integrity activities. In 2020, the Forcados Oil Terminal was assessed in a similar manner.

Under these conditions and bearing in mind the limited leverage associated with the 5% stake in the JV, Eni believes it has adopted an approach in line with the UN Guiding Principles on Business and Human Rights and will endeavor to raise the issue within the JV and monitor its evolution (both in terms of actions and their effectiveness).

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Human rights in host community relations

HUMAN RIGHTS IN HOST COMMUNITY RELATIONS

- Land rights
- Environmental impacts that affect livelihoods, health, availability of water
- Decommissioning

Eni's approach to Human Rights in host community relations

Eni respects the rights of individuals and the local communities in which it operates, with particular reference to biodiversity, the rights to ownership and use of land and natural resources, the right to adequate food and water, adequate housing and the right to the enjoyment of the highest attainable standard of physical and mental health.

This approach is part of the distinctive Eni's cooperation model in Countries of presence, particularly in non-OECD Countries: the 'Dual Flag' strategy. This approach translates into constant interactions with local institutions and stakeholders to identify the initiatives necessary to meet the needs of the communities and to lay the foundations for new growth opportunities for the Country and for Eni's business activities.

Eni's commitment to respecting human rights of local communities is, together with environmental protection and social responsible development of communities where Eni operates, one of the principles that contributes to the creation of value, both for Eni and for communities, as recognized in Eni's Statement on Respect for Human Rights

Eni's commitments to respecting human rights of local communities

Eni's commitment to respecting **human rights of local communities** is, together with environmental protection and social responsible **development of communities** where Eni operates, one of the principles that contributes to the creation of value, both for Eni and for communities, as recognized in Eni's Statement on Respect for Human Rights.

The commitment to respecting the human rights of local communities is structured around the recognition of:

- the fundamental principle of free, prior, informed consultation;
- distinctive rights of the indigenous people, attention to vulnerable groups and the role of human rights defenders;
- the consolidated practice of conducting environmental, socio-economic, health and cultural impact assessments, including those related to indigenous people, in order to identify, prevent, and when applicable mitigate the possibly adverse potential and/or actual impacts on human rights the Company caused, contributed to or is associated with, such as those related to:
 - rights to adequate food and drinking water, the highest attainable standard of physical and mental health, adequate housing, education and the special rights of indigenous and tribal peoples;
 - rights related to land and property. This in light of the crucial commitment of Eni to avoid the involuntary resettlement and restriction on land use of local communities and persons and to provide appropriate compensations in case of unavoidable land acquisitions and resettlements. In such a case, joint agreements with the affected people should be reached regardless.

For information on Eni's policies and processes on environmental and health issues which are also relevant for communities, visit the Global Health section and Environment pages on Eni's website that include details on policies and actions to promote the health of Eni's people, communities and partners and Eni's commitment to a Healthy Environment. Specifically on health issues, in the **health section** of Eni's website information is available on the Company's initiatives aimed at preventing health impacts involving potentially and actually affected stakeholders including, other than Eni's people, contractors and local individuals and communities.

Specific Policies on respect for host communities' rights

Eni's Statement on Respect for Human Rights explicitly states Eni's commitment to respect for the rights to ownership and use of land and natural resources, the right to water and the right to the enjoyment of the highest attainable standard of physical and mental health. Special attention is given to the rights of vulnerable groups, including a focus on children.

Regarding land acquisitions and indigenous peoples, also identified as Eni's salient issues, the Company is committed to:

- Taking action to avoid the involuntary resettlement of local communities and persons and, where this cannot be avoided, carrying out free, prior and informed consultations with the affected people in order to reach joint agreements, fair compensation and improvements of the livelihoods of those affected by resettlement, in line with the IFC Performance Standards.
- Respecting the distinctive rights of indigenous peoples, with particular reference to their cultures, lifestyles, institutions, bonds with their homeland and development models in line with international standards.

In terms of key processes, the Statement includes a commitment to carry out environmental, social, health and human rights impact assessments as well as to promote free, prior and informed consultations, with the purpose of considering communities' legitimate expectations when conceiving and conducting business activities, including local development projects.

Before Eni's Statement on Respect for Human Rights was approved, the Company's approach to this topic was publicly stated in the **Company's Sustainability Policy** and in the **Code of Ethics**.

The Sustainability Management System Guidelines mirror Eni's commitment to respect local communities' rights and implement it by integrating human rights into the Company's Sustainability processes. Following these guidelines Eni maps and monitors periodically indigenous people potentially affected by Eni's operations worldwide.

Community engagement and other processes to ensure respect for host communities' rights

Eni's subsidiaries/districts are responsible for stakeholder engagement at an operational level and it must be part of the strategic process when designing a new operation/project, before any field activity starts.

Eni's internal regulations recognize that **local stakeholders should be engaged through information campaigns and interactive consultation processes** that should be carried out from the conceptual design of a project up to operations.

Consultations are also an opportunity for **sharing and informing communities of Eni's approach to human rights and sustainability**, in general, as referenced in the Code of Ethics, in Eni's Sustainability Policy and in Eni's Statement on Respect for Human Rights.

As for the latter, Eni's procedures recognize the importance of involving vulnerable groups and, adopting special tools and precautions such as:

- Pre-consultation where possible
- Identification of appropriate representatives
- Identification of priority issues
- Attention to cultural appropriateness
- Sharing responsibilities with government for disclosure and consultation.

Whenever Eni operates in a host territory, the involvement of local residents is promoted

Eni's Statement on Respect for Human Rights explicitly states Eni's commitment to respect for the rights to ownership and use of land and natural resources, the right to water and the right to the enjoyment of the highest attainable standard of physical and mental health

Consultations are also an opportunity for sharing and informing communities of Eni's approach to human rights and sustainability

through **information sessions and community meetings**. Moreover, tools for management of complaints, stakeholder mapping and to promote participation in the management of local development projects are adopted. It is worth mentioning that, following three years of work, in 2018 Eni developed the **“Stakeholder Management System” (SMS)**. This tool is designed to support the management of relations with stakeholders in the territories where Eni operates.

Around **1,600**

Communities are mapped in the SMS, including the identification of local governments and authorities, villages, indigenous peoples' groups, local NGOs and business partners

The SMS is a web-based platform that allows Eni to:

- map and evaluate stakeholders;
- map requests related to sustainability issues;
- identify the most relevant stakeholder and most requested issues;
- identify/map the appropriate responses to stakeholder pressure;
- store all data to give organized information for local stakeholder management.

The SMS is based on the international standard AA1000 and performs analysis based on the minutes of meetings and other documents related to stakeholders.

The system has a special section dedicated to requests related to human rights protection, which can be sorted by topic, territories or categories of stakeholders.

The SMS also allows Eni to monitor all the grievances related to Eni or its contractors which are sent by local communities, individuals or indigenous or vulnerable groups: each grievance as well as each request is registered and monitored from its receipt to its resolution.

Since 2020, the system has been in use on all the sites where Eni has industrial operations, monitoring the relationship with about 4,000 stakeholders. The SMS helps to understand the singularities of local contexts, any needs, critical issues and areas for improvement, the main topics of interest, potential impacts on human rights, and allows to identify the possible presence of vulnerable groups and any areas listed by UNESCO as sites of cultural and/or naturalistic interest (WHS – World Heritage Sites).

Around 1,600 communities are mapped in the SMS, including the identification of local governments and authorities, villages, indigenous peoples' groups, local NGOs and business partners.

The majority of communities are located in Italy (more than 600) and in the Sub-Saharan Africa (around 600), especially in Nigeria, Mozambique, Congo and Ghana.

In 2020, over 600 communities (host, transit, neighboring, including indigenous ones) close to the plants were involved.

Eni is also reinforcing a practice of evaluation and reporting back to stakeholders, which includes the publication of main findings and recommendations of human rights assessments, promoting the Company's transparency and accountability on the issue.

For details about Eni's engagement with host communities, see the reports about **Myanmar, Angola and Mexico**. (For detail [see p. 89](#))

Since 2020, the Stakeholder Management System has been in use on all the sites where Eni has industrial operations, monitoring the relationship with about 4,000 stakeholders



An example of cooperation with local authorities: interview to the Head of Secretariat for Energy Development of the State of Tabasco.

The Secretariat for Energy Development (hereinafter, SEDENER), is the Mexican agency in charge of the state energy affairs. The role of SEDENER is to promote before the federal authorities, regulatory bodies and the state productive companies – and through the creation of legal instruments and mechanisms of association that allow the attraction of public and private investment – the development and implementation of strategic energy projects aiming the growth of the sector in the field of hydrocarbons, oil, petrochemicals, electricity and renewable energies. SEDENER also promotes both the efficient use of energy among the population and in the productive sectors, and the use of renewable energies in isolated or dispersed communities where it is difficult to have traditional energy services. Moreover, the Secretariat has the responsibility to prevent and restore the impact caused by energy activities, through mediation as a mechanism of conflict resolution.

Eni has made a specific commitment on this issue, with a Statement approved by its Board of Directors. In Mexico, in particular in the State of Tabasco, Eni carried out an impact analysis on human rights with an external consultant, followed by a specific action plan. What suggestions could you give the company to continue improving coverage of this issue in the Country?

An analysis of both the Human Rights Impact Assessment and the Human Rights Action Plan reveals the transversality of the protection of human rights in business activity and in the public sector. In this sense, it is important that the company continues to actively participate in the formulation and execution of public policy, signing collaboration agreements with dependencies, bodies and entities related to the enjoyment and exercise of human rights, the gender perspective and social development. The latter with the aim that in the medium term the company is able to attend and have a voice in the working groups where the decisions, in the fields mentioned above, are taken.

The search for social welfare in the communities surrounding the areas of hydrocarbon exploration and exploitation requires the participation of all those involved. In this logic it is essential that the experience and capacities of the Government of the State of Tabasco represented by SEDENER are considered.



Interview to **Sheila Guadalupe Cadena Nieto**, appointed in 2020, by the Governor of Tabasco, Adán Augusto López Hernández, as the first woman to become head of the Secretariat for Energy Development of the State.

[➤ Read the complete interview on eni.com](#)

Eni's approach to respect for indigenous peoples' rights

Eni's policy commitment to promoting forms of free, prior, informed consultation to host communities becomes especially crucial when dealing with relations with indigenous communities.

Considering the industrial contexts in which it operates, Eni has direct contacts with indigenous populations and their representatives exclusively in Australia, Alaska and Norway. In these cases the relationship is managed in compliance with international and local regulations that define how to involve and consult them. In Australia, Eni operates in the Northern Territory, near the Wadeye community, and regularly engages local administrative bodies which protect the rights of Aboriginal populations, developing participatory projects concerning local development and environmental conservation.

Considering the industrial contexts in which it operates, Eni has direct contacts with indigenous populations and their representatives exclusively in Australia, Alaska and Norway

In this regard, in 2007, Eni signed the **Eni Australia Indigenous People Policy**, and in 2013, the **Eni Norge⁴ Indigenous People Policy**. In these policies Eni commits to *"establish an effective and inclusive framework for the free and informed participation of the Indigenous People in the consultation process, cognizant of their social and cultural values, and the provision of information about our activities in local languages and through appropriate communication methods"*.

On December 2020, Eni signed the Alaska Indigenous People Policy whose content and commitment are explained in the next box.

(4) In 2018 Eni Norge was merged in Vår Energi.



Eni in 2020 has adopted a specific Policy on respecting the rights of indigenous peoples in the conduct of its activities and operations in the state of Alaska



Policy for Indigenous Peoples in Alaska

CONTEXT

In Alaska, Eni's Oil & Gas operations are concentrated in the northern end of the State (North Slope), where native peoples live on subsistence-based lifestyles (hunting and fishing); Eni's key stakeholders include representatives of the villages located close to Eni's operating activities, as well as cooperatives and corporations which supply goods and services to companies operating in the area, according to local regulations.

ADOPTION OF THE POLICY

Eni's commitment to these communities is the subject of a specific policy on respecting the rights of indigenous peoples in the conduct of its activities and operations in the state of Alaska, adopted by Eni's subsidiaries in US (Eni US Operating) in 2020 and in line with the Eni's statement on respect of human rights. The commitment includes to:

- establish, in agreement with Indigenous People, an inclusive and effective framework to ensure the free and informed participation and consultation of indigenous peoples on Eni's activities, with appropriate communication open to dialogue, use of the local language, a continuative presence in the community and strategic participation in community events;
- in cooperation with Indigenous People, undertake an appropriate due diligence process in order to assess, anticipate, avoid, mitigate negative impacts. A mutually agreed plan or land use agreement (LUA) will take into account the results of these assessments; the definition of mitigation and compensation measures in case of identified impacts, based on the results of the consultation process;
- seek agreement (LUA), wherever possible, with the Indigenous People communities on activities that affect land rights. Where these activities include relocation or affect their critical cultural heritage, indigenous people prior consent will be sought and obtained;
- establish and ensure, including through cooperation, effective and culturally appropriate grievance mechanisms to contributing access to remedy and ensure company/contractor-wide stakeholder training.

The policy also includes a commitment to periodic reporting on its implementation.

➤ [For more information: eni.com](https://www.eni.com)

Open and transparent engagement with the local indigenous community has been one of Eni's focuses since the very start of the Blacktip Project, from its planning to construction and now during its operational phase. In 2018, within the activities of the **HRBWG**, a comprehensive mapping of the indigenous people living in areas where Eni has operations in place was completed, to further improve on this area and allow the adoption of the necessary measures to not infringe human rights of this vulnerable group.



In Alaska, Eni's Oil & Gas operations are concentrated in the northern end of the State (NorthSlope)

This project's facilities comprise an unmanned production platform, an offshore pipeline of approximately 110 km connected to the onshore Yelcherr Gas Plant ("YGP")



The Blacktip project in Australia

This project's facilities comprise an unmanned production platform, an offshore pipeline of approximately 110 km **connected to the onshore Yelcherr Gas Plant ("YGP")** located **near the community of Wadeye in the Northern Territory**, within an Aboriginal Land Trust administered by the statutory body Northern Land Council (NLC).

In order to access and utilize the land, a long-term lease was negotiated at the start of the Blacktip Project. Agreements setting out the terms of this lease included an Indigenous Land Use Agreement (ILUA) and were signed in 2006, with the construction of the Yelcherr Gas Plant commencing shortly thereafter; the first gas was produced in 2009. The ILUA and other relevant agreements protect native title rights and indigenous cultural heritage and allow Eni to access and utilize the site where the YGP is located. The agreements were negotiated by the NLC on behalf of the traditional owners.



Assessing and monitoring impacts on human rights of host communities

Eni's Statement on Respect for Human Rights puts impacts at the core of its approach: Eni takes human rights issues into account from the very first feasibility study phases of new projects and relevant operational changes. Eni carries out assessments on its potential and actual environmental, social, health and human rights impacts with the aim of preventing and mitigating adverse impacts.

Eni is engaged in preventing possible negative impacts on the human rights of individuals and host communities deriving from the implementation of industrial projects. For this purpose, in 2018 Eni adopted a risk-based model to classify the business projects of the upstream activities based on the potential risk to human rights, extended in 2020 to the evaluation of renewable energy projects. The highest risk projects are, therefore, specifically studied through "Human Rights Impact Assessments" (HRIA), which include also a preliminary analysis of the local context on human rights and a subsequent engagement with the main "rightsholders". A final report provides the recommendations for the implementation of measures to prevent potential human rights impacts and to manage existing ones, followed by the adoption of a specific action plan identifying actions to be introduced and their timing. Using these models, 100% of the exploration and upstream development projects as well as renewable energy projects were analysed: a medium-high risk profile was found for 6 projects, which will be subject to dedicated in-depth studies in 2021-2022. In addition, a new analysis methodology – Human Rights Risk Analysis – is being developed to be applied to medium risk projects and will be tested in 2021.

In 2018 Eni adopted a risk-based model to classify the business projects of the upstream activities based on the potential risk to human rights, extended in 2020 to the evaluation of renewable energy projects



Eni carried out these Human Rights Impact Assessments in its most challenging new projects from a human rights point of view

Hitherto, Eni carried out these Human Rights Impact Assessments in its most challenging new projects from a human rights point of view in Mozambique in 2014, Myanmar in 2016, and in Mexico in 2019. In addition, in Angola and Mozambique, in 2018, Eni commissioned a Human Rights Assessment that did however come up with some limitations in terms of rightsholders engagement. This led to classification of these assessment as Human Rights Assessments, according to the methodology developed by the Danish Institute for Human Rights which carried out the assessments.

Moreover, in some cases, including Mozambique and Myanmar, follow-up activities after the HRIAs were also conducted. The purpose of these follow-up assessments was to verify the effectiveness of the actions that were implemented, starting from the recommendations raised in the HRIA Report, and to identify lessons learned to be scaled up in other projects. See the case study at the end of this paragraph on the follow-up assessment that was conducted in Myanmar in 2018.

This methodology entails a preliminary analysis of scoping, based on desktop searches and remote interviews, and a field visit, where rightsholders (communities, workers, both direct employees and sub-contractors) are consulted during dedicated meetings

All these HRIAs carried out until 2020 relied on the methodology and expertise of the Danish institute for Human Rights. This methodology entails a preliminary analysis of scoping, based on desktop searches and remote interviews, and a field visit, where rightsholders (communities, workers, both direct employees and sub-contractors) are consulted during dedicated meetings. When needed, focus groups are also held to allow the participation of vulnerable groups, such as children, women, etc. During the field visits, local NGOs, international organizations, Business Partners and suppliers are engaged through meetings and interviews.

The results of the HRIA were finalized in a Report with recommendations authored by the Danish Institute for Human Rights, followed by a dedicated action plan by Eni to allow an effective and monitored implementation of each action. If needed, recommendations and actions could be applicable to Business Partners, such as JV partners and suppliers, with the goal of accompanying them in a virtuous path of improvement and mitigating the potential human rights risks highlighted during the HRIA.

With regard to the state of emergency declared in Myanmar on 1 February 2021, Eni has adhered to the Statement by concerned businesses operating in Myanmar promoted on 19 February 2021 by the Myanmar Centre for Responsible Business. For more information: myanmar-responsiblebusiness.org

Although no new HRIAs were launched in 2020 due to the health emergency, the implementation of the actions foreseen in the analyses carried out in 2019 and 2018 in Mexico and Mozambique continued. Also in Mozambique, the Action Plan for the exploration of Area 5 was finalised. In 2020, Eni also published two Reports, one on the completion of the Action Plan related to the Cabinda North project in Angola and the other on the progress of the Action Plan related to the Area 1 development project in Mexico. Finally, a further progress report on the Action Plan for the Area 4 development project in Mozambique was published in early 2021 [see p. 89](#).

In addition, in order to effectively identify and manage the impact of operations on local communities in all Energy and Environmental Industrial Projects, an **Environmental, Social and Health Impact Assessment** (ESHIA) is always performed, regardless the level of human rights risk identified from the model described above.

Human rights have been progressively integrated into ESHIA methodology. The identification of the impacts is based on the findings of local stakeholder engagement, including consultations and other types of stakeholder engagement, with communities, including vulnerable groups.

The assessment of identified impacts includes:

- a) potentially significant environmental, social and health impacts related to the project;
- b) direct, indirect and cumulative impacts not only produced by the project, but also by all related and ancillary facilities and by activities undertaken by others.

Monitoring and Reporting – Human Rights KPIs

Relevant quantitative and qualitative indicators have been defined from among those used to measure and evaluate sustainability performance in order to track and evaluate the effectiveness of responses to human rights impacts on communities, according to the Operating Professional Instruction “Monitoring, reporting and audit activities”.

These indicators are defined annually in relation to sustainability priorities and other targets and methodologies.

Preventing and managing impacts on land rights, starting from the adoption of internal standards

Land rights issues are often identified in ESHIAs and HRIAs as an area which could have a significant impact on individuals and communities. Eni is committed to minimizing land acquisition and avoiding involuntary resettlement, always evaluating possible project alternatives. If unavoidable, Eni is committed to minimizing its socio-economic impact and has implemented a specific **internal procedure** for managing land management activities.

This internal procedure:

- is mandatory for all of Eni’s subsidiaries;
- defines the rules for land management activities in line with international principles and standards, such as those set out in the **IFC Performance Standards** and other equivalent documents and frameworks;
- recognizes the right to proportional and appropriate compensation and restoration of livelihood conditions for those affected by the project-related land acquisition, such as restrictions based on the impact on their assets, access to assets, the impact of the Company’s activities on income sources and living conditions;
- includes the principle of non-discrimination and respect for vulnerable groups;
- provides for informed and participatory consultations with the communities involved, and access to grievance and remediation mechanisms.

According to the procedure, negative impacts potentially caused by the activities and the criteria to qualifying people or categories of people eligible for the compensation measures are evaluated. In particular, the eligibility criteria include the landowners or users who occupy land on the basis of formal, traditional or recognizable usage rights, in addition to legal rights to land recognized and/or recognizable under local laws.

A **Census** that counts and records the persons affected by the project and an **asset inventory** for each affected persons, are developed. These documents are then used to determine the level of compensations. To define the compensation proposal the following criteria are evaluated:

- loss of assets or of access to assets (including home, natural resources, collective services and cultural heritage);
- loss of revenues and income (including means of livelihood);
- loss of social cohesion between the people involved in the project in case of cash compensation, this should preferably cover the full replacement cost;

This information feeds the “Entitlement Matrix” which may be shared with the project affected persons. The Land Management Action Plan (LMAP) thus including the compensation measures identified in this way, is communicated to ensure maximum understanding and acceptance of the compensation proposal by the affected persons.

The implementation of the Land Management Operations is monitored and feedback is sought from those affected by the project in order to ensure efficiency and/or provide remedy.

Eni is committed to minimizing its socio-economic impact and has implemented a specific internal procedure for managing land management activities

Negative impacts potentially caused by the activities and the criteria to qualifying people or categories of people eligible for the compensation measures are evaluated

The eligibility criteria include the landowners or users who occupy land on the basis of formal, traditional or recognizable usage rights, in addition to legal rights to land recognized and/or recognizable under local laws



In Myanmar, Eni carried out a Human Rights Impact Assessment with the support of the Danish Institute for Human Rights.



Example of impact assessment: exploration activities in Myanmar

CONTEXT

Myanmar - Onshore block RSF-5, Magway region. In this remote area, characterised by extreme climatic conditions, land use is the only way of subsistence for the local population and life revolves around the seasons, crops, water supplies and the small economic activities developed. It acquired four oil licences and became a player in the energy sector in this area, where in 2016-2017 it completed exploration activities involving 3D onshore seismic surveying in an area of over 520 km² that involves 16,800 properties.

OBJECTIVE

Eni carried out a **Human Rights Impact Assessment (HRIA)** with the **support of the Danish Institute for Human Rights (DIHR)**. This analysis was completed in July 2016 and published in support of the commitment to transparency and collaboration with all the stakeholders.

POTENTIAL CRITICALITIES HIGHLIGHTED BY THE DIHR

1. The process **for access to and temporary use of land**, considering the **16,800 properties there**;
2. Need to **guarantee the adequacy of working conditions** to the local workforce involved in the project through **Burmese subcontractors** (93% of the local workforce with an average presence of 550/600 workers on site)

MANAGEMENT MEASURES ADOPTED BY ENI

- Definition and implementation of a **procedure to manage the relationship with the local communities** involved in the project, from the preliminary identification of the people until payment of compensation;

Eni carried out a **Human Rights Impact Assessment (HRIA)** with the support of the **Danish Institute for Human Rights (DIHR)**. This analysis was completed in **July 2016** and published in support of the commitment to **transparency and collaboration with all the stakeholders**

- **Organization of several public consultations** with the involvement of **authorities, trade organizations** and **local communities** to guarantee the proper management of the temporary land acquisition process and to share the formula adopted for payments and salaries, since there are no pertinent local regulations;
- Structuring of a **local grievance mechanism**, without delegating the management of it to the contractor, but establishing a strong presence in terms of supervision with a team of **60 professionals on site**;
- **Signature of binding agreements with the seismic contractor** and relative local **subcontractors**, aimed at guaranteeing alignment of general working conditions to the provisions of the Burmese labour law, to Eni standards and to the main international standards;
- Development of a checklist for on-shore seismic acquisition aimed at accompanying the contractor in management of sub-contractor and in the relations with communities and other stakeholders.

FOLLOW-UP

At the beginning of 2018, the DIHR returned to visit the area and assess the impact of operations in the area by **interviewing workers**, the **villages** involved, **NGOs** and **CBOs** and **local authorities**, carrying out **18 interviews** with **150 people** in Yangon and Magway. According to the DIHR, the **general consensus** among stakeholders was very **positive** for the approach adopted to build a relationship of mutual trust. Also a large government delegation led by the **Minister of Energy and Electricity** and by the **Chief Minister of Magway** visited the Eni Base Camp and defined the project as an **unprecedented model** for the **application of international HSE and sustainability standards**.

MAIN CHALLENGES IDENTIFIED BY DIHR, which emerged during the interview with Tulika Bansal, Senior Adviser Human Rights and Business - DIHR

1. Peoples' perceptions of oil and gas projects in Myanmar and in particular in Magway. Due to negative past experiences, community members in Magway were worried about new companies coming in;
2. In preparation for the seismic activities, it proved difficult to obtain consent from all community members to access their land for the seismic survey. Lack of understanding and technical knowledge led to some villagers initially consenting to accessing their land, but later changing their minds fearing that their land and livelihoods would be affected.

LESSONS LEARNED, which emerged during the interview with Tulika Bansal, Senior Adviser Human Rights and Business - DIHR

1. Providing communities and Civil Society Organizations with proper information beforehand, engaging and consulting with them before and during the assessment and establishing a well-functioning grievance mechanism, proved to be successful methods to help taking away this worry;
2. Properly explaining the process, including technical aspects and what potential damage could look like is necessary for landowners and users to understand what the impacts could be. One of the positive aspects of this exercise was the successful implementation of the checklist that DIHR developed. By doing this, Eni was able to integrate the checklists into its internal policies, procedures and practices, including when identifying a contractor, before the project started and thereby minimizing negative impacts.

This case study, its inputs and results were discussed during a session of the 2018 UN Annual Forum on Business and Human Rights "Community engagement for HRIAs in challenging contexts: a round table discussion" held in Geneva and were mentioned in the 2018 Annual report "Promoting and protecting human rights" published by the Danish Institute for Human Rights in April 2019.

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This case study, its inputs and results were discussed during a session of the 2018 UN Annual Forum on Business and Human Rights

Access to water and sanitary services

Access to safe drinking water and basic sanitation has been recognised as a universal specific human right, a **prerequisite for all the other human rights**, as well as a **central element for development**. Eni has taken action to facilitate access to water and improve sanitation conditions, such as building wells, drinking water plants, water distribution networks and sewers, as well as training activities.

To firmly demonstrate the Company's commitment, Eni decided to be the first oil and gas company to comply with the **CEO Water Mandate**

To firmly demonstrate the Company's commitment, Eni decided to be the first oil and gas company to comply with the **CEO Water Mandate**. The **CEO Water Mandate** is a special initiative by the United Nations Secretariat and UN Global Compact, carried out in cooperation with the Pacific Institute. By complying with the mandate, companies show that they can identify and reduce risks to their business linked to water resources, and know how to seize related opportunities and help reach the UN's Sustainable Development Goals.

Eni's strategic approach involves analysing the water needs linked to public works, farming and industry, keeping in mind that every drop of water is valuable.

Eni is keenly aware that its industrial activity, both upstream and downstream, is heavily dependent on water quality and availability. Within this context, complying with the mandate, Eni will bring the deserved attention to the commitment already made. It will aim to **strengthen internal sensibility** to the issue of water resources and prompt **further action to safeguard them**.

Eni has taken action to facilitate access to water and improve sanitation conditions





Over 67,000 people benefit from the 22 water wells built

FAO and Eni promote access to water in Nigeria

CONTEXT

Socio-economic problems, exposure to climate change and internal conflicts are factors that have fuelled the Country's crisis in recent years. The crisis has triggered important migratory flows and informal settlements have grown both in the north-east and in the Abuja Federal Capital Territory (FCT), to which many people are fleeing.

PROJECT AND OBJECTIVES

On February 26, 2018, Eni and FAO signed a Collaboration Agreement for the improvement of access to water in the Country. The Access to Water Project contributes to the achievement of SDG 6 "Clean water and sanitation" and SDG 13 "Fight against climate change", intervening beyond the perimeter of the operational areas. The project – aligned with the "Rebuilding the North East-The Buhari Plan" – responds to the invitation addressed to the energy companies by the Federal Government to counter the suffering of the population in the North-East of the Country threatened by the violence of Boko Haram and the water crisis of Lake Chad.

RESULTS

In the 3 years of activity, the synergy with FAO has made it possible to build 22 wells powered by photovoltaic systems: 5 in the federal territory of the capital Abuja and 17 in the North-East of the Country (5 in the state of Borno, 5 in Adamawa state and 7 in Yobe state), reaching over 67,000 beneficiaries.

➔ [For more information: eni.com](https://www.eni.com)



Access to clean water is ever more important, as hygiene is the first line of defence in this pandemic

Community health

Improving **community health**, in synergy with business activities, contributes to the socio-economic development of the Countries in which Eni operates. This objective is pursued through the joint formulation with local institutions and the implementation of initiatives aimed at: **creating greater awareness and empowerment of beneficiary populations** on major **public health** issues; **improving access** to renewed or newly established **public health services** at various levels of the National Health System.

Key performance indicators

Local development investments

	2016	2017	2018	2019	2020	
Local development investments by sector of intervention	(€ million)	64.2	70.7	94.8	95.3	96.1
Access to off-grid energy	0.6	1.1	1.7	4.2	8.1	
Economic diversification	30.0	33.4	28.1	39.9	33.1	
Education and vocational training	16.8	17.3	23.3	16.9	13.3	
Access to water and sanitation	0.9	0.7	0.8	1.8	3.9	
Life on land ^(a)	7.6	3.7	17.7	5.3	12.2	
Health	2.9	7.0	3.3	8.6	13.3	
Compensation and resettlement	5.4	7.5	19.9	18.6	12.2	
Local development investments by geographic area						
Africa	14.8	22.9	46.7	53.3	44.2	
Americas	5.6	4.9	3.8	3.9	5.0	
Asia	33.5	34.3	21.9	28.1	28.2	
Italy	9.2	7.0	20.6	8.2	16.9	
Rest of Europe	1.0	1.4	1.5	1.5	1.8	
Oceania	0.1	0.2	0.3	0.3	0.02	

(a) In previous editions of Eni for this item was included in the item Economic diversification.

In 2020, investments for local development amounted to around €96.132 million (Eni share), about 96% of which in the area of upstream activities. In Africa a total of €44.2 million was spent, of which €36.6 million in the Sub-Saharan area, mainly in the area of development and maintenance of infrastructures, particularly school buildings. In Asia, approximately €28.2 million was spent, mainly on economic diversification, in particular for the development and maintenance of infrastructures.

In Italy, €16.9 million was spent. Overall, approximately €41.8 million was invested in infrastructure development activities, of which €20.8 million in Asia, €16.3 million in Africa, €4.4 million in Central and South America.

As part of the interventions implemented in response to the health needs of the populations of the Countries in which it is present, in 2020, Eni supported 22 initiatives against the COVID-19 pandemic, in 14 foreign Countries, aimed in particular at local vulnerable groups, hospitals, health institutions and ministries of health

As part of the interventions implemented in response to the health needs of the populations of the Countries in which it is present, in 2020, Eni supported 22 initiatives against the COVID-19 pandemic, in 14 foreign Countries, aimed in particular at local vulnerable groups, hospitals, health institutions and ministries of health, providing: ventilators and respirators; intensive care equipment and other medical equipment; personal protective equipment. In addition, the emergency response plan included: (i) implementation of community awareness campaigns and "community engagement" actions aimed at preventing the spread of the virus; (ii) creation of access points and distribution of safe water equipped with soap for hand washing; (iii) social protection and food assistance measures such as the distribution of meals for families, vulnerable groups and school canteens; (iv) measures to support the education system through the creation of widespread learning spaces and the distribution of educational materials. In addition to its support to fight the pandemic, Eni has carried out 29 initiatives in 13 Countries to improve the health status of the populations of partner Countries as an essential prerequisite for socio-economic development, through the strengthening of the skills of health personnel, the construction and rehabilitation of health facilities and their equipment, access to drinking water, information, education and awareness-raising on health issues among the populations involved.

Human rights and security

Eni's approach to Human Rights and security

Respecting the right to life, the bodily integrity and the health of both its people and members of local communities is one of Eni's priorities. Security events, in fact, can affect almost the entire spectrum of human rights, including economic, social and cultural rights. They can also have a meaningful negative or positive impact on the freedom of expression and the opportunities to participate in political processes.

HUMAN RIGHTS AND SECURITY

- Excessive use of force by public and private security forces
- Employee safety in high-risk environments

Eni's commitments

Eni manages its security activities in accordance with international principles and standards, including the **UN Basic Principles for the Use of Force and Firearms**⁵ by Law Enforcement Officials and the **Voluntary Principles on Security & Human Rights**⁶, taking into account the specific needs of the Countries where it operates. In 2018, these principles were endorsed in Eni's Statement on Respect for Human Rights and, in May 2020, Eni was admitted as "Engaged Corporate Participants" to the Voluntary Principles Initiative, the multi-stakeholder initiative which defined and promotes the Voluntary Principles on Security and Human Rights.

Eni is publicly committed to maintaining the safety and security of its operations within an operating framework that ensures respect for human rights and fundamental freedoms and in compliance with the guidelines set out by the Voluntary Principles on Security & Human Rights. To this end, the Company has progressively embedded such principles into its external and internal framework, as described in the following paragraph.

In May 2020, Eni was admitted as "Engaged Corporate Participants" to the Voluntary Principles Initiative, the multi-stakeholder initiative which defined and promotes the Voluntary Principles on Security and Human Rights

Specific policies to ensure respect for Human Rights in Eni's Security operations

The Eni's Statement on Respect for Human Rights upholds both the Voluntary Principles on Security & Human Rights and the United Nations Basic Principles for the Use of Force and Firearms, other than UN Guiding Principles on Business and Human Rights, the International Bill on Human Rights, the fundamental ILO Conventions and other international Human Rights standards.

Consistent with the international standards on Security and Human Rights, the Statement includes Eni's commitment to:

- Minimize the impact of its security arrangements on local communities
- Prepare the most effective plans and mechanisms for their protection.

The use of armed guards is allowed only for the purpose of protection of personnel and assets subject to security risk. Preventive and defensive measures are designed and implemented to minimize the need for an active response by state and/or private security forces to threats to personnel and

(5) For more information, please see: <https://www.ohchr.org/en/professionalinterest/pages/useofforceandfirearms.aspx>

(6) For more information, please see: <https://www.voluntaryprinciples.org/>

assets. The use of force and firearms is restricted to self-defence, to prevent the perpetration of serious life-threatening incidents and always and only in a manner proportionate to the offence.

Security risks are also addressed in the **Sustainability policy** with reference to both public and private security forces, highlighting the importance of good community relations to prevent incidents.

97%

Security contracts containing clauses on human rights in 2020

The Security Consolidation Act collects all relevant norms that form the internal legal Security framework and includes operating instructions regarding engagement by Security Forces in terms of the commitment to respect for human rights. This includes training initiatives as well as the adoption of engagement rules that limit the use of force and firearms.

91%

Security personnel (professional area) trained on human rights in 2020

The Security's Management System Guidelines identify Security processes where internationally recognized human rights must be taken into consideration, including Risk Assessment, Procurement of Security goods and services, training, monitoring and reporting obligations of potential human rights violations.

A specific section on human rights impacts within security activities is included in the Security Regulations Consolidation Act.

Respect for human rights is also explicitly stated in **The Integrity of our Operations Policy**, the Company's policy governing Security management. Finally, the Code of Ethics includes provisions concerning the respect for human rights in the conduction of protection activities of people and assets (for details [see p. 14](#)).

Assessing risks and monitoring performances

Eni has adopted a Human Rights Due Diligence Model (Risk Model) in Security with the aim of identifying, analysing and prioritizing the negative impact risk on Human Rights in activities and to weigh preventive or defensive measures. The specific Risk Model is developed and used by the Security function, starting with the Ethical Threat Assessment Process. This assessment covers both broad human rights indicators and specific indexes, including:

- Child Labour
- Corruption
- Human Trafficking
- Money Laundering
- Labour Flexibility.

The threat assessment is carried out for each Country in which Eni operates. A detailed assessment is carried out on a regional basis for the most critical areas, in addition to the assessment of each Country.

A vulnerability assessment process that includes human rights issues is implemented at a single asset level. The extension and depth of this process are determined according to the risk exposure of each asset.

The Risk Model enabled to select the Countries worth of intervention and identify which type of measure to adopt. In particular, the results of the 2020 Risk Model have been translated into a 2020 Action Plan that established the following activities:

- Review on the current Security agreements samples in first ten countries resulting from Risk Model in order to verify the inclusion of Human Rights provisions within the contracts (Libya, Iraq, Algeria, Pakistan, Nigeria, Ecuador, Venezuela, Tunisia, Congo, Angola)
- Verification on the assignment and use of Security resources/services provided to Private and Public Security Forces operating in Pakistan Eni's sites. A specific form was filled out to gather information from Regional Security Advisors
- In cooperation with personnel of Luanda Headquarters a "Security and Human Rights" workshop was rolled out in an Angolan Subsidiary (for details [see p. 86](#)).

Finally, starting from the early phases of the procurement process, contractors wishing to apply to become Eni security providers are **assessed against a set of human rights standards**, including a screening of their records of previous incidents.

In addition, within the Human Rights Impact Assessment that Eni carries out on the projects, potential impacts that security activities may have on the human rights of individuals and communities affected by the project are considered and duly assessed. Potential impacts are managed through specific recommendations before being translated into a proper action plan. An example of the output of such analysis is in the **HRIA Report** issued in relation to the Exploration activities on the on-shore block RSF-5 in Myanmar ([see p. 78](#)), as well as in Reports issued for the **HRA carried out in Angola** for the exploration of Cabinda North in 2018 and the **HRIA carried out in Mexico** for the development phase of Area 1, in 2019. Recommendations stemming from these reports aiming at ensuring that security operation management is aligned with respect for local individuals' human rights include planning and implementation of audits on security contractors' performance through specific checklists.

In addition, within the Human Rights Impact Assessment that Eni carries out on the projects, potential impacts that security activities may have on the human rights of individuals and communities affected by the project are considered and duly assessed

Tracking and monitoring Human Rights performance

Furthermore, Eni tracks and reports on its human rights performance in terms of the management of human rights risks possibly deriving from Security operations (for detail [see p. 88](#)).

Strategies and actions to minimize risks deriving from Security forces

Eni's overall approach to public and private security forces

Based on the outcomes of the human rights assessments carried out since 2008, Eni has been continuously working at developing processes and practices aimed at managing human rights risks by addressing the risks' causes.

Eni co-operates with public security forces not only by signing Memoranda of Understanding, but mostly by engaging in open and continuous dialogue. In the design of training initiatives, for instance, public security forces are considered partners instead of participants: this means that public security forces are already involved in the early phases of such initiatives' planning, building on their input and support, and this also includes the participation of top army ranks. Eni uses this approach with public security forces because building consensus with leaders pays in terms of participants' commitment. This is particularly important in the Countries where security can only be managed by public security forces. The training initiative held in Angola in 2020 is a good example of Eni's approach to relations with Security forces.

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The Security Consolidation Act collects all relevant norms that form the internal legal Security framework and includes operating instructions regarding engagement by Security Forces in terms of the commitment to respect for human rights



The training workshop on security and human rights that took place in 2020 in Angola

Security and human rights training program

On 29 October 2020, a training workshop on Security and Respect for Human Rights was held in Angola, attended by 32 representatives of public and private security forces in Luanda; the event was also attended, both in person and remotely, by around 100 other people, including Eni management and employees, other oil companies and NGOs. The workshop was divided into two face-to-face sessions: one dedicated to senior officers of the Armed Forces (Army Special Forces, Navy), the Angolan Police with the participation of other oil majors present in Angola; another dedicated to private security operators who carry out their activities at Eni sites. The Angola initiative is part of a broader training project launched in 2009 to promote corporate best practices that incorporate the international principles established by the United Nations in the Universal Declaration of Human Rights; international principles that are referred to in the Voluntary Principles Initiative and that inspire Eni's statement on respect for human rights in all the Countries in which the company operates. This project was also recognised as a best practice in the joint UN Global Compact and Principles for Responsible Investment (PRI) publication of 2013. To date, workshops have been successfully held in 14 Countries around the world, confirming Eni's commitment to protecting people's safety, respecting local communities and engaging in a constant dialogue with authorities and local security operators.

In relation to private Security forces, Eni designed a consistent set of rules, processes and tools to ensure that:

- security force providers are selected by considering human rights criteria, among others;
- contractual terms with security forces include provisions on respect for human rights;
- security operators and supervisors receive proper instructions and training on respect for human rights in practice;
- security events and issues which are considered to be the highest human rights risks, including management of strikes and demonstrations and transfer of goods and services, are managed in compliance with international standards, including the Voluntary Principles on Security and Human Rights.

Assessments and contractual agreements with Security forces

Starting from the early phases of the procurement process, contractors wishing to apply to become Eni security providers are assessed against a set of human rights standards, including a screening of their records of previous incidents.

Once the security provider has been selected, specific clauses of conduct requiring respect for human rights are included in the contracts, especially in relation to operating instructions and workers' rights. In terms of respect for workers' rights, security companies are required to comply with internationally recognized human rights regarding working conditions, freedom of assembly and association, collective bargaining and forced labour. With regard to child labour, the minimum age is set to 18 years old, regardless of possible Country exceptions.

The Security provider is also required not to hire individuals credibly implicated in human rights abuses.

In particular, such agreements should allow for the early termination if there is tangible evidence of human rights violations committed by the security personnel employed by the counterparty.

Furthermore, in some of the Countries of operation, Eni has signed with the governments Memoranda of Understanding that include a specific clause on human rights. Namely,

In terms of respect for workers' rights, security companies are required to comply with internationally recognized human rights regarding working conditions, freedom of assembly and association, collective bargaining and forced labour

parties of the MoU are requested to act accordingly and in compliance with the UN Voluntary Principles on Security and Human Rights, the Code of Conduct for Law Enforcement Officials of the United Nations and the Basic Principles on the Use of Force and Firearms by Law Enforcement Officials of the United Nations.

In this regard, specific MoU have been signed with Congo, Libya, Mexico, Pakistan and Tunisia.

Rules of engagement

Contractors are contractually required to refrain from intimidating behaviour and from threatening anybody of the use of force and firearms if not strictly necessary and related to the purpose of prevention and defence.

The only exception to this general rule is the need to defend oneself or others from the imminent threat of death or serious injuries, as long as less extreme means are insufficient for the achievement of that objective.

These requirements are further detailed in **Eni's Management System Guideline** and communicated to both Security supervisors and operators by means of user-friendly documents (Pocket Guides) and training initiatives.

Pocket Guide

All the instructions and provisions included in **contracts** with Security forces are collected and implemented in the Security and Human Rights **Pocket Guide**.

This user-friendly document provides fundamental information on respect for human rights and useful insight and input for Eni Security Managers and Security Officers.

The Pocket Guide is available in the Security database accessible by all Security employees and managers from both Headquarters and subsidiaries. The document has been translated into four languages: English, Italian, Arabic and Indonesian.

An entire chapter dedicated to the explanation of the VPSHRs has been included in the pocket guide. In addition, the full text of the VPSHRs in English and Italian has been included in the appendix of the document.

Training

In addition to the **Pocket Guide**, Eni has developed a **Training Program** on Security & Human Rights dedicated to Security Managers and Public and Private Security Forces both in Italy and abroad.

Where possible, Eni has also invited civil society organizations to take an active part in the open training sessions (for instance in Mozambique and Kenya). In particular, training sessions have been held in Angola (2020), in Pakistan and Nigeria (2019), Tunisia (2018), Nigeria (2017), Venezuela and Ecuador (2016), Kenya (2015), Mozambique (2014), Indonesia and Algeria (2013), the Republic of Congo and Angola (2012), Pakistan and Iraq (2011), Egypt and Nigeria (2010) and at Eni's offices in Rome and San Donato Milanese (2009).

Furthermore, materials for subsidiary-led training initiatives have been developed in order to ease the task of local Security managers willing to undertake autonomous training courses. This is particularly relevant in cases of emerging risks and/or with training needs due to job rotation. Eni's training program on Security and Human Rights has been recognized as a best practice in "Responsible businesses advancing peace", the joint publication between the **United Nations Global Compact and Principles for Responsible Investment (PRI)**.

After the massive e-learning program, in 2017, Eni developed the **Security and Human Rights module**, which encompasses the relevant human rights impacts potentially deriving from Security operations and the Company's responsibilities in this regard, together with the commitments, processes and tools in place. The educational program includes case studies on the freedom of expression and the limits to the use of force and weapons according to internationally recognized human rights (for details [see p. 26](#)).

All the instructions and provisions included in contracts with Security forces are collected and implemented in the Security and Human Rights Pocket Guide. This user-friendly document provides fundamental information on respect for human rights and useful insight and input for Eni Security Managers and Security Officers

In addition to the Pocket Guide, Eni has developed a Training Program on Security & Human Rights dedicated to Security Managers and Public and Private Security Forces both in Italy and abroad

Managing the transfer of goods and services

The transfer of goods and services to Security forces can also be a sensitive area, as such practices can lead to perceived complicity in human rights abuses. In order to minimize the risks associated with the issue, Eni has adopted a strategy comprising two main steps:

1. mapping the kinds of goods and services made available to security forces and the frequency of transfers;
2. issuing short recommendations in order to raise awareness on the potential impact deriving from such transfers.

Key performance indicators

Security and human rights

	2016	2017	2018	2019	2020
Security contracts containing clauses on human rights	91	88	90	97	97
Countries with armed guards protecting sites (number)	8	7	7	8	8

Training on human rights – security personnel

	2016	2017	2018	2019	2020
Security personnel trained on human rights ^(a)	53	308	73	696	32
Security personnel (professional area) trained on human rights ^(b) (%)	83	88	96	92	91

(a) The variations of the KPI Security personnel trained on human rights, in some cases even significant from one year and the next, are related to the different characteristics of the training projects and to the operating contingencies.

(b) This data is a cumulative percentage value. The 2020 data is calculated considering only Eni employees, unlike the 2019 figure which also includes contractors.



Contractors are contractually required to refrain from intimidating behaviour and from threatening anybody of the use of force and firearms if not strictly necessary and related to the purpose of prevention and defence.

Communication and disclosure

According to Eni's commitment to provide meaningful, timely and accessible responses to human rights concerns raised by affected stakeholders and local communities as well as for the sake of a transparent engagement with them, Eni communicates externally the results of some of the activities that have been carried out in order to prevent and mitigate human rights impacts. This specific communication is part of the wider disclosure on human rights issues and performances, which includes also the present report.

This way to communicate was reinforced in the last few years with several initiatives aimed at making available reports, data and other relevant information concerning Eni's salient human rights issues, including those raised by affected stakeholders. These initiatives are summarized below.

Human Rights Impact Assessment and related Human Rights Action Plans

The Human Rights Impact Assessments are conducted in relation to the most challenging new projects, having a higher risk to produce human rights impacts (see p. 75). The HRIA methodology aims at assessing potential impacts and identifying measures likely to prevent and manage such impacts with a timely fashion.

Most of the HRIAs conducted so far involved the Danish Institute for Human Rights (DIHR), as a reliable third party to ensure maximum confidentiality to the rights-holders engaged in personal interviews and focus groups held with members and representatives of the local communities, workers, NGOs, and vulnerable groups (children, women, etc.).

At the end of each assessment the DIHR has drafted specific Reports with findings and recommendations, which have then been published on its website as well as in a dedicated section of Eni's website. Additionally, in some of the HRIAs conducted, Eni has allowed the DIHR to report-back on results and activities to the stakeholders involved in the assessment.

The HRIA and HRRA that are going to be carried out in 2021 and 2022 will involve Ergon Associates and Community Insight Group as reliable third parties. These assessments and analysis will maintain a commitment to transparency and reporting back.

According to Eni's commitment to provide meaningful, timely and accessible responses to human rights concerns raised by affected stakeholders and local communities as well as for the sake of a transparent engagement with them, Eni communicates externally the results of some of the activities that have been carried out in order to prevent and mitigate human rights impacts

HRA/HRIA Reports and related Action Plans available on Eni's website

- Angola – [Human Rights Assessment Cabinda North Project](#)
- Angola – [Report on the implementation of the Human Rights Assessment Action Plan Cabinda North](#)
- Mexico – [Human Rights Impact Assessment, Area 1 development project](#), the report is also available in spanish
- Mexico – [Human Rights Action Plan](#) (available also in spanish)
- Mexico – [Summary report on the implementation of the Human Rights Action Plan on Area 1 update 2019-2020](#) (available also in spanish)
- Myanmar – [Human Rights Impact Assessment, Seismic Acquisition Block RSF5](#)
- Mozambique – [Eni Rovuma Basin \(ERB\): Area 4 Human Rights Plan Interim Report 2019-2020](#)



Eni Mexico developed a Human Rights Action Plan (2019-2021) to prevent and address the main human rights impacts concerning the project assessed

Engaging and responding to the affected rights-holders in Mexico



The public description of the Action Plan has been done to allow stakeholders and communities to engage with Eni Mexico and to ensure follow-up on the findings. At the beginning of 2021, Eni has published the summary report on the implementation of the Action Plan, which is still under completion

In 2019, Eni Mexico commissioned the Danish Institute of Human Rights (DIHR) to conduct a Human Rights Impact Assessment (HRIA), which included engagement with affected rights holders, with the objective of assessing the potential and future human rights impacts of activities in Area 1 Development Project on coastal communities and on workers regarding:

- Offshore operations;
- Onshore activities (ORF) and pipeline.

To address the DIHR's HRIA findings and related recommendations, Eni Mexico developed at the end of 2019 a Human Rights Action Plan (2019-2021) with the objective to prevent and address the main human rights impacts concerning the project assessed.

The HRAP (2019-2021) takes most of the topics proposed in DIHR's HRIA report and divides its actions into five components:

1. Accountability and transparency of the HRIA: actions to promote proper communication on human rights impacts, transparency on the project activities, and dialogue and engagement with the stakeholders.
2. Local communities: the main actions and activities for local communities are focused on the sharing of information, as well as on guaranteeing their right to participate and to be consulted.
3. Fishers: actions are focused on addressing concerns related to offshore project's impacts. Taking into consideration previous issues of conflicts between communities and oil and gas companies in the area, as well as the high vulnerability of host communities, the action plan strives for inclusive and structured engagement.
4. Workplace: in order to properly address limited, but potentially significant, labour issues (these includes working hours, rest periods, written contracts, ad hoc trainings).
5. Security: many and serious security related concerns for the communities in the project area have been identified in the HRIA report.

The public description of the **Action Plan** has been done to allow stakeholders and communities to engage with Eni Mexico and to ensure follow-up on the findings. At the beginning of 2021, Eni has published the summary report on the implementation of the Action Plan, which is still under completion. As for the stage of execution, all actions foreseen in 2019 and 70% of the actions foreseen in 2020 have been completed, despite the COVID-19 pandemic. Most of the work has been focused on actions related to accountability and transparency, fishers and local communities. For details see: [eni.com](https://www.eni.com).

Challenges related to the implementation of activities are mostly related to the COVID-19 pandemic, that led to some difficulties in terms of work organizations and relations with stakeholders, in particular on day-to-day dialogue with local communities. On the other side, pandemic has yet shown that no one was prepared for such a contingency and that the emergence of new virus is a global risk given the rapid population growth, urbanization and loss of biodiversity. In this sense, a pandemic represents a challenge for the safeguard of human rights and the achievement of sustainable development, therefore an external factor to be considered within risk assessment.



Promoting Energy Efficiency and Clean Cooking project in Mozambique

Responding to concerns addressed through the grievance mechanism

As described in detail at [p. 95](#), Eni sets multiple access points to receive grievances. Each grievance is analyzed locally and solutions are shared and discussed with the complainants in order to gather their observations and evaluate alternative solutions to the one proposed. When a grievance is sent anonymously, the answer may be published in order to allow the right-holder to be informed on the way Eni decided to address it. Eni's grievance mechanisms may be used by workers within the company as well as suppliers' workers and contractors, and by local communities' members and organizations.

Examples of grievance mechanisms and engagement of rights-holders

- Case study on Ghana [see p. 97](#)

The Community Liaison Officers are Eni's representatives in charge for building positive and trust-based relations with communities and stakeholders through direct and continuous listening

Eni provides public responses as well as direct answers to concerns and issues raised by rightsholders, NGOs or communities' representatives in order to ensure accessibility and public commitment towards actions undertaken or solutions proposed

The role of the Community Liaison Officers

The Community Liaison Officers are Eni's representatives in charge for building positive and trust-based relations with communities and stakeholders through direct and continuous listening. Their role ensures a continuous engagement and communication with local communities' members and representative: their presence on the territory is crucial to encourage positive communication and provide accessible information to potential affected stakeholders on how Eni manages specific issues and handles the concerns they raised.

An example of the Community Liaison Officers role

- Case study on Kazakhstan [see p. 100](#)

Public responses to NGOs and communities' representatives

Eni provides public responses as well as direct answers to concerns and issues raised by rightsholders, NGOs or communities' representatives in order to ensure accessibility and public commitment towards actions undertaken or solutions proposed.

Eni's public responses are also collected by third parties' website, such as the Business & Human Rights Resource Centre, as a way to ensure accountability for the commitment taken ([here the full list of responses provided by Eni through the BHRRC website](#)).

Another example of the way Eni provided answer to the concerns of rightsholders and ensured access to the solutions proposed is represented by the conciliation procedure activated via the Italian National Contact Point of the OECD Guidelines to answer at the complaint raised by the NGO "Egbema Voice of Freedom" (EVF). The procedure was activated with the EFV instance, claiming that NAOC (Eni's subsidiary) was not doing enough to mitigate the impacts of its operations on the effects of the floods on the community. Eni actively participated in all the phases of the procedure, voluntarily complying with the terms of the conciliation procedure which included a joint visit to the NAOC site in Nigeria. Finally, Eni shared and accepted the terms of the agreement proposed by the Conciliator at the end of the procedure. With a view to transparency, Eni has agreed to the NCP's proposal to make the content of the agreement available on its **website**. Eni's commitment and participation in the conciliation procedure therefore contributed to the smooth functioning of the conciliation mechanism and the NCP congratulated the parties for the successful conclusion of the procedure.

The Aggah community case

For an in-depth description of the case, the answers provided by Eni and the agreement,

[see p. 94](#).

The content of the agreement is available on the NCP's **website**.

Concerning communication on a broader basis, Eni has been a forerunner in the industry in adopting the Integrated Annual Report in 2010. This step was intended to enable Eni's stakeholders, including non-shareholders, to understand inter linkages between financial performances and environmental and social performances, including human rights. The Integrated Annual Report is approved by the Board of Directors and presented to the Annual Shareholders' Meeting, which approves Eni's financial statements.

Furthermore, starting from the 2017 Annual Report, non-financial performance is detailed in the Consolidated Disclosure of Non-Financial Information, prepared in accordance with applicable legislation and included in the Management Report in the Annual Report. It reports Eni's activities also with regard to respect for human rights on initiatives undertaken and their results.

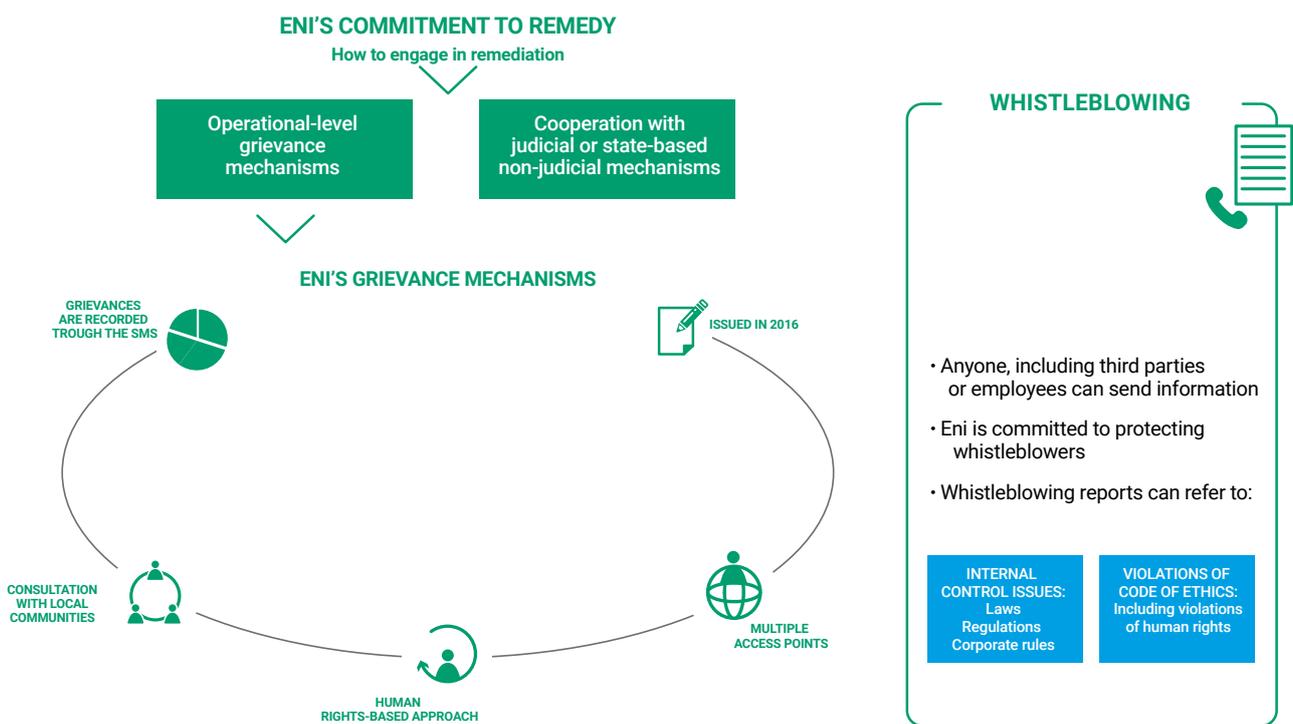
Access to remedy

Eni's commitment to remediation

Eni verifies and provides or cooperates to provide remediation in case of adverse human rights impacts it might have caused or contributed to. Eni guarantees access to grievance mechanisms for individuals and communities. Furthermore, Eni enables anyone to send reports on issues pertaining to the internal control, risk management system or other violations of the Code of Ethics, including possible violations of human rights.

This section presents information on:

- **Eni's commitment to remediation** (see p. 93);
- **How to engage in remediation** (see p. 95);
- **Grievance mechanisms**, including the procedure on Grievance Mechanisms and the set of activities to be carried out and the process of grievance mechanism implementation in Eni (see p. 95);
- **Whistleblowing reporting management system**, including a description of the reporting system and data and figures about investigations and report received (see p. 101).



Eni's commitment to remediation

As described in the **Statement on Respect for Human Rights** Eni is actively engaged in ensuring proper access to remediation measures. Eni is committed to verifying and providing, or cooperating to provide, **remediation in case of adverse human rights impacts it might have caused or contributed to**, and to making all efforts to promote the achievement of the same goal in cases where the impact is directly linked to its operations, products or services. **Grievance mechanisms and other reporting channels**, both at operational level and company-wide, are made available to enhance the opportunities for the Company to identify and promptly investigate potential and actual human rights impacts and take appropriate action. Furthermore, **Eni does not prevent access in any way to state-based judicial or non-judicial mechanisms** and co-operates in good faith with such mechanisms.

Eni prohibits, and undertakes to prevent, **retaliation against workers and other stakeholders for raising human rights-related concerns, and neither tolerates nor contributes to threats, intimidation, retaliation or attacks against human rights defenders** and affected stakeholders in relation to its operations. The protection of whistleblowers, of who express concerns regarding ethical issues or reports wrongdoings is reiterated also within the Code of Ethics.



The Aggah community is located in the state of Rivers in Nigeria, in an area that is regularly subject to flooding, due to seasonal rains and flooding of the Niger River. NAOC, an Eni subsidiary, manages the operations in this area on behalf of the Joint Venture with the state company NNPC and Oando (NNPC 60%, NAOC 20% and Oando 20%). Since the planning phase, and in compliance with local regulations, NAOC ensured that the plant, access routes and pipes were all elevated and equipped with adequate drainage systems to ensure regular water flows, even during the rainy season



An example of Eni's cooperation with non-judicial mechanisms

The case

In December 2017, an association called Egbema Voice of Freedom (EVF), in the Aggah community, issued a complaint before the Italian National Contact Point (NCP) for the OECD Guidelines. "NCPs focus on problem solving – they offer good offices and facilitate access to consensual and non-adversarial procedures (ex. conciliation or mediation). Complaints handled by NCPs (known as specific instances) are not legal cases and NCPs are not judicial bodies". The application complained that Eni was not doing enough to mitigate the impact of its operations on the effects of the floods on the community.

The results

During the procedure, Eni provided objective elements – also with the support of photo and video documentation – to demonstrate that NAOC operations and infrastructures have no aggravating impact on the natural flooding of the area. The natural flooding affects a much wider area than the one of the community of Aggah, and it is a typical phenomenon of the Niger Delta region. As it is also reiterated in Eni's Statement on Respect for Human Rights, Eni upholds the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the Ten Principles of the Global Compact of United Nations. In particular, Eni is committed to cooperating in good faith with non-judicial bodies as well. Therefore, while always reaffirming its position, Eni has chosen to comply with and participate in good faith to the procedure at the NCP and to actively contribute to proper implementation. Eni actively participated in all the phases of the procedure, voluntarily complying with the terms of the conciliation procedure which included a joint visit to the site in Nigeria. Finally, Eni shared and accepted the terms of the agreement proposed by the Conciliator at the end of the procedure, namely the commitment to verify the need for additional drainage systems, in addition to the existing ones, under the road that connects the wells locations, and to proceed with their construction, which is aligned with the usual community relationships activities.

Transparency and next steps

With a view to transparency, Eni has agreed to the NCP's proposal to make the content of the agreement available on its website. Eni's commitment and participation in the conciliation procedure therefore contributed to the smooth functioning of the conciliation mechanism and the NCP congratulated the parties for the successful conclusion of the procedure. Following the signing of the Terms of Settlement, NAOC and Egbema voice of Freedom (EVF) designated their respective contact persons who met several times in order to define the contents of the drainage interventions to be carried out in the community. The works are nearing completion.

On March 4th 2021, the NCP, having heard the parties, published a follow up report on its website with the following final considerations: "During conversations with the NCP, both parties recognised that there has been progress on the implementation of the ToS and confirmed their willingness to continue the dialogue to reap the benefits of the agreement reached. The NCP reiterates the enormous value of the agreement of the 8th July 2019 and welcomes the progress made up to now in its implementation. The NCP invites the Parties to continue to cooperate in good faith and with the utmost commitment for the implementation of the Terms of Settlement and to follow the final recommendations formulated by the Conciliator in the ToS."

How to engage in remediation

Business enterprises' active engagement in remediation should take the form of both operational-level grievance mechanisms for individuals and communities and/or cooperation with judicial or state-based non-judicial mechanisms, as recognized by the UNGP 29 and by the OECD Guidelines for Multinational Enterprises⁷. Operational-level **grievance mechanisms** can serve as a **primary form of remedy**, especially when judicial or non-judicial state-based systems are weak or inaccessible.

This is especially true when considering that it is estimated that five billion people around the world currently live in conditions where they cannot adequately rely on the protection of the rule of law or lack meaningful access to justice⁸. In any case, an operational-level grievance mechanism can allow companies to quickly and effectively respond to potential critical issues, stopping them from escalating and conflicts from arising.

Business enterprises' active engagement in remediation should take the form of both operational-level grievance mechanisms for individuals and communities and/or cooperation with judicial or state-based non-judicial mechanisms, as recognized by the UNGP 29 and by the OECD Guidelines for Multinational Enterprises

Grievance mechanisms

In 2016, Eni issued a procedure on **Grievance Mechanisms**, which provides instruction on both **the design and implementation of such mechanisms** and defines the **set of activities to be carried out** when Eni receives, in writing or verbally, concerns or grievances in relation to its activities.

According to this procedure, to guarantee complainants having adequate access to the grievance mechanism, **multiple access points** should be established, and parties should be given adequate notice of the mechanism's establishment. Some examples of possible access points are: directly to the function responsible for receiving grievances (e.g. through a specially dedicated office of the company, such as the Community Liaison Officers – [see p. 92](#) on the role of Eni's CLO), by writing to a dedicated e-mail address, by letter, through the company website, through a dedicated telephone number, through trusted third parties (NGOs, local associations, etc.).

The feedback about the grievance received is notified and discussed with the complainants and the company: the complainant is asked to communicate any observations or alternatives to the solution found and proposed by the company which duly takes note of it in an appropriate form. A response to the complaint is always required according to internal procedure. In cases of grievances lodged anonymously, the local sustainability function can decide whether to publish the answer.

The feedback about the grievance received is notified and discussed with the complainants and the company: the complainant is asked to communicate any observations or alternatives to the solution found and proposed by the company which duly takes note of it in an appropriate form

The **human rights-based approach** is integrated into the procedure as demonstrated by two principles explicitly stated into the document:

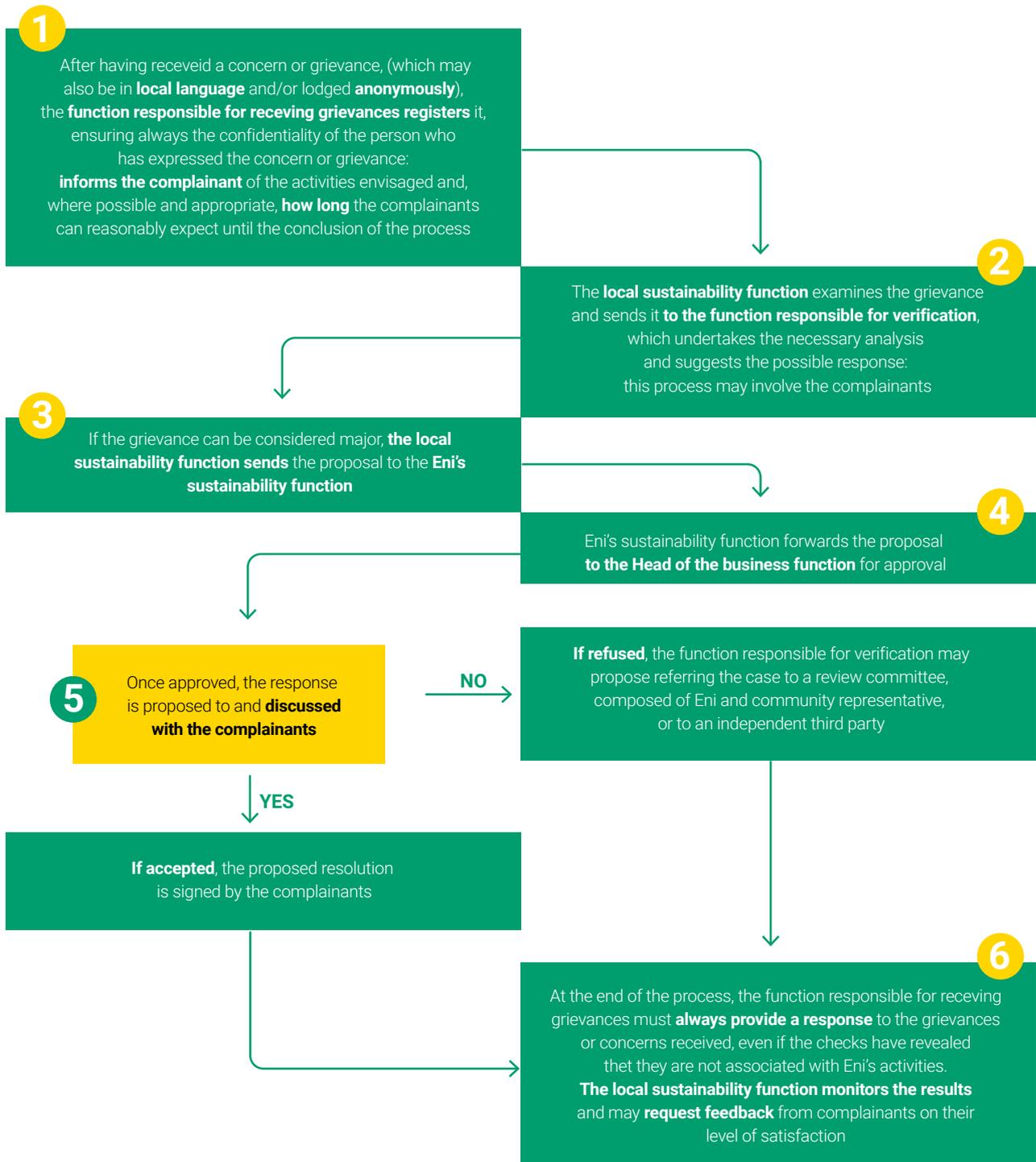
- complainants are not asked by Eni to waive for their rights: filing a complaint with grievance does not prevent or impede any complainants to access other legal or administrative remedies;
- and the actions and resolutions taken must be consistent with internationally recognized human rights and the UN Guiding Principles on Business and Human Rights, with particular focus on Guiding Principle 31 on effectiveness criteria.

(7) See Chapter IV, Human Rights, comment 46.

(8) The Task Force on Justice, Justice for All Report, www.justice.sdg16.plus

It should be highlighted that, in order to define the grievance mechanism’s structure and implementation, a subsidiary may set up an ad hoc **consultation with local communities**, especially if numerous concerns and/or grievances are anticipated. As for the performance evaluation of grievance mechanisms, the procedure entails that the local sustainability function assesses whether and how to make the evaluation results accessible to the local communities.

The **process for managing complaints** is made up of the following key steps:



The **grievance mechanism implementation process began in 2014** in the light of a pilot experience in Ghana, carried out within an IPIECA project; as of 2017 the process was present in all Eni subsidiaries excluding holding companies or those providing financial and/or service activities.



The Livelihood Restoration Plan programme trained and supported around 1,400 people on starting up new businesses in Ghana.



Eni's grievance management in Ghana

Listening to stakeholders and their needs is of fundamental importance to better contribute to create shared value with the host population.

In Ghana, Eni has constant relations with 79 local stakeholders. A responsible grievance management entails the need to introduce a new assessment approach and methods to accommodate different local contexts in which Eni operates, to ensure the best possible resolution of the critical issues raised. In May 2019, for example, one of the breeders who benefited from the "livelihood restoration programme initiative" complained that the breeding business did not allow to generate sufficient profits to purchase all of the animal feed and continue the activity and requested the company to supply additional feed. Eni sent experts to identify the reasons for the low yields of the breeder's activity. The solution of problems with hygiene and sanitation and with transporting products and feed allowed to successfully solve the problems of this micro enterprise: these methods were also shared among the local breeders' association, to improve their knowledge of the best management practices.



In Ghana, the Offshore Cape Three Points (OCTP) Integrated Grievance Mechanism allows Eni Ghana to receive, evaluate and address any project – related grievances, written and verbal, from communities and stakeholders that claims to be affected by Eni operations. In 2015, Eni has organized to record and promptly receive any grievances and address eventual concerns or misunderstandings arising from the valuation process of the 237 acres of land acquired for the construction of the OCTP.

The grievances were examined on a severity priority-base and sent for response to a Consulting Valuation Team, composed of local community representatives, local government representative and Eni Ghana sustainability function response. Explanation given by the Consulting Valuation Team was assessed by the Local Content and Sustainability Function and the response communicated to the complainants.

After provided the responses, twenty eight (28) complaints were solved and successfully closed out with an estimated 95% satisfaction of process and outcomes. The process was characterised by Eni instant and timely responses, with an average resolution timeframe of 21 days.

The design and implementation of the operational-level grievance mechanism in Ghana was key to establish a channel of dialogue and build trust with the members of the communities around the operational area, as well as to manage social risks and in terms of capacity building and lessons learned. Indeed, Eni engaged its Business Partners starting from the early phases of the project, sharing with them the commitment to comply with the IFC Performance Standards. Institutions at different levels (central, regional and local as well as different groups of project-affected peoples (workers, fishermen, farmers) were also part of the stakeholder engagement activities, other than traditional authorities. Furthermore, experts from the IFC and the World Bank reviewed the mechanism and acknowledged that it was in line with the international standards.

A **Community grievance mechanism assessment** involving 20 Eni subsidiaries was carried out in **2017** in order to assess the implementation process, improve the management of the grievance mechanism and enhance the quality of the procedure. The assessment underlined the importance of: simplifying the grievance mechanism recording forms; promoting integrated management of grievances in locations with multiple Eni organizations; further reinforcing Eni’s role in non-operated assets and further clarifying the role of contractors and NGOs in the management of grievances.

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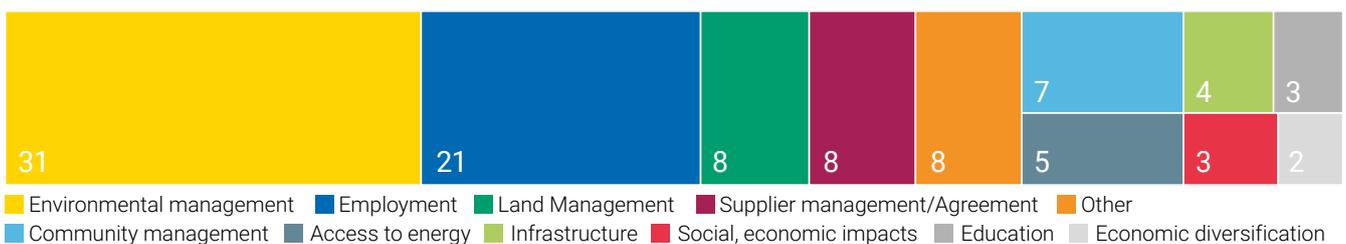
Complaints received

53%

Resolved and closed

In 2020, Eni received 107 claims from 7 subsidiaries/districts/plants, of which 53%, i.e. 57 cases, were resolved and closed. Most of the grievances have come from Sub-Saharan Africa in particular Ghana and Nigeria and mainly concerned: management of environmental aspects, employment development, land management.

2020 grievances - Main issues (%)



With regards to Eni's expectations towards suppliers, contractors and business partners in relation to the establishment of their own grievance mechanisms:

- Eni expects suppliers, contractors and subcontractors to make available to workers, the communities and any external individual they interact with in the interest of Eni, their own accessible remedial mechanisms (as stated into the **Supplier Code of Conduct**).
- Eni's internal procedures foresee the inclusion of a specific human rights clause within the contractual agreements with partner companies, State companies or entities, aimed at raising the awareness of the counterparties and commit them to respect human rights, in accordance with the UNGPs and the main international human rights standards.

In particular, the clause provides that in case joint operations or activities have caused or contributed to adverse human rights impacts, all the parties shall take whatever action to address such impact in accordance to human rights.



In Mozambique, Eni is helping replace 10,000 traditional stoves with improved ones for vulnerable families.



The village of Berezovka is located on the border of the sanitary protection zone (SPZ), which protects nature and people within a designated distance of the Karachaganak Oil and Gas Condensate Field and facility, operated by Karachaganak Petroleum Operating B.V. (KPO)



Grievances management in Kazakhstan

CONTEXT

In November 2014, a number of children and a teacher at the Berezovka village school developed unexplained symptoms of illness, e.g. repeated fainting. The village of Berezovka is located on the border of the sanitary protection zone (SPZ), which protects nature and people within a designated distance of the Karachaganak Oil and Gas Condensate Field and facility, operated by Karachaganak Petroleum Operating B.V. (KPO)*. Some NGOs and media attributed the symptoms suffered from the population to emissions from the KPO facility.

INVESTIGATION

KPO actively participated in the investigation and worked in close cooperation with local authorities, by assessing all relevant data including information from operations facilities and environmental monitoring stations with the investigating authorities. KPO and its partner companies collaborated with the UK National Contact Point (NCP) during the review process in 2014-2017, and in December 2017, the UK NCP published its "Final statement after examination of complaint".

MEASURES TAKEN

Because the villages of Berezovka and Bestau fell within the boundaries of the estimated future (in relation to expansion development projects) SPZ, by 2017, the villagers were resettled to the town of Aksai and the suburban microregion of Araltal, which are locations with more favourable housing conditions in terms of the sanitary and hygienic standards. In Araltal the resettlers were moved into 100 detached houses and in Aksai they received flats in several apartment blocks located in the Karachaganak-1 Neighbourhood. In total, 465 households were resettled in 2015-2017.

GRIEVANCE MECHANISMS

KPO has a formal policy in place for handling complaints related to its operational activities. This applies to the former residents of Berezovka and Bestau who had been relocated.

The case with KPO has contributed to improve and streamline the implementation of the grievance management process in resettlement cases.

Currently KPO carries out post-resettlement monitoring in both locations, including their livelihood restoration. During this period, additional grievances were received from the residents of the new houses, and KPO is actively handling their requests.

ONGOING RELATIONS

The relation with the communities is stable and continue, also thanks to the KPO Community Liaison Officers. Moreover, socially vulnerable community members, who moved to Aksai and Araltal are under special surveillance in KPO's monitoring process: the KPO Community Liaison Specialist visits the elderly residents living alone in order to provide assistance and resolve their issues, including municipal social care and construction defects.

(*) The KPO consortium comprises Eni, Shell, Chevron, Lukoil and KazMunayGas.

Whistleblowing reporting management system

Eni uses a **Whistleblowing reporting management system** that enables anyone – whether Eni's people⁹, stakeholders or other third parties – to send reports on issues pertaining to the internal control and risk management system or other violations of the Code of Ethics, **including possible violations of human rights**.

This also applies to all reports on issues, even when such issues are sent confidentially or anonymously, in compliance with the provision of the 2002 Sarbanes-Oxley Act, Italian Law 179/2017, the Company's Organizational, Management and Control Model, in accordance with Italian Legislative Decree 231 of 2001 and internal Anti-Corruption regulations. The function of the whistleblowing system is also regulated by the internal regulatory instrument **"Whistleblowing Reports received, including anonymously, by Eni SpA and its subsidiaries in Italy and abroad"**.

Eni guarantees confidentiality and anonymity to whistleblowers and envisages possible measures for any potential **retaliation** perceived. In this regard, the Code of Ethics includes commitments to non-retaliation, together with other important safeguards such as guarantees on full confidentiality and non-interference with judicial and non-judicial mechanisms. The whistleblowing reports, regardless of who the whistleblower is (i.e. employees or third parties), can refer to:

- **internal control issues and risk management system:** behaviours by Eni's People in violation of any laws, regulations, provisions of authorities, internal regulations, Model 231 or Compliance Models for foreign subsidiaries that may cause damage or prejudice to Eni, even if only to its public image;
- **any other violations of the Company's Code of Ethics:** issues relating to business ethics, practice of mobbing, harassment and discrimination.

The results of checks carried out by the Internal Audit function are submitted to cross-functional internal bodies, the Board of Statutory Auditors, the Supervisory Board and the senior management of both Eni SpA and each of the non-listed subsidiaries involved.

Between 2018 and 2019, Eni carried out a specific gap analysis of the grievance mechanisms and the whistleblowing system to evaluate their effectiveness against the 8 criteria of the UNGPs' principle 31. From the analysis emerged some improvement areas included the needs to gathering feedbacks from users and measures to improve the knowledge of the systems and promote the use of them. On the basis of the suggestions made, the whistleblowing system has been improved and at the same time the internal regulation "Whistleblowing Reports received (including anonymously) by Eni SpA and its subsidiaries in Italy and abroad" has been updated.

Facts and figures on whistleblowing reporting

In 2020 investigations were completed on 73 files¹⁰, 25¹¹ of which included human rights aspects, mainly concerning potential impacts on workers' rights. Among these, 28 assertions were verified with the following results: for 11 of them the reported facts were confirmed, at least in part, and corrective actions were taken to mitigate and/or minimise their impacts, including: (i) actions on the Internal Control and Risk Management System, relating to the implementation and strengthening of controls in place; (ii) actions against business partners/suppliers; (iii) actions against employees, including disciplinary measures, in accordance with the collective labour agreement and other national laws applicable. At the end of the year, 16 files were still open, 6 of which referred to human rights aspects, in particular potential impacts on workers' rights.

(9) Eni personnel and any natural or legal persons, who operate on its behalf.

(10) Whistleblowing report: is a summary document of the investigations carried out on the report(s) (which may contain one or more detailed and verifiable assertions) providing a summary of the investigation carried out on the reported facts, the outcome of the investigations and any action plans identified.

(11) All relating to fully consolidated entities.

Eni guarantees confidentiality and anonymity to whistleblowers and envisages possible measures for any potential retaliation perceived. In this regard, the Code of Ethics includes commitments to non-retaliation, together with other important safeguards such as guarantees on full confidentiality and non-interference with judicial and non-judicial mechanisms

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Reports received in 2020 concerning human rights



Focus on the protection of whistleblowers

Furthermore, the Code of Ethics includes the following important provisions to ensure, among others, the actual protection of whistleblowers:

- Guarantees on full confidentiality and data processing: the whistleblowing procedure clearly states that reports can be anonymous. In any case, the reports and identity of the whistleblower are managed in such a way as to guarantee and respect full confidentiality. A [Privacy Information Notice Regarding Whistleblowing](#) is available on Eni's website.
- Non-retaliation:
 - at a minimum, the Code clearly specifies that: if after reporting a presumed violation, any of Eni's People feel that they have been subject to retaliation, they may then apply directly to the Guarantor of the Code of Ethics
 - More importantly, Eni is committed to ensuring that no one may suffer any retaliation whatsoever for having provided information regarding possible violations of the Code or reference procedures.

On this issue, the Rules on Whistleblowing Reports received by Eni, including those received anonymously, clarify that in order to protect the image and reputation of people who were unjustly reported, Eni will guarantee the application of disciplinary sanctions, also for the whistleblower, in the event of an Illicit Report. Such reports, which could potentially lead to actions, are defined as "any whistleblowing report that is revealed as unfounded based on objective elements and for which the concrete circumstances that were ascertained during the investigation phase lead one to believe that it was presented in bad faith or with extreme negligence". Eni will take suitable disciplinary measures also against those who adopt retaliatory or discriminatory measures against the whistleblower.

Moreover, Eni's Statement on Respect for Human Rights approved by the Board of Directors in December 2018, explicitly "prohibits and undertakes to prevent retaliation against workers and other stakeholders for raising human rights-related concerns, and neither tolerates nor contributes to threats, intimidation, retaliation or attacks (both physical and legal) against human rights defenders and affected stakeholders in relation to its operations."

Engagement of trade-unions in the monitoring of complaints or grievances

The Global Framework Agreement on International Industrial Relations and Corporate Social Responsibility renewed in July 2019 includes reports or grievances relating to human rights issues (if any) among the subjects to be dealt with during the annual meeting. (For details

[see p. 13](#))

Key performance indicators

Grievances received by topic^(a)

		2019	2020
Access to energy	(%)	14	5
Land Management		6	8
Education		6	3
Employment		16	21
Infrastructure		10	4
Community management		8	7
Suppliers management/Agreements		9	8
Partnerships		7	/
Social and economic impacts		6	3
Economic diversification		3	2
Environmental management		/	31
Other		15	8

(a) The grievances received by Eni's subsidiaries are classified into over 200 sustainability themes, within the corporate management system (SMS - Stakeholder Management System). The consistency of the various grievance themes may vary from one year to the next, both in terms of type and number, especially for particular years such as 2020 characterized by the pandemic, also involving high percentage variations for some categories. In particular, the category "Environmental management" presents the most significant value in 2020, compared to not significant figure for 2019 which was included in the item "Other".

Whistleblowing files on human rights violations

	2016	2017 ^(a)	2018	2019	2020	
Whistleblowing files (assertions) on human rights violations closed during the year and categorized by results of the investigations and typology	(number)	36	29 (32)	31 (34)	20 (26)	25 (28)
Founded assertions	11	3	9	7	11	
Potential socio-economic impacts on local communities ^(b)	0	0	0	0	0	
Potential impacts on health, safety and/or well-being of local communities ^(c)	1	0	0	0	1	
Potential impacts on worker rights ^(d)	9	3	6	5	6	
Potential impacts on workplace health and safety ^(e)	1	0	3	2	4	
Unfounded assertions, with the adoption of corrective/improvement measures	6	9	9	8	9	
Potential socio-economic impacts on local communities ^(b)	0	0	0	1	0	
Potential impacts on health, safety and/or well-being of local communities ^(c)	0	0	0	0	0	
Potential impacts on worker rights ^(d)	6	8	8	5	7	
Potential impacts on workplace health and safety ^(e)	0	1	1	2	2	
Unfounded/Not applicable assertions^(f)	19	20	16	11	8	
Potential socio-economic impacts on local communities ^(b)	0	0	0	0	0	
Potential impacts on health, safety and/or well-being of local communities ^(c)	1	2	2	1	0	
Potential impacts on worker rights ^(d)	14	15	12	10	8	
Potential impacts on workplace health and safety ^(e)	4	3	2	0	0	

(a) Starting from 2017, the results of the investigations carried out on the reported individual assertions have been represented (a file may contain 1 or more assertions) having a potential impact on human rights. Otherwise, for the years 2015 and 2016 the overall results of the dossiers were represented; these outcomes did not necessarily refer to specific aspects relating to potential impacts on human rights.

(b) Including issues related to consultation and/or compensation processes and increase in conflicts.

(c) Including the requirements for the management of polluting products.

(d) Including delays in the recognition of due wages, discrimination, harassment, bullying and mobbing.

(e) Including unhealthy and/or insecure workplace environments.

(f) They are classified as such whistleblowing/assertions in which the reported facts: (i) coincide with the subject of the pre-litigation, litigation and investigation; (ii) cannot be classified as Verifiable Detailed Reports, therefore it is not possible to start the investigation phase; (iii) Verifiable Detailed Reports for which, in light of the outcomes of the preliminary checks conducted, it is not being considered necessary to start the subsequent investigation referred phase.

International relations for human rights



Since 2012, Eni is an active contributor to the activities of the Institute for Human Rights and Business (IHRB). Eni collaborates with the Institute for Human Rights and Business (IHRB), an independent organization that works as a global centre of excellence and expertise on the issue of relations between business and human rights. The IHRB engages directly with business leaders, representatives of governments and other stakeholders to evaluate the effectiveness of policies, operational practices and the initiatives of multiple relevant stakeholders on this important issue.

The Institute also provides analyses of the performance of governments, companies and other stakeholders in the field of human rights.



Besides being a member of the Human Rights Working Group of IPIECA, Eni participates in Working Groups focused on various topics with direct links to human rights issues, including the Working Groups on Social Responsibility, Supply Chains, Just Transition, Climate Change, Health, Water, Oil Spills and Biodiversity & Ecosystem Services.



Thanks to collaborations with the International Labour Organization (ILO), and the International Training Centre of the International Labour Organization (ITCILO), Eni has developed a number of initiatives on the subject of international labour standards and equal opportunities (e.g. online seminars). Moreover, it has carried out studies on international regulatory frameworks, including the ratification status of ILO Fundamental Conventions in all the Countries in which Eni actually operates.

In 2015, Eni joined the Global Business Network for Social Protection Floors, promoted by the ILO, to share practices that multinationals have adopted in the area of social security. Furthermore, in 2018, a booklet drafted in co-operation with the International Training Centre of the ILO was published aimed at mapping the state of ratification of ILO Fundamental Conventions and other selected ILO Conventions of interest to HR across the Countries where Eni operates.



In 2001, Eni was the first Italian company to join the Global Compact, and its Communication on Progress has qualified as Advanced Level since 2009.

In addition, Eni participates in the international working groups of the Global Compact on issues relating to labour, human rights and anti-corruption. Eni is also part of the LEAD initiative within Global Compact which is a global movement of sustainable companies that take shared responsibility to shape a sustainable future. Global Compact supports companies in aligning their strategies and operations with ten universal principles on human rights, labour, environment and anti-corruption; and in taking strategic actions to achieve broader UN goals, such as the UN Sustainable Development Goals. In September 2020 Eni was confirmed again as Global Compact Lead company. Currently, Eni is participating in the Action Platforms "Sustainable Finance" and "Decent work in global supply chains".



Eni was among the founding members of the World Business Council for Sustainable Development. Among other activities, Eni participates in the work of the Social Impact and Climate & Energy clusters and in the activities and events focused on business and human rights.

In May 2020, Eni was admitted as “Engaged Corporate Participants” to the Voluntary Principles Initiative, the multi-stakeholder initiative composed of Governments, key international NGOs and companies, which promotes the implementation of a set of principles (Voluntary Principles on Security and Human Rights) aimed at supporting and guiding companies in addressing human rights risks in security activities.



“The DIHR is Denmark’s National Human Rights Institution. As part of its legal mandate, DIHR can engage directly with private actors. The purpose of this engagement is to address the positive and negative Human Rights impacts of business operations around the world. DIHR strives to publicly disseminate knowledge based on experiences gained in corporate engagement projects in order to advance Human Rights in the wider corporate sector. Being an impartial, independent National Human Rights Institution DIHR does not offer public endorsements of specific corporate actors”. Eni and the Danish Institute for Human Rights formed a partnership during 2008-2019. The partnership encompassed a wide range of activities, from the support on how to structure Eni’s human rights due diligence process to projects focused on specific operating sites, including human rights compliance and impact assessments.



Eni has been working with Ergon Associates since 2020. Ergon is a leading independent consultancy focused on business and human rights issues globally. It provides strategic and project-based advisory services on a range of human rights challenges along with research services, labour and human rights impact assessments and training and capacity-building. Ergon is supporting Eni in implementing a series of human rights impact assessments (HRIAs) associated with exploration activities in three countries.



Community Insights Group (CIG) is a social impact management consultancy which helps clients in their efforts to respect people’s rights and make a difference in their communities. CIG has many years of experience in helping organisations identify the social and human rights issues relevant to their organisation and associated operations.



CIG began working with Eni in 2020 and it has supported in the development of the Human Rights Risk Analysis methodology to identify human rights risks for industrial projects in the early stages of development. This methodology is being pilot tested in 2021, with plans for it to become a company guideline for assessing future projects into support its human rights due diligence and alignment with the UN Guiding Principles on Business and Human Rights.

At the heart of Eni’s actions are the lives of human beings. Today’s business model – which follows the path set by the company’s operating way since its origins – stands on a cooperation model that looks at the value of the people in Eni and – more generally – of those in the host Countries.

This is how long-term relationships were born with cooperation, as well as faith-based, national and international organizations, to meet the different challenges encountered: from access to energy to education, from hunger to food security, from economic diversification to the protection of the environment and ecosystems, and the respect of human rights. Partnerships meant to improve the dignity of the person – such as those signed with FAO, UNDP and UNIDO mentioned in the report – but also meant to reach multiple goals ranging from undertaking joint actions to improving its understanding of cutting-edge topics, from contributing to the debate on Business and Human Rights to exchanging lessons learned and best practices. For a complete overview of all Eni’s partnerships for sustainable development refer to [Eni for 2020 - A just transition \(p. 80\)](#).

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Layout and supervision

K-Change - Rome

