We are an energy company.

We concretely support a just energy transition, with the objective of preserving our planet and promoting an efficient and sustainable access to energy for all.

Our work is based on passion and innovation, on our unique strengths and skills, 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.

We believe in the value of long-term partnerships with the Countries and communities where we operate, bringing long-lasting prosperity for all.

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.
Reporting principles and criteria
Eni for 2022 is prepared per the "Sustainability Reporting Standards" of the Global Reporting Initiative, in accordance with the GRI Universal and Sector Oil & Gas Standards published in 2021 and taking into account the 10 principles of the Global Compact. The commitments, broken down for each theme, are aligned with the annually updated and approved four-year Plan; therefore, these commitments may be redefined and/or updated accordingly, thus presenting variations between one publication and the next. Such variation does not occur for those commitments that have a baseline such as, for example, those related to climate.

External assurance
In line with previous editions, Eni for 2022 also underwent a limited assurance audit by the independent auditors (PwC), who audited the Consolidated Financial Statements and the Non-Financial Statement, published within the Annual Report. Furthermore, Scope 1 and Scope 2 GHG emissions are subject to reasonable assurance.

Why should you read Eni for 2022?
Eni for describes Eni’s contribution to a Just Transition that guarantees access to efficient and sustainable energy, with the 2050 target for carbon neutrality, to share social and economic benefits with workers, suppliers, communities and customers inclusively and transparently. Eni for 2022 aims to represent Eni’s path in addressing these challenges through the three levers of the integrated business model: Carbon Neutrality by 2050, Operational Excellence and Alliances for Development, to generate long-term value for all stakeholders. Eni for, differently from the Consolidated Disclosure of Non-Financial Information (NFI), delves into the stories, concrete cases and testimonies of people Eni shares its journey with.
The events in Europe in 2022, correlated to Russia's invasion of Ukraine, have brought energy security and energy costs into focus as essential elements for our communities to be pursued alongside decarbonization. The challenge at the heart of the public debate is to find adequate answers to this triad in a context of extreme volatility, uncertainty and growing imbalances.

In this scenario, Eni has worked to contribute to European energy security. The company has pursued its path of transformation towards the decarbonization of products and services, leveraging a distinctive strategy based on geographical and technological diversification of energy sources, working with its stakeholders, and considering gas as a "bridge" energy source in the transition.

A few months after the outbreak of the war, we defined a series of agreements with our historical partners to diversify gas supplies to Italy and Europe, enabling us to replace 100% of the approximate 10 TWh previously supplied by Russia by 2025. This will be possible thanks to Eni's quick entry into production of its gas discoveries and the solidity of its relations with producing Countries. In this regard, in the last quarter of 2022, the first delivery of LNG produced by the Coral South field in Mozambique was completed, and we expect the first delivery of LNG from Congo as early as the end of this year. At the same time, we remained firm in our commitment and our targets towards Carbon Neutral-ity by 2050, anchored on sound investments. We achieved a 17% reduction in Net GHG Lifecycle Emissions (Scope 1+2+3) compared to 2018. We continued implementing the necessary measures to achieve Scope 1+2 Net Zero emissions Upstream by 2030. We have worked to reduce our upstream emissions by investing in emission-reduction technologies and developing upstream low carbon projects. In particular, in April 2023, we launched the FPSO that will be used, as early as the middle of this year, for production from the Baleine deposit in Côte d'Ivoire, the most important discovery ever made in the Country and also the first Scope 1+2 Net Zero development in Africa.

We continue to invest in reducing methane emissions. To provide effective answers to the energy triad ins and contributions to providing abundant, affordable and environmentally sustainable energy, Eni has developed an innovative business and financial model that allows us to solve the problem of capital allocation, striking the right balance between investments and returns. The satellite business model envisages the creation of dedicated companies capable of independently accessing capital markets to finance their growth and able to exploit each business fully. These companies can access specialised capital pools, optimising Eni's financial structure while exploiting the technologies, know-how and services that Eni itself offers. In early 2023, Eni Sustainable Mobility became operational, offering progressively decarbonized products and services to reduce Scope 3 emissions in mobility, working alongside Pluridensity, focused on increasing renewable capacity and providing decarbonized energy to end customers. With different purposes, the satellite model was applied in some E&P geographic areas, through business combinations that resulted in deconsolidated companies whose significant investments are financed autonomously, freeing up financial resources to benefit energy security and sustainability. We strongly believe in technological innovation as a driver to achieve our short, medium- and long-term goals: proprietary technologies matured within tradition-al businesses and breakthrough technologies play a central role in Eni’s decarbonization strategy. Among the former, Ecofining technology allows us to produce biofuels from biological origin waste and raw materials that do not compete with food use. In contrast, reservoir and storage technologies are used in synergy with depleted oil fields to develop effective CO2 capture and storage solutions. In addition, we connected the first system for generating electricity from wave power, another potentially inexhaustible energy source, to the island of Pantelleria’s electricity grid. Finally, we have increased efforts to accelerate the development of breakthrough technolo-gies such as fusion, whose im-plementation and penetration, in the long run, could reshape energy paradigms globally, providing vast amounts of safe, potentially inexhaustible and zero-emission energy. In March 2023, we signed an agreement between Eni and Commonwealth Fusion Systems (CFS), a spin-out of the Massachusetts Institute of Tech-nology (MIT) to accelerate the industrialisation of fusion ener-gy. CFS, where Eni is a strategic shareholder, is working to have the first pilot reactor capable of generating energy from fusion operational as early as 2025, with a view to the first grid-connected industrial plant planned for early next decade.

In the transformation path that Eni has undertaken, the UN Sustainable Development Goals are an important reference for conducting activities in the Countries where it operates for integrating principles and values into its gov-ernance, business activities and financial instruments. Agri-busi-ness, for example, embodies the fundamental pillars of Eni sus-tainability: an energy transition with a strong innovative com-ponent combined with a strong focus for the social dimension. With this in mind, Eni is working to ensure that the decarboniza-tion process offers opportunities to convert existing activities and develop new production supply chains with significant opportu-nities in the Countries where it operates. In 2022, the first cargo of vegetable oil produced in Ken-ya not competing with the food production chain, from waste and raw materials produced on de-graded land, was delivered to Eni’s biofining plants, with substan-tial positive impacts on employ-ment and local development. The model will be replicated in other Countries and is accompanied by a capacity-building initiative, carried out with IRENA, to train civil servants in the same Countries on the opportunities of developing a biofuel supply chain.

Through alliances for development, we also carry out local de-velopment projects in the Coun-tries where we operate to help provide access to energy, edu-cation and health and promote economic diversification. Among the initiatives implemented in 2022 to support the Just Transi-tion are those in Côte d'Ivoire, Mozambique and Ghana to facil-itate access to clean cooking. In Côte d'Ivoire, more than 20,000 cookstoves were distributed in just six months, reaching more than 100,000 people. Eni has promoted the right to education in Congo, Ghana, Iraq, Mexico, Mozambique, and Egypt, where Eni has undertaken the Zohr Applied Technology School, intending to significantly increase the number of young people with appropriate technical and professional skills in the energy and technology fields. Furthermore, the year saw the Joint Declaration with UNIDO signed to strengthen collabora-tion in areas of common interest, such as economic diversification and renewable energy, in line with SDG 9 (Industry, Innovation and Infrastructure).

To protect and respect human rights, we promote a structured and rigorous approach, constantly monitoring activities and projects to assess their impacts and outcomes in line with the highest standards. Among them, the Guiding Principles on Business and Human Rights (UNGPs), the 10 Principles of the Global Com-pact and the OECD Guidelines for Multinational Enterprises are vital references to guide our business and corporate practices.

In managing the difficult chal-lenges that Eni faces, we keep our priorities firmly on track with an ongoing commitment to pro-tecting the health and safety of our people, safeguarding the integrity of our assets, and protecting the environment, biodiversity and water resources. We value a culture of diversity and inclu-sion as a strength for addressing change and are committed to promoting gender equality and women's empowerment in the workplace and communities.

The success of our strategy can only be achieved with the collabor-a tion of our stakeholders, from private, public, international and civil society organisations to re-search institutes. More than ever, there is a need to pool resources and human capital with a broad view to align on common goals to reduce geographical gaps and promote global human progress.

Claudio Descalzi
Chief Executive Officer
Eni is an integrated energy company with a global presence, employing over 32,000 people, that aims to achieve Carbon Neutrality by 2050 satisfying the three fundamental energy goals: environmental sustainability, energy security and accessibility. Beyond environmental sustainability, Eni’s commitment to a socially just and equitable energy transition, as stated in the Company’s Mission, includes concrete actions to promote access to efficient and sustainable energy for all, reducing emissions related to its activities and to the whole supply chain of energy products sold, focusing on innovative and proprietary technological solutions, diversifying energy sources and creating at the same time long-term shared value. The path towards a Just Transition starts with a strong commitment from top management, but it necessarily requires the involvement of every Eni person in the world through the constant dissemination of strong values related to ethical and a socially Just Transition.

**Eni Activities in the World**

**AMERICAS**
- Argentina
- Brazil
- Canada
- Ecuador
- The United States
- Venezuela

**EUROPE**
- Albania
- Austria
- Belgium
- Czech Republic
- Denmark
- Estonia
- France
- Germany
- Hungary
- Ireland
- Italy
- Latvia
- Luxembourg
- Netherlands
- Norway
- Poland
- Portugal
- Romania
- Slovakia
- Slovenia
- Spain
- Sweden
- Switzerland
- Turkey

**AFRICA**
- Algeria
- Angola
- Benin
- Botswana
- Burkina Faso
- Cameroon
- Cape Verde
- Chad
- Comoros
- Congo
- Côte d’Ivoire
- Djibouti
- Egypt
- Ethiopia
- Gabon
- Ghana
- Guinea
- Guinea-Bissau
- Kenya
- Lesotho
- Liberia
- Libya
- Madagascar
- Malawi
- Morocco
- Mozambique
- Namibia
- Niger
- Nigeria
- Rwanda
- Senegal
- South Africa
- Tanzania
- Togo
- Tunisia
- Uganda
- United Republic of (Burundi)

**ASIA AND OCEANIA**
- Australia
- Brunei Darussalam
- Cambodia
- China
- India
- Indonesia
- Japan
- Kazakhstan
- Lebanon
- Malaysia
- Myanmar
- New Zealand
- Pakistan
- Philippines
- Singapore
- South Korea
- Sri Lanka
- Thailand
- Timor Leste
- Turkey
- Vietnam
- United Arab Emirates

**Key Figures**

- **Countries of presence**: 62
- **Persons hired**: 1,796
- **Reuse of freshwater**: 90%
- **Total expenditure on Research and Development**: €164 mln
- **29.9 mln tonnes of CO2eq. Net Carbon Footprint Eni (Scope 1+2)**
Eni is a global energy company with a high technological content, engaged along the entire value chain: from the exploration, development and extraction of oil and natural gas, to the generation of electricity from cogeneration and renewable sources, traditional and bio-refining and chemicals, and the development of circular economy processes. Eni extends its reach to end markets, marketing gas, power and products to local markets and to retail and business customers, also offering services of energy efficiency and sustainable mobility.

Consolidated expertise, geographical and technological diversification of energy sources, alliances for development, as well as new business and financial models are Eni levers to meet each of the essential pillars of the energy trilemma, achieving environmental sustainability, side-by-side with energy security and affordability, while also maintaining a strong focus on value creation for shareholders. Along this path, Eni is committed to become a leading company in the production and sale of decarbonized energy products and increasingly customer-oriented.

Eni’s strategy to reach Carbon Neutrality by 2050 leverages on an industrial transformation to be implemented by strengthening available and economically sustainable technologies such as:

- Progressive growth of the gas component as a bridge energy source in the transition, flanked by investments to reduce emissions;
- Bioenergy through the development of biomethane and biofuels, by increasing feedstocks of bio and renewable raw materials, waste and residues and of an integrated agri-feedstock production chain not in competition with food production;
- Renewables through increased capacity and integration with the retail business;
- Carbon Capture Storage (CCS) through the development of hubs for the storage of the CO₂ from hard-to-abate emissions generated by Eni’s and third parties’ industrial plants;
- Progressive increase in the production of new energy carriers, including hydrogen.

The scale use of these solutions together with research into breakthrough technologies, such as magnetic confinement fusion, can support the revolution of the energy sector. Residual emissions, i.e. those that cannot be reduced due to technical and economic constraints, will be offset through high quality carbon offsets, mainly deriving from Natural Climate Solutions.
Business model

Eni’s business model is aimed at creating long-term value for all stakeholders through a strong presence along the entire energy value chain. The core is represented by Eni’s mission, inspired by the United Nations 2030 Agenda, whose foundations are embodied in Eni’s distinctive approach, which permeates all activities. Eni is committed to fulfilling the essential pillars of the energy system triad, pursuing environmental sustainability together with energy security and affordability. These goals leverage the diversified geographical presence and a diversified mix of energy sources, which, together with a portfolio of new technologies and their fast-track development, will create a diversified energy mix for energy transition supporting energy security, progressing in value creation and breakthrough opportunities, while recognising the essential role of partnerships and alliances with stakeholders, to ensure their active involvement in the transformation of the energy system. The agile and innovative business model leverages proprietary technologies at the base of traditional businesses for the development of a satellite model of creating dedicated entities capable of independently accessing capital markets to fund their growth and to reveal the real value of each business. This integrated business model is supported by a Corporate Governance system inspired by the principles of transparency and integrity, an Integrated Risk Management Model ensuring, through the assessment and analysis of the risks and opportunities of the reference scenario, informed and strategic decisions, as well as materiality analysis to examine the most significant impacts generated by Eni on the economy, environment and people, including those on human rights. The operation of the business model is focused on the best possible use of all the resources (inputs) of the group and on their transformation into outcomes, through the implementation of its strategy, while contributing to the achievement of the Sustainable Development Goals (SDGs) of the 2030 Agenda. Eni also organically integrates its business plan with the principles of environmental and social sustainability, deploying its actions along three levers:

- **Operational Excellence**: Eni’s business is aimed to operational excellence through the continuous commitment in the enhancement, health and safety of people, assets integrity, environmental protection, respect for human rights, resilience and diversification of activities and financial soundness. These elements allow Eni to seize the opportunities deriving from the possible developments in the energy market and to progress its transformation path.

- **Carbon Neutrality by 2050**: Eni’s business model envisages a decarbonization path towards Carbon Neutrality by 2050 based on an approach oriented to emissions generated throughout the life cycle of energy products. 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. In this context gas figure as a bridge-energy source in transition.

- **Alliances for the Promotion of Development**: Eni is committed to reduce energy poverty in the Countries where it operates through the development of infrastructures linked to traditional business but also to the new frontiers of renewables with the aim of generating value in the long term by transforming its know-how and skills in local partners (so-called ‘Dual-Flag’ approach). In these Countries, Eni promotes initiatives to support local communities accessing to energy, to diversify economy, training and health of community, access to water and sanitation, and protection of the territory in collaboration with international players and in line with the National Development Plans and the United Nations 2030 Agenda.

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**Value Creation for Stakeholders**

Through an integrated presence all along the energy value chain

**Input**

- 516.5 mln total GJ energy consumption
- 32,188 employees
- over 300,000 km² oil & gas exploration/development licences
- 10.1 mln customers
- Eni’s £67 bln capital employed
- 8,000 licences
- £76.4 mln investments for local development
- £8.2 mln net capex

**Operational Excellence**

- Approach to lead the transformation

**Carbon Neutrality by 2050**

- Products and processes decarbonisation

**Alliances for Development**

- Value creation shared with host Countries

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**Output**

- 8% Net GHG Lifecycle Emissions (Scope 1+2+3)
- 0.41 TRIR (recordable injuries /hours worked)
- 2.3 GW renewable capacity
- 5.4 bln shareholders remuneration
- £20.4 bln organic cash flow
- 13% leverage
- access of 120 thousand people to health services
- £8.5 bln taxes paid
- ~750 mln boe new resources

(*) In 2022, unless stated otherwise.
Towards a Just Transition: scenario and global challenges

Eni intends to play a defining role in the path towards a just energy transition

The challenges facing the world energy system, both now and in the coming years, appear increasingly complex and articulated as the goals and targets, after the outbreak of the war in Ukraine, the key objectives for the coming decades were the fight against climate change and universal access to energy, after the backdrop of the war of the complexity, the content of energy systems grew exponentially, with disruptive dynamics in the oil and gas markets, highlighting a weakness in the current energy system and re-awakening demands for the most polluting fuel, coal. These events led to the urgency to take concrete actions to mitigate the effects of the climate imbalance and the need for consumers and the global economic system. The sharp contraction/disappearance of oil, gas and coal flows from Russia, on which the European market has historically depended, has brought to everyone’s attention the urgency of adding a fundamental pillar to future goals: energy security. Over the next three decades, energy demand will continue to grow, driven by the needs of emerging economies, while industrialized countries will see a gradual slowdown in consumption, mainly driven by energy efficiency and energy saving processes. Fossil sources will continue to play an essential role in the energy mix (also thanks to CCUS, which allows for a lower emission profile). However, their share is expected to decrease compared to today. This is mainly due to the lower coal input, to be replaced by sources with a lower environmental impact (gas and renewables). Breakthrough technologies such as nuclear fusion will enter the mix and, together with new sources/sectors, will help reduce the world’s energy system footprint.

with forecasting logic that, based on economic and demographic drivers, incorporate the policies implement- ed and planned by Governments (STEPS - Global Goals Scenario), to which is associated a temperature increase of about 2.5°C in 2100, and the achievement within the stated timeframe of the Net Zero targets announced by Governments (APS - Announced Pledges Scenario), to which is associated a temperature increase of about 1.7°C in 2100), STEPS draws an energy landscape to 2050 in which energy demand grows at a rate close to 1% per year on average, reflecting population and economic dynamics, tempered by the push for energy efficiency. Fossil fuels, particularly gas and oil, still play a central role in the mix (47% of the total vs. 52% today) and intermittent renewables (solar and wind) increase their role (12% to 2050 vs. 2%) today. In the APS, energy demand in 2050 remains in line with current levels. The mix shifts in favor of low carbon sources, with an increasing share of nuclear (9% to 2050 vs. 3% in 2021) and intermittent sources (24% to 2050 vs. 2% in 2021); fossil sources, while decreasing, still maintain a prominent role in the energy mix (oil & Gas equal to 31% of the mix in 2050 vs. 52% in 2021); natural gas, despite its lower emission intensity among fossil fuels, reduces its weight in the overall energy mix (14% in 2050 vs. 23% today), penalized by the energy crisis that is slowing the exit of more polluting sources (e.g. coal), with negative emission impacts in the short term. In such a scenario, although oil demand is expected to fall (to 57 Mb/d in 2050 vs. about 95 Mb/d in 2021), there remains a need for upstream investments to compensate for declining production from existing fields, also in light of the sector slowing down in recent years.

The different energy scenarios

The need to implement plans and actions to limit the global average temperature increase to within 1.5°C relative to pre-industrial levels by the end of the century. In addition, IPCC underlines that achieving this goal requires immediate and rapid reductions in global GHG emissions and achieving Net Zero for CO2 emissions around 2050. The evolutionary pathways compatible with this goal are many. For example, in the global energy landscape, the International Energy Agency (IEA) targets Net Zero emissions by 2050 (jointly with full access to energy by 2030) in its NZE pathway constructed with a backcasting logic, i.e., identifying in reverse what is needed for the achievement. To this end, according to the Agency, it is already necessary in the immediate term to adapt/modify existing energy systems or build new ones, requiring major investments. In this path, even with a population increase of about 2 billion and a global economy growing at an average rate of 3% per year, global energy demand in 2050 decreases compared to today (-15% vs. 2121). Within the WEO – World Energy Outlook, the IEA also publishes two scenarios constructed

UNIVERSAL ACCESS TO ENERGY

In 2021, about 750 million people – about 10% of the world’s population – had no access to electricity, mainly in Sub-Saharan Africa and South East Asia. While the last 20 years have seen huge improvements, especially in India, the pandemic followed by the energy crisis has reversed several years of progress. Indeed, the global energy crisis is also undermining efforts to ensure universal access to safe and affordable energy, especially in developing countries where populations without access to electricity are on the rise after years of decline (~+20 million in 2022 vs. 2021), particular-ly in Sub-Saharan Africa, where the number of people without access has almost returned to its 2013 peak.

The historical link with Africa inevitably strengthens as we face the challenge of security of supply, transition goals in mind, transition and security are precisely the two dimensions we must continue to work on through our partnerships. (Claudio Descalzi – Chief Executive Officer of Eni)
The Just Transition for Eni

The energy transition is first and foremost a technological transition and it requires a solid industrial and innovative capacity accompanied by a strong focus on the social dimension. With this in mind, Eni is working to ensure that the decarbonization process offers opportunities to convert existing activities and develop new production supply chains with significant opportunities in the Countries where it operates. At the same time, Eni is committed to managing any potential negative impact on workers, communities, consumers and business partners in both “transition-out” and “transition-in” activities, leveraging a robust approach to respect for human rights, diversity and inclusion and the empowerment of women. Globally, important initiatives have been launched by Governments, the European Commission and international bodies such as the IEA and IRENA (International Renewable Energy Agency). These initiatives are primarily addressed to Governments, but a Just Transition can only be achieved with the specific involvement and commitment of the private sector. Furthermore, various international frameworks, also the result of dialogue between companies, civil society, investors and institutions, have started to outline guidelines to define how companies can contribute positively to the transformation of the current energy and economic system, taking into account the social impact. In this area, Eni was one of the seven companies in the sector that took part in the definition of the Just Energy Transition Framework outlined by the Council for Inclusive Capitalism.

What does a Just Transition mean in concrete terms?

In promoting a Just Transition, it is crucial to take a different approach between Countries with advanced economies and Countries with emerging economies. In Countries with advanced economies there are two aspects of the transition to be adequately managed: “Transition-Out”, i.e. the need to convert and close specific sites or sectors of activity; and “Transition-In”, i.e. the development of new businesses, infrastructures, products. The people potentially negatively impacted by the “Transition-Out” may not be the same as those who benefit from the “Transition-In”. Similarly, it is necessary to ensure that the new “low carbon” sectors are characterised by decent jobs and positive impacts on the communities is necessary. In Countries with emerging economies, on the other hand, the need to reconcile the right to development and access to energy with the global need to reduce emissions must remain a priority, taking into account the principle of “common but differentiated responsibilities”. The very concept of “Transition-Out” is challenging to apply in Countries that have consistently experienced energy poverty and low per capita emissions levels. The Just Transition in these areas will, therefore, be primarily concerned with overcoming energy poverty, also through solid international coordination, to support these Countries in their industrial and technological evolution towards clean energy infrastructures. Furthermore, the potential retributive effects on a global scale linked to the expansion of new sectors, such as the production of plant-based energy feedstocks or the extraction of minerals used in the low carbon energy chain, need to be evaluated and managed so that they do not translate into a further expansion of existing inequalities.

**ENERGY PER CAPITA PER REGION IN THE IEA STEPS AND APS SCENARIOS, 2021 AND 2030 (mln of persons)**

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<thead>
<tr>
<th>Region</th>
<th>2021</th>
<th>2030</th>
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<tbody>
<tr>
<td>Africa</td>
<td>1,577</td>
<td>1,922</td>
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<tr>
<td>C&amp;S America</td>
<td>4,628</td>
<td>4,554</td>
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<tr>
<td>Europe</td>
<td>6,890</td>
<td>5,958</td>
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<td>India</td>
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<tr>
<td>Other Asia Pacific</td>
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**How Ensure a Just Transition in a Context Characterized by a Polycrisis?**

What are the main issues the Council for Inclusive Capitalism focuses on?

The Council for Inclusive Capitalism helps private sector leaders identify, share, and make use of the best ideas on how to profitably operate businesses in ways that meet the needs of people and the planet. Our community of more than 400 members and platforms of 700+ actions cover a range of issues, from racial and gender equality to the Just Energy Transition.

The policies we are facing worldwide (Covid-19, the war in Ukraine, rising inflation, interest rates) is causing an increase of inequalities: what role businesses could play on it?

There is market demand for companies to provide goods and services that meet society's most urgent needs. At the Council, we point to businesses that are rising to the challenge. For example, several pharmaceutical companies rapidly developed Covid-19 vaccines, but it was a Council member that sold its vaccine on a not-for-profit basis for broader uptake. A long list of companies and investors, including Council members such as Eni, took action when Russia invaded Ukraine, recognizing the war’s destabilizing impacts on economies and societies globally. Other Council members have walked back from policies that inadvertently penalized the most vulnerable, recognizing that increased economic activity benefits business and the communities in which businesses operate. Businesses bring important ideas, ingenuity, and innovation to create greater value that is more broadly utilized. This approach to capitalism is good for business and reduces inequalities.

How a Just Transition could be effectively pursued? What challenges do you see and how to overcome them?

How an energy company like Eni could face such challenges?

The Just Energy Transition will require engagement from Governments, investors, businesses, and the people most affected. Our Just Energy Transition Framework for Company Action focuses on the private sector’s role, offering the first guide for companies on concrete actions they can take to implement an energy transition that advances both environmental and social goals with a focus on workers, customers, and communities. We are working with Council members like Eni to share examples of how they are doing this work in practice. Making transitions just will require trade-offs—such as developing responsible strategies to convert, retire, or sell carbon-intensive assets—as well as risk taking to pursue new business strategies and cross-sectoral partnerships. But companies can and already are stepping up, and innovative approaches will lead to more responsible production and consumption, meeting consumers’ needs while better allocating resources and creating jobs.
ENI FRAMEWORK FOR JUST TRANSITION

Based on this scenario and in line with the guidelines of the emerging frameworks, Eni is sharing its transition journey with all its stakeholders, particularly with four main categories: workers, suppliers, and business partners, communities, and consumers. The dialogue will make it possible to systematise the commitments and actions already put in place, defining strategies, targets, and indicators to be monitored over time to assess the effectiveness of the path undertaken. The starting point and linking element between Eni’s strategy and the management of the social repercussions and opportunities brought by this path is the human rights management model, which over the last five years has been successfully developed and consolidated within Eni’s main processes.

WORKERS

- Involvement of workers by anticipating change.
- Ensure a working environment where diversity, personal, and cultural opinions are considered sources of mutual enrichment.
- Transition-In: provide access to decent jobs in decarbonized activities, attract the best talents, and offer equal opportunities to everyone.
- Transition-Out: priority to up-skill and re-skill programmes; support the reemployment of workers in new or transformed activities.
- Support the social protection of workers.
- Build an ecosystem of companies (current and future suppliers) that want to play a leading role in a fair and sustainable energy transition.
- Support suppliers, especially SMEs, in a path of growth and development through concrete tools and solutions.
- Increase the awareness of companies and their employees on issues related to energy transition and sustainability, through training and awareness-raising initiatives that emphasize social and governance aspects.
- Promote local development projects with a long-term perspective to improve the living standards of host communities, including vulnerable groups.
- Contribute to developing adequate economic and social opportunities for all.
- Promote access to energy, economic diversification, education, community health, access to water and sanitation, land protection, and improved social protection systems.
- Support customers by offering state-of-the-art energy solutions to help them play a leading role in the energy transition.
- Create and spread a culture of sustainable energy use among its customers and support other companies operating in the area, e.g. the procurement of raw material from residual biomass with a certified carbon footprint.
- Promote the development of social and economic projects to increase the living standards of host communities and consumers. These commitments, and the resulting actions, are aligned with the principles of a Just Transition set out in the Paris Agreement, the 2015 ILO Guidelines for a Just Transition, the “Supporting the Conditions for a Just Transition Internationally” Declaration signed by 14 Governments and the European Commission, during COP26, and the recommendations of the IEAs “Global Commission on People-Centred Clean Energy Transition.”

THE BENEFITS OF A JUST TRANSITION

In December 2022, Eni published a focus report, “Eni and the people-centred transition,” which describes the company’s commitment to workers, suppliers, communities, and consumers. The transition will be guided by the principles of a Just Transition set out in the Paris Agreement, the 2015 ILO Guidelines for a Just Transition, the “Supporting the Conditions for a Just Transition Internationally” Declaration signed by 14 Governments and the European Commission, during COP26, and the recommendations of the IEAs “Global Commission on People-Centred Clean Energy Transition.”

THE HYNET NORTH WEST PROJECT

Project: HyNet North West is an integrated project for the capture of emissions from hard-to-abate energy-intensive industries, the development of low carbon hydrogen, and the creation of the first CO2 capture and storage infrastructure in the UK.

Benefits: HyNet will create opportunities to attract internal investments, with the potentiality to generate up to £2.8 billion of gross value added in the period 2022-2038, and protect 350,000 existing jobs in hard-to-abate sectors in the North West of the UK. It has been estimated that by 2030 HyNet NW will reduce carbon emissions by up to 10 million tonnes of carbon per year, equivalent to the emissions produced today by around four million cars.

THE DEVELOPMENT OF AGROBUSINESS PROJECTS

Project: Eni is developing the biofuel chain to contribute to its own bioeconomy system in the coming years. These productions are based on new circular economy models, agri-hubs to convert locally produced raw materials into plant oil and proteins used for animal feed and biofuels. Eni plans to harvest over one million hectares in Kenya, Congo (where projects have already started), Angola, Mozambique, Ivory Coast, Kazakhstan and Italy.

Benefits: these projects will make a decisive contribution to the development of local communities through the creation of new jobs, the development of agricultural activities (without impacting existing ones and the food chain) and market access for small farmers, promoting economic diversification and the generation of additional sources of income. The benefits will affect over one million families on the African continent.

THE TRANSFORMATION OF REFINERIES INTO BIOREFINERIES

Project: Eni has reconvered the traditional refineries in Venice and Gela into bio refineries for the transformation of raw materials of biological origin into high-quality, low-emission biofuels. The bio refineries are already palm oil free, ahead of forecasts and regulations, and are fuelled mainly by “Waste and Residues” (used cooking oil, animal fats, waste from agri-food processes, etc.) and vegetable oils from degraded crops.

Benefits: the sites transformation was conducted by mitigating in every way the reduction in the workforce through retraining of people, job change incentives for professional diversification and early retirement, directly involving trade unions and workers.

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Eni’s approach to the SDGs

Eni supports the UN’s 2030 Agenda for Sustainable Development, signed in 2015 by the Governments of the 193 UN member Countries, contributing directly or indirectly through its activities to achieving the Sustainable Development Goals (SDGs) included in the 2030 Agenda. In the transformation path that Eni has embarked on, the SDGs are an important reference in solving today’s complex challenges and conducting its activities in the Countries where it operates. Eni draws inspiration from the 17 Sustainable Development Goals in its principles and values, integrating the SDGs into its governance, business activities and local development projects, financial instruments and training activities to spread and promote awareness of the SDGs. Furthermore, Eni participates in international sustainability initiatives and has entered into partnerships both locally and with international bodies to further the achievement of the SDGs.

Eni’s commitment to the SDGs

Eni incorporates the SDGs into its mission, business strategy and in its sustainability governance model.

Tools for integrating the SDGs into business activities

- Integration of the SDGs into the 2022-2026 Strategic Plan
- Integration of the SDGs into industrial projects
- Alignment of Local Development Projects to the SDGs
- Internal and external training activities
- Sustainable finance instruments

Eni’s sustainable finance

Context: consistent with its transition strategy, Eni has issued Sustainability-linked financial instruments that incentivise the achievement of predetermined, challenging and relevant sustainability targets and support the achievement of the SDGs, particularly SDG No. 7 (Affordable and Clean Energy) and SDG No. 13 (Climate action). These instruments have been issued based on Eni’s Sustainability-Linked Financing Framework (first published in 2021). This document details the guidelines followed by Eni in issuing new sustainable financial instruments, including bond issues, bank loans and hedging derivatives.

Activity: consistent with the Sustainability-Linked Financing Framework, a €6 billion sustainability-linked credit line was signed in 2022, linked to the achievement of sustainability targets relating to the Net Carbon Footprint upstream (Scope 1+2) and installed capacity for renewable electricity generation. Twenty-three leading international financial institutions granted the five-year credit line. Furthermore, in early 2023 Eni issued the first bonds for the retail market (in Italy), linked to its sustainability objectives in a sustainability-linked format for €2 billion. Total demand was over €10 billion, with applications received from over 300,000 investors, setting an Italian record for a single-tranche retail corporate bond issue in Italy.

Eni’s commitment to the SDGs

Eni’s commitment: Eni is determined to address the energy challenge in all the Countries where it operates, whatever the business, to ensure access to energy with both industrial and local community development projects, in line with the National Development Plans and the 2030 Agenda. Eni expresses its commitments through the three levers of the business model, according to a “Just Transition” approach, identifying the SDGs to which it contributes for each topic.

- Integration of the SDGs in developing industrial projects: since 2020, Eni has introduced an innovative methodology for assessing projects against the SDGs, which is applied to the entire development phase. The objective is to identify the Goals and Targets of the 2030 Agenda intersected by the project, to provide a quantification of the contribution in the host Country and to direct project choices where possible.
- Alignment of local development projects with the SDGs: local development initiatives and projects, implemented in cooperation with local Authorities, are designed and implemented in line with the SDGs, contributing to their achievement. In this regard, Eni has defined a set of standard indicators in line with the global SDGs to measure the effectiveness and impacts of local development initiatives.
- Training activities: since 2019, specific SDGs training content has been available to all Eni employees in Italian and English. In 2022, a training course was launched in Italy to train new qualified SDGs users with an internationally recognised certification. This opportunity is aimed at both Eni employees and its partners through the Open-es platform.
- Sustainable finance: Eni has developed sustainability-linked financial instruments that contribute to promoting a low carbon energy transition and achieving SDG No. 7 (Affordable and Clean Energy) and SDG No. 13 (Climate action).

Eni’s partnerships

Eni undertakes development actions in collaboration with various players in the territories.

Reporting on the SDGs

Eni integrates the SDGs into sustainability reporting.

Eni’s mission is inspired by the United Nations 2030 Agenda and represents Eni’s path to respond to global challenges, contributing to the achievement of the SDGs.

- The values that inspire Eni’s mission are reflected in the business model, based on the three pillars: Carbon Neutrality by 2050, Operational Excellence and Local Alliances for Development.
- Eni’s Corporate Governance system is based on the principles of integrity and transparency and reflects the desire to integrate sustainability into all of Eni’s business activities.
- Eni’s Code of Ethics enhances the company’s commitments and promotes the behaviour Eni people and all stakeholders must ensure. Each chapter of the Code of Ethics corresponds to a principle in line with the SDG that inspired it.
- Eni intends to involve its supply chain in its journey to support a low carbon and socially just energy transition by sharing the principles expressed in the Supplier Code of Conduct.

Eni’s partnerships

Eni participates in many international sustainability initiatives aimed at achieving the objectives of the 2030 Agenda.

Participation in external SDGs initiatives

Eni participates in many international sustainability initiatives aimed at achieving the objectives of the 2030 Agenda.

- Eni participates in many international sustainability initiatives in line with SDG No. 17, including: UN Global Compact; WBCSD; IPECA.
- Other voluntary initiatives aiming at achieving the SDGs:
  - adhesion to the WEC Women Empowerment Principles and the UN Target Gender Equality principle and the Change the World campaign promoted by UN Women (SDG No. 5);
  - endorsement of the UN Global Compact’s Human Rights (SDG No. 16); and
  - the launch of the Energy Compact (SDG No. 7).
- voluntary participation in the Workplace Disclosure Initiative (SDG No. 8) and the Voluntary Principles on Security and Human Rights (SDG No. 16).

Partnerships for the SDGs

Eni undertakes development actions in collaboration with various players in the territories.

Through the partnerships and collaborations with various cooperation organisations around the world, Eni contributes to the achievement of the SDGs, multiplying the impacts of the initiatives undertaken in the Countries where it is present.

- Since 2017, Eni has integrated the SDGs into its sustainability reporting, starting with the correlation of each material topic identified to which it associates the SDGs to which the company contributes through its activities, detailed in each dedicated section. Furthermore, Eni also identifies the reference target for the key performance indicators.
Eni’s commitments

Eni’s mission clearly expresses Eni’s commitment to achieving zero net emissions by 2050 through a “Just Transition” approach, i.e. sharing social and economic benefits with workers, the supply chain, communities and customers in an inclusive, transparent and socially equitable manner, contributing to the achievement of the Sustainable Development Goals (SDGs).

**COMMITMENTS**

<table>
<thead>
<tr>
<th>CARBON NEUTRALITY BY 2050</th>
<th>MAIN RESULTS 2022</th>
<th>MAIN COMMITMENTS AND TARGETS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TRANSPORTERS</strong></td>
<td>-75% Net Carbon Footprint UPS e 19% Net Carbon Footprint Eni vs 2018</td>
<td>- Net Zero Carbon Footprint UPS in 2030 and Eni in 2050</td>
</tr>
<tr>
<td><strong>SAFETY</strong></td>
<td>+12% p.p. female population vs. 2021</td>
<td>+19% female population under 30 vs. 2025</td>
</tr>
<tr>
<td><strong>HUMAN RIGHTS</strong></td>
<td>+7% p.p. female personnel in positions of responsibility vs 2021</td>
<td>+7 p.p. non-Italian employees in positions of responsibility vs. 2021 by 2030</td>
</tr>
<tr>
<td><strong>SUPPLIERS</strong></td>
<td>+12% p.p. women employees vs. 2020 to 2030</td>
<td>+20% of training vs. 2021 to 2026</td>
</tr>
<tr>
<td><strong>ALLIANCES FOR DEVELOPMENT</strong></td>
<td>+1 female replacement rate by 2025</td>
<td></td>
</tr>
</tbody>
</table>
Sustainability governance

Eni applies the Corporate Governance Code introducing the concept of sustainable success

The company has decided to reserve its exclusive competence, with the aim of further consolidating its tasks in line with national and international best practices and with the company’s and the Group’s transformation process resulting from the transition path undertaken. Since 2006 Eni has considered the interest of stakeholders other than shareholders as one of the necessary references that Directors must assess when making informed decisions. At the same time, in compliance with the Code, the Board has also approved, on the proposal of the Chairman and in agreement with the Chief Executive Officer (CEO), a policy for dialogue with shareholders. The Board has a central role in defining, on the proposal of the Chief Executive Officer (CEO), the strategic guidelines and objectives of the Company and the group, pursuant to their sustainable success and monitoring their implementation. In performing its tasks concerning sustainability, the Board is supported by the Board Committees, each within their competence, under the investigative, propositional and advisory functions assigned to them.

Roles and responsibilities of the Board of Directors on sustainability topics

Eni’s Corporate Governance System, based on integrity and transparency principles, reflects the desire to integrate sustainability into the business model. This approach is confirmed by its adherence to the 2020 Corporate Governance Code (Code), applied by Eni since 1 January 2021, which identifies “sustainable success” as the objective that must guide the Board of Directors’ actions, which consist in creating long-term value for the benefit of shareholders, taking into account the interests of other stakeholders relevant to the company. This is implemented in the list of powers that the Board of Directors (BoD) has decided to reserve to its exclusive competence, with the aim of further consolidating its tasks in line with national and international best practices and with the company’s and the Group’s transformation process resulting from the transition path undertaken. Since 2006 Eni has considered the interest of stakeholders other than shareholders as one of the necessary references that Directors must assess when making informed decisions. At the same time, in compliance with the Code, the Board has also approved, on the proposal of the Chairman and in agreement with the Chief Executive Officer (CEO), a policy for dialogue with shareholders. The Board has a central role in defining, on the proposal of the Chief Executive Officer (CEO), the strategic guidelines and objectives of the Company and the group, pursuant to their sustainable success and monitoring their implementation. In performing its tasks concerning sustainability, the Board is supported by the Board Committees, each within their competence, under the investigative, propositional and advisory functions assigned to them.

Competencies and knowledge of the Board

Regarding the composition of the Board, based on the self-assessment conducted, about 90% of the Directors expressed their positive opinion on the professionalism within the Board in terms of knowledge, experience and skills concerning sustainability and energy transition and in terms of participation in governmental and non-governmental, national and international bodies active on these topics, and on the personal contribution that individual Directors in supporting the Board. The centrality of these skills is also emphasised in the Guidance to Shareholders on the Optimum Composition of the Future BoD, which stresses the importance of ensuring knowledge of issues related to sustainability and the control of climate and environmental risks gained in managerial or entrepreneurial roles and acquired in industrial contexts comparable to those in which the company operates. Immediately after the appointment of the Board of Directors and the Board of Statutory Auditors, a board induction programme was implemented, which covered, among other topics, issues related to the decarbonization process and the environmental and social sustainability of Eni’s activities. Induction and ongoing training activities represent a well-established tool to ensure immediate and full knowledge of Eni’s strategic policies and objectives, as well as to delve into specific issues related to the company’s mission.

Sustainability topics addressed by the Board of Directors and/or by the Sustainability and Scenarios Committee in 2022

- • Energy, climate and technology scenarios and risks related to climate change
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- • Four-year and long-term plan (including sustainability objectives)
- • Performance and prospects of the renewable energy sector
- • Sustainable finance instruments
- • Just Transition
- • Updates on Research and Development activities to support Energy Transition
- • Sustainable mobility
- • Agrifeedstock activities and sustainability projects for the development of agricultural chains
- • Carbon pricing systems
- • Analysis of Eni’s positioning in relation to peers concerning climate objectives and strategies, climate resolutions and disclosures in the shareholders’ meeting
- • Energy Cooperation Initiatives
- • Updates on Carbon Capture and Storage (CCS), Carbon Offset Nature & Technology Based projects

Reporting and monitoring

- • Approval of Eni’s activities in the areas of human rights, Diversity and Inclusion (D&I)
- • Approval of the Statement per the “Modern Slavery Act”
- • Investment plan for local development and Non-Profit budget
- • Initiatives in Africa related to forestry, agriculture, circular economy, technological innovation
- • Insight into HSE results

Self-assessment of overall skills, knowledge and experience of the Board of Directors

- Evaluation and strategic orientation
- Energy transition
- Ways and opportunities to create value for Eni and the risks associated with its activities
- Business judgement and analysis and decision-making skills
- Public relation
- Eni’s main businesses, scenarios and O&G sector strategies
- Experience with international businesses and/or multinational organisations
- Sustainability
- Digital & information technology and cyber security
- Risk Management
- Financial expertise and extraordinary transactions
- Accounting experience
Since 2021, the IEA’s Net Zero Emissions (NZE) scenario has been included in the scenarios for portfolio evaluations. Finally, the risks deriving from introducing new carbon pricing mechanisms is examined by the BoD both in the phase leading up to 2050. In carrying out these activities, the BoD is supported by the Sustainability and Scenarios Committee (SSC), which during 2022 has had the opportunity to analyse in-depth issues relating to climate change.

SCENARIOS AND EVALUATION OF ECONOMIC AND FINANCIAL EXPOSURE: Eni’s economic and financial exposure to the risks deriving from introducing new carbon pricing mechanisms is examined by the BoD both in the phase leading up to the authorisation of each investment and in the following half-year monitoring of the entire project portfolio. The BoD is also informed annually on the results of the impairment test carried out on the main Cash Generating Units in the E&P sector. Since 2021, the IEA’s Net Zero Emissions (NZE) scenario has been included in the scenarios for portfolio evaluations. Finally, the BoD is informed on a quarterly basis on the results of the risk assessment and monitoring activities related to Eni’s top risks, including climate change.

**Climate governance**

**ROLES AND RESPONSIBILITIES OF THE BoD:** Eni’s decarbonization strategy is an integral part of the company’s strategy. It is implemented through a structured Corporate Governance system, where the BoD and the CEO play a central role in managing key climate change issues. In particular, the BoD examines and approves, on the proposal of the CEO, the Strategic Plan, which sets out strategies and targets, including those related to climate change and energy transition and, since 2019, it has also examined and approved Eni’s Medium/Long-Term Plan, aimed at outlining and monitoring the evolution of decarbonization objectives and their economic and business sustainability on a time frame up to 2050. In carrying out these activities, the BoD is supported by the Sustainability and Scenarios Committee (SSC), which during 2022 has had the opportunity to analyse in-depth issues relating to climate change.

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**Remuneration linked to sustainability objectives**

**Short-Term Incentive Plan**

In continuity with previous years, the Plan includes a target related to the incremental installed capacity of renewable sources (weighting 12.5%), as well as environmental sustainability and human capital objectives associated with the reduction of net (H&E) upstream emissions (Scope 1 and 2) (weighting 12.5%), and personnel safety (weighting 12.5%), through the Severity Accident Rate (SAR) index, which focuses on the reduction of the most severe accidents.

The Plan supports the implementation of the strategy through a specific objective concerning sustainability topics, broken down into a series of targets related to the processes of decarbonization, energy transition and circular economy, with an overall weighting of 35%, for both the CEO and all Eni’s management recipients of the Plan.

**Long-Term Incentive Plan**

**Role of management in sustainability issues**

All company structures are involved in the definition or implementation of the carbon neutrality strategy that is reflected in Eni’s organisational structure with two business Directions: Natural Resources, active in the optimisation and progressive decarbonization of the Upstream portfolio, in Natural Climate Solutions initiatives and CO₂ storage projects, and Energy Evolution, active in the expansion of bio, renewable and circular economy activities and the offer of new energy solutions and services. Since 2019, issues relating to climate change, an integral part of long-term planning, have been managed by the CFO area through dedicated structures to supervise the process of defining Eni’s climate strategy and the related portfolio of initiatives, in line with international climate agreements, in coordination with all businesses and transversal functions, including Sustainability. Since 2006, Eni has established a Sustainability unit that coordinates and supervises activities related to the main sustainability issues (for example, the overall approach to sustainable development and local development, human rights, related national and international collaborations and partnerships, sustainability transparency and reporting), in collaboration with the various central and local staff and business functions. The top management of the companies at the local level, responsible, among others, for defining the Countries’ development plans according to local needs, is supported both by the sustainability reference contacts present in the area and by the central Sustainability function.

**2022 Key facts**

- **January**
  - Eni included for the first time in the Bloomberg Gender Equality Index 2022
  - Memorandum of Understanding signed with UNESCO for local development in Mexico

- **February**
  - Project launched with the European Union and UNICEF to improve water quality for 500,000 people in Basra, Iraq
  - Agreement with the Republic of Mozambique for joint initiatives to produce agro-biofeedstock for biofuels

- **March**
  - Agreement with the Government of Benin on agri-industrial initiatives for biofueling
  - Second 48 MW wind farm in Kazakhstan inaugurated
  - Versalys and Novamont partnership: strengthening green chemistry
  - 11 solar-powered water plants delivered in Nigeria with NNPC and FGN

- **April**
  - “Prosumer Road” launched: a cycle of meetings with consumer associations, institutions
  - and Confindustria representatives on energy transition and circular economy
  - Agreement with the Government of Rwanda to collaborate on the circular economy and decarbonization
  - GreenIT (JV Plenitude and CDP Equity) and Copenhagen Infrastructure Partner together to build 750 MW offshore wind farms in Italy

- **May**
  - Versalys rated “Platinum” by EcoVadis for sustainability
  - Solonova, Eni-Sonangol Joint Venture, starts work on first photovoltaic power plant in Angola

- **June**
  - Cooperation with UNIDO strengthened in the areas of energy, youth employment and agriculture
  - Eni enters the world’s largest LNG project in Qatar

- **July**
  - New 6 billion Euro sustainability-linked credit line signed
  - First vegetable oil production for biofueling started in Kenya
  - Ivory Coast: Baleine is the first Net Zero (Scope 1+2) development project in Africa

- **August**
  - Eni for Human Rights 2021 focus report published
  - Eni launched an innovative model for digital technologies in new businesses

- **September**
  - Plenitude’s “Be Charge” project selected by the EU to build one of the largest high-speed charging networks in Europe
  - Plenitude starts partnership with Infrastructure S.p.A. for 1.5 GW solar and wind projects in Italy and Spain
  - Application submitted for a CO₂ storage licence at the Hewett reservoir in the UK

- **October**
  - Procurement of palm oil to produce biofuels in the Venice and Gela biorefineries concluded
  - First vegetable oil production despatched from Kenya to the Gela biorefinery
  - Plenitude inaugurates a new 104.5 MW wind farm in Spain

- **November**
  - Inauguration of the Solar Lab with Sonatrach and laying of the first stone of a 10 MW photovoltaic plant in Algeria
  - First load of LNG produced by the Coral Sul FLNG plant in Mozambique despatched
  - Activities in Rwanda strengthened to create an innovative transition hub

- **December**
  - JV launched with Snam to develop and manage Italy’s first CO₂ capture and storage project
  - Studies started with Euglena and Petronas to assess the possibility of a biorefinery in Malaysia
  - Eni launches a new company: Sustainable Mobility
  - Plenitude: an 81 MW photovoltaic plant in Texas and 100% of PLT have been acquired, strengthening its presence in Italy and Spain
Material topics for Eni

Materiality analysis aims to identify the sustainability issues most relevant to Eni and its stakeholders. In 2022, the analysis was updated based on the new GRI Standard, which provides for the identification of material topics as a function of the most significant impacts (positive and negative, actual and potential) generated by the organisation on the economy, environment, and people, including impacts on human rights (so-called “Impact Materiality” perspective). Furthermore, anticipating the entry into force of the new Corporate Sustainability Directive (CSRD), which envisages a Double Materiality approach, the analysis considered also the Financial Materiality perspective. The latter requires identifying issues that present sustainability risks and opportunities that significantly influence or may influence the company’s future cash flows, affecting its development, performance and positioning in the short, medium or long-term.

Eni’s materiality process included the following steps:
- identification of relevant issues and their impacts, combining the results of the 2021 materiality analysis with the most significant ones for the 2022 context and sector of operation, also based on the GRI’s new Sector Standard for Oil & Gas;
- evaluation of the topics through the Double Materiality approach that considers the stakeholder view and the risk view for the Company: (i) Impact Materiality perspective - by submitting a questionnaire to internal and external stakeholders to assess the importance of the topics based on the significance of the impacts and their likelihood of occurrence; (ii) Financial Materiality perspective - considering the results of the Integrated Risk Management model, approved by the Board of Directors.

The material topics are instrumental for defining the Strategic Plan, which integrates business and sustainability objectives, and addresses reporting. The analysis of the socio-economic, environmental and cultural contexts of the Countries where Eni operates gives rise to the process of defining sustainability management by Objectives (MDGs) for all stakeholders.

Under the changing context, the analysis results show a certain dynamism over time, both in terms of significance and the emergence of new topics. Among the new ones are “Closure and Rehabilitation” emerging from the GRI Sector Standard and “Energy Security and Independence” as an emerging topic from questionnaires and social media listening. The table shows the results of the two materiality analyses; it also shows some current/positive potential and negative impacts, by way of non-limiting examples, and the trend compared to the last financial year as well as the business sector, Upstream or Mid-downstream, in which these could materialise.
Stakeholder engagement activity

Eni considers stakeholder engagement a key fundamental and strategic lever to pursue a just, responsible and sustainable transition. Participation supports maximizing the long-term value creation for both the company and its stakeholders while reducing corporate risks. Also in line with the Code of Ethics, Eni maintains relations based on principles such as fairness, legality, transparency, traceability, respect for human rights, inclusion, gender equality and protection of the environment and communities. Participation in and sharing of company choices, objectives and results fosters solid relationships and mutual trust and are even a vital component of the materiality process. In 2022, about 3,000 stakeholders were engaged in the materiality analysis that steers corporate strategy and guides the definition of the Strategic Plan. The continuous dialogue, that touches all corporate functions with different roles, levels of involvement and responsibilities, allows to understand the expectations and needs of Eni’s stakeholders, present in 62 Countries with very different characteristics and contexts. To support the relationship with local stakeholders, Eni uses the company’s “Stakeholder Management System” (SMS) application, which maps some 5,300 stakeholders. This application allows constant and timely management of grievances and requests.

CATEGORIES

RELEVANT THEMES

2022 MAIN ENGAGEMENT ACTIVITIES

- Professional training and networking: Eni’s stakeholders are involved in thematic workshops, roundtables, and webinars on ESG topics, sustainability challenges, and opportunities for the future. Eni also collaborates with regional and national organizations to organize events and promotional activities aimed at fostering a broader understanding of environmental and social issues.
- Meetings with stakeholders to discuss the impact of climate change and the need for decarbonization policies. Eni also hosts sessions for stakeholders to share their views and concerns on environmental and social issues.
- Consulting with local authorities and communities on the implementation of sustainable development projects.
- Engaging with local communities through participatory processes and initiatives that involve stakeholders in decision-making processes.
- Reaching out to local communities and engaging in partnerships to foster sustainable development initiatives.
- Supporting local economic development through partnerships with local businesses and organizations.
- Participating in cross-border initiatives and partnership agreements to enhance collaboration and knowledge sharing.
- Supporting the implementation of sustainable development projects through funding and partnerships with local organizations and communities.
- Participating in thematic conferences and ongoing engagement with institutional investors and leading ESG rating agencies.
Integrated Risk Management Model

Eni has developed and adopted an Integrated Risk Management Model aimed at ensuring that management makes risk-informed decisions, through the assessment and analysis of risks, including short, medium and long-term risks, carried out with an integrated, comprehensive and forward-looking vision. Risk Governance assigns a central role to the BoD, which defines the nature and level of risk compatible with the strategic objectives and assesses all risks that may have relevance for medium-to-long-term business sustainability. Risks are (i) assessed with quantitative and qualitative tools considering both the probability of occurrence and the impacts (economic, operational, HSE, social, reputational) that would take place in a given time frame if the risk occurs; (ii) represented, based on the probability of occurrence and impact, on matrices that allow comparison and classification by relevance.

In 2022, two assessment cycles were undertaken: in the first half of the year, the Annual Risk Profile Assessment was carried out, involving 134 subsidiaries in 45 Countries, while in the second half the Interim Top Risk Assessment was carried out, entailing the revision of assessments and treatment of Eni’s top risks and of the main business risks. Three monitoring cycles were then performed on Eni’s top risks to analyse their progress and the status of implementation of the respective mitigation actions. The results were presented to the Management and Control bodies in March, July and October 2022. Eni’s Top Risk portfolio consists of external, strategic and operational risks. In particular, in terms of portfolio evolution, Biological Risk is confirmed among Eni’s “Top Risks”, with a high level of antibody coverage and the reduction in the severity of variants. In contrast, in the light of the international context, higher alert levels have been identified on Cyber Security, with constant monitoring to define actions to promptly mitigate ICT risk scenarios. Furthermore, in support of its risk strategy, risk assessment and project risk analysis activities, and for M&A operations, Eni uses Integrated Country Risk, a model that provides an integrated analysis of the risk profile at the Country level, updated every six months. The model is elaborated with external contributions through information gathered from specific providers and internal contributions resulting from enhancing knowledge acquired in a Country. The main ESG risks identified and assessed are summarised in the document are given.

Risks linked to climate change

Climate Change risk is confirmed among Eni’s “Top Risks”: in the evolution of the international scenario, the Company’s strategy to ensure the energy system’s security and sustainability, maintains a clear focus on a fair energy transition and the creation of value for stakeholders. Risks related to climate change are assessed, managed and monitored through an integrated, cross-functional approach involving business lines and specialist functions and encompassing opportunity considerations. The analysis is conducted in accordance with the recommendations issued by the Task Force on Climate-related Financial Disclosures (TCFD), applicable to both energy transition risks (market scenarios, reputational risks, technological developments, compliance with the legislative framework) and physical risks (acute and chronic) related to climate change.

The Integrated Risk Management Model ensures that management makes informed decisions within an organic and overall vision.
Technological and digital innovation

WHY IS IT IMPORTANT TO ENI?
Innovation processes are realised thanks to the great wealth of expertise of Eni people and the synergy between internal research, advanced engineering skills, digital instruments using our big data and the great computing power of Eni’s supercomputers. Expertise and innovative projects are enhanced by a network of 70 national and international Universities and Research Centres and by opening up to the market and startups in Italy and abroad through Open Innovation activities.

2022 PROGRESS

vs. Eni for 2021 commitments

COMMITMENTS BY 2030

<table>
<thead>
<tr>
<th>INNOVATION</th>
<th>164 million spent on research and development, of which 70% on decarbonization issues each year for the 2023-2026 four-year period and maintain the same level also on the long-term</th>
</tr>
</thead>
<tbody>
<tr>
<td>EQUALITY</td>
<td>Ensure that 70% of R&amp;D expenditure is spent on decarbonization issues each year for the 2023-2026 four-year period and maintain the same level also on the long-term</td>
</tr>
<tr>
<td>R&amp;D EXPENDITURE (€ mln)</td>
<td>€900 million planned expenditure in R&amp;D over the 2023-2026 period</td>
</tr>
<tr>
<td>DIGITALISATION - SMART WORKING</td>
<td>Continue to develop digital services and instruments to ensure a usable, safe and homogeneous experience in every workplace</td>
</tr>
<tr>
<td>DIGITAL SUSTAINABILITY</td>
<td>Supporting the company’s energy transformation with advanced digital products and sustainable, secure and reliable business applications, exploiting Green IT methodologies and consolidating digital culture. Promoting technological development through partnerships and participation in major innovation fora</td>
</tr>
<tr>
<td>OPEN INNOVATION</td>
<td>Eni’s Code of Ethics.</td>
</tr>
<tr>
<td>POLICY</td>
<td>Centralized Research &amp; Development Function structured to ensure rapid and effective deployment of the technologies developed. Management of Technological Innovation projects in line with best practices (step-by-step planning and control according to the development of the technology). Continuous updating of procedures relating to the protection of intellectual property and the identification of service/professional service providers. Open Innovation functions (Open Innovation &amp; Ecosystems Development, Joule, the Eni school of entrepreneurship; Eniverse, and Eni Next) that work in synergy to study and support the innovation market and experiment with innovative and sustainable solutions that meet business needs.</td>
</tr>
<tr>
<td>MANAGEMENT AND ORGANISATION MODELS</td>
<td>Eni’s Code of Ethics.</td>
</tr>
</tbody>
</table>

FOR MORE INFORMATION

- Eni for 2022 - Sustainability Performance
- eni.com
- Eni’s Code of Ethics
- Joule
- Eniverse
- Eni Next

INNOVATION
Technology is at the heart of Eni’s strategy and transformation. It is developed with an integrated approach capable of proposing different solutions to achieve energy transition goals. More than 1,000 researchers are involved in research activities, with expertise ranging from upstream to downstream, from renewables to the environment. To encourage technological innovation, since 2008 Eni has established the Eni Award, an international award whose prize-giving ceremony takes place in the presence of the President of the Italian Republic; since last year, it has set up the Eni Joule for Entrepreneurship, an award to encourage the application, enhancement and transfer of technologies for the energy transition.

DIGITAL INNOVATION
Digital innovation at Eni pervades the entire company and plays a decisive role: it accelerates the transformation towards carbon neutrality through technology, new skills and increasingly smart and integrated ways of working. The Digital Competence Centres (DCCs) promote the development of digital know-how inside and outside the company, e.g. by collaborating on research and fusion projects to accelerate the validation and prototyping phases through Digital Twin of demonstration facilities and with training projects to deliver educational workshops dedicated to Data Science, Design Thinking and Agile. The Green Data Centre is confirmed as among the best in Europe for efficiency, while supercomputing increasingly supports the research for future energies. Since 2022, Eni participates in the National Centre for High-Performance Computing, Big Data and Quantum Computing and collaborates with PASQAL for the development of quantum computing HPC solutions for the energy sector. Data, computing power and artificial intelligence enable operational excellence of assets by optimising their performances and energy efficiency. Many innovation initiatives were launched in 2022 such as the use of legged robots and computer vision algorithms for inspections at industrial sites, the use of analytics to search for marginal land and biocultures for biofuel production and for the digitalisation of Carbon Offset processes to support decision-making on REDD+ projects and, concerning agrifeedstock, to support the first agri-hub in Kenya.

THE FOUR PLATFORMS OF TECHNOLOGICAL INNOVATION FOR ENI

<table>
<thead>
<tr>
<th>DECARBONIZATION OF PROCESSES</th>
<th>Work continued on the development of biofuels and CO2-related technologies. For CO2 capture, transport, storage and utilisation technologies, Eni works to enhance the entire technology chain, and to identify (and provide the business with) a portfolio of options that can adapt to different operating and industrial conditions.</th>
</tr>
</thead>
<tbody>
<tr>
<td>CIRCULAR ECONOMY AND BIOPRODUCTS</td>
<td>For biofuels, feedstock pretreatment technologies were further developed and additional bio-feeding offers from by-products of the circular economy, waste and residues, and non-edible vegetable oils were introduced.</td>
</tr>
<tr>
<td>RENEWABLES AND NEW FORMS OF ENERGY</td>
<td>To support the development of renewable energy, work continued on solar (conventional, advanced and concentrating), wave energy, wind energy and energy storage.</td>
</tr>
<tr>
<td>OPERATIONAL EXCELLENCE</td>
<td>In traditional business, the development of technologies to increase understanding of the subsurface, improve exploration de-risking and increase operational and energy efficiency continued.</td>
</tr>
</tbody>
</table>

R&D EXPENDITURE (€ mln)

<table>
<thead>
<tr>
<th>€164 mln</th>
<th>Decarbonization other</th>
</tr>
</thead>
<tbody>
<tr>
<td>16</td>
<td>Energy storage and fusion</td>
</tr>
<tr>
<td>23</td>
<td>Chemistry from renewable sources</td>
</tr>
<tr>
<td>14</td>
<td>Hydrogen and new energy carriers</td>
</tr>
<tr>
<td>13</td>
<td>Biofuels</td>
</tr>
<tr>
<td>46</td>
<td>Other including operational efficiency</td>
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<td>46</td>
<td>Other including operational efficiency</td>
</tr>
<tr>
<td>8,029</td>
<td>current patents</td>
</tr>
<tr>
<td>13</td>
<td>new first patent filing applications on renewable sources</td>
</tr>
</tbody>
</table>

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Open Innovation functions (Open Innovation & Ecosystems Development, Joule, the Eni school of entrepreneurship; Eniverse, and Eni Next) that work in synergy to study and support the innovation market and experiment with innovative and sustainable solutions that meet business needs.

Eni’s Code of Ethics.

Centralized Research & Development Function structured to ensure rapid and effective deployment of the technologies developed. Management of Technological Innovation projects in line with best practices (step-by-step planning and control according to the development of the technology). Continuous updating of procedures relating to the protection of intellectual property and the identification of service/professional service providers. Open Innovation functions (Open Innovation & Ecosystems Development, Joule, the Eni school of entrepreneurship; Eniverse, and Eni Next) that work in synergy to study and support the innovation market and experiment with innovative and sustainable solutions that meet business needs.

For more information

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- Joule
- Eniverse
- Eni Next
**Fusion Energy**

**OBJECTIVE:** The development of fusion energy, once brought to an industrial level, will make it possible to generate large amounts of zero-emission energy with a safe and virtually unlimited process. Eni sees this as a strategic challenge and has long since initiated a fusion program that envisages commitments at the Italian and international level.

**COLLABORATIONS IN ITALY:** (i) participation in the Divertor Tokamak Test facility (DTT) project with ENEA and other academic and research entities to build an experimental machine for the management of excess heat developed in a fusion machine; (ii) with CNR to support the growth of specific expertise on fusion through the Joint Research Centre in Gela; (iii) with Italian research bodies and universities, enabling in 2022 the activation of 16 new PhDs on fusion and also making the supercomputers of its Green Data Centre available to researchers; (iv) with Italian companies, to develop the fusion value chain.

**INTERNATIONAL COLLABORATIONS:** (i) with industry associations; (ii) with the Massachusetts Institute of Technology (MIT) in the Laboratory for Fusion Innovation in Fusion Technology (LIFT) science program; and (iii) with Commonwealth Fusion Systems (CFS) to accelerate the industrialisation of magnetic confinement fusion. In the CFS roadmap, the construction of the first power plant, capable of feeding energy into the grid, is planned for the early 2030s, while the completion of the technical demonstration is scheduled for 2025.

**TECHNOLOGY VALIDATION AND ENGINEERING OF INNOVATION**

To encourage the adoption of the best technologies available or emerging on the market, for several years Eni has had its own validation methodology ("Technology Validation"), which assesses benefits and potential areas for improvement before adopting them in its development projects or operational assets. Eni defines any further verification or in-depth analyses to assess mitigating actions if a technological risk is identified. In 2022, innovative technologies were validated in the following areas: renewable energy production, electricity storage, CO₂ capture, blue or green hydrogen production, circular economy processes, and asset integrity solutions. Innovation is also a driving force in the activities of EniProgetti. Eni’s engineering company, engaged in developing projects to enhance natural resources in the downstream area and for decarbonization. In the latter area, EniProgetti’s engineering activities in 2022 focused on the CCS Liverpool Bay project in the UK and on the Gela biorefinery for the realisation of a project that will enable the production of "Eni Biojet" and the production of an additional 150,000 tonnes/year of Sustainable Aviation Fuels (SAF) from 100% renewable raw materials. Activities in the field of robotics, mechatronics and automation included the development of an innovative nanosensor system developed to detect potentially emissive points in congested areas or areas difficult to reach by personnel or other robotic means, and the optimisation of the Clean Sea submarine robotic system, that can also be used for monitoring offshore fields for CCS. With a longer-term perspective, EniProgetti is one studying robotic applications for the maintenance of future energy production plants from magnetic confinement fusion.

**CYBER SECURITY**

The cyber security risk is considered high in Eni due to the geopolitical context in which Eni operates and the constantly growing trend of cyber attacks. For this reason, Eni has put in place, in a risk-based approach, defence measures to prevent and contain impacts, such as enhancing the Cyber Security Defence. In 2022, the Cyber Security Culture programme continued with more than 80 initiatives, to strengthen corporate culture on correct behaviour. Collaborations with Organisations, Universities and Institutions continued to develop guidelines, such as the collaboration with the World Economic Forum (WEF). Among the initiatives aimed at third parties, workshops on Cyber Risk Management in the Supply Chain for Small and Medium Enterprises were provided. The training offered to teachers and students in primary and secondary schools was expanded with 20 in-person and online initiatives.

**Eni’s approach to Open Innovation**

Eni manages Open Innovation processes in line with its innovation strategy for energy transition, enhancing its technologies and supporting young talents in developing sustainability and circularity projects and high-potential startups to create game-changing technologies. In 2022, Eni was confirmed as one of the 100 TOP Corporate Startup Stars, falling into the category of 50 companies recognised with the "Open Innovation challengers" award. The Open Innovation approach includes diversified activities with four areas of interest:

1. **Open Innovation & Ecosystems Development** Develops ecosystems and technological innovation hubs with which it launches Open Innovation initiatives and identifies solutions in line with Company strategies, with a global and transversal approach.

2. **Joule** The Eni school of entrepreneurship supports the growth of innovative and sustainable start-ups to create an entrepreneurial ecosystem in the zero-emission energy chain.

3. **Eni Next** Eni’s owned (100%) Company is the Corporate Venture Capital that invests in start-ups with high potential for the creation of game-changing technologies.

4. **Eniverse Ventures** Eni’s owned (100%) Company is the Corporate Venture Builder that enhances innovative technologies starting from those owned by Eni to create new Eni ventures in support of a Just Transition.

**Eni’s Open Innovation**

- **Open Innovation Ecosystems Development**
  - Develops ecosystems and technological innovation hubs with which it launches Open Innovation initiatives and identifies solutions in line with Company strategies, with a global and transversal approach.

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Energy-related global CO₂ emissions
IPCC underlines the need to immediately and rapidly reduce global GHG emissions and achieve Net Zero for CO₂ emissions around 2050 in order to limit the temperature increase to 1.5°C compared to pre-industrial times. To this end, the IPCC defines several scenarios compatible with the 1.5°C target, involving the decarbonization of the energy system through the combined application of a number of levers, such as the deployment of renewable energy, end-use electrification, the use of low and zero-carbon fuels and CCS, consumer behavioral change, reduction of land-use change sector emissions, and neutralization of residual emissions through carbon removal actions in the land-use change sector (LUC) and use of Carbon Capture and Storage applied to bioenergy (BECCS).

Global power sector-related CO₂ emissions in 2022 increased by 0.9% (vs. 2021), reaching a new peak of over 36.8 Gt. Nearly 40% of emissions are attributable to the power sector where coal is responsible for more than 70% of emissions while generating only 35% of total electricity. Geographically, emerging Countries still account for over 65% of global emissions (~73% of emissions in the global power sector).

The Net Zero by 2050 Challenge
Among the most well-known evolutionary paths in the global energy landscape, the IEA scenarios trace diversified future trajectories based on different assumptions, targets, and different logics of construction. The Net Zero (NZE) scenario, constructed with backcasting logic, traces one of the pathways to achieving the 1.5°C target, identifying electrification, efficiency and a radical change in consumer behavior as the main levers of decarbonization, requiring an immediate shift in the energy paradigm. These elements are expected to enter the production/consumption mixes of individual Countries immediately and to grow exponentially in the near future. To chart such a course, it will already be necessary in the immediate term to adapt/modify existing energy systems, characterized by considerable complexity, or to build new ones requiring major investments. By 2050, global energy demand will be lower than today (~16% vs. 2021), a target that appears highly challenging, given a global economy projected to grow at a rate of about 3% and a population increasing by about 1 billion.

Eni’s business model envisages a path towards carbon neutrality based on an approach that considers emissions generated throughout the life cycle of energy products and on a set of actions that will lead to the total decarbonization of processes and products by 2050. Eni’s climate strategy is based on an industrial transformation plan that builds on available technology options and focuses on developing breakthrough solutions.

Towards Net Zero in 2050
The evolution of business
Advocacy and Transparency
GHG Metrics

Reference Context: Challenges and Opportunities

Evolution of the energy mix (EJ)

Energy-related global CO₂ emissions
Global power sector-related CO₂ emissions in 2022 increased by 0.9% (vs. 2021), reaching a new peak of over 36.8 Gt. Nearly 40% of emissions are attributable to the power sector where coal is responsible for more than 70% of emissions while generating only 35% of total electricity. Geographically, emerging Countries still account for over 65% of global emissions (~73% of emissions in the global power sector).
Towards Net Zero in 2050

THE DECARBONIZATION ROADMAP AND ENI’S TARGETS

Eni wants to be an active part of the energy sector’s transition to a long-term strategy towards Carbon Neutrality by 2050, in line with scenarios that are compatible with keeping global warming within the 1.5°C threshold by the end of the century. To this end, since 2014 Eni has embarked on a path of industrial transformation that has gradually enabled the company to create value under challenging scenarios, helping to ensure the security of energy supplies and environmental sustainability. Despite high volatility and uncertainty, in 2023 Eni confirmed its decarbonization strategy and key medium-to-long-term emissions and business targets. The pathway towards Eni’s Carbon Neutrality by 2050 includes a series of intermediate objectives that first envisage Net Zero emissions (Scope 1+2) for the upstream business by 2030 and for Eni’s group by 2035, then Net Zero emissions by 2050 for all Scope 1, 2 and 3 GHG emissions associated with Eni’s entire value chain, both in absolute and intensity terms (GHG Metrics).

DECARBONIZATION OPERATIONAL LEVERS

Eni’s strategy towards Net Zero is supported by an industrial growth and transformation plan that involves the entire value chain, envisaging the optimisation and valorisation of the upstream portfolio through progressive decarbonisation, combined with the expansion of the bio, renewable and circular economy businesses and the offer of new energy solutions and services. Transforming conventional activities will contribute to 90% of the absolute long-term reduction target. Upstream hydrocarbon production will decline in the medium-to-long-term, with a plateau expected by 2030 and progressive growth of the gas component reaching 60% by 2030 and more than 90% after 2040. Midstream/downstream activities will contribute to reducing emissions, mainly through utilising gas equity and LNG, and converting conventional refineries into biorefineries. CO2 capture, storage and utilisation (CCUS) projects will have a complementary function in reducing residual emissions that are difficult to abate with existing technologies. Approximately 5% of the total absolute reduction in Eni’s lifecycle emissions by 2050 will be linked to compensation through carbon credits, from Natural Climate Solutions and the application of technological solutions.

The role of Carbon Credits

Eni plans to compensate its residual emissions by leveraging Natural Climate Solutions initiatives and applying technological solutions in various areas, aiming to progressively maximise the carbon removal component. The identified initiatives to compensate the lifecycle emissions by generating high-quality carbon credits, certified according to the highest international standards both for the climate change mitigation component, such as the Verified Carbon Standard - VCS, and for the contribution to the achievement of the SDG Sustainable Development Goals (such as the Sustainable Development Verified Impact Standard - SD VISTA and Climate, Community and Biodiversity - CCB). In this context, in addition to forest conservation and protection activities according to the REDD+ scheme, which started in 2019 with the Luangwa Community Forest Project (LCFP) in Zambia, in 2022 Eni started technology-based carbon credit generation initiatives with the Clean Cooking in Côte d’Ivoire project.
The evolution of business

Eni’s commitment to reducing methane emissions

**CONTEXT:** Eni is aware of the importance of reducing methane emissions, given its high climate-altering potential and recognized role in global warming mitigation opportunities in short-to-medium-term.

**ACTIVITY:** Eni is committed to implementing actions to monitor and minimise methane emissions along its Oil & Gas value chain and confirms its goal of keeping upstream emission intensity below 0.2%. To further improve the accuracy and transparency of methane emissions reporting, with the support of a third party, Eni is proceeding with a measurement campaign on key-operated assets, which will be completed during 2023 and will allow a new reduction target to be set once completed. Eni also participates in major international methane partnerships, including OGCI’s

**Eni’s Decarbonization Strategy**

Eni’s strategy towards Net Zero is underpinned by an industrial transformation plan deployed through the distinct and synergetic paths of the two General Directions: Natural Resources, active in the optimisation and progressive decarbonization of the Upstream portfolio, the development of both CO2 storage projects and Natural Climate Solutions projects, and the integration with biorefining by developing an innovative agri-hub network, and Energy Evolution, active in the expansion of bio, renewable and circular economy activities and the offering of new energy solutions and services. In addition, the transformation plan is supported by cross-cutting activities that aim both to optimise existing solutions and to seek breakthrough innovations that can accelerate decarbonization (Innovation). Eni’s decarbonization strategy is based on a plan that considers market dynamics and the Company’s evolution, articulated through specific objectives for each business line.

**BUSINESS TARGETS TOWARDS NET ZERO BY 2050**

Eni’s strategy aims to fulfill the essential pillars of the energy trilemma, achieving significant reductions in GHG emissions in parallel with energy security and accessibility. Hydrocarbon production will grow in 2023-2025, with a plateau expected through 2030 and progressive growth of the gas component, reaching 60% by 2030 and more than 90% after 2040. At the same time, Eni confirms its decarbonization targets, which aim to achieve Net Zero emissions (Scope 1+2) for the upstream business by 2030, with intermediate reduction targets of 50% by 2024 and 65% by 2025 compared to 2018, based on the levels of energy efficiency, zero routine flaring and methane emission minimisation. CO2 capture and storage projects will contribute to reducing Eni’s net emissions, while Natural Climate Solutions initiatives will offset residual emissions. By adopting a model that is based on successful exploration at competitive costs, reducing the time-to-market of bringing reserves into production, a phased approach to project development and continuous control of operating expenditure, Eni has built a resilient Oil & Gas portfolio, with a gas share of around 52% of Eni’s total proven reserves in 2019, which the BES project in Libya.

**CCS PROJECTS**

Projects for CO2 capture and storage in depleting offshore reservoirs, or reuse in other production cycles, are a vital element in Eni’s energy transition strategy. CCS will help reduce net emissions from Eni’s operations and provide a solution for other hard-to-abate emitting sectors besides the energy sector. Leveraging its portfolio of CCS projects already under development, utilising depleted gas reservoirs and existing infrastructure, Eni has set the goal of achieving storage of around 10 MTPA by 2030, with a total gross capacity of 30 MTPA. One of the most advanced projects is HyNet, located in Liverpool Bay, which is scheduled to start-up in 2025 with a storage capacity in the initial phase of 4.5 million tonnes per year. For the Ravenna Phase 1 project, whose development was recently launched, the start-up is scheduled for early 2024, and Ravenna Phase 2 plans start-up by the end of 2025. Eni is also pursuing a second project in the UK, using the depleted Hewett field, potentially ready by 2027 and aimed at decarbonization of the Bacton and Thames Estuary areas. Opportunities are also being explored in North Africa and Middle East, among which the BES project in Libya.
NEW ENERGY SOLUTIONS

Eni is pursuing the transformation of its traditional businesses and the growth of its new activities by generating synergies and supporting its customers in reducing emissions. Plenitude, Eni’s Benefit Corporation (Società Benefit) integrating renewables, customer energy solutions and an extensive electric vehicle (EV) charging network, is developing its renewable projects pipeline and has reached its 2022 target of more than 2 GW of installed capacity. Eni’s objectives in this area will be achieved through the organic development of a diversified portfolio, complemented by selective asset and project acquisition transactions and strategic partnerships on the national and international level, which will enable the progressive increase of Plenitude’s installed renewable capacity with more than 15 GW by 2030, reaching 60 GW by 2050. In an evolving mobility sector, which envisages a constant increase in the number of electric vehicles in circulation in Italy and Europe, Plenitude has one of the largest and most widespread networks of public electric vehicle charging infrastructures (with more than 13,000 charging points distributed throughout the Country, aiming at a total of 30,000 units by the end of 2026, rising to 160,000 by 2050). Finally, integrating retail activities, with a customer base growth to more than 11 million by 2026 and more than 20 million by 2050, renewable energy and electric mobility, offers significant synergies from an operational perspective, as well as ensuring diversification and financial resilience. Versalis is committed to the achievement of Carbon Neutrality in 2050 through the promotion of chemistry from renewable sources, the identification of sustainable feedstock supply alternatives, and the continuous development of solutions in the area of circularity. Research and technology development are also carried out through partnerships, such as Matteck – the JV established in 2011 between Versalis and Novamont in Porto Torres – which specializes in the production of bioproducts from renewable sources. In addition, Versalis looks at the continuous strengthening of integration in its technologies. In December 2022 it acquired the technology for the production of enzymes from DSM (a global company focused on the health, nutrition and bio-science sectors), thus integrating it with the proprietary technology PregaBIO™, applied in the Crescentino plant, for the production of sustainable bioethanol.

FOCUS ON

Eni Sustainable Mobility and the vertical integration model with agri-businesses

Eni Sustainable Mobility, established at the beginning of 2023, is the vertically integrated group company that will support Eni’s energy transition, combining the offer of increasingly sustainable fuels with advanced services dedicated to motorists in Italy and Europe, leveraging a network of 5,000 service stations, which will be upgraded to support electric as well as hydrogen-based mobility. Eni Sustainable Mobility will manage Eni’s biofertilizers, biorefinery business and continue the development of new activities, including those in Livorno and Penang in Malaysia, currently under evaluation and in Louisiana (USA), where a biofertilizer in Joint Venture with PBI has been built and is in start-up. One of the distinctive elements of Eni’s biofertilizing strategy is the progressive vertical integration through the innovative agri-business model, which envisages the production of vegetable oils from raw materials that do not compete with the food chain, significantly contributing to local development and circular economy. The development plan of the identified activities involves agreements with local farmers and cooperatives to whom oilseed production is outsourced, and Eni’s construction of oil collection and extraction centres (agri-hubs). The supply chain by-products, will be destined for local markets and possibly for export. In October 2022, the first cargo of vegetable oil for biofertilizers was delivered at Eni’s Makueni agri-hub in Kenya, after the establishment of the Gela biofertilizer. In addition to the vegetable oil, Eni has already begun exporting used cooking oil (UCO) collected from hotel chains, restaurants and bars in Nairobi, through a project underway that promotes the culture of recycling, raising awareness on the environmental and health benefits of properly disposing of waste oil, generating income from waste. This model will be replicated in other African Countries, long term Eni partners. These developments have led Eni to accelerate its strategy and re-launch biofertilizing capacity targets, aiming to target more than 3 million tons per year by 2025, compared to the 2 million announced in 2022, and more than 5 million tons per year by 2030.

EVOLUTION OF PLENITUDE

ALLIANCES FOR DECARBONIZATION

The most recent IPCC analyses have shown that decarbonization is an ongoing process, but there still needs to be an emissions gap concerning the Paris targets. How do we bridge the gap between where we are and where we should be with the energy transition? Although the climate challenge is now high on the political agenda of all Governments and the impacts of climate change are already evident, the actions implemented so far still need to be improved. However, much has been achieved, and the development of renewable energy over the last ten years is undoubtedly a success story that, on the one hand, allows us to look to the future with optimism and, on the other hand, obliges us to continue working towards achieving the objectives of the Paris Agreement. As highlighted in IRENA’s World Energy Transitions Outlook, the energy transition is underway. It will inevitably lead us to a new energy system dominated by renewables, complemented by hydrogen and the sustainable use of bioenergy. Over the past decade, the cost of electricity generated from renewables has fallen dramatically (-88% for solar PV; -68% for onshore wind; -60% for offshore wind), and at the same time, investment has almost doubled, reaching a record USD 499 billion in 2022. Renewables are a winning economic choice and, especially in the current energy crisis, play an essential role in addressing the “energy trilemma”, i.e. the balance between environmental sustainability, security of supply and competitiveness. However, it remains clear that there is a need to accelerate investment in transition technologies, which must at least quadruple by 2022 to reach the 1.5°C target. The energy transition requires an unprecedented collective effort, not least because of recent events that have brought the issue of energy security back to the centre of the climate debate. What role does IRENA play in facilitating collaboration between institutions and companies, such as Eni? The energy transition cannot be achieved without strong collaboration between institutions and companies. In the 2013-2020 period, the private sector was responsible for 75% of global investments in renewable energy. Since 2020, IRENA has signed strategic agreements with some of the most important companies in the energy sector, and we are now working on implementing several important initiatives. With Eni, for example, we have developed a capacity-building programme to integrate the African continent into the biofuel supply chain. Eni and IRENA are also collaborating in the Alliance for Industry Decarbonization. This alliance aims to accelerate the decarbonization of industrial sectors, which account for over 30% of global emissions and nearly 40% of global energy consumption. This initiative is also particularly relevant because of the difficulties associated with hard-to-abate sectors, where individual companies only sometimes have the solutions to tackle decarbonization independently.

What are the most promising technologies according to IRENA, and how will the Alliance for Industry Decarbonization support the acceleration of their development? Faced with the urgency of the climate challenge, we must choose the fastest path to emission reduction, prioritizing existing solutions and those with the greatest chance of reaching technological maturity within this decade. IRENA’s World Energy Transitions Outlook identifies energy efficiency and electrification facilitated by renewables as the primary levers to accelerate the energy transition. Hydrogen, on the other hand, will play a vital role in the transition of “hard-to-abate” sectors, where the great challenge of replacing coal needs to be addressed. To create a hydrogen market, it is necessary to work simultaneously on supply and demand. The Alliance for Industry Decarbonization offers a platform for collaboration between sectors to pursue this goal.
Eni committed to aligning its plans and investment decisions with the decarbonization strategy. The evolution towards a fully decarbonized product portfolio will be supported by progressive growth in the share of investments dedicated to low and zero carbon activities, reaching 31% of total investments by 2026, 70% by 2030 and up to 85% by 2040. After 2035, these activities will generate positive free cash flow and contribute to about 75% on average over the 2040-2050 period. Spending on zero and low carbon activities will amount to €13.8 billion over the 2023-2026 four-year period.1 In the medium-to-long-term, the share of expenditure dedicated to Oil & Gas activities will be gradually reduced, with the progressive phase-out of investments in activities and products with high carbon intensity and evaluating the main investment projects consistently with emission reduction targets. Furthermore, the decarbonization plan is integrated with Eni’s financing strategy, having issued in 2021 the industry’s first sustainability-linked bond in the O&G sector, whose interest rate is linked to the IEA Net Zero Emission (NZE) transition targets announced by the company. To this end, at the beginning of 2023, Eni issued the first bond intended for the Italian public market linked to its sustainable objectives for an initial value of €1 billion, an amount doubled to meet the high demand that led to the offer being closed in just five days (finance).

**LOW AND ZERO CARBON INVESTMENTS 2023-2026 (€ bln)**

<table>
<thead>
<tr>
<th>Category</th>
<th>2023</th>
<th>2030</th>
<th>2040</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity generation from renewable sources</td>
<td>4.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reduction of GHG emissions</td>
<td>3.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Circular economy</td>
<td>3.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research for decarbonization, circular economy and new energy solutions</td>
<td>0.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retail portfolio development (including e-mobility)</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other initiatives (including Natural Climate Solutions and Venture Capital)</td>
<td>0.7</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**CAPITAL ALLOCATION**

**Traditional**

- Non-burned CO₂ costs
- Burned CO₂ costs
- Low and zero carbon

**2030**

- 30%
- 40%
- 30%

**2040**

- 40%
- 60%
- 0%

**RISKS**

- Decline in global hydrocarbon demand due to regulatory, market or technological factors
- Increased regulatory requirements and associated operating and investment costs
- Legal proceedings relating to climate change
- "Stranded asset" risk
- Uncertainty about market development and profitability for new products
- Negative effects on share performance
- Determination of industry/company appeal for talent attraction & retention

**CAPITAL RESILIENCE TO LOW CARBON SCENARIOS**

Decarbonization initiatives announced or initiated by the Governments of many Countries to achieve the goals of the Paris Agreement, the push by civil society NGOs and the financial system, as well as evolving consumer preferences and growing awareness of climate change and preservation of natural ecosystems, could result in the displacement of hydrocarbon demand by renewables and other zero or low-emission energy carriers in the medium-to-long-term. Transition risk management includes regular review of the portfolio of assets and new investments for the development of Eni’s hydrocarbons reserves, in order to identify and assess potential risks associated with changes in emissions regulatory regimes or the physical conditions under which operations are conducted. Eni’s economic and financial exposure to the risk arising from the introduction of new carbon pricing mechanisms is also examined by the Board of Directors both at the preliminary stage of authorization of the individual investment and at the subsequent six-monthly monitoring of the entire project portfolio. In particular, Eni considers the management of the risk of reserve deprecation to be of paramount importance and has adopted a strategy and actions to mitigate such risk. The selection of Oil & Gas development projects is based on strict industrial-financial criteria, and the emission profile of operations is analyzed through sensitivities to potential impacts related to the introduction of carbon taxes. In addition, Eni regularly monitors major projects for compliance with profitability thresholds in light of possible changes in the regulatory framework that could, for example, increase the cost of emissions. Given that Upstream assets have very extended useful lives, the assessments of economic resilience depend heavily on management’s assumptions about future hydrocarbon prices. To this end, price variables reflect management’s best estimate of the fundamentals of the various energy markets that incorporates current and foreseeable decarbonization trends. As an additional monitoring and evaluation tool and as recommended by the TCFD guidelines, Eni verifies through stress testing the recoverability of the book values of Oil & Gas investments, which constitute 70% of Eni’s fixed assets, with respect to decarbonization scenarios other than the one adopted by management and, in particular, with respect to the IEA’s Net Zero Emission (NZE). This stress test also comprises a scenario in which prices assumed by management are reduced by 10%. Below are the results of the sensitivity analysis expressed in terms of the percentage reduction in the margin of safety given by the excess of future cash flows over book values (i.e., headroom). The stress test performed by Eni’s management on the value in use of O&G assets based on the price and cost assumptions of the IEA NZE scenario showed impairment and potential write-downs of assets considered non-material according to management’s judgment, confirming the quality and resilience of Eni’s assets. These stress tests were performed by updating the hydrocarbon price and CO₂ cost assumptions in the cash flow projections, not considering possible changes in other factors (e.g., volumes, discount rate).

**Climate Change Risk in 2022 Annual Financial Report**

**FUTURE SCENARIOS AND STRATEGIES FOR AN IMPACTFUL TRANSITION**

- The table below summarises the main climate-related risks and opportunities identified by Eni (as reported in its Capital Risks and Opportunities Report). To seize the opportunities and minimise the risks associated with climate change, Eni is implementing a long-term strategy aimed at transforming its business model to achieve the 2050 Carbon Neutrality target, in line with the International Community’s commitments, i.e. achieving Net Zero emissions from all processes and products marketed by the Group over their entire life cycle.

**Climate risks and opportunities**

Risks related to climate change are analysed, assessed and managed by considering the aspects identified in the TCFD recommendations, which refer both to the risks related to energy transition (market scenario, regulatory and technological evolution, reputation issues) and to physical risk (acute and chronic) associated with climate change. The analysis is carried out using an integrated and cross-cutting approach that involves specialist functions and business lines, including the related risks and opportunities assessment. The table below summarises the main climate-related risks and opportunities identified by Eni (Risks and uncertainty factors). To seize the opportunities and minimise the risks associated with climate change, Eni is implementing a long-term strategy aimed at transforming its business model to achieve the 2050 Carbon Neutrality target, in line with the International Community’s commitments, i.e. achieving Net Zero emissions from all processes and products marketed by the Group over their entire life cycle.

**HEADROOM VALUE IN USE OF O&G CGUS VS. BOOK VALUE - SENSITIVITY %**

<table>
<thead>
<tr>
<th>Eni Scenario</th>
<th>Deductible CO₂ costs</th>
<th>Non-deductible CO₂ costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>NZE 2050</td>
<td>-100%</td>
<td>-</td>
</tr>
<tr>
<td>NZE 2030</td>
<td>-80%</td>
<td>-</td>
</tr>
</tbody>
</table>

**Recruitment at 2050 in real terms (USD 2021)**

<table>
<thead>
<tr>
<th>Price scenario</th>
<th>Recruitment at 2050</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base case</td>
<td>6,000</td>
</tr>
<tr>
<td>+10%</td>
<td>6,600</td>
</tr>
<tr>
<td>+20%</td>
<td>7,200</td>
</tr>
</tbody>
</table>

**OECD asset value forecast**

- The estimated value of Eni’s assets is based on the price and cost assumptions used in the cash flow projections, not considering possible changes in other factors (e.g., volumes, discount rate).

**IMPLEMENTATION OF THE STRATEGIC APPROACH**

- Eni has developed an assessment process that involves both its assets and those of third parties that may have an impact on Eni’s operations. The process, which is constantly evolving based on the results of the first implementations, based on data provided by specialist data providers, assesses the inherent risk of assets against identified acute and chronic risks. The strength and effectiveness of existing mitigation actions are assessed for exposed assets, identifying the residual risk (per individual asset). Assets still exposed at residual risk level are analyzed in more detail as part of the Asset Integrity process, identifying downstream, where necessary, further mitigation actions to be implemented.

- Eni also pays attention to the socio-economic and environmental impacts in the Countries where it operates and has developed guidelines and measures as methodological support for the identification of adaptation actions in the Countries of interest.

1) In contrast to the EU Taxonomy Regulation, this expenditure also includes JV interventions, all expenditure that contributes to the reduction of emissions (e.g. energy efficiency and innovative flaring abatement interventions), and that which supports the development of the Petronet customer base.
Advocacy and Transparency

Eni has long collaborated with academia, civil society, institutions and businesses to foster the energy transition by generating new knowledge, sharing best practices and valorising initiatives with stakeholders. Eni engages with policymakers directly and indirectly through trade associations, contributing to the definition of strategies and regulations to accelerate the transition to Net Zero, thanks to its experience as an international energy Company. Eni clearly and transparently supports and shares its position on climate change and related climate strategy issues in its partnerships and advocacy activities. In 2020, Eni published its guidelines on responsible climate change engagement within the associations it is a member of, providing for a periodic assessment of the alignment between Eni’s positioning and that of the business associations the company participates in. In the second report, published in 2022, the public position assessment was extended to 40 associations, of which 38 were aligned with Eni’s positions and two were partially aligned. In addition, Eni publishes a list of key climate change-related advocacy initiatives.

GHG Metrics

Eni has adopted an approach inspired by life cycle analysis as the most suitable and representational tool for tracking progress towards carbon neutrality. Accounting for GHG emissions from Eni’s value chains refers to a distinctive proprietary methodology that allows an integrated view of Scope 1+2+3 GHG emissions related to energy products sold by Eni. Therefore, this approach includes all energy products managed by the various Eni businesses and all the emissions they generate across the entire value chain. The energy product volumes considered are quantified based on an extended boundary, which includes both own production and volumes purchased from third parties. In this view, production and associated emissions are accounted for as equity-based metrics, whereas emissions related to the production, transport, processing and distribution of energy products. Scope 1 and Scope 2 GHG emissions related to Eni’s operating activities are subject to limited assurance. The “Statement on GHG accounting and reporting - Year 2022” and related assurance report are attached to the documents Eni for 2022 – Sustainability Performance, where all of Eni’s main emission KPIs are published.

The methodology was developed with the collaboration of independent experts and is being progressively improved to reflect the latest developments in emissions reporting standards. The resulting indicators are published annually and are certified by the auditor (GHG protocol). Since 2014, Scope 1 and 2 GHG emissions have been published according to the operator’s approach, which envisages accounting for 100% of emissions from assets over which Eni has operational control. As far as Scope 3 emissions are concerned, they are reported according to the GHG protocol categories, in accordance with IPIECA guidelines, that provide an analysis by activity and therefore have standard reporting scopes (GHG statement). This view, Scope 3 emissions related to the end-use of the products sold (category 11 end-use) constitute the most relevant contribution. They are calculated based on Eni’s prevailing supply chain, i.e. upstream production, in equity share. These emissions represent only a portion of the Scope 3 end-use emissions considered in the Net GHG Lifecycle Emissions and Net Carbon Intensity indicators, which instead include all end-use emissions related to energy products sold (including Downstream), as well as emissions related to the production, transport, processing and distribution of energy products. Scope 1 and Scope 2 GHG emissions related to Eni’s operating activities are subject to limited assurance. The “Statement on GHG accounting and reporting - Year 2022” and related assurance report are attached to the documents Eni for 2022 – Sustainability Performance, where all of Eni’s main emission KPIs are published.

The value of collaboration

CONTEXT: partnerships and collaborations with industry partners are vital tools for the energy transition path. To this end, Eni continues to expand its collaborations network with the academic world, civil society, institutions and companies to join forces, create new synergies and multiply opportunities to offer innovative solutions for low and zero carbon energy.

ENI’S CLIMATE PARTNERSHIPS: among the many international climate initiatives Eni participates in, the “Oil & Gas Climate Initiative” (OGCI) plays a crucial role in accelerating the Oil & Gas industry’s response to climate change challenges. Established in 2014 by five Oil & Gas companies, including Eni, OGCI now includes 12 companies, representing about one-third of global hydrocarbon production. Eni is also a member of the Executive Committee of IPIECA, one of the most important and largest trade associations in the oil and gas industry, active in environmental and social issues that aims to support a path towards a Net Zero future. Recently, IRENA launched the Alliance for Industry Decarbonization to accelerate the decarbonization of industrial supply chains in line with the goals of the Paris Agreement. Eni is a co-founder of the initiative, which held its first official meeting at COP27, defining priority areas for action, including developing renewables, CCUS and green hydrogen.
Eni’s business is constantly directed towards operational excellence to seize the opportunities related to the evolution of the energy market and meet the challenges associated with the energy transition. This translates into an ongoing commitment to the development of people through the consolidation and development of skills and the enhancement of diversity, to the safeguarding of their health and safety, as well as the integrity of assets. Furthermore, Eni is committed to the protection of the environment by promoting the efficient use of natural resources and the safeguarding of protected areas relevant to biodiversity, to the respect and promotion of human rights, with a focus on resilience and enhancement of the value chain and the customer portfolio, as well as on transparency and anti-corruption in all its forms.

Each of us

50

Safety and people’s Health

58

Environment

66

Human rights

74

Transparency, Anti-Corruption and Tax Strategy

80

Customers and Suppliers

84
Each of us

WHY IS IT IMPORTANT TO ENI?
Several personal and professional characteristics converge in Each Of Us, making it unique. To enhance the uniqueness of our people, we all work together to develop a culture of inclusion to create an equal-opportunity working environment where Each Of Us can feel free to express themselves. The need for a lifelong learning approach is increasingly evident in an era of rapid change and complex challenges, such as equitable energy transition. Therefore, Eni is committed to training everyone to face changes and challenges by developing appropriate skills and a new mindset.

María Elhamik, Head of D&I

2022 PROGRESS

<table>
<thead>
<tr>
<th>2022 PROGRESS vs. Eni for 2021 commitments</th>
<th>SHORT-TERM COMMITMENTS (2023)</th>
<th>MEDIUM-TERM COMMITMENTS (2024-2026)</th>
<th>LONG-TERM COMMITMENTS (2030 AND BEYOND)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TURNOVER</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Turnover of 0.57: 2020-22 figure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(vs. male turnover 0.73)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TRAINING AND DEVELOPMENT</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Over 900,000 hours of training and</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>27,500 employees trained on the</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>“New Code of Ethics”</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DIVERSITY &amp; INCLUSION</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>+0.6 percentage points female</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>population vs. 2021</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>+0.7 percentage points population</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>under 30 vs. 2021</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>短期目标承诺(2023)</td>
<td>中期目标承诺(2024-2026)</td>
<td>长期目标承诺(2030及以后)</td>
<td></td>
</tr>
</tbody>
</table>

Employment management and planning process to align skills to the technical and professional needs; Management and development tools, aimed at professional involvement, growth and updating, intergenerational and intercultural exchange of experiences, building of cross-cutting and professional managerial development pathways in core technical areas valuing diversity, Development of innovative HR Management Tools; Support and development of the distinctive skills necessary and consistent with corporate strategies, focusing on energy transition and digital transformation issues, also through the use of Faculties/Academies. Training quality management system updated and compliant with ISO 9001:2015.

Knowledge management system for the integration and sharing of know-how and professional experiences. New international mobility initiatives to foster more significant exposure to business; more flexible dedicated International Mobility policy and more robust work-life balance support. National and International industrial relations management system; participative model and platform of operating tools to engage personnel in compliance with ILO (International Labour Organization) conventions and the guidelines of the Institute for Human Rights and Business. Welfare system for the achievement of work-life balance.

EMPLOYMENT CHALLENGES

In line with the transformation process undertaken, Eni continues the path for the development of the professional skills of its people through initiatives to enrich and/or redirect them to meet new business challenges. In 2022, initiatives continued for dissemination and integration, in processes and internal culture, of a new model of capabilities and behaviours aimed at the effective management of the transition, launching processes to revise professional models and to update skills for the growth of more complete and integrated professionalism. With regard to the management of its people, Eni has launched a new management and development model (People Journey) that defines development paths throughout the Company’s life cycle, diversified and consistent with the new business model to enhance the various professional skills and talents in an inclusive logic, to foster people’s motivation, sense of belonging and proactivity. In this context, in 2022, the appointment processes of about 400 senior roles identified with in the planned pathways were finalised, and the revision of the models concerning about 4,400 employees was completed, at the same time starting updating activities for models that will involve a further 5,700 employees. Furthermore, to make the internal labour market more dynamic and fluid and facilitate mobility between organisational units, Jobs4You, the internal job posting site, was improved. Furthermore, mentoring, coaching and team coaching programmes were envisaged, particularly for new teams, especially those facing major transition challenges. In 2022, employment worldwide decreased by 1.6% compared to 2021 due to the use of extraordinary instruments such as Expansion Contract and Indemnity in Italy, and divestment and deconsolidation of the Natural Resources portfolio abroad. Despite the discontinuity of the energy market, Eni continued to pursue its diversity objectives: in 2022, female presence recorded a significant increase of 0.6% compared to 2021, in line with the +3% target vs. 2020 of women employees by 2030.

<table>
<thead>
<tr>
<th>EMPLOYEES* (number)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
</tr>
<tr>
<td>24,815</td>
</tr>
<tr>
<td>7,308</td>
</tr>
<tr>
<td>22,507</td>
</tr>
<tr>
<td>2018</td>
</tr>
<tr>
<td>23,643</td>
</tr>
<tr>
<td>7,307</td>
</tr>
<tr>
<td>20,336</td>
</tr>
<tr>
<td>2019</td>
</tr>
<tr>
<td>23,721</td>
</tr>
<tr>
<td>7,598</td>
</tr>
<tr>
<td>16,123</td>
</tr>
<tr>
<td>2020</td>
</tr>
<tr>
<td>23,216</td>
</tr>
<tr>
<td>7,559</td>
</tr>
<tr>
<td>15,657</td>
</tr>
<tr>
<td>2021</td>
</tr>
<tr>
<td>23,528</td>
</tr>
<tr>
<td>8,390</td>
</tr>
<tr>
<td>15,138</td>
</tr>
<tr>
<td>2022</td>
</tr>
<tr>
<td>22,949</td>
</tr>
<tr>
<td>8,528</td>
</tr>
<tr>
<td>14,421</td>
</tr>
</tbody>
</table>

* The data differs from that published in the Financial Report. Eni in the world and Business Model of this document because it includes only fully consolidated companies.

POPCY AND OTHER REGULATORY INSTRUMENTS

MANAGEMENT AND ORGANISATION MODELS

FOR MORE INFORMATION

| Eni for 2022 – Sustainability Performance | Eni Code of Ethics | Eni’s Statement on Respect for Human Rights |

<table>
<thead>
<tr>
<th>EMPLOYMENT INITIATIVES TOWARDS A JUST TRANSITION</th>
</tr>
</thead>
<tbody>
<tr>
<td>CREATE the prerequisites to ensure that the transition is adequately supported through, for example, acquisitions of companies with distinctive know-how for the energy transition, new high-tech entrepreneurial initiatives, a new model for personal skills and capabilities aimed at creating a mindset for the transition.</td>
</tr>
<tr>
<td>ENGAGE the involvement of stakeholders in company decisions through listening channels (climate analyses, Virtual Focus Groups and meetings with Eni people) and relations with trade unions.</td>
</tr>
<tr>
<td>UPR/RESKILL continuous education through training programmes to evolve of existing skills and develop new skills from a Just Transition viewpoint to support change and energy transition.</td>
</tr>
<tr>
<td>PROTECT the implementation of assistance and support programmes to help stakeholders during the transition through multiple initiatives regarding health, social security, income support and family management.</td>
</tr>
<tr>
<td>ADVOCATE the representation of urgent issues for a Just Transition for workers to public opinion and legislators.</td>
</tr>
</tbody>
</table>

31,376 Eni people at the end of 2022

1,796 percentage points women on total population vs. 2021
Eni’s approach to Diversity & Inclusion is based on the fundamental principles of non-discrimination and equal opportunities and on the active commitment to promote and ensure a working environment where personal and cultural diversity is considered a source of mutual enrichment and an indispensible element of business sustainability. Eni ensures that all its people are treated fairly regardless of any differences in gender, nationality, sexual orientation, physical abilities and age. These principles are affirmed in the regulatory framework and Corporate Governance, as well as in the Mission that inspires its values. Furthermore, a company policy on the prevention of violence and harassment in the workplace was implemented in 2021 to implement the ILO190 Convention. In 2022, Eni implemented an Action Plan identified as a priority, aimed at developing an inclusive mindset and enhancing specific uniqueness targets such as gender, internationality, age, disability, sexual orientation and gender identity.

### INTERVENTION PRIORITIES

<table>
<thead>
<tr>
<th>Area</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GOVERNANCE &amp; LEADERSHIP</strong></td>
<td>Definition of objectives and targets for executives of the functions affected by the D&amp;I issues and related to managerial remuneration (MDR) and reporting activities addressed to Eni Management on diversity and inclusion topics</td>
</tr>
<tr>
<td><strong>ENGAGEMENT</strong></td>
<td>Development and updating of institutional training courses and specific online courses such as D&amp;I Matters, which offers modular, interactive and up-to-date training.</td>
</tr>
<tr>
<td><strong>LISTENING TO PEOPLE</strong></td>
<td>Listening through initiatives such as Climate Analysis and engagement of Eni’s foreign entities, launch of the D&amp;I Community on Eni’s internal channel, one-to-one meetings</td>
</tr>
<tr>
<td><strong>COMMUNICATION</strong></td>
<td>Emphasis on D&amp;I uniqueness international days through the internal channel MyEni and in the D&amp;I Community; #InInitiative launch of the Gender Gap Analysis Tool, a tool provided by the WEF in 2021, to offer a performance assessment tool based on the Gender Gap Analysis Tool, which led to creating an Action Plan. This lays the foundation for formulating an increasingly cross-cutting approach to gender equality and women’s empowerment in all business areas.</td>
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</table>

**Women’s Empowerment**

Eni, through its role models and ambassadors, who bear witness to equal opportunities for women in the energy industry, (ii) support female development through professional diversification, monitoring the main career paths, and enrich management and staff training with content aimed at raising awareness and overcoming gender bias in relationships and corporate processes; (iii) enhance female presence, with a focus on appointments to positions of greater responsibility, an area in which, in 2022, approximately 40% senior role appointments were finalised with a female presence of more than 30%, up compared to previous years; (iv) fostering of and adherence to communication campaigns aimed at supporting women (e.g. XocciLui Orange the World, the UN campaign campaigning for the elimination of violence against women) and partnerships designed to strengthen female empowerment and enterprise (e.g. Women X Impact and Valore D), to share best practices and strengthen networking on inclusion and female development.

**Focus on**

Eni’s adhesion to the Women’s Empowerment Principles

**BACKGROUND:**

the Women’s Empowerment Principles (WEP) of the UN Women and the UN Global Compact inspire business action in integrating a gender perspective in the workplace, in relations with local communities and along the value chain. Following its adhesion to the WEPs in 2021, Eni initiated a self-assessment process of its performance based on the Gender Gap Analysis Tool, a tool provided by the WEPs, which led to creating an Action Plan. This lays the foundation for formulating an increasingly cross-cutting approach to gender equality and women’s empowerment in all business areas.

### THE SELF-ASSESSMENT PROCESS

**METHODOLOGY**

Eni chose to supplement the Gap Analysis Tool with around 70 additional questions selected using an approach based on the risk associated with the business sector and geographical areas of operation. A coverage threshold of 80% of the total company population was adopted to meet the criterion.

**RESULTS:**

Eni achieved the position of Achiever with a score of 51% (17% of companies in this category while most, 79%, are still classified as "Beginners" or "Improvers"; only 4% achieved a "Leader" score). The companies undergoing the assessment were mainly from the financial and energy/extractive sectors (\# WEP).

**INTERNATIONALITY**

Eni’s strong international presence is characterised by solid alliances with host Countries aimed at creating value in these Countries, also through knowledge transfer, while respecting local cultures. The average presence of local personnel abroad has remained substantially constant at around 87% over the last three years. Consolidation over the years of processes such as: onboarding of recruits, coaching, training and sharing of skills and best practices with local personnel ensured the continuity of operating activities in 2022. In recent years, about 20% of employees in positions of responsibility are non-Italian, broadly in line with the age threshold of 80% of the total company population. While most, 79%, are still classified as “Beginners” or “Improvers”, only 4% achieved a “Leader” score. The companies undergoing the assessment were mainly from the financial and energy/extractive sectors (\# WEP).

**EMPLOYEES IN UPSTREAM SECTOR**

<table>
<thead>
<tr>
<th>Countries of Historical Presence</th>
<th>Recent Entry Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>9%</td>
<td>52%</td>
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**EMPLOYEES BY GEOGRAPHICAL AREA**

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<tr>
<th>Country</th>
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<tr>
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Interview with Caterina Gocci

Caterina Gocci is a Full Professor at the Faculty of Philosophy of the Università Cattolica, where she teaches Psychology of Organisational Coexistence. She is a member of the Board of the Agostino Gemelli High School of Psychology, where she is the Scientific Director of the Master’s Degree Course on “Management and Certification of Competences”. She deals with Diversity Management, quality of organisational life and forms of organisational malaise.

THE GROWING IMPORTANCE OF D&I

Why talk about D&I?

Talking about D&I means tackling an ancient theme intrinsically linked to the human dimension: without difference, there would be no growth and love in life, which means losing the opportunity for exchange between different organisms. Even within an organisation. The issue of diversity, inclusion-exclusion, is central to both productivity and the quality of organisational life. Often, however, when we talk about diversity, the temptation is to slip into simplifications: diversity as a problem and urgency compared to an automatic and absolute resource. When we speak of inclusion, we imagine it more as a fixed state than a multidimensional process. Rather, dealing with the subject is inevitable but requires a more complex vision.

Instead, the question is its management. What skills are needed at the individual, group, collective, community, social and organisational levels to best manage diversity and generate inclusive processes?

Today, the debate on D&I must be approached in new terms that take into account studies, reflections and experiences of the last two decades. For example, discussing about protecting fragile groups and the balance of power at stake. It means discussing the possibility of generating innovative and creative ideas. Everyone is different from others and making them potential bearers of new visions, proposals and actions. Secondly, it is vital to be aware of our own differences in order to understand that the debate on D&I, we are talking about complex organisational processes also characterised by crossing strong conflicts and emotions that require specific skills. Managing diversity is an ongoing process that is anything but linear. We must avoid trivialisation and not only deal with these issues in an emergency. Day-to-day management of diversity and inclusion should be part of social and organisational life. Diversity should not only be linked to issues of marginalisation or equal opportunity but should also be seen as an opportunity for innovation, creativity and improved performance.

Is there a connection between D&I and corporate performance?

The connection between D&I and performance (and not only D&I in terms of ethics) is one of the most recent topics in the literature. It confirms what has long been intuitively understood: inclusion and the enhancement of differences are also at the basis of productivity, both at the individual and organisational levels. Without difference and enhancement of the other, there is no innovation. Thus, performance feeds on intelligently managed differences.

The theme of homogeneity works well in a stable, predictable and solid market where being similar allows us to trust and recognise each other as well as share practices, but less so in terms of being ready for change. When there are changes in the environment, situations become more complicated and chaotic, and organisations that cannot manage homogeneity and divergent thinking go into crisis. We can therefore say that difference management and an inclusive culture are fundamental to a company’s performance, as new ideas come from enhancing diversity. Today, work has different meanings and values for people, therefore, involving employees in the company’s choices is essential. Diversity should not be seen as a problem; rather, as a skill to be used generatively and constructively. In this way, people are valued to ensure the company’s performance.

What are the strategies that are effective in managing D&I?

Promoting diversity in the workplace is important and should not be an occasional action apart from everyday processes but a consequence of the organisation’s culture, which fundamentally values people in their specificities. Companies should work on common aspects and the enhancement of people in their specificity, creating a culture that promotes diversity and inclusion through every stable organisational process (selection, job rotation, non-formal and informal skills, training, innovation groups, etc.). Clearly, sensi- tivities on promoting diversity vary from Country to Country and within specific organisational types. This should be considered a starting point to better contextualise and anticipate realistic actions. For example, in Italy, where historically much of the productive ecosystem is made up of small to medium companies, the culture of homogeneity (I hire you because you are like us) and colour-blindness (I hire you because you are competent, and it does not matter how you are) still prevails. In contrast, in other Northern European Countries, for example, there is more diversity in organisational human capital and more intentional search with different international markets in mind (I seek you out because in your originality, you represent the new). The very birth of the market, the struggle for exchange between different organisational types, is 101 for fixed and more intentional search with different international markets in mind (I seek you out because in your originality, you represent the new). The very birth of the market, the struggle for exchange between different organisational types, is essential. Diversity should not be seen as an opportunity for innovation, creativity and improved performance.

AGE

Promoting diversity and inclusion also addresses the age-related cluster at Eni, trying to work on people’s awareness of the stereotypes that characterise both young recruits and people who have worked at Eni for a long time. The aim is to create an environment where everyone is valued for who they are and what they can offer, regardless of age. Also, for this reason, Eni has updated the development path for employees in the first three years after hiring, with a specific focus on the first months. Furthermore, the company is reviewing the entire management and development path for people throughout their careers to identify talents as early as possible and guide them along diversified paths.

Disability

During 2022, Eni assessed the accessibility of offices and locations in terms of logistics and the use of working instruments. The study also included benchmarking against market best practices and defined an action plan for 2023. At the same time, a project was launched to set up a centralised communication channel to guide colleagues with disabilities or family members of persons with disabilities on regulations, practices, administrative practices and existing support services.

Sexual orientation and gender identity

In 2022, particular attention was paid to disseminating an inclusive mindset on sexual orientation and gender identity through engagement, listening, awareness-raising and communication actions addressed to all employees in Italy and abroad. As part of the internal awareness-raising and communication format, an event with an external testimonial was organised to focus on the bases and rights of the LGBTQ+ community. Eni was a sponsor of the MX festival, the International Film and Queer Culture, recognised as one of the most important in the world. The theme of sexual orientation and gender identity was also addressed in foreign Countries through listening initiatives and a webinar realised in cooperation with the Par-Kis – Liberi-e-Uguale association. Furthermore, Eni participated in the LGBTQ+ Round Table organised by Repsol, which involved some of the major companies in the Energy industry, where best practices of inclusion as leverage for the energy transition path were shared.

Remuneration

Remuneration policies for Eni’s employees are defined according to a global integrated model and promote salary progression based exclusively on meritocratic criteria related to skills expressed in the role held, performance achieved and local remuneration market benchmarks. Eni annually monitors the gender pay gap between women and men (gender pay ra- tio), using a comparison methodology at the same role and seniority level, according to the UN principle of “equal pay for equal work”, which shows a substantial alignment between the remuneration of women and men for the Italian and global population. This alignment is also confirmed in overall terms for the “raw” gender pay ratio which does not consider the role level and shows a substantial alignment of women’s and men’s remuneration for middle managers and employees while for senior managers and workers the deviations are mainly related to a smaller female pres- ence. The indicator at the overall level, without considering profes- sional categories, is 101 for fixed remuneration (Italy 102) and 97 for total remuneration (Italy 98). In the various Countries in which it operates, Eni guarantees its people the application of fair and competitive remuneration policies with respect to roles and profiles, skills measured and always able to ensure a decent standard of living above mere subsistence levels and/or legal or contractual minimums in force as well as minimum levels found on the local remuneration market. For this purpose, Eni pro- vides its business units, with each Country, with wage policy refer- ences that are significantly higher than the 1st decile of the local salary market, as well as the legal/con- tractual minimums and performs annual checks for its application in the main Countries of presence.

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

Eni has strengthened its ability to listen to the needs emerging from changes in the social context and work organisation in formulating services for people, involving some 200 employees. This has led to the recognition of some needs: the search for a work-life balance, an increased focus on psychophysical well-being and, at the same time, caregiving needs, and the demand for support from new parents. For this reason, the feasibility and formulation of new services for 2023 were started immediately, with a special focus on initiatives to support parenting. Furthermore, it signed with the trade unions the NOI - Protocol on Initiatives and Services for Well-being, which provides for the enhancement of interventions in the fields of health, welfare, income support, housing and family management to seek a fair balance of work activities with a more personal and social approach.

**TRAINING**

Eni considers training a fundamental tool to support change and ensures its access through training in classroom settings and through self-directed distance learning. Another tool for improving the quality of training is microlearning, a teaching methodology characterised by training bites. The platform (MyChange) has been enriched with training content on energy transition, sustainable development and digital transformation. Furthermore, the retraining process continued this year through upskilling and reskilling initiatives to integrate new skills, both professional and behavioural, necessary for business evolution and the challenges posed by technological change and the labour market. Training on the new Code of Ethics, induction courses for recruits, on leadership, and, in continuation of previous years, on HSE and Human Rights issues was strengthened. Finally, a training course to promote inclusive behaviour was implemented for all employees.

**MAIN TRAINING COURSES OFFERED BY ENI**

- **Family and Work-life Balance:**
  - It is confirmed Eni’s Smart Working (SW) model (agreement signed in October 2021) that provides all employees in Italy with 8 days/month for office sites and 4 days/month for operational sites and welfare and sustainability options. There was a progressive extension of the SW agreement abroad as well in line with local regulations.
  - Application, in offices, of daily and multi-period flexible hours and paid leave for events such as bereavement, serious family illness, weddings and civil unions, study permits and professional training courses.
  - The organisation of services to support parenting and caregiving is confirmed, guaranteeing all useful actions to prevent the risk of Covid infection. In addition to crèches and summer camps, digital caring initiatives (vocational school guidance for employees’ children, information programmes for parents) and services for employees with dependent family members or children with learning disabilities were strengthened.

- **Parenting:**
  - Recognition in all Countries where Eni is present of 10 days of parental leave on full pay to fathers, as well as minimum maternity leave of 14 weeks with payment of at least 2/3 of the salary received in the previous period, in accordance with the standards set by the ILO Convention.
  - Right of access to Smart Working, up to 12 days a month for parents working in the main offices, for the child’s first three years.

- **Health Prevention Campaigns and Well-being:**
  - The gradual extension of the “Previeni con Eni” (Prevent with Eni) programme, which provides medical check-ups for oncological and cardiovascular prevention, is confirmed.

**MAIN WELFARE INITIATIVES**

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**FOCUS ON**

Continuous learning through upskill/reskill programmes

**CONTEXT:** the need for a continuous learning approach is increasingly evident in an era of rapid change and complex challenges, such as the energy transition. Training programmes with upskilling/reskilling impact meet this need, addressing almost the entire Eni population.

**OBJECTIVE:** Eni revised its training programmes through a Just Transition perspective to support change and energy transition (induction courses, HSEQ training focusing on environment and sustainability, leadership and mindset, Diversity & Inclusion and specialised technical courses or tracks contriving on new technologies and new skills).

**ACTIVITY:** the MyChange platform has also been confirmed for 2022 as an important channel for disseminating a culture of change on Energy Transition, Sustainability, Diversity & Inclusion and New Ways of Working, inspired by Eni Mission values and the SDGs. The training programmes, which started in May 2021, expanded its content offering with an “SDG User” certification path to enhance the contribution of each employee to the achievement of the 2030 Agenda. In addition to this, with regard to courses focusing on new technologies and skills, Eni promotes training on the Agile approach, learning through Design Thinking tools and continuous improvement projects on new technologies of interest such as AI, Machine Learning and Data Science.
Safety and people’s Health

WHY IS IT IMPORTANT TO ENI?
Good HSE performance is achieved through the efforts of everyone and contributes significantly to the development of activities in the company. At Eni, we promote a positive safety culture by developing projects to raise everyone’s awareness of the correct and safe behaviour to adopt in all work environments.

CONSOLIDATION OF THE SAFETY CULTURE
Application of THEME model at 7 sites; > 6,000 employees trained in Operational Safety; 600 employees trained as experts in root-cause analysis of accidents

OCCUPATIONAL SAFETY, PROCESS SAFETY
Release of the HSEni App in 112 operational sites; extension of the Safety Pre-sense tool to all Business Line and all operational sites

INVESTMENTS IN HEALTH ACTIVITIES
Approximately €72 million of economic commitment, of which €103 million for community health

DIGITALIZATION OF HEALTH PROCESSES AND SERVICES
Testing at onshore Italian sites of 20 devices for the monitoring of fitness of indoor areas

ACCIDENT RATES AND INTERVENTION ACTIONS
Eni is committed to a safety culture that favours prevention over protection through research and development aimed at adopting models and instruments for risk assessment and management in a constant effort to reduce accidents to zero. Despite of these efforts, there were four fatal accidents (all involving contractors) in 2022, 3 abroad and 1 in Italy. In particular, for Eni employees, the year recorded a break in the downward trend in the frequency rate of recordable injuries - TRIR, (recordable injuries/hours worked) x 1,000,000 - and a worsening for contractors, which, it is presumed, is attributable to the shortage of qualified personnel caused by the withdrawal during the COVID-19 pandemic of more experienced workers, and to the aggressive hiring policy to meet market demands. The careful identification and analysis of the causes of accidents have allowed specific actions to be implemented through: (i) initiatives to strengthen the awareness and involvement of employees and contractors in the HSE field (i.e. Safety Leadership, Coaching Program, Stop Work authority); (ii) training on the specific risks associated with driving vehicles and handling materials at heights; (iii) activities aimed at improving work areas in terms of safety; (iv) updating of management and operational documents. In 2022, Eni has once again confirmed the inclusion of the Severity Incident Rate (SIR). This index measures the level of severity of accidents in the short-term remuneration of the CEO and managers with strategic responsibilities.

NEW INITIATIVES TO REDUCE ACCIDENTS

THEME MODEL
Application of the THEME model for analyzing worker behaviour and human reliability to identify action strategies to strengthen human barriers and safe behaviour

OPERATIONAL SAFETY MANAGEMENT
Development of a new training course dedicated to Operational Safety Management to raise awareness of the basic principles and minimum safety requirements

INVESTIGATION ROOT CAUSES
Training of experienced personnel on the new methodology for investigating the root causes of accidents according to Eni standards for the identification of effective actions to avoid the recurrence of events

DIGITALIZATION FOR PREDICTIVE ACCIDENT SIGNALS
Extension to all operational sites of the “Safety Presence” digital tool that, with the help of artificial intelligence and machine learning, enables predictive analysis by exploiting the data available in the safety databases and sends an alert to the site to implement corrective actions before an accident occurs.

THE THEME MODEL FOR HUMAN FACTOR ANALYSIS
What role does the Human Factor play in accident events?
The Human Factor has been the leading cause of injuries and accidents for many years. It can be managed by adopting appropriate safety practices and procedures, enhancing proper risk perception and implementing a deep safety culture. In addition, it is vital that organisations also equip themselves with human reliability and behavioural analysis instruments that include environmental, organisational and individual factors influencing work performance.

Can a human being be considered an “active barrier” in accident prevention?
The behavioural approach to occupational safety emphasises the proactive human role in the socio-technical system in which they are embedded. The human being thus becomes an “active participant who, by his actions, maintains a safe working environment, identifying and solving problems, reporting potential hazards to colleagues and supervisors at an early stage, and encouraging safe practices in the teams they are involved with.

What are the innovative aspects introduced by THEME, Eni’s new behavioural analysis methodology developed with the University of Bologna?
THEME is an innovative tool that in that it is a structured model for analysing behaviour and the human factor in relation to safety based on the study of human reliability. The model includes identifying factors influencing behaviour, reinforcing human barriers and intervention strategies to change unsafe behaviour.
PROCESS SAFETY
Eni’s commitment to process safety is constant and aims to safeguard the safety of people, the environment and assets. Eni has developed and implemented a Process Safety Management System, monitored through dedicated audits, with the aim of correctly and safely managing processes over their life cycle and, therefore, preventing and mitigating, through the application of high management and technical standards, the risks associated with uncontrolled releases of hazardous substances. In the last few years, there has been an overall improvement in Process Safety performance, signalled by the downward trend in Tier 1 and Tier 2 Process Safety events, both in absolute numbers and normalising the number of accidents for hours worked in process activities, an indication of the increased attention to process safety issues at all sites. Among the 2022 initiatives, the seminar “Process Safety in Eni’s Energy Supply Chains” is worth mentioning to illustrate Eni’s many initiatives for identifying new energy supply chains focusing on HSE and process safety aspects.

PROCESS SAFETY EVENTS (number)

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<th>Total</th>
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<td>2018</td>
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EMERGENCY PREPAREDNESS AND RESPONSE
Emergency preparedness is regularly tested during exercises where the personnel’s ability to respond in line with dedicated plans is assessed, including the timely alerting of the chain of command and resources necessary to deal with the event. In 2022, more than 5,200 emergency drills were conducted at operational sites, with varying levels of scenario complexity. To these, three coordinated exercises should be added, in cooperation with the Authorities, which concerned: (i) in Ravenna, the verification of cooperation activities in the event of an aeromedical distress, both in the search and rescue phase and in the management of environmental emergencies; the exercise was organised and coordinated by the Port Authority; (ii) in Imperia, the verification of the operational response of the National Civil Protection Service in the event of an extreme seismic event in the area.

“Straits Earthquake 2022” drill
BACKGROUND: from 4th to 6th November, the regions of Calabria and Sicily took part in the “Straits Earthquake 2022” drill. The simulated scenario duplicated the earthquake event of 16th January 1975, with an increased magnitude, such that soil liquefaction phenomena, landslide movements with potential road infrastructure involvement tidal wave event triggering were also possible.

ACTIVITIES: the exercise was coordinated by the Civil Protection Department, with the contribution of the Regions involved and the Prefecture - U TGs (Government Territorial Offices) of Reggio Calabria and Messina, the technical and scientific support of the Department’s centres of competence and the involvement of the Essential Services Managers, of which Eni is one.

OBJECTIVE: the collaboration between the Civil Protection Department and Eni, consolidated by signing a specific Memorandum of Understanding, focused on Eni’s active participation in all test phases, is helping to consolidate awareness of seismic risk in the territory. In particular, the planning of the distribution of fuel to the mobile columns of rescue workers was coordinated, and an emergency tank was moved to the reception camp set up in Bova Marina, successfully establishing the emergency preparedness and responsiveness of Eni sites operating in the area.

ASSET INTEGRITY
Eni applies the Asset Integrity process to all its plants, ensuring their correct design and construction, carefully operated and decommissioned, managing residual risk in the best possible way and guaranteeing maximum reliability and safety for people and the environment. As part of the assessment of physical risks (acute and chronic) related to climate change, the Asset Integrity process adopted by Eni entails a specific and detailed verification of the congruence between the design criteria adopted and the prospective climate conditions, which includes both its assets and those of third parties that may impact Eni’s operations. Therefore, the Asset Integrity Management System is employed from the initial design stage (Design Integrity) to procurement, construction, installation and testing (Technical Integrity), through to operational management and decommissioning (Operating Integrity). During this process, the “Life Cycle Information” (LCI), i.e., the management of technical information acquired during the entire life cycle of the plant (data, documents and models), is an essential pillar supporting technical integrity, ensuring that all data relating to the asset is always up-to-date with respect to changes that may occur during its operational life.

INDUSTRIAL HYGIENE
In 2022 Eni carried out a series of industrial hygiene activities to strengthen the monitoring and control of risk agents present in the working environment also through the participation to working groups with national bodies to prepare reference guidelines on the subject. In particular: (i) knowledge of risk agents was strengthened through the implementation of a targeted training programme for internal trainers; (ii) in-depth studies were carried out on personal protection equipment, drawing up dedicated technical notebooks and the related information programme; (iii) the Company’s normative body was updated in accordance with reference regulations and guidelines, to anticipate and optimise any impacts on activities; (iv) a pilot project was developed to define a methodological standard for the effective management of HSE aspects related to radiological risk in Oil & Gas activities. In the area of product safety, Eni is engaged both in the management of chemical-related risks, through the adoption of a tool for the management of documentation and hazard characteristics, and in the development of a system to assess the ability to generate circular value in products and services, over time, through the value chains of chemical and petrochemical product clusters.

Research, Innovation and Safety: Protocol with the INAIL (Italian Workers’ Compensation Authority)
SIGNATURE: in November 2022, INAIL and Eni signed a five-year protocol consistent with the PNRR (National Recovery and Resilience Plan) deadline in 2022. The protocol was signed by the chief operating officer of INAIL, Andrea Tardisola, the Chief Executive Officer of Eni, and the national secretariats of the trade unions FILTREM-CGIL, FEMCA-CISL and UIL TEC UIL.

AREAS OF APPLICATION: the agreement will make it possible to identify joint initiatives for the dissemination of a prevention culture in the energy supply chains, to prevent accidents and occupational diseases, through communication initiatives, personnel training programmes, the implementation and dissemination of organisational and risk management models, with a focus on behavioural safety, the human factor and emerging issues such as Smart Working and work-related stress.

OBJECTIVE: the collaboration with INAIL offers the opportunity to make a portfolio of innovative initiatives and operational solutions available to the Country, helping to strengthen the company’s ongoing commitment to empowering people and safeguarding health and safety.
HEALTH FOR ENI

Eni considers health a fundamental human right and is committed to protecting its people’s and host communities’ well-being by ensuring health management based on precaution, prevention and promotion principles. In a continuously changing epidemiological context and in consideration of the energy transition and climate challenges, promoting a culture of health and access to adequate health services is increasingly strategic. Eni pays special attention to situations of greatest vulnerability, considering the biological, psychological and social dimensions of health and the highest international standards.

For Eni, the health of people – workers, families and communities – is a fundamental human right; therefore, the promotion of people’s psychological, physical and social well-being is a central element of its operating models. Eni ensures proper health risk management by constantly updating the health risk assessments of the Countries where it operates. It also considers key stakeholders’ expectations and the potential health impacts of its activities, with constant monitoring of exceptional events such as epidemic and pandemic outbreaks. To ensure health at every stage of the business cycle, Eni has developed an integrated health management system across all operations, based on an operational platform of qualified health providers and collaborations with national and international university and government institutions and research centres.

During the year, Eni:
- carried out occupational medicine activities, including risk assessment and management, with the contribution of scientific research activities in relation to new projects and industrial processes related to the energy transition;
- continued to guarantee health-care services, strengthening emergency services, and initiatives to support fragile situations, with particular reference to the pandemic emergency and mental health promotion;
- extended access to promotion, prevention, diagnosis (including screening activities) and dissemination of a culture of health, also by using new digital instruments for internal communication;
- adopted new technologies for health service delivery and monitoring of the quality of indoor environments;
- strengthened personnel capacities and skills through specific training activities.

Commitment to institutions in the Covid-19 emergency

SUPPORT TO HEALTHCARE INSTITUTIONS AND FACILITIES: in continuity with the support already guaranteed to healthcare institutions and facilities that faced the Covid-19 pandemic emergency, in 2022 Eni continued its investment in organizational intervention of the healthcare system in Italy to contribute to the resilience of local facilities, such as the Vittorio Emanuele Hospital in Gela, the S. Elia Hospital in Caltanissetta, the Luigi Sacco Hospital in Milan and the S. Matteo Hospital in Pavia. Initiatives to support Eni’s business units and protecting people’s health also continued to meet the challenges posed by the pandemic emergency.

HEALTH PROTECTION OF ENI PEOPLE: in relation to the latter, monitoring of epidemiological updates and new guidelines issued by international bodies has been implemented, with continuous updating and implementation of preventive and containment measures; special attention was paid to disseminating Covid-19 prevention measures and the flu vaccination campaign. Clinical and care flow management best practices have also been implemented, and travel medicine measures have been implemented to reduce the risk for travelling personnel, and set up a service of international transport service with medical support for personnel with severe health conditions.

INITIATIVES FOR EMPLOYEES, FAMILY MEMBERS, CONTRACTORS

As part of activities aimed at improving corporate welfare, the “Piu’ Salute” pilot project, a home and digital healthcare programme that provides employees and their family members with free services through access to a phone/video consultation with a doctor available 24/7, and a specialist by appointment, was launched in the parent company and some subsidiaries in Italy. Various initiatives have been undertaken to protect mental health and social assistance for employees in Italy, including a remote psychological support service (24/7; it currently covers 68% of employees, and will be extended to 80% by 2026) and a helpline dedicated to victims of harassment and gender-based violence. A PFA (Psychological First Aid) service has also been set up for all employees in Italy and abroad in the event of catastrophic, sudden and unexpected events. Among the services aimed at promoting health and well-being to be highlighted for 2022 are awareness-raising initiatives for employees, family members and contractors in relation to endemic diseases (such as tuberculosis and malaria), sexually transmitted diseases, non-communicable diseases (such as diabetes and hypertension), and, for employees in Italy, initiatives for early diagnosis of chronic diseases (such as oncological diseases) and the flu vaccination campaign.

OPERATIONAL HEALTH PLATFORM

<table>
<thead>
<tr>
<th>OCCUPATIONAL MEDICINE AND INDUSTRIAL HYGIENE</th>
</tr>
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<tbody>
<tr>
<td>Aimed at protecting the health and safety of workers in relation to the working environment, how work is carried out and occupational risks inherent to industrial processes and resulting from industrial hygiene findings</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MEDICAL ASSISTANCE AND EMERGENCY HEALTH CARE</th>
</tr>
</thead>
<tbody>
<tr>
<td>It envisions the provision of health services to Eni workers and their families, consistent with the findings of needs analyses and epidemiological, operational and legislative contexts. It includes preparedness and response to health emergencies, including epidemic and pandemic response plans</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>HEALTH PROMOTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>It aims to spread the culture of health by implementing initiatives for workers and their families identified following the analysis of health indicators available for the general population</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>GLOBAL HEALTH</th>
</tr>
</thead>
<tbody>
<tr>
<td>It aims to promote the health status of populations where the company is present as a contribution to local socio-economic development through the assessment of the health impact of industrial activities on communities and the implementation of specific programmes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PROCESS DIGITALIZATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>It promotes the digitalization of health processes and services using information and the &quot;Internet of Things&quot; technologies</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NUMBER OF PROVIDED HEALTHCARE SERVICES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2018</strong></td>
</tr>
<tr>
<td>Employees</td>
</tr>
<tr>
<td>Family members</td>
</tr>
<tr>
<td>Contractors</td>
</tr>
<tr>
<td>Others</td>
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</table>

<table>
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<th>NUMBER OF REGISTRATIONS TO HEALTH PROMOTION INITIATIVES</th>
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<tr>
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<tr>
<td>Others</td>
</tr>
</tbody>
</table>

| TABLE | 384,291 health services provided | 82,700 participants in health promotion initiatives | FOCUS ON |
Commitment to health in the community

OBJECTIVES: commitment to protecting community health is expressed through specific programmes to strengthen local health systems and infrastructure, strengthen relevant local institutions and operating personnel’s medical and managerial skills, and raise the awareness of beneficiary communities.

PROJECTS: through 42 initiatives (Partnerships for Development), the focus was on basic healthcare, maternal and child health, such as the intervention to reduce maternal and neonatal mortality in Mozambique, sexually transmitted diseases such as the campaign of the prevention of malaria in the Western Region in Ghana, the prevention of non-communicable diseases, such as the project to strengthen care for cancer patients (adults and children) in Iraq, nutrition, such as the project to counteract child malnutrition in Angola, access to safe water and hygiene, such as the intervention to upgrade the infrastructure of the Nakol Hospital in Libya, medical emergencies and the relationship between health and the environment.

IMPACT ASSESSMENTS: to assess the potential impact of industrial projects on the health of affected communities, eleven Health Impact Assessment (HIA) studies were conducted in 2022, including 1 non-integrated HIA baseline study, 1 non-integrated HIA study, 2 preliminary integrated Environmental, Social and Health Impact Assessment (pre-ESHIA) studies and 7 integrated ESHIA studies.

HEALTH AND ENERGY TRANSITION

In 2022, scientific research activities, developed with the contribution of Eni researchers and in cooperation with universities and research institutes, continued in order to assess the risks, potential impacts and opportunities for the health of workers and communities related to energy transition, new technologies (for example, solar and wind), and Eni’s new production processes (for example, biofuels, biogas and agri-foodstock).

In particular, an independent scientific research committee hosted by the Fondazione Eni Enrico Mattei (FEEM) was set up in 2021 to conduct ongoing research on these issues, and support Eni in the definition of collaboration models between the public and private sector for preparation and response to emergencies and the provision of welfare services, contributing to the strengthening and resilience of healthcare and social systems.

HEALTHY PEOPLE, HEALTHY BUSINESS

Eni joined the Working Group “Healthy People, Healthy Business” of the WBCSD (World Business Council for Sustainable Development). Work during 2022 focused on how companies can contribute to global health through four key areas: employee health and well-being, strengthening the resilience of health systems, healthy consumer behaviour, and the relationship between human health and natural systems.

The health protection sector in Italy is undergoing multiple conversions: on the one hand, the demand for health services is fuelled by the demographic framework, which puts us in second place after Japan in terms of the ageing population; on the other, the level of funding for public health in our Country is low. This becomes a challenge not only for institutions directly involved in providing health services but also for all those who can contribute to maintaining healthy conditions in their target populations. This involves lifestyle interventions, preventive information actions and support for the individual’s quality of life and that of their extended family. The corporate welfare model that Eni has built up over time has progressively broadened its areas of intervention: from the individual employee and the working environment, to help the dialogue between the individual employee and the care system, facilitating access to services.

This is a non-trivial evolution from more traditional welfare models. Eni’s represents one of the responses to extend and strengthen the network of players intervening on health issues in people’s daily activities in typical life environments.

After the home, workplaces and schools are the environments supporting where community health.

It is what Eni calls the literacy process. And it is what can be a competitive advantage for Eni. Instead, what are the real opportunities for employees?

A company’s competitive advantage is its economic performance and its “standing” in the market. It is no coincidence that we often talk about “healthy” or “sick” companies. The quality of the working environment, sensitivity to disease prevention, the focus on education and lifestyles, and the relevance of social relations are all elements characterising the health culture each company can contribute to building. These guidelines are both individual and collective, highlighting the relevance of health as a “hygienic” factor in people’s quality of life and consequently also in the economic development of communities.

This is a work of literacy since it is often envisaged that the building of health takes place in places where we treat illness (from the GP’s surgery to the emergency room) and not in those where we spend our daily lives. This is because health is an “atypical asset” whose value is appreciated when lost.

In this regard, it comes natural to mention the Academy of Healthcare Management, the initiative through which SDA Bocconi supported Eni (NOC – Libyan National Oil Corporation) to promote the managerial skills of a selected group of public health-care executives from Libya. What are the qualifying points of this project?

The Academy of Healthcare Management set up with the University of Benghazi was an opportunity to identify a group of highly motivated professionals to improve the healthcare system’s organisation in a very different context from our healthcare system. There were two main challenges: identifying the right professionals and enhancing management skills to build equity in access to care and not only to manage their economic and financial sustainability. One of the topics discussed in the classroom, for example, was the role of scientific evidence as a criterion for service design and evaluation of the quality of services rendered. Updating clinical skills is crucial for clinicians, but company management can also create the conditions to support continuous learning.

Professor, in one of your articles in the OASI 2017 report, you talk about transitional care. In a scenario characterized by the energy transition and in light of your contribution to the Scientific Committee at FEEM, can we also talk about Eni as a transitional care company?

The need for transitional care solutions arises from the difficulty of “navigating” the care system and this is why teams of professionals specialise in managing the most difficult transitions: think, for example, of the typical case of the disabled elderly person with co-existing conditions who requires the alignment of several clinical, support and often social interventions. Finding a node in the service network that specialises in managing these cases is the primary mandate of the TOCs (Territorial Operations Centres). In a certain respect, Eni also supports the ‘navigability’ of the service network. When I spoke earlier about expanding of the corporate welfare model, I meant precisely this kind of support, which helps to get in touch with the right nodes in the care network and support the work of general practice.

INTERVIEW

Interview with Valeria Truzzi

Associate Professor of Practice in Government Health and Not-for-Profit Division at SDA Bocconi School of Management.

Since September 2014, she is also the Director of the WWF Master’s programme (Master in Healthcare Management) and a member of the Enrico Mattei Foundation’s Health Committee.

The Magude Health Center in the Magude District has been selected by the FEEM project to improve maternal and child nutrition that will take place in 2023.

HEALTH IN THE COMPANY: SYNERGIES AND OPPORTUNITIES

Which organisational and management logic should Eni adopt to create effective synergies with the national health service?

The health protection sector in Italy is undergoing multiple conversions: on the one hand, the demand for health services is fuelled by the demographic framework, which puts us in second place after Japan in terms of the ageing population; on the other, the level of funding for public health in our Country is low. This becomes a challenge not only for institutions directly involved in providing health services but also for all those who can contribute to maintaining healthy conditions in their target populations. This involves lifestyle interventions, preventive information actions and support for the individual’s quality of life and that of their extended family. The corporate welfare model that Eni has built up over time has progressively broadened its areas of intervention: from the individual employee and the working environment, to help the dialogue between the individual employee and the care system, facilitating access to services.

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Environment

WHY IS IT IMPORTANT TO ENI?
For Eni, environmental sustainability is a fundamental pillar that goes together with our path towards Carbon Neutrality by 2050. Particular attention is paid to the efficient use of natural resources such as water, the reduction of oil spills, the correct management of waste, the protection of biodiversity and ecosystem services as well as the promotion of an approach that aims at the development of circular processes. Our management of water, air, soil and the safeguarding of biodiversity is based on criteria of prevention, protection, intervention and participation. In spreading the culture of respect for the environment, we directly involve people of Eni, the suppliers, and local communities.

POLICY
Eni Biodiversity and Ecosystem Services policy. Eni’s commitment not to conduct exploration and development activities within the boundaries of Natural Sites included in the UNESCO World Heritage List; Eni’s Position on Water; Eni’s Position on Biomass, Eni’s Code of Ethics.

MANAGEMENT AND ORGANISATION MODELS
Integrated environment, health and safety management systems adopted in all plants and production units and certified in accordance with the ISO 14001:2015 environmental management standard. Application of the ESHIA (Environmental Social Health Impact Assessment) process to all projects. Technical meetings for analysing and sharing experiences on specific environmental and energy issues. Site-specific vulnerability measurement analysis. Working groups for defining the strategic positioning and objectives of Eni for the protection of water resources and biodiversity. Development of a single integrated methodology for environmental analysis, impact/risk assessment for the environment and organization, including type 231, applicable in Italy and abroad. Environmental Golden Rules to promote more conscious and responsible behaviour by Eni personnel, a series of Environmental Talks on topical issues were launched, and the “Together for the Environment” training was made available to all employees, focusing on various aspects including, for example, following an environmental event, the value of effective communication of risks associated with environmental aspects and roles and responsibilities in this regard. Activities also directly involved some operational sites with site-specific engagement activities. In collaboration with the University of Padua, Eni launched the Be Green research project, dedicated to assessing and analysing the role of pro-environmental behaviour in the workplace and promoting a shared environmental culture at various levels in the organisation. Pacts for Safety and Environment were signed by 19 sites, involving several suppliers in the commitment to implement tangible improvement actions that can be measured with the Safety and Environment Performance Index.

ENVIRONMENTAL CULTURE
Protection of the environment is an essential component of how Eni operates and it is based on the criteria of precautions, protection, information and participation. Particular attention is paid to the efficient use of natural resources like water, reducing oil spills, managing waste, safeguarding protected areas, for biodiversity and ecosystem services. Eni constantly invests in activities to enhance environmental culture and strengthen green-oriented management, implementing activities dedicated to Eni people and suppliers. Thanks to the analysis of the results of the Environmental Survey, which involved about 3,000 people across operational sites in Italy and abroad, the level of employees’ perception of environmental culture was measured and used to define targeted, concrete actions to promote further awareness-raising activities related to the issue. In 2022, the Golden Rules campaign was launched world-wide to promote virtuous behaviour by Eni personnel, a series of Environmental Talks on topical issues were launched, and the “Together for the Environment” training was made available to all employees, focusing on various aspects including, for example, following an environmental event, the value of effective communication of risks associated with environmental aspects and roles and responsibilities in this regard. Activities also directly involved some operational sites with site-specific engagement activities. In collaboration with the University of Padua, Eni launched the Be Green research project, dedicated to assessing and analysing the role of pro-environmental behaviour in the workplace and promoting a shared environmental culture at various levels in the organisation. Pacts for Safety and Environment were signed by 19 sites, involving several suppliers in the commitment to implement tangible improvement actions that can be measured with the Safety and Environment Performance Index.

WATER RESOURCE MANAGEMENT IN ENI:

THE FOUNDING PRINCIPLES
Eni’s strategy to safeguard the water resource, which included among other things, adhesion to the CEO Water Mandate in 2019 and a public positioning in 2021, aims at an efficient and territorially integrated management of the water needed for operating activities. High freshwater withdrawals (i.e. from aqueducts, aquifer or surface water) are minimised through: (i) process efficiency actions; (ii) the use of lower quality water (i.e. rainwater, remediated aquifer, treated wastewater or desalinated water). Together, these actions also have positive effects in reducing water consumption. Eni is also committed in the territories where it is present to supporting water access projects for resident populations. In 2022, freshwater withdrawals, equal to about 9% of total water withdrawals and attributable for over 75% to the R&M and Chemical sectors, recorded an overall increase of 2.3 Mm³ compared to the previous year (Eni for Performance). In 2022, Eni withdrew 131 Mm³ of freshwater, of which 30.3 Mm³ from water-stressed areas, while seawater and brackish water withdrawals in water-stressed areas amounted to 942 Mm³ and 8 Mm³, respectively.

WATER WITHDRAWALS BY SOURCE (%)

<table>
<thead>
<tr>
<th>Source</th>
<th>2022</th>
<th>2021</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brackish water</td>
<td>8%</td>
<td>7%</td>
<td>6%</td>
<td>5%</td>
<td>4%</td>
</tr>
</tbody>
</table>
| Freshwater - in
  water-stress areas| 7%   | 6%   | 5%   | 4%   | 3%   |
| Freshwater - not in
  water-stress areas| 96%  | 99%  | 99%  | 99%  | 99%  |
| Total           | 100% | 100% | 100% | 100% | 100% |

TOTAL WATER WITHDRAWALS (mm³)

<table>
<thead>
<tr>
<th>Year</th>
<th>Seawater</th>
<th>Brackish water</th>
<th>Freshwater - in water-stress areas</th>
<th>Freshwater - not in water-stress areas</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>1,451</td>
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<td>1,640</td>
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FOR MORE INFORMATION
Eni for 2022 - Sustainability Performance | Eni’s commitment not to conduct exploration and development activities within the boundaries of Natural Sites included in the UNESCO World Heritage List | Eni’s Position on Water | Eni’s Position on Biomass, Eni’s Code of Ethics | Eni’s Code of Ethics | Eni’s Water Security Questionnaire 2022 | Eni’s position on water | Eni biodiversity and ecosystem services policy

INTRODUCTION
CARBON NEUTRALITY
OPERATIONAL EXCELLENCE
ALIANCES FOR DEVELOPMENT
### The Preservation of Freshwater

Interventions to safeguard high-quality waters have been prioritised at sites located in water-stressed areas. The area of intervention concerned the reduction of withdrawals, implemented through the reuse of waste water, or the replacement of withdrawals of valuable water with water from lower quality sources, such as water from remediation, associated with the production of Oil & Gas or desalinated water.

### The Main Area of Intervention

#### Waste Water

Giving priority to water-stressed areas (defined by Aqueduct), interventions for the reduction of high quality withdrawals through the reuse of waste water were carried out at: (i) Livorno Refinery, on the main Italian sites exposed to water stress; (ii) Ravenna’s petrochemical plant, a system for the reuse of waste water will become operational in 2025, to reduce withdrawals by at least 0.4 Mm³ per year (around 5% of superficial freshwater withdrawals at the site), even though the production activity at the site is increasing; (iii) Petrochemical plant in Birindi; a system for the reuse of around 0.5 Mm³ per year of waste water will be operational by 2026; in addition to the already operational desalination plant, which has allowed to eliminate aquifer water withdrawals at the site; (iv) BioRefinery in Gela, where ENI manages the treatment of urban waste water (around 2.7 Mm³ in 2022) and uses part of this (0.3 Mm³ in 2022) for industrial purposes.

#### Waste from Remediation

Under the principles of circular economy and safeguarding of water resources, ENI is committed to enhancing the value of water from remediation through processes that enable it to be reused for industrial purposes, avoiding the withdrawal of valuable water. Examples of this are the initiatives of ENI Rewind – ENI’s environmental company that enhances land, water and waste from industrial or remediation activities – at the sites of Porto Torres, Priolo, Assemini, Manfredonia and Gela, where treated aquifer water is used to produce demineralised water, replacing freshwater withdrawals. Important projects and optimisations in stress areas concerning the reuse for industrial purposes of remediation water, otherwise discharged into the sea after treatment, are present at the petrochemical plant in Porto Torres (about 0.6 Mm³ per year; 40% of the site’s freshwater requirement) and the Gela biorefinery (about 0.8 Mm³ per year). In total, about 60% of the water requirement of the Gela biorefinery in 2022 was met by low-quality water (urban wastewater and remediation water). Further studies are underway to increase remediation water and wastewater reuse at the Porto Torres, Priolo and Manfredonia sites.

#### Produced Waters

The treatment and reuse of produced water, besides limiting disposal activities, also contributes to replacing valuable water resources. For example, Viggiano Blue Water, a plant for the treatment and recovery of produced water from the Val d’Agri Oil Unit in Basilicata for industrial use, which is currently undergoing authorisation, has been designed for this purpose.

#### Desalinated Water

A further lever for reducing withdrawals of high-quality freshwater is its replacement with desalinated water. In Egypt, thanks to projects to reduce freshwater withdrawals started in part from 2021 (Zohr) and others in 2022, savings of high-quality water have been recorded of 1 Mm³ per year compared to withdrawals prior to the interventions (reduction of freshwater withdrawals of about 70%). For its focus on this resource, Petrolub (joint operated ENI company) was also recognised and rewarded at the 2022 EGYPES (Egypt Energy Show), by winning the first prize in the ‘Best Environmental Project of the Year’ category for its efforts to minimise freshwater withdrawals.

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**Reducing freshwater withdrawals at the Livorno refinery**

**Background:** The Livorno Refinery is located in a water stress area in Central Italy, as highlighted by the mapping performed with the Aqueduct Water Risk Atlas.

**Objective:** To decrease the plant’s dependence on freshwater withdrawal, particularly from surface water, and to reduce the refinery’s impact on water stress in the area. ENI also promotes interventions to reuse part of the wastewater, increasing its treatment capacity and improving the resilience of the refinery in case of extreme events.

**Results:** The installation and testing of the new demineralised water production plant serving the refinery was completed in December 2022. The plant is designed with a capacity of up to 200 m³/h to meet the site’s demineralised water needs. The project involved the treatment and reuse of refinery wastewater for the benefit of a reduction in surface water withdrawals. When fully operational, a reduction in freshwater withdrawals of 0.4 Mm³ per year is envisaged, equivalent to a saving of approximately 10% of the site’s fresh surface water withdrawals.

**Produced waters management**

The disposal of produced waters for upstream activities follows a priority scale that favours their utilisation through re-injection into reservoirs to increase oil recovery, where not feasible, their re-injection into depleted reservoirs is promoted. Finally, discharges into the environment and the management of water as liquid waste are limited as much as possible. During 2022, the re-injection produced water (both for production and disposal purposes) reached 59% of the total produced. The re-injection project at the Meleiha site (Agiba, Egypt) continued in 2022, which, together with the start-up of a new plant in 2023, will allow the total re-injection of produced water for production purposes in 2024, thus significantly reducing its discharge into evaporation ponds. In Tunisia, an initiative is underway at the Burun site to increase the re-injection rate of produced water into the reservoir. In 2022, re-injection was either used for disposal or, to a greater extent, for production purposes; from 2023, there will be a move towards zero re-injection for simple disposal, further enhancing the value of produced water.

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**Water risk scenarios**

**Activities:** During 2022, an assessment was carried out in relation to potential future exposure to physical risk as a result of climate change, with a long-term time frame, including both chronic (water stress) and acute (flooding) water risk, involving approximately 600 operational assets and about 30 major supply chain assets.

**Results:** The analysis showed that the construction criteria (e.g. location of sites, distances from sources of risk) and the barriers/mitigations present or identified on the plants to date, allow the consideration that for the majority of industrial sites water risk has been managed and mitigated; for residual assets with potential long-term exposure, monitoring and possible mitigation actions are planned.

**Next steps:** The process will be updated regularly, also in view of portfolio developments and climate scenarios considered. ENI is also committed to researching ways to improve the capacity for local water risk assessment. With this in mind, ENI tested an innovative modelling solution for local water stress characterisation, useful to support risk assessment in future scenarios.
CIRCULAR ECONOMY
Eni has progressively adopted a business model that enables to apply circular principles to existing supply chains and to add value to new supply chains and sustainable products. Circular principles are incorporated into all of Eni’s processes upstream, with the maximisation of opportunities to reuse assets and recycling of materials; in procurement, with actions to raise awareness and involvement of suppliers on circular economy issues through the “Open-es” digital platform; downstream, through the production of biofuels and, in the coming years, biomethane, that will be partly obtained from the enhancement of waste, residues/waste and new technologies for waste enhancement (e.g., OFMSW, Organic Fraction of Municipal Solid Waste, is the material derived from the separate collection of organic waste). Among its businesses, Versalis is developing complementary processes and technologies for polymers recycling, both mechanical and chemical, and is committed to the use of alternative feedstocks, such as raw materials from renewable sources and secondary raw materials. Eni Rewind enhances the value of soils, water and waste with sustainable remediation and redevelopment projects, including maximising the reuse of water after treatment of contaminated aquifers to produce demineralised water for industrial use, and promotion of 0 km remediation interventions such as in Porto Torres. Furthermore, the company is involved in the construction of waste recovery plants such as in Ravena, with the soil bioremediation platform, and in Porto Marghera, with the urban sludge recovery project. Eni also continued the application to various corporate contexts of its circularity measurement model, validated by a third party, which is an essential tool for control, management, and transparency. Finally, Eni supports the growth of sustainable enterprises in the Country and the search for new business ideas, with initiatives such as the Eni Circular Bootcamp, now in its second edition, in collaboration with Confindustria and in the presence of the Consumers’ Association and the winning companies of the “Best Performer of the Circular Economy 2022” competition.

Circular Decommissioning

APPROACH: Eni aims to maximise the residual value of mature assets to seize all opportunities to reconvert plants and reuse their components. Specifically, Eni provided a structured analysis of the life of an asset.

REUSE AND RECONVERSION
Identification of opportunities for extending the life of assets with targeted actions to optimize production and capture operating costs. Screening for the selection of the best technologies aimed at the conversion of installations still suitable for energy transition projects.

EXTENSION OF ASSETS LIFE
Analysis of partial reuse options to support initiatives such as renewable energy projects, CO2 storage, natural or renovation of parts of offshore structures in favor of marine biodiversity conservation.

REUSE OF COMPONENTS
Recycling of ferrous and non-ferrous materials with the adoption of adequate contractual solutions for the sale of steel, copper, aluminium and other fundamental resources for industrial processes (also including materials deriving from WEEE – Waste Electrical and Electronic Equipment).

RECYCLING OF MATERIALS
Evaluation of equipment and components to be reused. Eni has equipped itself with an IT tool realised with the aim of having an easily accessible centralised repository to keep track and map the equipment that can be reused.

FOCUS ON
Protecting biodiversity in wind farms

Biodiversity

The management of biodiversity and ecosystem services (BES) is a key component of Eni’s environmental strategies and operating practices, also in view of the multiple environmental contexts in which Eni operates. As outlined in the BES Policy, Eni has developed a science-based, risk-based management model applied to both existing operations and new projects. This model ensures that the interrelations between environmental aspects – biodiversity, ecosystem services, climate change, water resources management – and the sustainable development of local communities are identified and managed correctly, assessing and managing both potential impacts on priority BES values and the opportunities to provide a positive contribution to conservation. This is done through the systematic application of the Mitigation Hierarchy, which prioritises preventive measures over corrective ones towards no net loss or net gain of biodiversity, depending on project-specific risks and context. The active engagement of local stakeholders, including communities and indigenous peoples, throughout the project helps to understand expectations and identify management options in line with local needs. In 2022, Eni signed a two-year partnership with the IUCN (International Union for the Conservation of Nature) – aimed at defining criteria and instruments to select the most environmentally suitable areas for the development of renewable energy plants, minimising their impacts on biodiversity, providing guidance on managing cumulative impacts, spatial planning and opportunities for nature enhancement in areas of solar and wind farm development. This project is led by IUCN and The Biodiversity Consultancy with the collaboration of Fauna & Flora and four other energy companies, including Eni. This is in addition to other collaborations with international organisations: Fauna and Flora (since 2003), Wildlife Conservation Society (since 2016) and Proteus (since 2008), a UNEP/WCMC (World Conservation Monitoring Centre) initiative for the collection and dissemination of data and information on a global level relating to biodiversity and ecosystems. In 2022, Eni updated the biodiversity risk exposure analysis of its operational sites (> Eni for Performance) and continued BES studies and activities to implement actions identified in the Biodiversity Action Plans (BAPs), at priority sites. The main activities involved ecological restoration of forests or other natural habitats, monitoring and conservation of species, and awareness-raising among communities and workers.

Raposeras is a 40.5 MW wind farm consisting of 19 wind turbines, located in Castilla-La Mancha region of Spain.

Raposeras El Monte wind farm with a capacity of 194.5 MW, located in the Castilla-La Mancha region of Spain.

FOCUS ON
Circular Decommissioning
Recycling polymers

**APPROACH:** through Versalis, Eni is very active in the development of advanced mechanical and chemical recycling technologies.

**NEW RECYCLING PLANTS:** at Porto Marghera, Versalis is building the first pole for advanced mechanical recycling of post-consumer plastics, which will see in a first phase, the development of a plant for polymers recycling and in a second phase, thanks to the acquisition, on an exclusive basis, of the licence from Forever Plast (an Italian leading company at European level in the post-consumer plastic recycling sector), to develop an additional recycling plant. Furthermore, with the Hoop® project, Versalis is involved in the construction of a first 6,000 tonnes/year chemical recycling plant in Mantua, to transform mixed plastic waste that cannot be mechanically recycled, into a raw material to produce new virgin polymers.

**PACKAGING:** Versalis has set up two circular packaging projects to recover and recycle industrial polyethylene packaging and putting them back into the system. Versalis offers also polymers with recycled content, obtained from post-consumer recovered of which 80% from sabotage, operational and from seismic events that may affect or on pipelines to intervene promptly to reduce or resolve them. In particular, in 2022, the e-vpms® system technology upgrade programme was completed on some trunklines, while on others the installation of new system sensors was completed, and an operational plan for new e-vpms® installations on the crude oil production and transportation network was defined.

**ACTIVITY:** Eni has also implemented other initiatives to prevent and manage pipe leaks, such as: (i) increased surveillance in areas particularly prone to sabotage, (ii) e-vpms® technology, already installed and operational on the Kwale-Akri (17 km) and Oghambari-Tebibada (32 km) pipelines, underwent a technological upgrade in 2022 through the installation of additional sensors to remove background noise. The activity was successfully performed and calibrated on both lines. The system is being implemented on other lines with increased technical maintenance activities aimed at shutting-off malfunctions or damage. Eni also promotes activities to raise awareness of risks associated with potential pollution from oil spills with the local community.

**RESULTS:** as a result of these implementations, the number of operational oil spills and related spilled volumes in 2022 decreased by 75% and over 40% respectively compared to 2021.

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1. e-vpms® is a technology for detecting vibro-acoustic variations in the structure of pipelines and in the fluid transported by the same, aimed at identifying potential spills in progress.
2. Leak Detection is a system for detecting leaks in operating conditions both during transport and at fluid standby conditions.
3. Development of sensitivity maps using satellite imagery from the European Space Agency (ESA).
4. Spill data (>1 barrel) both in terms of numbers and volumes spilled are subject to updates over the years due to possible completion of investigations after publication of this document.
WHY IS IT IMPORTANT TO ENI?
The promotion and protection of Human Rights are imprinted in Eni’s history, a DNA inherited from the farsighted vision of Enrico Mattei, who wanted to combine industrial and operational strategies with a distinctive and fundamental element: respect for peoples and integration with the communities directly involved in Eni’s activities. This translates, today even more so, into respect for human rights in our daily actions, into the commitment to ensure this respect becomes a rule for our partners, contractors, providers and all the players we deal with, as well as into the ability to share, to dialogue, to pool projects, skills and ideas that must be placed in defence of our principles and all rights.

ENI’S APPROACH TO HUMAN RIGHTS
Eni’s approach to human rights, which is embedded in the Mission, is outlined in >Eni’s Statement on Respect for Human Rights, approved by the BoD in December 2018. It highlights priority areas for engagement, following an approach developed in coherence with the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises. Furthermore, this commitment is reiterated in the Code of Ethics and supported by the commitments set out by the Supplier Code of Conduct, also adopted in 2020. The dignity of every human being is at the heart of Eni’s activities, which is why it is committed to defining its responsibilities in contributing to the well-being of people and local communities. The path undertaken in recent years in disseminating and consolidating a culture of respect for human rights has strengthened human rights due diligence procedures, a process outlined in a specific internal regulatory document adopted in 2020. This process is based on an approach of shared responsibility by several functions for managing the most important processes in human rights risk management: human resources, procurement, security, sustainability, and compliance.

THE ROLE OF COMPANIES IN AN EVOLVING CONTEXT OF BUSINESS AND HUMAN RIGHTS
After more than 10 years from the adoption of the UN Guiding Principles, where the companies stand in their implementation?
On 10th December 2023 we commemorate the 75th anniversary of the Universal Declaration of Human Rights, first signed at the Palais de Chaillot in Paris in 1948. It was not until 2011 and the adoption of the UN Guiding Principles on Business and Human Rights that the world agreed the nature of business direct responsibility for human rights. Over the past decade we have seen uneven progress on implementation. The results from the Corporate Human Rights Benchmark, published annually since 2017, have shown that about one-third of the world’s largest companies have taken some steps forward but there is much more to be done.

What are the expected impacts of the upcoming regulation (in EU and in single Countries)?
Regulation is an important next step in the implementation of the UN Guiding Principles and many European Governments now have national laws that mandate the ‘know and show’ requirements of human rights due diligence as well as the provision of adequate remedies. The European Union is also bringing forward different human rights and sustainability requirements for large companies which will increase investor and civil society scrutiny of how companies behave. Sanctions and tariffs are also increasingly linked to human rights criteria, and so we can expect to hear a lot more from these issues. The transition to a low carbon economy will require difficult decisions to be made and the transition must be ‘just’ for all those affected – workers, communities, indigenous groups and consumers.

What are the main emerging issues to be faced in the next few years?
The years ahead will see more questions from consumers about the products they buy, investors in terms of the companies they invest in and elected officials on behalf of voters. Energy security will remain a key issue, but so too climate change, biodiversity and a clean environment. Business will be required to be more transparent on all these issues. The transition to a low carbon economy will require difficult decisions to be made and the transition must be ‘just’ for all those affected – workers, communities, indigenous groups and consumers.

ENI FOR 2022 - Sustainability Performance
HUMAN RIGHTS MANAGEMENT MODEL

Specific analysis conducted on 100% of the projects considered to be at greatest risk

100% of new projects HR-risk assessed: subject to specific analysis; extension to other business units; dissemination and training of new due diligence models.

Extension of the model to the business areas; periodic review of the general management system

Model in place in all Eni business units

HUMAN RIGHTS MANAGEMENT MODEL

2022 PROGRESS
No. Eni for 2023 commitments

SHORT-TERM COMMITMENTS (2023)

MEDIUM-TERM COMMITMENTS (2024-2026)

LONG-TERM COMMITMENTS (2030 AND BEYOND)

COMMITMENT TO HUMAN RIGHTS

Human rights are embedded in governance policies and processes. Eni has structured appropriate governance controls and provides continuous training.

DUE DILIGENCE

Eni has adopted a management system which includes a set of processes and instruments to assess issues, risks and the most relevant impacts related to respect for human rights.

ACCESS TO REMEDY

Eni ensures adequate management of complaints through the “Grievance Mechanism” and the whistleblowing process.

INTERVIEW

Interview with John Morrison
John Morrison has been Chief Executive Officer of the Institute for Human Rights and Business since its formation in 2009. He advises a number of governments, intergovernmental organisations and businesses on human rights and wider issues of sustainability, development, and international affairs.
HUMAN RIGHTS GOVERNANCE AND MANAGEMENT SYSTEM
Human rights are among the subjects on which the Sustainability and Scenarios Committee (SSC), composed of mostly independent directors, provides guidance and functional and regulatory functions via its bodies. The SSC informs the BoD of the most important issues discussed during the meetings. In 2022, the SSC was informed about the implementation of the human rights due diligence model based on priority areas of intervention defined by Eni’s salient human rights issues, and on the issue of the Strategy and Human Trafficking Statement approved by the BoD in April. Furthermore, Eni has adopted a specific procedure that defines the internal framework for the human rights management model, with the aim of defining roles and responsibilities. This procedure outlines the related due diligence process required by the UNGPs and defines the main guidelines for preventing human rights violations for all corporate functions. Also in 2022, specific targets were assigned to all Managers reporting to the CEO, as well as to the other management levels, from which performance-related incentives on human rights are derived. These objectives were also assigned to the management of the subsidiaries. In all cases, the achievement of the assigned objectives was verified during the year.

DUE DILIGENCE ON HUMAN RIGHTS
Human rights due diligence is an ongoing process focused on the full spectrum of implications that Eni’s activities could have on human rights, going beyond the list defined by the “salient human rights issues”. The due diligence model is multi-disciplinary, multi-level and integrated into corporate processes, with a risk-based approach aimed at identifying, preventing, mitigating and reporting on adverse human rights impacts.

DUE DILIGENCE ON INDUSTRIAL PROJECTS
- Integration of due diligence into the business cycle
- Identification of risks
- Human Rights Impact Assessment (HRIA)
- Human Rights Risk Analysis (HRRA)
- Management of indigenous peoples

SPECIFIC DUE DILIGENCE BY DEPARTMENT
- Identification and management of specific risk on salient issues
- Specific prevention and mitigation actions
- Involvement of stakeholders
- Periodic reporting on findings and results

HUMAN RIGHTS IN THE WORKPLACE
- Discrimination and equal treatment
- Safe and healthy working conditions
- Freedom of association and collective bargaining

HUMAN RIGHTS IN THE SUPPLY CHAIN
- Modern slavery
- Migrant workers
- Freedom of association and collective bargaining
- Safe and healthy working conditions
- Working conditions (wages and working hours)

HUMAN RIGHTS AND SECURITY
- Excessive use of force by public and private security forces
- Employees safely in high-risk environments

HUMAN RIGHTS IN COMMUNITIES
- Land rights
- Environmental impacts that affect livelihood, health or availability of water
- Decommissioning

ACCESS TO REMEDIATION MEASURES
Eni is actively committed to providing or cooperating to provide remedies for adverse human rights impacts that it may have caused or contributed to, and to making every effort to promote achievement of the same objectives in cases where the impact is directly related to its operations, products or services. Eni identifies two channels for reporting possible violations: the whistleblowing reports and the grievance mechanism. Eni prohibits, and is committed to preventing, retaliation against workers and other stakeholders for raising human rights concerns, and does not tolerate or contribute to threats, intimidation, retaliation or attacks. Furthermore, Eni does not in any way prevent access to judicial or extrajudicial state mechanisms and cooperates in good faith with such mechanisms.

SALIENT HUMAN RIGHTS ISSUES
Eni’s commitment, the management model and the activities carried out on human rights focus on the issues considered most significant for the company in the light of the business activities carried out and the contexts in which it operates. This set of themes, salient human rights issues, was identified by a crossfunctional group on human rights and business in 2017, with support from the Danish Institute for Human Rights, as part of a broader work study to analyse Eni’s approach to human rights. The 13 salient human rights issues identified by Eni are grouped into four categories. Since 2018, Eni has adopted a risk-based model which uses context elements (risks specific to the Countries in which Eni operates) and project characteristics to classify upstream projects according to potential human rights risk and identify appropriate management measures through specific analyses. The model was then extended to other business areas, without changing the list of salient issues.

2,622 people trained in 2022 for the three-year programme

100% managers, reporting directly to the CEO, to whom a human rights-related MOS was assigned

HUMAN RIGHTS TRAINING
Eni’s training on business and human rights is organised in a diversified strategy along four lines: (i) general courses on business and human rights for all Eni personnel; (ii) specific courses on topics and areas particularly exposed to negative impacts risks; (iii) training initiatives on topics closely related to human rights (e.g. Code of Ethics, HSE, etc.); (iv) practical workshops for suppliers on safety and human rights. The mandatory three-year training for senior managers and middle managers (Italy and abroad) on the four specific modules was completed in 2022. “Security and Human Rights”, “Human Rights and relations with Communities”, “Human Rights in the Workplace” and “Human rights in the Supply Chain”. Furthermore, the delivery of the other courses offered on sustainability and human rights issues to the entire Eni population continued. The overall course access rate stood at 89% of those enrolled.
Interview with Diana Jungera Cariel

ENGAGING WORKERS IN A JUST TRANSITION

What do you think are the main challenges to be faced and the opportunities that could be seized in a de-carbonisation (or energy transition) pathway?

The biggest challenges we face in this transition are misalignments in time and space, as well as uncertainty. For this transition to be Just for everyone, it is necessary to plan sufficiently in advance and look for future outcomes and projects that bring us a promising future. Lack of information and transparency breed mistrust and make the process much more difficult. There are many opportunities appearing, new careers and jobs that must be inclusive and of course decent, green, and union jobs.

What kind of programmes should characterize such pathway and how the transition process could be defined just?

The ILO Guidelines give us the definition: a Just Transition secures the future and livelihoods of workers and their communities in the transition to a low carbon economy. It is based on social dialogue between workers and their unions, employers, and Government, and consultation with communities and civil society. A plan for Just Transition provides and guarantees better and decent jobs, social protection, more training opportunities, and greater job security for all affected by global warming and climate change policies.

How companies and unions could collaborate on such programmes, especially in the energy sector and what role can the signing of a company-union agreement play?

Social dialogue is the key. It means that trade unions are involved in the development of the transition. Agreements such as the Global Framework Agreement that Eni has with IndustriALL Global Union guarantee that Eni’s workers, in any of its operations around the world, are part of this social dialogue. Both parties, company and unions, have in their hands to guarantee that this is fulfilled.

How workers could be effectively engaged in outlining transition programmes?

Inviting them from the beginning to be part of the conversations and decisions that are made about the transition and transformation plans in the company. It is necessary to create Just Transition tables where together they create Just Transition tables where together they create the conversations and decisions that are made about the transition and transformation plans in the company. It is necessary to create Just Transition tables where together they create thoughtful transition programmes that bring a promising future for the industry, the impacted areas and the people.

Eni and the Voluntary Principles on Security & Human Rights

BACKGROUND: on 8th December 2022, after having already achieved the “Engaged Corporate Participant” status in 2020, Eni became “Full Member” of the Voluntary Principles Initiative, the multistakeholder initiative that brings together the main energy companies in the protection and promotion of Human Rights, in recognition of its commitment to the promotion and the raising of awareness of Human Rights.

ACTIVITIES: among the most significant activities in 2022 is the application in Nigeria of the Conflict Analysis Tool, a project proposed and prepared by the VPI with the objective of analysing the causes of conflict in a given area/Country starting from the identification of those causes that most contribute to exacerbating the conflict, and then trying to identify possible actions to mitigate the causes. The application of the tool involved conducting more than 30 interviews at local level in which the causes of the conflict in Nigeria and contributed to the development of an Action Plan that contains relevant mitigation actions involving several operational sites in the Country.
# Transparency, Anti-Corruption and Tax Strategy

## Why is it important to Eni?

Ethics - as the value basis of internal compliance regulations - and compliance with anti-corruption laws also play a key role in supporting the energy transition. To this end, and in line with the principle of "zero tolerance", expressed in the Code of Ethics, Eni prohibits and contrasts all forms of corruption and requires its People to carry out their daily activities with integrity and transparency, also through the application of the Anti-Corruption Compliance Programme and its articulated system of rules and controls. We confirm our commitment to spreading a culture of anti-corruption compliance and to continuously updating our Compliance Programme to intercept and manage new corruption risks in Eni’s evolution towards decarbonization.

**2022 Progress**

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<thead>
<tr>
<th>2022 Progress Item</th>
<th>Short-term commitments (2023)</th>
<th>Medium-term commitments (2024-2026)</th>
<th>Long-term commitments (2023 and beyond)</th>
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</thead>
<tbody>
<tr>
<td>Delivery of the new “Code of Ethics, Anti-Corruption and Corporate Liability Systems” course for medium and high risk personnel</td>
<td>Delivery of the new “Anti-Corruption Compliance Programme” course for medium and high risk personnel</td>
<td>Training for all employees with the new course: “The Code of Ethics, Anti-Corruption and Corporate Administrative Responsibility” course. Training of all medium and high risk employees on the “Anti-Corruption Compliance Programme” course</td>
<td></td>
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<tr>
<td><strong>Anti-Corruption Compliance Programme</strong></td>
<td><strong>Anti-Corruption Training</strong></td>
<td><strong>Polices and Other Regulatory Instruments</strong></td>
<td><strong>Management and Organisation Models</strong></td>
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<tr>
<td>Successful outcome of the certification audit for ISO 37001:2016 “Anti-bribery management systems” certification</td>
<td>Updating and continuous improvement of Compliance anti-corruption Program</td>
<td>Policies and other regulatory instruments</td>
<td>Management and organisation models</td>
</tr>
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</table>

## Anti-Corruption Safeguards against Third Parties at Risk

As a responsible company, Eni uses regulatory tools to prevent corruption. The third parties at risk of being corrupted are subjected to Anti-Corruption Due Diligence, which consists of a structured collection of information aimed at verifying certain aspects of particular importance, such as the organisation’s reputation and experience. The anti-corruption efforts, contributing to the improvement of compliance practices in this area, the O&G ABC Compliance Attorney Group (a discussion group on anti-corruption issues in the Oil & Gas sector) and the Task Force on Integrity and Compliance of B20 Italy and B20 Indonesia.

## The Anti-Corruption Programme

In line with the zero tolerance principle in the Code of Ethics, Eni has an Anti-Corruption Compliance Programme, a system of rules, controls and organisational monitoring to prevent corrupt practices, which is also useful to prevent money laundering in the context of non-financial activities. The Anti-Corruption Compliance Programme, defined in accordance with applicable anti-corruption provisions and international conventions (including the United Nations Convention against Corruption, the Foreign Corrupt Practices Act and the UK Bribery Act), has evolved over the years with a view to continuous improvement, so much so that in January 2017 Eni SpA was the first Italian company to receive the ISO 37001:2016 “Anti-bribery management systems” certification, maintained over the years with surveillance and recertification audits, which have always concluded with a positive outcome. At the internal regulatory level, the Anti-Corruption Compliance Programme is represented by the Anti-Corruption MSG and by further detailed regulatory instruments which constitute the reference framework for identifying activities at risk of corruption and money laundering and the control instruments that Eni makes available to its personnel to prevent and combat the risk. These regulatory instruments are adopted by all subsidiaries in Italy and abroad. The companies and entities in which Eni holds a non-controlling interest are in any case encouraged to comply with Eni’s anti-corruption standards by adopting and maintaining an internal control system consistent with the requirements of relevant laws. The implementation of the Anti-Corruption Compliance Programme is ensured by a dedicated organisational structure which has, among its tasks, also the task of ensuring the information flows to the top management, management and supervisory bodies, through the preparation of an annual report and a half-yearly update concerning the relevant activities within the scope of the programme, and which are an integral part of the Integrated Compliance Report and follow its flows. Eni’s experience in anti-corruption matters also grows through participation in international events and working groups, including the Partnering Against Corruption Initiative (the global platform which allows enterprises to maximise their anti-corruption efforts, contributing to the improvement of compliance practices in this area), the O&G ABC Compliance Attorney Group (a discussion group on anti-corruption issues in the Oil & Gas sector) and the Task Force on Integrity and Compliance of B20 Italy and B20 Indonesia.

The Compliance Programme Anti-Corruption Eni SpA has been ISO 37001:2016 “Anti-bribery management systems” certified since 2017.
ENI FOR 2022
A JUST TRANSITION

WHISTLEBLOWING MANAGEMENT

Since 2006 Eni has set in place internal regulations, updated over time, and most recently in 2020, aligned with national and international best practices as well as with the relevant Italian law (Italian Law 179/2017), to manage the process of receiving, analysing and processing whistleblowing reports received, even in a confidential or anonymous form, by Eni SPA and its subsidiaries in Italy and abroad (about 28,000 employees trained). Approximately 93% of the Eni workforce attended at least one anti-corruption course during the year.

In addition to employee training, in 2022 anti-corruption training was also provided to the Managing Directors of Eni’s subsidiaries and investees, and to third parties (some high-risk suppliers, and employees of a Joint Venture).

In 2022 anti-corruption training was delivered via e-learning through the “Joint Ventures”, “Third Parties” and “Sale of Goods and Services” as a whole, the risk assessment concerned the Anti-Corruption area, ensuring compliance to the Anti-Corruption and Corporate Administrative Liability course, aimed at the entire Eni workforce, in Italy and abroad (about 28,000 employees trained). This internal procedure allows employees and third parties, to report facts relating to the Internal Control and Risk Management System and concerning behaviors in violation of the Code of Ethics, 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. In this regard, dedicated and easily accessible reporting channels have been set up, available on the eni.com. In 2022, investigations were completed on 77 files and in 26 cases, the checks reported by Internal Audit to the Board of Statutory Auditors confirmed at least in part the content of the reports and appropriate corrective actions were taken, mainly consisting of:

(i) training actions towards employees and disciplinary measures, in accordance with the collective labour agreement and other applicable national regulations;
(ii) actions on the Internal Control and Risk Management System, relating to the implementation and strengthening of existing controls;
(iii) actions towards suppliers. A report is prepared on a quarterly basis, and sent to, among others, the Chairman of the Board of Directors and the Chief Executive Officer of Eni.

TAX STRATEGY AND TRANSPARENCY

Eni’s tax strategy, approved by the BoD, is based on the principles of transparency, honesty, fairness and good faith set forth in its Code of Ethics and in the “OECD Guidelines for Multinational Enterprises” and has as its primary objective the timely and correct payment of taxes in the various Countries in which it operates, aware of its significant contribution to the tax revenues of the states, supporting local economic and social development.

THE STEPS OF THE TAX CONTROL FRAMEWORK

1. TAX RISK ASSESSMENT (RISK ASSESSMENT)
2. IDENTIFICATION AND ESTABLISHMENT OF CONTROLS TO GUARD AGAINST RISKS
3. VERIFICATION OF EFFECTIVENESS OF CONTROLS AND RELATED INFORMATION FLOWS (REPORTING)

CO-OPERATIVE COMPLIANCE

As part of its tax risk management and litigation activities, Eni adopts prior communication with the tax Authorities and maintains relations based on transparency, dialogue and cooperation, participating, where appropriate, in enhanced cooperation projects (Co-operative Compliance).

EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (EITI)

True to the commitment to better governance and greater transparency in the extraction sector, which is crucial to foster responsible use of resources and prevent corruption, Eni has adhered to the Extractive Industries Transparency Initiative (EITI) since 2006. In this context, Eni actively participates both at local level, through the Multi-Stakeholder Groups in the member Countries, and in the Board’s initiatives at international level. Also in line with its support for the EITI, Eni has taken a public stance on contrast transparency through which it encourages Governments to comply with the new standard on contract publication, and has expressed its support for the mechanisms and initiatives that will be launched by Countries to promote transparency in this area.

COUNTRY-BY-COUNTRY REPORT

In accordance with Italian Law No. 208/2015, although not a regulatory requirement, Eni voluntarily publishes the “Country-by-Country Report” required by Action 13 of the Base erosion and profit shifting (BEPS) project, promoted by the OECD with the sponsorship of the G20, whose objective is to have the profits of multinational companies declared in the jurisdictions where the economic activities that generate them are carried out, in proportion to the generated value. The publication of this report has been recognised as best practice by the EITI.

EUROPEAN DIRECTIVE 2013/34 EU (ACCOUNTING DIRECTIVE)

Anticipating by two years the reporting requirements on transparency of payments to States in the exercise of extraction activities introduced by the EU Directive 2013/34 EU (Accounting Directive), in 2015 Eni began to provide disclosure on a voluntary basis regarding a series of summary data on financial flows paid to States where it conducts hydrocarbon exploration and production activities.

COUNTRIES WHERE ENI ORGANIZED ANTI-CORRUPTION TRAINING (number of participants)

<table>
<thead>
<tr>
<th>Country</th>
<th>General Workshop</th>
<th>Job Specific Training</th>
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<tr>
<td>Angolo</td>
<td>43</td>
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<td>Argentina</td>
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<td>Vietnam</td>
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Exploration and production activities introduced by the EU Directive 2013/34 EU (Accounting Directive), in 2015 Eni begun to provide disclosure on a voluntary basis regarding a series of summary data on financial flows paid to States where it conducts hydrocarbon exploration and production activities.

Job Specific Training General Workshop

ENI FOR 2022 A JUST TRANSITION

COMPLIANCE RISK ASSESSMENT AND MONITORING

Eni adopts a structured Compliance Risk Assessment and Monitoring process aimed at identifying, assessing and tracking corruption risks within the scope of its business activities, and periodically analysing the performance of the identified risks, by running specific controls and monitoring of precise risk indicators. The process is designed to ensure compliance to regulatory requirements and the effectiveness of models, regulatory instruments and control measures, guiding their update. During 2022, the work carried out concerned the Anti-Corruption area as a whole, the risk assessment of “Sale of Goods and Services” risk activities, and the monitoring of Joint Ventures, Third Parties and Gifts and Hospitality activities.

In the light of the results, the level of risk and the scope of corruption, the adequacy and effectiveness of the mitigation and compliance measures put in place and subsequently applied to the activities carried out, were confirmed. Specific obligations were also identified concerning the risk activities examined.

ANTI-CORRUPTION TRAINING

Eni implements an anti-corruption training program for employees delivered through e-learning and classroom events organised into general workshops (aimed at employees at medium/high corruption risk) and job specific training, training sessions generally delivered with the general workshops and intended for professional areas under specific risk of corruption. To optimise the identification of the recipients of the various training initiatives, a “risk-based” methodology has been defined for the systematic segmentation of Eni people based on specific risk factors such as Country, qualification and professional area. During 2022, anti-corruption training was delivered via e-learning through the new “Code of Ethics, Anti-Corruption and Corporate Administrative Liability” course, aimed at the entire Eni workforce, in Italy and abroad (about 28,000 employees trained). Approximately 93% of the Eni workforce attended at least one anti-corruption course during the year.

In addition to employee training, in 2022 anti-corruption training was also provided to the Managing Directors of Eni’s subsidiaries and investees, and to third parties (some high-risk suppliers, and employees of a Joint Venture).

Participants in Job Specific Training: 523 participants

Participants in General Workshops: 1,346 participants
Customers and Suppliers

WHY IS IT IMPORTANT TO ENI?
We strongly believe in customer centricity and will continue with our policy of caring for them as we always have, supporting them with the transparency of our offers and innovative energy solutions. At Plenitude, we have a portfolio of 10 million customers in six different European Countries, with the goal of reaching more than 11 million by 2026, for whom we seek to promote responsible consumption patterns through affordable technology solutions. We continue to view diversity and inclusion as core values, as well as fairness and transparency as the foundation of our relationships with customers and stakeholders.

POLICIES AND OTHER REGULATORY INSTRUMENTS
Supplier Code of Conduct; Eni's position on Conflict Minerals; Eni's Statement on Respect for Human Rights; Eni's Code of Ethics.

MANAGEMENT AND ORGANISATION MODELS
Sustainable supply chain program: initiatives aimed at involving companies in the process of measuring, and improving their ESG profile. Sustainable Procurement Process: verification of the supplier’s ESG characteristics rewarding mechanisms and action plans aimed at promoting a sustainable development path. Vendor Development: definition of tools to support the growth and transformation of Eni suppliers along the directives “Energy Transition and Sustainability”, “Financial Economics Solidity” and “Digital Technological Excellence”.

SUPPLIERS
52% of Eni’s strategic suppliers assessed for sustainable development
100% of Eni’s strategic suppliers will be assessed according to their path of sustainable development
50% of foreign local suppliers on Open-es platform
3,600 headquarter suppliers

INSTRUMENTS
2022 PROGRESS vs. Eni for 2021 commitments

CUSTOMERS
10 million customers reached in Europe in the retail market
Customer base: >10 million people
Customer base: >1 million people by 2026
Customer base: >11 million people by 2026
Customer base: >15 million people by 2030

SUPPLIERS
75% of Italian awarded contracts through procurement proceedings with ESG assessment
By 2025 100% of Eni’s strategic suppliers will be assessed according to their path of sustainable development
By 2024 50% of foreign awarded contracts through procurement proceedings with ESG assessment

SUPPLIER TRAINING
100% of the procurement professional area trained on Human Rights
100% of new suppliers assessed according to social criteria

FOR MORE INFORMATION
Eni for 2022 - Sustainability Performance
Eni for 2021 - Human Rights
Eni’s position on Conflict Minerals
Slavery and human trafficking statement

In 2022, 12.5 TWh of certified electricity with European guarantees of origin were sold in Europe.

Customer and consumer protection

OBJECTIVE: Plenitude is committed to providing customers with a service that is strongly based on transparency and fairness, while also providing the right information and instruments to identify and protect themselves from any improper behaviour.

ACTIVITIES: also in 2022, the anti-fraud hotline service, active from 2020, was made available to customers to help consumers identify possible misbehaviour in the market. The service received 16,434 reports in 2022, of which more than 90% related to numbers not registered with the RDC (Single Call Centre Operator Register) and therefore in violation of the law and potentially fraudulent. In addition to dealing directly with customers, Plenitude maintains an ongoing direct contact with consumer associations, which are guaranteed the possibility of reporting service failures and product malfunctions reported by customers, through various protection mechanisms and on which the company is committed to implementing corrective and improving measures. These include, for example, Protocol for unwanted activations, i.e. an agreement signed with the associations members of the National Council of Consumers and Users, aimed at reinforcing consumer protection measures in the area of unsolicited electricity and gas activations and, more generally, in relation to conduct attributable to unfair commercial practices in the contract acquisition process.
**SUSTAINABLE MOBILITY**

In the evolution of the sustainable mobility model that accompanies the energy transition, Eni Stations find their strength in their widespread distribution throughout the territory, their brand and their customers. Traditional service stations evolve into true mobility hubs, offering services related to people and mobility. In addition to refuelling their cars with innovative fuels, customers can access other on-the-go services, also developed through partnerships. Eni’s role in sustainable mobility aims to be broad and to offer constantly evolving products and services, in which technology and digitalization play a key role. The physical experience is, in fact, complemented by the digital experience through the apps. Enjoy and Eni Live, which make refuelling, but not only that, increasingly automated and efficient. Concrete examples of this evolution, which will also see development outside the network, are: (i) Eni-Café, which already has about 1,200 retail outlets in Europe; (ii) Emporium, the convenience store format that completes the Eni-Café offer, driven by Italian quality and already present in about 100 points; (iii) a network of Telepass points, to request, collect or replace the Telepass device; (iv) a series of other services available at Eni Live stations and specifically designed to meet customer needs (Amazon Locker for online shopping delivery, partnership with the Poste Italiane to pay postal and PagPa bills or withdraw cash). The transformation of Eni Stations into Eni Mobility Points is the tangible result of Eni’s innovative approach to sustainable mobility, which enhances assets and develops their role to guarantee services based on the different needs of mobile customers.

**FUTURE DEVELOPMENTS FOR SUSTAINABLE MOBILITY**

**ALTERNATIVE ENERGY CARRIERS**

The offer will be expanded from compressed and liquefied biomethane, to biofuels, electricity (with fast and ultrafast recharging) and hydrogen; in particular, in starting up the hydrogen plant in Mestre, Eni was the first company to launch a network for the distribution of H2, which will have 150 retail outlets when fully operational.

**ENI PARKING**

It will make 60 car parks available in the active Live Stations and the redeveloped and upgraded Eni sites, for more than 5,000 Eni stations numbers more than 5,000 Eni stations.

**SUSTAINABLE DEVELOPMENT OF SUPPLY CHAINS**

Eni aims to foster a fair and inclusive energy transition by involving suppliers in environmental, social and economic innovation and development initiatives. Companies collaborating with Eni share the principles and values of the Code of Conduct, which guide and characterise all phases of the Procurement process, meeting economic-financial, technical-organisational, reputational, health, safety and environmental requirements, and committing to implement improvement actions to remedy any gaps. Sustainable elements are an integral part of all phases of the procurement process, from selection and qualification to tendering and contract management. To promote the sustainable development of supply chains, in 2022 Eni further strengthened its Sustainable Supply Chain program with initiatives aimed at involving suppliers and companies in the path to just and sustainable energy transition, enhancing the aspects of environmental protection, economic development and social growth. In 2022, Eni continued to enhance local content, through meetings with Regional Business Associations and sector events.

**SUSTAINABLE PROCUREMENT PROCESS**

1. **ENGAGEMENT AND COMMUNICATION**

Sharing of objectives, support tools and best practices. Initiatives of engagement aimed at promoting aspects of environmental protection, economic development and social growth.

2. **QUALIFICATION**

Verification of ethical reputational, economic-financial, technical-operational reliability, and the application of health, security, environment, governance, cyber security, and human rights protection controls, to minimise the risks along the supply-chain through the evaluation of available information, performance indicators and on-field audits.

3. **TENDER AND AWARD**

Competitive selection process based on objective and transparent evaluation criteria that include elements of sustainability which are relevant to the contractual object.

4. **HANDBOVER**

Transmission to the contract holder of all the useful information for tracking supplier performance (operational, environmental, social, etc.).

**SUSTAINABILITY CRITERIA AND REWARDING MECHANISMS**

- Involvement of companies in the path of sustainable development: by spreading the Eni-powered platform, Open-es. The Eni Procurement process, the participation in the initiative is an essential requirement for assessing and enhancing the commitment of each supplier in the path of sustainable development aiming to involve the entire supply chain.

- Training: involvement of companies in the “Open-es ESG Competencies” initiative, a series of free events to improve their employees’ knowledge of ESG topics and to discuss specific aspects (Carbon Neutrality, Social and Governance Sustainability, Diversity & Inclusion, Vendor Management Responsibilities, Human Rights), in addition to the initiatives open to enterprises, Eni organised for its suppliers industry workshops on ESG issues and webinars on digital and cyber security.

- Financial support: through the “Basket Bond - Sustainable Energy” program, developed in collaboration with financial partners and designed to support the sustainable development of energy industry companies.

- Sustainability criteria and rewarding mechanisms: to enhance commitment and encourage the adoption of best practices by suppliers, sustainability criteria and rewarding mechanisms were applied in the procurement process, in the evaluation of bids for approximately €4.5 billion of awarded contracts.
EVALUATION AND MONITORING OF RESPECT FOR HUMAN RIGHTS

In order to set off and reinforce their commitment to fundamental values and, in particular, respect for human rights, companies working with Eni are called upon to sign the "Supplier Code of Conduct", an agreement that guides and characterises relations with suppliers at all stages of the procurement process on the principles of social rights, including human rights. The assessment and monitoring of respect for human rights is applied in procurement processes through a risk-based model that allows the analysis and classification of suppliers according to a level of potential risk-based on their country and activities performed. To strengthen monitoring on this topic and in particular on the risks related to forced/compulsory labour and the right to freedom of association and collective bargaining, in 2022 the application of the risk-based model was extended to further 13 foreign subsidiaries, for a total of 24, and allowed the identification of Nigeria, Congo and Mozambique as countries with the highest number of suppliers at risk. In addition to the activities carried out on all suppliers in relation to due diligence, tender evaluation, performance feedback and updates with dedicated questionnaires, the risk-based model provides for the reinforcement of contractual clauses on the respect of human rights and the fulfilment of audits on suppliers to monitor their protection of human rights, in line with the SA8000 international standards. Remote training programmes and workshops of the Vendor Management units of the foreign subsidiaries were also organised to promote awareness of human rights issues. Further measures to contrast modern forms of slavery and human trafficking and to prevent the exploitation of minerals associated with human rights violations in the supply chain are further explained in the "Slavery and Human Trafficking Statement" and the "Eni’s position on Conflict Minerals" respectively. The latter describes the policies and Eni’s systems for the procurement of "conflict minerals" (tantalum, tin, tungsten and gold), with the aim of minimising the risk that the procurement of these minerals may contribute to financing, directly or indirectly, human rights violations in the countries concerned.

INVOLVEMENT OF COMPANIES IN THE PATH OF SUSTAINABLE DEVELOPMENT

To foster a widespread awareness of sustainability along the entire value chain and offer concrete solutions and opportunities to companies, Eni has put in place several tools aimed at supporting suppliers and more generally the entire business system in the path of sustainable development: these include the Open-es platform, various training events and discussions on ESG topics and financial instruments to support the sustainable growth of supply chains.

Open-es, the open alliance for the sustainable growth of companies

OBJECTIVE: In order to involve and support all companies in the path of measurement and growth in terms of sustainability, Eni launched the Open-es system initiative in 2021. The platform now already counts on more than 10,000 companies, a true community that is contributing to the path of sustainable development of an open and collaborative ecosystem through discussion, collaboration and the identification of priority actions.

ACTIVITY: this initiative is an important step towards the creation of a strong synergy in the business system, an opportunity to see all industrial and financial entities, Italian and foreign, working together to involve and support their respective suppliers and customers, in a common path for the improvement and enhancement of sustainability in the productive ecosystem. Furthermore, by focusing on growth plans for companies and creating synergies and opportunities for the entire business system, Open-es allows all these benefits to be distributed and shared along the entire value chain. The creation of this ecosystem, without technological or knowledge barriers, allows the efforts and investments of all players to be focused on sustainable development initiatives and the improvement of the ESG performance of the industrial and financial system.
The Alliances for sustainable development, in line with Eni’s decarbonisation strategy and the 2030 Agenda, contribute to the creation of value for all stakeholders and support Eni’s action for a Just Transition, focused on people and which requires technological, cultural, social and economic change. According to the so-called "Dual Flag" approach, the action of Eni is based on a profound respect for the single individual, on knowledge of local issues and on the willingness to work alongside Countries to promote sustainable development also through partnerships with nationally and internationally recognized players. Eni implements initiatives with a long-term perspective taking into account the promotion and the respect for human rights, the challenges of countering the effects caused by climate change and by population growth.

### Alliances for Development

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### Reference Context: Challenges and Opportunities

For the first time since its publication, the Human Development Index (HDI) has decreased globally for two consecutive years (2020 and 2021), back to 2016 levels. Pandemic, war in Ukraine and climate change are the main causes of the global regression in terms of access to education, life expectancy and income. Almost 90% of Countries registered a decline in HDI score in 2020 or 2021. In 2020, 85% of the Countries saw a reduction of the per capita income and 70% a reduction of the life expectancy at birth which has intensified with the health crisis and 70% decline in life expectancy. The recovery is uneven: Latin America, Sub-Saharan Africa and South Asia are particularly affected by this crisis.


In 2021 more than 750 million people were without access to electricity and 2.4 billion without access to clean cooking. Due to the combination of the pandemic and the current energy crisis, the IEA estimates that 75 million people that recently gained access to electricity are likely to lose the ability to pay for it, and that 100 million people that have gained access to cooking with clean fuels may forgo it on cost grounds, returning instead to the use of traditional biomass.


### Other challenges for sustainable development

- **25%** globally, primary schools (2019-2020) lack electricity, drinking water, basic sanitation
- **147 mln** children, it’s estimated, missed more than half of their in-person instruction over the past two years
- **1.6 bln** will lack safely managed drinking water
- **2.8 bln** will lack safely managed sanitation
- **1.9 bln** will lack basic hand hygiene facilities

Meeting drinking water, sanitation and hygiene targets by 2030 requires an increase in the pace of progress. At current rates, at 2030:

- **800 mln** people will lack safely managed drinking water
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- **300 mln** will lack basic hand hygiene facilities

### People without access to Electricity and to Clean cooking

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Eni as a local development player

WHY IS IT IMPORTANT TO ENI?

The Alliances for Development represent Eni’s commitment to a just and equitable energy transition towards global human development models to achieve global and sustainable human development accessible to all. Where it operates, Eni launches long-term community-based initiatives in collaboration with local Authorities and international development players to promote inclusive growth consistent with National Development Plans and the UN 2030 Agenda. One example is in Côte d’Ivoire, where a Local Development Programme has started with initiatives to promote access to improved cooking systems, education, community health, water and sanitation, and land conservation.

Nicola Mavilla – Managing Director Eni Côte d’Ivoire

INTEGRATING SUSTAINABILITY INTO BUSINESS

Sustainability is an integral part of all Eni’s business activities since the early stages of entry in a new Country, along the entire life of the projects up to decommissioning activity. Eni’s commitment to the Just transition passes through the adoption of different and gradual solutions, depending on the specific contexts and internal constraints of the host Countries. Eni strongly feels these imperatives: balancing the need to ensure universal access to energy for a growing population with the urgency of tackling climate change, accelerating the transition process towards a sustainable mix that is at the same time socially just. In promoting a Just Transition, it is therefore crucial to adopt different approaches between Countries with advanced economies and Countries with emerging economies, where the transition will be primarily about overcoming energy poverty also through the development of renewable energy. Eni tackles the energy challenge, wherever it is present and with whatever business, by acting to ensure access to energy both with its own industrial projects and with projects dedicated to the development of local communities.

For communities, projects Eni uses a methodology for the definition of priority areas for local development intervention, in line with the SDGs, and which allows the identification of the objectives for the four-year Strategic Plan:

1. Knowledge of the Country’s socio-economic, environmental and cultural contexts through the application of internationally recognised instruments and the Global Multidimensional Poverty Index (MPI);
2. Direct or indirect involvement with local stakeholders, which allows analysis of their requirements and/or possible grievances, the understanding of local needs and expectations and the consolidation of mutual trust;
3. Analysis and mitigation of the potential impacts of activities on the environment, health and people, including human rights, to identify critical issues, opportunities and risks;
4. Definition and implementation of Local Development Programmes consistent with the Country Development Plans.

The 2030 Agenda, the Nationally Determined Contributions and local needs analysis;
5. Assessment and measurement of local development generated (‘learn and adapt’), through the use of instruments and methodologies, both own ones and those developed in collaboration with academic institutions such as the Eni Local Content Evaluation (LCE) and shared at an international level and adopted by Eni, such as the Logical Framework Analysis (LFA), the results-based management approach and the project cycle management. In this context, the many collaborations with national and international institutions, cooperation agencies and local stakeholders allow a useful approach to identify key interventions to reduce the needs of communities and contribute to improve their development. This approach makes it possible to materialize the commitments to a Just Transition in a path of anticipating needs that could lead to a review of operational practices, for any Eni’s activities, and also to the integration of new business purposes (e.g. agri-business in Congo).

In November 2022 the Coral Sul FLNG produced its first load of liquefied natural gas, thus adding to the mix of gas produced in Angola and contributing to the economic and social development of the Country.

Innovations, partnerships, and cross-functional and cross-sectoral approaches are the cornerstones of Eni’s strategy to promote the transition towards a sustainable energy system.

POLICIES AND OTHER REGULATORY INSTRUMENTS

- Eni’s Code of Ethics
- Eni’s Statement on respect for human rights
- Seeds for Energy
- Energy for development

Management and organisation models

Sustainability contact person at local level, who interfaces with the Company headquarters to define Local Development Programmes in line with national development plans integrating business processes. Application of the ESIA (Environmental Social & Health Impact Assessment) process to all business projects. Stakeholder Management System platform aimed at managing and monitoring relationships with local stakeholders and grievances. Sustainability management process in the business cycle and design specifications according to international methods (e.g. Logical Framework).

For more information

- Eni for 2022: Sustainability Performance
- eni.com
- Eni’s Code of Ethics
- Eni’s Statement on respect for human rights
- Seeds for Energy
- Energy for development
Access to energy

Initiatives include infrastructure for natural gas production and transport, LPG distribution, thermoelectric power plants, renewable energy plants and the distribution of improved cookstoves.

INFRASTRUCTURE FOR GAS
Eni invests in the construction of infrastructure to produce and transport the gas and a substantial share of the extracted gas is transferred locally to the countries where the resource is produced, thus contributing to electricity generation and the economic and industrial development of the country itself. In 2022, Eni supplied 77% of the gas produced from its fields to local markets, for a total of approximately 64 billion Sm³. Considering the African continent alone, the gas intended for domestic markets is by about 90%. For example, in Egypt, Eni supplied 37 billion Sm³ of gas to the local market; 61% of the gas produced in the country is used to generate electricity (source: IEA), with Eni contributing 38,700 GWh/year of electricity or 28.6% of final consumption. In Libya, Eni supplied 6.9 billion Sm³ of gas to the domestic market where the share of gas used to produce electricity is about 78% (source: IEA), which brings Eni’s contribution to the country to over 50%.

LIQUEFIED LPG GAS
Eni contributes to SDG No. 7 also through the local distribution of LPG for domestic use. For example, during 2022, Eni produced about 1 million barrels in Egypt, which were totally distributed to the domestic market.

THERMOELECTRIC POWER PLANTS
With the construction of thermoelectric power plants in sub-Saharan Africa, Eni has contributed to improve access to electricity thanks to the increase of the capitalization and the valorization of the associated gas for a total of 326 GWh of electricity production in 2022. Natural gas produced by Eni’s local plants was also supplied to the Omoku power plant, operated by a third party, with an installed capacity of 150 MW, for the production of 326 GWh of electricity in 2022. Therefore, Eni’s total contribution to Nigerian electricity production was about 7.3%, calculated on IEA data. Also in Congo, the Centrale Électrique du Congo (CEC) in Pointe Noire, which started up in 2010, with a total capacity of 484 MW, produced 2,190 GWh of electricity during the year, ensuring more than half of the country’s electricity production (IEA).

In Iraq, Eni is helping to provide access to reliable and secure energy with a Permanent Power Generation (PPG) Plant, with four gas turbines capable of generating a maximum electrical power of 600 MW. Two of the four gas turbines are dedicated to supplying energy to the national grid for the benefit of the local population, with a corresponding capacity of 300 MW.

RENEWABLE ENERGY
The business of renewables in 2022 reached an installed renewable installed capacity of 2.3 GW, doubling last year’s result. To contribute to the energy transition also in non-OECD Countries, Eni is increasing photovoltaic installations, both for self-consumption and to provide electricity to local communities enabling CO₂ reduction. The current installed capacity for this type of plant is 41 MW, of which 21.5 MW is off-grid. Two examples of this are: (i) the Abu Rudais plant (6 MW) in Egypt connected to Eni’s facilities, which avoids the use of electricity from the Egyptian national grid and (ii) Tatouine (10 MW) in Tunisia, inaugurated at the end of 2022, provides the national grid with 20 GWh per year of energy, equivalent to a saving of 6,500 tonnes of CO₂ per year.

CLEAN COOKING
Through local development projects, Eni also promotes access to modern cooking solutions for vulnerable households through the replacement of traditional cookstoves with improved models that help reduce household pollution, limiting people’s health problems and reducing CO₂ emissions. Furthermore, it supports entrepreneurship at local level, contributing to business startups and creating new jobs. In 2022, the production and distribution of 25,643 improved cookstoves in Côte d’Ivoire, Ghana and Mozambique was achieved, benefiting about 128,000 people.

Clean cooking in Côte d’Ivoire

CONTEXT: 60% of the population in the country still uses traditional methods to cook food, requiring large amounts of woody biomass and with serious health consequences due to the fumes emitted by combustion.

PROJECT AND OBJECTIVES: In April 2022, a project was launched to promote the distribution of improved cookstoves, produced by a local company, which reduce biomass consumption and associated emissions. This environmental benefit results in the generation of carbon credits (Verified Carbon Units - VCUs) certified by international standards that will offset the residual Scope 1+2 emissions of the Baleine development. It is planned to distribute at least 70,000 cookstoves in 3 years (2022-2024) reaching about 350,000 people, and over 150,000 cookstoves in 6 years, generating 2 million VCU.

RESULTS: In 2022, more than 20,000 cookstoves were distributed in just six months, reaching more than 100,000 people in the Gbêkê region. Another 25,000 will be distributed in 2023. Furthermore, thanks to the project, the local producer increased its production capacity by 150% by purchasing new machinery and hiring five new workers.
Understanding the local context
For the definition of an effective local development strategy, Eni starts with an in-depth knowledge of the context in which it operates. Depending on the level of maturity of its presence in the Country, different types of analysis are developed to support the various stages of the business and at the same time to understand the real needs of local communities. The main issues more closely examined are Nutrition and Food Security, Education, Health, Access to Water and Sanitation, Access to Energy and Clean Cooking; furthermore, National Development Plans are analysed, which are also necessary for identifying potential synergies and collaborations with strategic national and international players. Particular attention is paid to analysing the status of women, identifying the most critical geographical areas and vulnerable groups. With regard to local context analyses, the Global Multidimensional Poverty Index, which compares acute poverty for more than 100 Countries in terms of access to education, health and standard of living, is a constant reference for acquiring information on the deprivation affecting the poorest segments of the population residing in a specific region. Furthermore, a pilot project was launched in 2022 to survey the multidimensional poverty index at the local level in a Sub-Saharan African Country. All these analyses provide a more complete view of the specific context and are instrumental in defining the most appropriate local development projects for meeting local needs and creating long-term value.

Relationship with Stakeholders
The knowledge of the context implies the involvement of local stakeholders to understand their needs and expectations, to analyse their requests and to establish a relationship of mutual trust, collaboration and transparency. To better manage relations with local stakeholders, Eni has equipped itself with the Stakeholder Management System (SMS) application, which maps stakeholder relations, monitors the progress of projects, the results achieved, and tracks grievances received, i.e., complaints or grievances relating to accidents or damage or other real or perceived environmental or social impacts caused by Eni’s activities or those of its contractors or suppliers.

Impact Analysis and Human rights in communities
Impact Analysis
Eni is committed to preventing possible negative impacts due to its presence by carrying out studies that comprehensively assess impacts (ESHIA), conducted before starting any kind of operation. These analyses provide an understanding of the impacts of projects, according to various aspects and viewpoints ranging from environmental to health, social, and human rights implications, and aim to reduce risks and increase opportunities for all stakeholders.

Human Rights in Communities
In 2018, Eni adopted a risk-based prioritisation model that classifies upstream business projects according to potential human rights risk, which was then extended from 2020 to the evaluation of renewables projects. Projects considered to be at higher risk are the subject of specific studies, Human Rights Impact Assessment (HRIA) and Human Rights Risk Analysis (HRRA), which include a preliminary analysis of the local context and the possible engagement of “right holders”. Through these studies, potential negative impacts, recommendations and prevention and management measures are identified and translated into concrete Action Plans. In 2022, such studies were conducted on agri-feedstock projects in Kenya and Congo, where Eni has launched a series of initiatives to develop the supply chain of high-quality biofuels produced from raw materials obtained from marginal land, which are not in direct competition with food and fodder crops. Consid- ering the large number of agri-processing plants and agri-hubs that will be built, Eni estimates that these projects will have a significant positive impact on communities, involving thousands of farmers, and that the benefits will affect more than one million households (from 2027) living in difficult African contexts. In the development of such projects, it is essential to manage from the outset, the elements capable of generating critical issues and negative impacts such as, for example, potential competition with food production, farmers’ working conditions, land and value chain management and reputational risk due to the absence of adequate involvement of all stakeholders. Furthermore, in 2022, HRIAs and HRRA Action Plans were also implemented on exploration projects in Angola, the United Arab Emirates, Albania and Oman.

Relations with indigenous peoples
Context: in some Countries, such as Australia and Alaska, Eni operates in areas where there are indigenous peoples, towards whom it has adopted specific policies to protect their rights, culture, traditions, institutions and links with their homelands. In its P. Eni’s Statement on respect for human rights, Eni has made specific commitments to indigenous peoples and manages the relationship in compliance with international and local norms governing their involvement and prior, free and informed consultation.

Activities: in Australia’s Northern Territory, having activities in the Wadeye community, Eni regularly interfaces with local administrative bodies to protect the rights of Aboriginal peoples, implementing local development and environmental conservation projects. In Alaska, Eni’s activities are conducted in the northern end of the Country, North Slope, where native peoples live on subsistence activities (hunting and fishing). In 2020, Eni adopted a policy on respecting the rights of indigenous peoples, renewed in 2021, in the conduct of its activities and operations in Alaska, with the aim of making specific commitments to the villages located near its operations, as well as to the cooperatives and corporations that supply goods and services to the companies operating in the territory. During the year, there were no reports through local grievance mechanisms on human rights issues.

Grievance management
Grievance Mechanism Process: subsidiaries are responsible for developing the Grievance Mechanism management process, analysing and agreeing the solution with complainants, whether individuals or communities, by virtue of their improved context knowledge, allowing for appropriate channels of access, and specific modes for of dialogue and management of any conflict. In the design of the mechanism, Eni companies conduct consultations with local communities, especially indigenous peoples, in cases of relocation of the same communities and in cases where, from knowledge of the context or previous activities, it is assumed that a large number of grievances will be received. The subsidiaries may also request feedback from the claimants involved on the level of satisfaction with the process operation. Eni also requires its suppliers, contractors and subcontractors to make their own Grievance Mechanism available to the workers and communities they interact with on behalf of Eni.

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Local Development Programme

The Local Development Programme (LDP) envisages activities, defined in coherence with the National Development Plans, and contribute as a whole to the achievement of the objectives set by the Country in relation to the 2030 Agenda and the Paris Agreement (Nationally Determined Contributions - NDCs) to improve the well-being of local communities.

The Programme is divided into five action lines: 1) stakeholder engagement; 2) human rights; 3) local content; 4) land management; 5) local development projects.

1. Human Rights in Communities
   Commitment to ensuring that its activities do not adversely impact the lives of people affected by its business activities, using a risk-based model to classify business projects.

2. Land Management
   Project development may require the acquisition and/or use of land (or waters) and the subsequent physical and/or economic displacement. It is necessary to minimise the socio-economic impacts on their lives by limiting as far as possible the loss of assets or access to assets, which generates the loss of income or livelihood resources.

3. Local Content
   A tool that supports dialogue with local Authorities and provides a useful assessment to guide investment decisions to promote local development, represents the added value brought to the Countries on three lines of action: transfer of skills and knowledge, activation of local economic sectors in the supply chain, interventions to foster growth and diversification of the local economy.

4. Stakeholder Engagement
   Eni tracks and examines all requests received by its stakeholders in order to implement development initiatives, shared with local communities, and consistent with sustainable development. Key elements in the process are openness to listening, mutual exchange, inclusion, understanding of stakeholders’ views of point and expectations as well as sharing of choices and decisions.

5. Local Development Projects in 6 Sectors of Intervention

   - Access to off-grid energy
     Promoting local production and marketing of certified, quality cooking systems, by creating employment opportunities and local micro-entrepreneurship and replacing traditional cooking systems with more modern ones.

   - Life on Land
     Enhance and protect the local natural heritage, also with support activities to waste management for communities to restore the ecosystem with reclamation activities focused on recovering the native vegetation.

   - Economic diversification
     Promoting food security, the development of entrepreneurial, agricultural, fishing and infrastructure activities, in a long-term perspective, fostering the creation of new job opportunities for people and businesses, the empowerment of women and young people.

   - Access to water and sanitation
     Ensuring the availability and sustainable management of water and sanitation for the local population.

   - Education
     Promoting equitable and inclusive access to quality education and learning opportunities.

   - Community Health
     Promoting access to health and combating the spread of disease through prevention and treatment.

Eni supports Country Development Plans, including through public-private partnerships and by adopting internationally recognised standards, methodologies and tools.

Focus on Local Development Programme in Côte d’Ivoire

Eni has been present in Côte d’Ivoire since the 1960s; in 2011, it resumed operations in the Country by acquiring several offshore exploration blocks which led to the discovery of the Baleine oil and associated gas, which will be the first Net Zero development in Africa (Scope 1+2), through the use of the best available technologies to minimise GHG emissions and a combination of residual emissions offsetting initiatives, through improved cookstoves distribution projects and forest resource conservation. To accompany the project, in December 2021, Eni signed a Memorandum of Understanding (MoU) with the Government to promote sustainable development and Eni’s decarbonization strategy in the Country. In 2022, the Local Development Programme was drafted and the first projects were launched.

Focus on the LDP five lines of action in Côte d’Ivoire

1. Human rights: the prioritisation model assessed phase 1 of the Baleine project as “medium” risk, so specific measures were taken to prevent and manage potential negative impacts such as respect for human rights by third-party workers and contractors and impacts on community rights in land management processes. Workers’ rights clauses have been included in the contracts of major suppliers and measures for vulnerable groups have been included in the impact management plan.

2. Land management: the optimisation of the impacts related to the installation of the pipeline to transport gas from the offshore site avoided any kind of physical displacement, limiting the impacts to economic activities only. An action plan developed with the support of the Bureau National d’Etudes Techniques et de Développement and formulated in accordance with Eni policies and the Performance Standards of the International Finance Corporation has been prepared to manage these impacts. The plan outlines actions to assess the impacts on the local population and coastal communities and to establish appropriate compensation and indemnification measures. In 2022, 847 of the 1,662 people affected by the project were compensated.

3. Local content: Eni’s Local Content strategy is in line with national law. In December 2021, an MoU was signed with the Institut National Polytechnique Félix Houphouët-Boigny for the joint development of vocational training activities for local people, which were followed by specific agreements, launched in 2022, for a technical training programme for operators and maintenance personnel for offshore production and for the implementation of two upstream and downstream Master’s degree courses. In 2023, the Eni Local Content Evaluation model will be applied to assess the socio-economic impact of the activities in the Country, quantifying the direct, indirect and induced effects of Baleine’s development, and highlighting the economic and social benefits.

4. Stakeholder Engagement: in 2022, Eni engaged key local stakeholders, including Government Institutions and supervisory bodies, civil society, research centres and academic institutes, contractors, suppliers, business partners and local communities, with the public consultations and surveys required by the ESHIA to analyse any critical issues. The main requests that emerged concerned the strengthening of public services (e.g. schools, hospitals), the recruitment of local labour and the mitigation of potential negative impacts on livelihoods and the environment.

5. Local Development Projects: the sectors identified for interventions are as follows:

   - Access to off-grid energy
     In April 2022, a project was launched to distribute at least 70,000 improved cookstoves over three years.

   - Economic diversification
     Support to micro-entrepreneurship and professional integration for at least 150 young people by 2023.

   - Education timeline and Goal
     September 2022-August 2023. Promote access to quality education and help improve learning for students of primary schools located in Port-Bouët (Abidjan) and in the Sud-Comoé region.

   - Activity and beneficiaries: 20 schools will be subject to renovation to ensure access to basic services (water, electricity, sanitation). The project also provides for the supply of school material, the organization of remedial courses, the promotion of education in the community by involving families and the strengthening of teachers’ skills and of the ministerial supervisory bodies. The renovations, inaugurated in December 2022 in the first 8 schools, will be completed in all the 20 schools in 2023. In 3 years the beneficiaries will be 8,500 primary school students, 120 teachers and 2,000 parents.
Local Development Projects

Projects in the World

Eni defines and implements interventions to support local populations, oriented to promote global human development, supporting projects that are in line with international standards. Eni is reinforcing the gender perspective in the technical assessment of projects, especially in the water, energy and agricultural sectors. Special attention is paid to projects for health improvement, for example, for the Cabinda integrated project in Angola, where it had already been considered in the context analysis to identify inclusive interventions geared towards meeting the needs of all.

Some Examples of Initiatives in 2022

The various initiatives implemented in 2022 in support of a Just Transition include those in Côte d’Ivoire, Mozambique, Ghana and Angola to promote access to clean cooking, in Kazakhstan for the refurbishment and energy efficiency of a school, in Indonesia for access to water and renewable energy. During the year, Eni promoted the right to education in Congo, Ghana, Iraq, Mexico, Mozambique and Egypt where the Company also inaugurated the Zohr Applied Technology School with the aim of significantly increasing the number of young people with adequate technical and professional skills in terms of energy and technological. Special attention is paid to projects for health improvement, for example, in Angola, Libya and Tunisia. In Iraq and Nigeria, projects have contributed to improving access to water for local populations; circular economy projects were also developed, such as the canteen waste composting project under CATREP in Congo, to education, training, economic diversification and entrepreneurship development (Ghana, Egypt and Mozambique). Furthermore, the promotion of entrepreneurship is also supported through Joulé, which supported six startups from Kenya and Uganda by giving them the opportunity to present their business proposals to investors and mentors to discuss energy transition issues. In Iraq, the Sustainable Agri-Energy initiative was launched in cooperation with UNIDO and Lventure Group to develop an entrepreneurial mindset and formulate innovative ideas and projects in the water, energy and agricultural sectors.

Education Access Initiatives

Approach: Eni promotes the right to education in Congo, Ghana, Iraq, Mexico, Egypt and Mozambique in line with the Human Rights Based Approach (HRBA) methodology which recognises and aims to empower all beneficiaries of development projects as rights holders and to strengthen the capacity of States and other duty bearers to respect, protect and enforce human rights.

Activities: projects, carried out in cooperation with national Governments and in line with ministerial plans, contribute to increasing the availability of training provided by qualified personnel. Depending on the context, the infrastructures created are equipped with different services (drinking water, solar electricity, canteens, separate toilets for boys and girls, laboratories, extracurricular activities and scholarships). To promote access to education, an inclusive approach is adopted right from the construction/renovation stage of schools, adapting them to the needs of children with disabilities and the different needs of girls and boys. Eni also promotes a sense of ownership to the school and contributes to strengthening the responsibility of parents and communities on various issues such as child protection, education, sports, environment, nutrition, health, hygiene, equal opportunities, etc. Furthermore, using the HRBA approach, the activities aim to make teachers aware of their educational duty by enhancing their capacities to ensure the protection of children’s rights and inclusiveness.

Results: in the various countries where it operates, in 2022 Eni supported the training of 593 national school officials (teachers, school managers and headmasters) to improve their professional and transversal skills, including child protection practices and teaching methodologies for children with disabilities. The schools benefiting from this approach showed a higher school attendance rate than the national average.

An Example in Mozambique: within the Integrated Education Project in the Province of Cabo Delgado, Eni has built two primary schools in the communities of Paquitique. In these two new schools, as well as in kindergartens of Santo Agostinho and in the Jardim Infantil of Pemba, meals were distributed daily. In elementary schools it was also provided educational materials, distribute school supplies, the toilets were improved and initiatives were held to raise awareness on various topics such as engagement parents active in the educational activities of the children, road safety, civic education, environmental issues and child protection. In total more than 4,000 children, of which 50% girls, have benefited from the improved educational services in these elementary schools (1,596 new in 2022), while more than 150 teachers and school staff (50 in 2022) have undergone training courses aimed at improving their professional performance. Finally, 348 adults took courses of literacy. Furthermore, in partnership with the Institute Superior Don Bosco (ISDB) and the Industrial Institute and Commerciale of Pemba (IICP) and in collaboration with “Colleges and Institutes Canada”, Eni is supporting a technical training professional programme in order to initiate their students to practice of specific professions (tourism and hotel). In addition to having guaranteed, from the beginning of the project, the training and certification of a total of 90 teachers and managers of the IICP; in 2022 Eni created and equipped a laboratory that benefited 667 male and female students who attended the courses professionally, 150 of whom received scholarships by Eni.
Local development projects around the world

KAZAKHSTAN

ENERGY EFFICIENCY

OBJECTIVE: To help ensure access to clean and sustainable energy through the installation of solar panels and other energy efficiency measures at a secondary school in the Turkestan region.

RESULTS AND BENEFICIARIES: Contributed to the installation of a 50 kW photovoltaic system, which reduced electricity costs and carbon emissions by 20%. Thermosets and energy saving insulation film were installed, an educational awareness campaign was also conducted for students on optimising women’s skills and protection issues and processes and people’s food security was monitored. The beneficiaries of this project are 72 rural communities in the state of Bayelsa with a total of 43,200 direct beneficiaries.

EGYPT AGRICULTURAL PROJECT

OBJECTIVE: To improve the living conditions of the Bedouin communities of Meleha, through the sustainable management of natural resources.

RESULTS AND BENEFICIARIES: At the end of 2022, 214 people achieved access to improved irrigation systems, 140 people improved access to drinking water and 45 women participated in the literacy programme. It is planned to increase the productivity of land and to improve water management with 50 cisterns, 15 wells and 20 reservoirs. At agricultural level, activities will focus on optimising women’s skills and economic empowerment. Expected beneficiaries: 604 families of which 450 farmers/breeders and 200 women involved in literacy courses.

EGYPT DIVERSIFICATION

NIGERIA - AWARENESS-RAISING AND TRAINING

OBJECTIVE: Raise awareness of the risks associated with potential pollution from oil spills, provide training on human rights and support communities in developing sustainable agricultural practices.

RESULTS AND BENEFICIARIES: Awareness campaigns were organised on human rights instruments and legislation, involvement in media campaigns on the risks of oil spill pollution, awareness was raised in communities on child protection issues and processes and people’s food security was monitored. The beneficiaries of this project are 72 rural communities in the state of Bayelsa with a total of 43,200 direct beneficiaries.

INDONESIA - ACCESS TO WATER

OBJECTIVE: To improve the quality of life of local communities through the supply of drinking water in the Muara Jawa and Samboja districts of East Kalimantan Province.

RESULTS AND BENEFICIARIES: The project reached 1,600 beneficiaries in the Muara Jawa and Samboja districts of East Kalimantan Province. The beneficiaries in the Muara Jawa and Samboja districts of East Kalimantan Province. The beneficiaries are 4,000 adults and 1,000 children.

MEXICO - SUPPORT TO EDUCATION

OBJECTIVE: To help ensure quality, effective and inclusive long-term primary education for students, aged between 6 and 14 years, in 13 schools in School Zone 46, in the municipality of Cardenas, Tabasco state (1,500 students).

RESULTS AND BENEFICIARIES: 335 new students. 14 awareness-raising events held for parents, including a Parents’ Involvement Day in 13 schools in School Zone 46, in the municipality of Cardenas, Tabasco state (1,500 students).

IRAQ - ACCESS TO ONCOLOGY HEALTH SERVICES IN BASRA

OBJECTIVE: To support, develop and implement cancer care.

RESULTS AND BENEFICIARIES: Construction work on the New Nuclear Medicine Hospital in Basra. Thanks to previous renovations and the construction of the new wing, the facility will offer 30 additional oncological and cardiological diagnostics and 70 additional oncological and cardiological diagnostics.

ACCESS TO OFF-GRID ENERGY

Life on land

Economic diversification

Access to water and sanitation

Education

Community health
Projects in Italy
Eni works in Italy to promote local development by collaborating with private entities, third sector organisations and local institutions. In the area of economic diversification, Eni has developed several initiatives to promote local start-ups both by providing co-working spaces and encouraging local procurement.

Energy Transition project, which aims to support the energy transition of local businesses through technological innovation, while in Basilicata, in synergy with the Agri-cultural Centre of Experimentation and Training (Centro Agricolo di Sperimentazione e Formazione - CASF), it promoted the development and application of innovative technologies in the Agri-tech and Agri-energy sectors. In the agricultural sphere, in the CASF project Eni developed various training activities involving hundreds of students and agricultural operators in the area, with Coldiretti, the promotion of the activities of local companies continued through support for the improvement of agri-cultural logistics, training activities and certification of the Lucanian companies involved. Eni also promotes environmental sustainability activities for the protection of the territory, as in Ravenna, and to support environmental monitoring at its operational sites in Basilicata, Sannazzaro and Taranto. In the field of education, together with Fondazione Eni Enrico Mattei and the Associazione Nazionale Pre-sidi, Plenitude launched the ‘Più conosco, meno consumo’ (The more I know, the less I consume) initiative to promote the culture of energy sustainability for students in 12 schools across the Country.

Local Content and its evaluation
Local Content for Eni is the added value brought by its activities and projects to the socio-economic context of the host Country, in terms of development of the local workforce, industrial and technological development, transfer of skills and enhancement of local communities and their cultural heritage. Eni’s approach focuses on three intervention lines: (i) skills and knowledge transfer, through training and development of local people, particularly in energy and technological innovation; (ii) involvement of the local procure- ment chain, to increase the level of competitiveness of local com- panies and increase their capacity to support Eni’s activities; (iii) local development programmes to sup- port local communities to foster growth and economic diversification. For Eni, the development of the workforce and local procurement chains is a priority within the in- tegrated business model. This is why Local Content is a key issue, even in Countries where there are no minimum requirements dictated by local legislation or agreements with Authorities. Since 2016, Eni has been using the Eni Local Content Evalua- tion (ELCE) model, validated by the Milan Politecnico, to get a quantitative view of the impact of its activities on the Country of presence, measuring the impacts generated, in terms of benefits brought to the economy, society and local communities, over the entire life of a development proj- ect or production site. The application of ELCE is spread- ing across various contexts and industries, expanding the areas of interest, such as CCS Ravenna Phase 1, analysed during 2022, and the Congo LNG and Baleine projects in Côte d’Ivoire.

Application of the ELCE model in Ravenna

Context: phase 1 of the Ravenna CCS project envisages the capture of 25,000 tonnes of CO₂ from the Eni power plant in Casalbosetti, transported through existing pipelines, to the depleted gas field in Porto Corsini and its injection into it for permanent geological storage. The project obtained permits for CO₂ storage at the beginning of 2023 and the injection start-up is scheduled for early 2023.

Study: in 2022, the ELCE model was applied in a study of the economic impacts generated by the project both during the Construction period (which lasted 2 years) and during a 6-month Operation period. Results: the analysis showed that purchases made directly by Eni only concern Italian suppliers and therefore the impacts on production fall directly by Eni through national suppliers.

<table>
<thead>
<tr>
<th>IMPACTS ON PRODUCTION</th>
<th>DIRECT EFFECT</th>
<th>INDIRECT EFFECT</th>
<th>INDUCED EFFECT</th>
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<tr>
<td>Eni’s local purchases: increased production due to purchases made directly by Eni through national suppliers</td>
<td>$2.02 direct and indirect impact (Italian upstream supply chain activation)</td>
<td>Local purchases along the supply chain: increased from production due to purchasing from Eni’s suppliers through national suppliers</td>
<td>Consumption: expenditure on goods, works and services provided by wages paid by Eni and its entire supplier chain Value of production of goods, works and services provided by the national economic system to meet the consumption demand generated by wages paid</td>
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<td>Local FTEs associated with induced production and related wages</td>
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Industrial development: the plant, which started up in 2019 with a pro- cessing capacity of up to 750,000 tonnes/year, can progressively process high quantities of used and fried vegetable oils, animal fats, and waste/res- idues and vegetable oils from crops not competing with the food chain to produce high-quality biofuels. From 2021, thanks to technical interventions, the biorefinery has been able to use up to 100% biomass, using edible oils, fats from fish processing and meat produced in Sicily, with the

Employment development: Eni is committed to preserving the employment and skills conversion of employees and to safeguard employment levels (including indirect employees). Today, almost 400,000 people work in the biorefinery, over 450 workers have been rede-ployed to support the development of new activities of Eni and other Group companies in the Gela area and about 200 people have been permanently relocated to other Eni sites outside Sicily or supported with solutions to facilitate their retirement. To support employment levels, the creation of the Safety Competence Centre (SCC) was fundamental. The SCC has also fostered professional retraining in the fields of health and safety, and over the years it has trained around 160 specialists in HSE supervision and control activities for Eni’s operating activities in Italy and abroad.

Territory development: the Protocol envisages an investment of around €32 million to promote local development initiatives in sup- port of the Gela community. In addition, Eni supports the Region of Sicily and the Municipality of Gela in the implementation of sustainable development initiatives in the renewable energy sector and for urban and cultural redevelopement works in the town which include, among others, interventions to enhance the town’s archaeological and artistic heritage.
to foster sustainable socio-economic growth in the countries where it operates, Ener relies on strategic partnerships. In line with Sustainable Development Goal No. 17 “Strengthen the means of the unique and highly specialised contributions of civil society organisations, United Nations agencies, funds and programmes, national and regional development cooperation organisations, financial institutions and private sector representatives. These partnerships leverage resources and form an integral part of the third pillar of the business model: Alliances for Development. Together with the “Dual Flag” approach, job creation and knowledge transfer, public-private partnerships make it possible to best meet the needs of communities in the countries where Ener operates, always in line with National Development Plans and the 2030 Agenda. These collaborations, also inspired by the Paris Agreement and the Guiding Principles on Business and Human Rights, multiply the impacts of the initiatives launched in the countries and accelerate the progress towards achieving the objectives of the 2030 Agenda.

The Alliance with UNDP for Promote Solar Energy in Kazakhstan

The project promoted by Ener and UNDP Kazakhstan aimed at improving the energy efficiency of a secondary school in Turkestan was commissioned in May 2022. What are its most important outcomes?

We know that providing heat and power to educational institutions is a major cost in the education sector and burden on local budgets. I think the implementation of the pilot project at the school in Turkestan is a good example of how companies can help local communities invest in a greener future, contribute to the achievement of the SDGs, and underlie the urgency of a green transition. However, such examples need to be expanded and require a more systematic approach. Unlocking “green” investment is essential if we are to achieve the 2030 Agenda for Sustainable Development and meet the ambitious target of carbon neutrality by 2060. The Ministry of National Economy of the Republic of Kazakhstan estimates that such a transformation will require US $ 647.5 billion in investment over the next 40 years. Most importantly, significant resources will be needed both to create the regulatory framework and to build the financial and physical infrastructure. And the private sector is expected to provide 96.5 per cent of the funding. In your opinion what is the added value generated for local development by a collaboration between an international organisation with a private company? What are the key factors that can bring success to such partnerships and what do think are the areas of improvement?

As UNDP, we support the country’s Government to find sustainable pathways and define clear strategies for low carbon growth, with a focus on transforming the energy sector. Therefore, we see great value in partnerships with the private sector to encourage new investments in the green economy, which can be an accelerator for knowledge-based economic transformation - a forward-looking perspective on how to support green sectors and promote the knowledge economy with new skills and technologies. If more of these opportunities are seized, it could lead to kick-starting the green innovation machine and driving an efficient, innovative, and productive economy that benefits the whole economy.

Pooling together resources, knowledge and sustainability goals can elevate the level of results. Moving forward, what potential lies in the future of the collaboration between Ener and UNDP in Kazakhstan? Only an integrated agenda of Governments, the private sector, international organisations and international financial institutions, underpinned by the SDGs, can contribute to the energy transition. We look forward to further large-scale interventions with Ener and other development partners to bend the curve of global warming and address the urgent crisis of climate change. As UNDP, we therefore call for bold collective action involving a broad network of like-minded actors for sustainable and prosperous development for all.

Inauguration of a secondary school in Turkestan, Kazakhstan
Independent Auditor’s Report

Limited assurance report on the Sustainability Report – Eni For 2022

To the Board of Directors of Eni SpA

We have been engaged to undertake a limited assurance engagement on the Sustainability Report - Eni For of Eni Group (hereinafter also the “Group”) for the period ended 31 December 2022 (hereinafter also the “Report”).

Responsibilities of the Directors for the Sustainability Report

The Directors of Eni SpA are responsible for the preparation of the Sustainability Report in accordance with the “Global Reporting Initiative Sustainability Reporting Standards” issued in 2016 and updated to 2021 by GRI - Global Reporting Initiative (the “GRI Standards”), as illustrated in the “Reporting criteria” section of the Report.

The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of a Report that is free from material misstatement, whether due to fraud or error.

The Directors are also responsible for defining the sustainability performance targets of Eni Group, as well as for identifying its stakeholders and material topics to be reported on.

Auditor’s independence and quality control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management (ISQM Italy 1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Glossary

CARBON NEUTRALITY AT 2050

SCOPE 1, 2, 2 GHG EMISSIONS

Scope 1 direct GHG emissions deriving from sources associated to the company’s assets (e.g. combustion, flaring, fugitive and venting). Scope 2 indirect GHG emissions from generating electricity, steam and heat purchased from third parties for internal consumption. Scope 3 indirect GHG emissions associated with Eni’s product value chain.

NET CARBON FOOTPRINT

Scope 1 and Scope 2 GHG emissions associated with Eni’s operations accounted for on an equity basis, net of credit credits mainly from Natural Climate Solutions and from the application of technological solutions.

NET GHG LIFECYCLE EMISSIONS

Scope 1+2+3 GHG emissions associated with the value chain of energy products sold by Eni, including own production and purchases from third parties, accounted for on an equity basis and net of credit credits mainly from Natural Climate Solutions and from the application of technological solutions.

CCUS - CARBON DIOXIDE CAPTURE, UTILISATION AND STORAGE

The acronym CCUS - Carbon Dioxide Capture (Utilisation) & Storage refers to the processes of absorbing the carbon contained in CO₂ from the atmosphere. Once captured, the gas is either stored in secure locations (“storage”) or used in the production of other substances (“utilisation”).

NATURAL CLIMATE SOLUTIONS

Actions to promote the conservation and restoration of ecosystems and improve land management activities aimed at storing carbon and/or preventing GHG emissions. Among activities, forestry is sustainable forestry, forest management practices that simulate natural biological cycles.

ACCESS TO ON-GRID

The biodegradable part of products, waste and residues from agriculture (including plant and animal substances), forestry and related industries, as well as the biodegradable part of industrial and municipal waste.

OPERATIONAL EXCELLENCE

ACCIDENT INDEXES

LTIF: accident frequency index. Numerator: number of injuries with days of absence; denominator: hours worked in the same period. Result of the report multiplied by 1,000,000.

TRIF: frequency index of total recordable injuries (accidents with days of absence, medical treatments and cases of limitation at work). Numerator: total number of recordable injuries; denominator: hours worked in the same period. Result of the report multiplied by 1,000,000.

OIL SPILL

Spillage of oil or petroleum derivative from refining or petroleum waste occurring during normal operating activities (by accident) or due to actions that hinder the operating activities of the business unit or organised groups subversive acts (oil spillage from acts of sabotage and terrorism).

POLYMERS

Macromolecules, i.e. molecules with a high molecular weight, consisting of a large number of the same or different molecular groups (or structural units), joined in a “chain” by repetition of the same type of bond.

BIOMASS

The biodegradable part of products, waste and residues from agriculture (including plant and animal substances), forestry and related industries, as well as the biodegradable part of industrial and municipal waste.

POLYMERS

The ability of an asset to operate effectively and accurately, while safeguarding the well-being of personnel and equipment throughout the life-cycle of the asset, from its design phase to its decommissioning.

SALIENT HUMAN RIGHTS ISSUES

Set of topics considered most significant, on which the management model and activities focus their attention for the protection of human rights. These issues are divided into 4 categories: (i) human rights in the workplace; (ii) human rights in commercial relations (with suppliers, contractors and other business partners); (iii) human rights in security activities; (iv) human rights in the communities that host Eni’s activities.

UNGPs

The United Nations Guiding Principles (UNGPs), endorsed by the UN Human Rights Council in 2011, are the global standard of reference on corporate responsibility for human rights issues.

WHISTLEBLOWING REPORTS

Any communication received by Eni concerning the Internal Control and Risk Management System and concerning behaviours referable to Eni’s people carried out in violation of the Code of Ethics, any laws, regulations, provisions of Authorities, internal regulations, Model 231 or Compliance Models.

HYS

Hydrooxygenated Vegetable Oil; a diesel biofuel 100% made from organic raw materials, such as waste animal and vegetable fats from the food industry and used cooking oils.

ALLIANCES FOR DEVELOPMENT

LOGICAL FRAMEWORK APPROACH (LFA)

Methodological approach used to plan, manage, monitor and evaluate individual initiatives or development programmes/projects, that allows to identify and analyze issues, define goals and actions to be taken to solve identified problems. The main component of the LFA is the “Logframe Matrix” which describes the logic of the operation, divided into objectives, results and actions, taking into account risks and external conditions that could penalize the execution and outcomes of the planned initiative.

ACCESS TO ON-GRID AND OFF-GRID ENERGY

Groups of individuals with a specific condition or characteristic (e.g. economic, physical, political, social) that could be more negatively impacted as a result of the organisation's activities compared to the general population.

MEMORANDUM OF UNDERSTANDING

Non-legally binding agreement setting out intentions to work together to achieve shared objectives between different partners.

ENI LOCAL CONTENT EVALUATION (ELCE)

Eni model, validated by the Polytechnic of Milan, which allows to get a quantitative measure of the impact of activities on the Country of presence, measuring the impacts in terms of benefits brought to the economy, society and local communities, throughout the life of the development project or production site.
**Our Responsibilities**

Our responsibility is to express a conclusion, based on the procedures performed, on whether the Sustainability Report complies with the requirements of the GRI Standards. We conducted our work in accordance with "International Standard on Assurance Engagements ISAE 3000 Revised - Assurance Engagements other than Audits or Reviews of Historical Information" (hereinafter also "ISAE 3000 Revised") issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. That standard requires that we plan and perform procedures to obtain limited assurance about whether the Sustainability Report is free from material misstatement.

The work performed was less in scope than in a reasonable assurance engagement conducted in accordance with ISAE 3000 Revised and, consequently, we did not obtain assurance that we became aware of all significant facts and circumstances that might be identified in a reasonable assurance engagement.

The procedures performed on the Sustainability Report were based on our professional judgement and included inquiries, primarily of personnel of the Company responsible for the preparation of the information presented in the Sustainability Report, inspection of documents, recalculations and other procedures designed to obtain evidence considered useful.

In detail, we performed the following procedures:

1. we analysed the reasons for the existence of both a Non-financial Statement (required under articles 3, 4 and 7 of Legislative Decree No. 254/2016) and a Sustainability Report, and the features distinguishing the two documents;
2. we analysed the process of definition of the material topics reported on in the Report, with reference to the method of their identification and prioritization of the results of the process;
3. we compared the financial information reported in the “Governance and business ethics” section of the Sustainability Report with the information included in the Group’s annual consolidated financial statements for the year ended 31 December 2022;
4. we obtained an understanding of the processes underlying the generation, collection and management of significant qualitative and quantitative information included in the Report.

In detail, we inquired of and discussed with management personnel of Eni SpA and with personnel of Eni Australia BV, Eni Tunisia BV, Nigerian Agip Oil Co Ltd, Versalis SpA, GTR&M, Eni New Energy SpA, Eni Rewind SpA and we carried out limited analyses of documentary evidence, in order to obtain information about the processes and procedures supporting the collection, aggregation, processing and submission of non-financial information to the corporate function in charge of the preparation of the Report.

Furthermore, for significant information, taking into account the activities and characteristics of the Group:
- at parent company level:
  a) with reference to the qualitative information presented in the Report, we carried out interviews and obtained supporting documents to verify its consistency with available evidence;
  b) with reference to quantitative information, we performed both analytical procedures and limited tests to verify, on a sample basis, the accuracy of data aggregation.

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**Conclusion**

Based on the work performed, nothing has come to our attention that causes us to believe that the Sustainability Report - Eni For of Eni Group for the year ended 31 December 2022 is not prepared, in all material respects, in accordance with the requirements of the GRI Standards as illustrated in the “Reporting criteria” section of the Sustainability Report.

**Other Matters**

With reference to the annex “Statement on GHG accounting and reporting - year 2022” of the Sustainability Report - Eni For 2022, which has been prepared with principles (suitable criteria) that differ from the GRI Standards, the activities envisaged by ISAE 3000 Revised and ISAE 3410 were carried out using the limited assurance approach for the indicators GHG Lifecycle Emissions (Net GHG Lifecycle Emissions and Net Carbon Intensity), Net Zero Carbon Footprint Upstream (Scope 1 and 2) on an equity basis and Scope 3 emissions, and using the reasonable assurance approach, for the indicators Scope 1 emissions and Scope 2 emissions. On the basis of these activities, a specific assurance report was prepared and attached to the document.

Milano, 10 May 2023

PricewaterhouseCoopers SpA

Signed by

Paolo Bersani

(Partner)

This report has been translated from the Italian original solely for the convenience of international readers. We have not performed any controls on the Sustainability Report - Eni For 2022 translation.
Eni’s sustainability reporting

Eni narrates its role in the energy transition through sustainability reporting, sharing its values, corporate strategies, objectives and achievements. Aware of the increasing centrality of non-financial information, Eni has developed a structured sustainability reporting system to satisfy the information needs of its stakeholders in a comprehensive and timely manner in terms of variety and depth.

MANDATORY REPORTING

The Consolidated Non-Financial Statement 2022 (NFI), prepared i.a.w. the requirements of Legislative Decree 254/2016 (adopting European Directive 95/2014) and published in the 2022 Annual Financial Report, provides a concise and integrated disclosure of the management model, the policies implemented, the main risks and results related to the various sustainability issues.

OTHER REPORTS

In the coming months, Eni will also publish Eni for Human Rights, which describes its strategy for promoting and respecting human rights and reports on its main activities and key performance indicators. In addition, Eni publishes other sustainability reports annually, both at the local and subsidiaries level, which will be available during 2023 on eni.com.

RECOGNITIONS RECEIVED BY ENI IN 2022

<table>
<thead>
<tr>
<th>MSCI ESG RATINGS</th>
<th>Moody’s ESG Solutions</th>
<th>iTraxx Index</th>
<th>WDI</th>
<th>Bloomberg Gender Equality Index 2023</th>
<th>SUSTAINALYTICS</th>
<th>BLOOMBERG NEW ENERGY FINANCE</th>
<th>FTSE4Good</th>
<th>ISS ESG</th>
<th>Equileap</th>
<th>WBA Just Transition</th>
<th>CDP</th>
<th>WBCSD</th>
<th>Climate Action 100+</th>
<th>ISS Quality Score</th>
<th>MBIF ESG</th>
<th>Carbon Tracker Initiative</th>
<th>ECOVADIS</th>
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<tr>
<td>Confirmed by MSCI in its ESG X' rating</td>
<td>Confirmed &quot;advanced&quot;, ranked 1st out of 30 European O&amp;G companies</td>
<td>Confirmed in the iTraxx ESG Index</td>
<td>Included in the Top 10% of participating companies</td>
<td>Included for the 2nd year</td>
<td>Confirmed in the medium risk range</td>
<td>Confirmed 4th place out of 41 global majors considered</td>
<td>Confirmed in the FTSE-4Good Developed stock exchange index for the 16th consecutive year</td>
<td>Included in the PRIME Investment Grade in September 2021</td>
<td>Included in the Top 100 Gender Equality Ranking</td>
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<td>Equileap</td>
<td>Included in the 1% of companies meeting most of the requirements of the Just Transition assessment</td>
<td>Confirmed leadership disclosure on climate change (A -)</td>
<td>Rated B for Water Security, in line with the O&amp;G industry average</td>
<td>Confirmed for the 4th year among the ten best-performing companies for its sustainability reporting</td>
<td>Climate Action 100+ Confirmed as one of the most aligned companies with the Climate Action 100+ Net Zero Company Benchmark in terms of GHG emissions reduction targets, climate governance and climate disclosure</td>
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<td>First among peers in Integrated Energy Company ranking</td>
<td>Achieved a rating of 73 out of 100, falling into the 98th percentile of companies with the highest score globally</td>
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ENI FOR 2022 - A JUST TRANSITION

Eni for 2022 - A Just Transition describes how, through the three levers of the integrated business model, Eni creates long-term value. Eni for 2022 - Sustainability Performance (only available online) provides an overview of sustainability key performance indicators over five years. The summary key contents are available in the Executive Summary.

ENI FOR 2022 - SUSTAINABILITY PERFORMANCE (only available online)

Eni for 2022 - Sustainability Performance (only available online) provides an overview of sustainability key performance indicators over five years. The summary key contents are available in the Executive Summary.

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ONLINE REPORTS

Eni for 2022 - A Just Transition

Eni for 2022 - Sustainability Performance

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