

# FOR

SUSTAINABILITY PERFORMANCE

ENI FOR 2019



# MISSION



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.



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

## THE SUSTAINABLE DEVELOPMENT GOALS

### 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.



# Contents

## WHY READ ENI'S SUSTAINABILITY REPORT, ENI FOR 2019?

In this report, Eni wants to describe its contribution to a **just transition**, an energy transition that allows to protect the environment and give access to energy for all, but at the same time is socially fair. Eni for 2019 presents Eni's efforts in facing these challenges, describing how the company creates long-term value through its integrated business model.

Eni for outlines Eni's **Operational Excellence**, an enabling factor for the achievement of its goals and for the creation of value in the Countries of presence, which is strengthened through **Alliances for local development**. Eni for also includes an annex on the path towards **Carbon neutrality in the long term** and one dedicated to the three-year period sustainability **Performance** with the relative comments.


In relation to the **Consolidated Disclosure of Non-Financial Information**, included in the Annual Report and prepared in accordance with the provisions of Legislative Decree 254/2016 to give an integrated and concise view of financial and non-financial information, **Eni for** wants to further deepen the non-financial issues, presenting concrete cases also through external voices of people with whom Eni shares its path.

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## Introduction

The document aims to present Eni's non-financial performance, highlighting the Key Performance Indicators (KPIs) for the three-year period 2017-2019 along the three drivers of the Group's business model. Dedicating a specific document to the description of non-financial performance satisfies the will to ensure transparency with regard to the Eni's performance in order to be able to maintain a constructive and proactive dialogue with its stakeholders.

Eni in fact aims at contributing directly or indirectly to achieving the 17 United Nations 2030 Agenda Sustainable Development Goals (SDGs), by sustaining a socially inclusive energy transition, which responds with tangible, rapid and economically sustainable solu-

tions to the challenges of combating climate change and providing access to energy resources in a way that is efficient and sustainable for everyone.

Such business management can be measured by means of non-financial indicators which, in a process of continuous improvement, provide guidance in setting out future strategies and goals. This document, attached to Eni for 2019 - A just transition and an integral part of the Group's voluntary sustainability reporting, has been drawn up in compliance with the reference international standards on non-financial reporting: the Global Reporting Initiative (GRI) Sustainability Reporting Standards.

### Eni's non-financial performance and the sustainable development goals

The UN's 2030 Agenda for Sustainable Development, presented in New York in September 2015, identifies 17 Sustainable Development Goals (SDGs) which represent common goals for the current complex social challenges and are an important reference for the international community.

As part of these global challenges, energy plays a fundamental role in the achievement of primary needs, the socio-economic development of Countries, protection of the environment and in-

ternational security. Aware of this, in its 2020-2023 Strategic Plan Eni has set out the goals that directly or indirectly contribute to achieving the SDGs and that are measured through specific KPIs reported in this document<sup>1</sup>. In this way, Eni addresses its own business and is able to seize new business opportunities, highlighting both the value generated in terms of local development and the mitigation actions of the negative impacts that may be caused by the business itself.



1) The identification of the KPIs was carried out taking as reference both the document "An Analysis of the Goals and Targets" (published by GRI and UN Global Compact) and the document "Mapping the oil and gas industry to the Sustainable Development Goals: An Atlas" (published by IPIECA).

# Governance and business ethics



**FOR FURTHER INFORMATION:**  
*Eni for 2019 - A just transition*  
*Sustainability governance, pp. 10-11*  
*Each of us, p. 28*

## BOARD OF DIRECTORS AND CONTROL BODIES OF THE ENI GROUP<sup>(a)</sup>

|  |          | 2017 <sup>(b)</sup> | 2018 | 2019 | SDGs - target |
|--|----------|---------------------|------|------|---------------|
| Members of Eni SpA Board of Directors  | (number) | 9                   | 9    | 9    | <b>16.7</b>   |
| executive  |          | 1                   | 1    | 1    |               |
| non executive  |          | 8                   | 8    | 8    |               |
| independent <sup>(c)</sup>   |          | 7                   | 7    | 7    |               |
| non independent  |          | 2                   | 2    | 2    |               |
| members of minorities  |          | 3                   | 3    | 3    |               |
| Eni SpA Board of Directors Annual Meetings                                     |          | 13                  | 12   | 13   |               |
| Average attendance at Eni SpA Board of Directors                               | (%)      | 100                 | 99   | 100  |               |
| Annual board induction sessions/ongoing training of Eni SpA Board of Directors | (number) | 4                   | 2    | 1    |               |
| Presence of women on the Boards of Directors                                   | (%)      | 32                  | 33   | 29   | <b>5.5</b>    |
| Presence of women on the Boards of Statutory Auditors <sup>(d)</sup>           |          | 37                  | 39   | 37   | <b>5.5</b>    |

(a) For consistency with the representation in the 2019 balance sheet, the Eni Group is understood to mean Eni SpA and its subsidiaries consolidated with the line-by-line method.

(b) Refers to the Board in office up until April 13, 2017 and, since April 13, 2017, to the current Board.

(c) Refers to independence as defined by the regulations, referred to in Eni's By-Laws.

(d) Outside of Italy, only the companies which a control body similar to the Italian Board of Statutory Auditors were considered.

The Board of Directors (BoD) and the Board of Statutory Auditors (BoSA) are appointed by the Shareholders' Meeting using the list voting system. Their respective chairmen are appointed by the Shareholders' Meeting with simple majorities. Three Directors and two Auditors, including the Chairman of the Board of Statutory Auditors, are appointed by minority shareholders<sup>2</sup>. The current BoD was appointed by the Shareholders' Meeting held on April 13, 2017. To appoint the Directors, the Shareholders' Meeting took into account the directions promptly communicated to the market by the BoD previously in office on the best composition in terms of diversity, such as gender, professionalism, managerial experience and internationality. The result is a well-balanced and diversified BoD, in which a third of its members and of the Board of Statutory Auditors, including the Chairs, are women. The number of independent Directors on the BoD exceeds the number required by the By-Laws and the corporate governance code.

Every year, the BoD, with the assistance of an external consultant and the supervision of the Appointments Committee, carries out a self-assessment (Board Review). Essential elements of this review are comparisons with best practices at national and international level, and a review of board dynamics, also evaluating whether to carry out a Peer Review of directors, which was actually carried out in 2020<sup>3</sup>.

In line with the procedure launched several years ago, at the start of the new term of office, training sessions were carried out on in-

stitutional and business issues, including visits to operating sites, to support the BoD and the Board of Statutory Auditors. Training continues during their term with ongoing training sessions, in particular with visits to operating sites. The internal regulations on the "Corporate Governance of Eni companies", subject to the requirements of the law, provides that in selecting the members of the management and control boards of Eni's Italian and foreign subsidiaries, the need for diversity (including gender diversity) is, where possible, taken into account. In line with these regulations, Eni's commitment to favouring the presence of women in the management and on control boards of Eni's companies is ongoing. The overall percentage of women on the boards of directors and statutory auditors of subsidiaries fell slightly in 2019 to 29% and 37%, respectively.

### Remuneration

The Chief Executive Officer's (CEO) overall salary mix in the 2017-2020 term is more focused on variable components, which are also linked to sustainability goals, with a strong prevalence of the long-term component. The table shows the percentage of the remuneration linked to long-term targets and the percentage of annual variable remuneration linked to sustainability goals, if the target or maximum level company goals are achieved compared to an overall target level performance.

2) Eni's By-Laws ensure that the number of representatives of minorities exceeds the number required by law. The number of independent Directors envisaged by the Company By-Laws is also greater than that required by law.

3) This consists of the assessment by each Board Member of the contributions made by each other Board Member.

|   | Policy Mandate 2014-2017 |         | Policy Mandate 2017-2020 |         |
|---|--------------------------|---------|--------------------------|---------|
|   | Target                   | Maximum | Target                   | Maximum |
| % of CEO remuneration linked to long-term objectives        | 46%                      | 51%     | 53%                      | 65%     |
| % of CEO variable remuneration on sustainability objectives | 25%                      | 33%     | 25%                      | 38%     |

For the 2020-2023 term, the CEO's short term variable Incentive Plan, still includes sustainability objectives such as environmental (CO<sub>2</sub> emissions, with a weight of 12.5%) and human capital (Severity Incident Rate with a weight of 12.5%) objectives, set out for managers with strategic responsibilities and supported by other sustainability objectives (for example, relating to human rights or local interventions) in line with the specific responsibilities, the role held and the provisions of the Company's Strategic Plan.

In addition, the new 2020-2022 Long-Term Equity based Incentive Plan provides for specific goals on environmental sustainability

and energy transition, with an overall weight of 35%, articulated on targets related to the decarbonization path (reduction of GHG emission intensity), the development of electricity generation from renewable sources and the implementation of circular economy projects (biofuels development).

The table below shows the updating to 2019 of the pay ratio between the CEO's remuneration and the median remuneration of employees in Italy, calculated with reference both to fixed and total remuneration which includes, in addition to the fixed remuneration, variable components and benefits.

|   | 2017 | 2018 | 2019 |
|---|------|------|------|
| Ratio between the CEO's fixed remuneration and the median fixed remuneration of employees | 37   | 37   | 37   |
| Ratio between the CEO's total remuneration and the median total remuneration of employees | 89   | 115  | 108  |

## Value added

|  |             | 2017   | 2018   | 2019    | SDGs - target  |
|--|-------------|--------|--------|---------|----------------|
| Gross global value added                           | (€ million) | 18,281 | 22,281 | 20,391  |                |
| of which: to human resources                       |             | 3,163  | 3,247  | 3,164   |                |
| of which: to States and Public Administrations     |             | 3,467  | 5,970  | 5,591   |                |
| of which: to financial capital providers           |             | 751    | 685    | 740     |                |
| of which: to shareholders                          |             | 2,884  | 2,991  | 3,022   |                |
| Total distributed value added                      |             | 10,265 | 12,893 | 12,517  |                |
| Portion of net profit reinvested in the company    |             | 493    | 1,146  | (2,867) |                |
| Depreciation, amortization and impairments (gross) |             | 7,523  | 7,956  | 10,596  |                |
| Net value added                                    |             | 10,758 | 14,325 | 9,795   | <b>8.2 9.1</b> |

Distributed value added in 2019 amounted to €12,517 million, and is divided as follows: i) 45% to the State and Public Administrations through taxes on the income of both Italian and overseas businesses; ii) 25% to human resources remunerated through wages,

salaries and welfare contributions; iii) 24% to shareholders remunerated through the distribution of dividends; iv) 6% to financial backers paid through financial charges.

## Research and development



FOR FURTHER INFORMATION:  
*Eni for 2019 - A just transition*  
 Technological development, p. 18  
 Digitalisation, p. 19

|  |             | 2017  | 2018  | 2019  | SDGs - target |
|--|-------------|-------|-------|-------|---------------|
| R&D expenditures                                 | (€ million) | 185   | 197   | 194   | 9.5           |
| Tangible value generated by R&D                  |             | 914   | 921   | 1,126 |               |
| First patent filing applications                 | (number)    | 27    | 43    | 34    | 9.5           |
| of which: filed on renewable sources             |             | 11    | 13    | 15    |               |
| Existing patents                                 |             | 6,631 | 7,280 | 7,686 |               |
| Average age of patents                           | (years)     | 9.10  | 9.17  | 9.80  |               |
| R&D expenditures by typology                     | (€ million) | 185   | 197   | 194   | 9.5           |
| Decarbonization                                  |             | 72    | 74    | 102   |               |
| Safety and risk reduction                        |             | 26    | 25    | 20    |               |
| Other of which exploration <sup>(a)</sup>        |             | 87    | 98    | 72    |               |
| Number of partnerships on R&D <sup>(b)</sup>     | (number)    | 1,033 | 1,127 | 1,221 | 9.5           |
| of which: with Universities and Research Centers |             | 233   | 271   | 362   |               |
| Number of active users in #e-kms <sup>(c)</sup>  |             | 2,321 | 2,184 | 1,903 | 4.4           |
| Impacting Knowledge in #e-kms <sup>(d)</sup>     |             | 2,035 | 2,501 | 1,832 | 4.4           |

(a) This figure includes also the expenditures in Environment that last year were reported separately and that were equal to €16 million in 2017 and €15 million in 2018.

(b) Partnerships consider purchase orders relating to goods and services that are functional to R&D activities in Eni SpA and Versalis SpA.

(c) The number of active users reports the number of unique users who have written at least one post in #e-kms over the year.

(d) Impacting Knowledge includes Knowledge Nuggets, KM Webinars, Innovation Idea Management and Application of Innovative Technologies and KM Success Stories.

In 2019, Eni's economic investment in scientific research and technological development activities amounted to €194 million. Research and Development is a key element in sustaining the transformation of Eni into an integrated energy company with a low carbon impact. The commitment takes the form of boosting new state-of-the-art technologies at the service of innovation and sustainability, focussing on multiplying the areas of application of the solutions identified. The research projects concern every aspect of the production chain, with the aim of reducing risks, increasing efficiency and aiming to obtain greater quality for products and processes.

The goals, therefore, are developed in line with the following strategic briefs:

- Developing technologies that guarantee the highest level of efficiency and safety, the lowest possible environmental impact, at the same time reducing costs and time to market of our operations;
- Reducing the emissions of the operations and products sold, promoting natural gas as an energy source during transition from an energy mix based on fossil fuel to one with low or zero carbon impact, integrating renewable energy and developing innovative energy technologies such as magnetic confinement fusion;
- Reducing use of raw materials, also by recycling, transforming waste (including carbon dioxide) into value added products, with a view to sustainable development based on circular economy principles.

Eni is also committed to identifying the value generated by applying innovative technologies developed both in-house and with third parties. In 2019, the estimated tangible value generated was €1,126 million, an increase against the value achieved in previous years, mainly due to the contribution of:

- Proprietary software that increase the accuracy of the analyses conducted, reducing, for example, exploration risk and decreasing the time-to-market of the assets;
- Technologies that allow identifying the best structures during drilling, providing for the optimal positioning of wells in a timely manner and increasing their productivity;
- Software to optimise operating parameters in real time, with consequent increase in the efficiency of operations in the field;
- New products in the refining and chemical areas with higher energy efficiency and low environmental impact.

With regard to Intellectual Property in support of technological innovation, in 2019 a total of 34 new patent applications were filed, generated by internal R&D activities and by the external network of cooperation. New patent applications directly targeted at developing technologies in the field renewable energy sources sector (biofuels and solar) were 15. In addition to patent applications, other intellectual property rights have been generated through protection by software copyright (6) related to monitoring algorithms in the areas of drilling and exploration. Therefore, the total new intellectual property rights in 2019 were 40. This figure, which is slightly lower than that of 2018, falls within the statistical varia-

bility reported over a period of several years and confirms the high level of innovation in the sectors of technology related to renewable energy sources. The increase in the overall number of rights in the portfolio (7,686, against 7,280 in 2018) confirms the orientation of the business towards initiatives to enhance the industrial value of research results and is linked to consistent investments in territorial coverage of patented inventions in the geographical areas that are of interest for Eni businesses, in particular in the renewable energy sources and petrochemical areas. The average age of the portfolio of 9.8 years shows a slight increase over the figure for the previous two years and takes account of a distribution of patents, in line with the industrial and business strategies of Eni and of its subsidiaries as well as of the portfolio surveillance and updating activities.

In order to develop in-house professional skills, Eni is committed to spreading technical knowledge transversally to all structures also through the Knowledge Management System. In 2019, the new Eni Knowledge Management System (e-kms) was launched on July 1. The activities on the system were therefore concentrated in the second half of the year with the active participation of 1,903 colleagues all over the world who shared 1,832 Impacting Knowledge sessions, 430 of which were webinars. The quality of the shared contents also benefited from higher participation by Knowledge Owners, more than double the participation in 2018. The new e-kms is designed to stimulate even more transversal participation thanks to the introduction of new artificial intelligence features for virtuous and integrated management of experiences and best practices, such as a new advanced research tool and the speech-to-text converters of the webinars.



# Carbon neutrality in the long term



FOR FURTHER INFORMATION:  
*Eni for 2019 - Carbon neutrality in the long term*  
*Circular economy, pp. 26-27*  
*Metrics and targets, pp. 44-50*

## Emissions

|  |                                       | 2017  | 2018  | 2019  | SDGs - target    |
|--|---------------------------------------|-------|-------|-------|------------------|
| Direct GHG emissions (Scope 1)   | (million tonnes CO <sub>2</sub> eq)   | 43.15 | 43.35 | 41.20 | <b>13.1</b>      |
| of which: CO <sub>2</sub> equivalent from combustion and process                                       |                                       | 33.03 | 33.89 | 32.27 |                  |
| of which: CO <sub>2</sub> equivalent from flaring  |                                       | 6.83  | 6.26  | 6.49  |                  |
| of which: CO <sub>2</sub> equivalent from venting  |                                       | 2.15  | 2.12  | 1.88  |                  |
| of which: CO <sub>2</sub> equivalent from methane fugitive emissions                                   |                                       | 1.14  | 1.08  | 0.56  |                  |
| Direct GHG emissions by sector:  |                                       |       |       |       |                  |
| Exploration & Production (E&P)   |                                       | 24.02 | 24.07 | 22.75 |                  |
| Gas & Power (G&P)  |                                       | 11.3  | 11.08 | 10.47 |                  |
| Refining & Marketing and Chemicals (R&M & C)   |                                       | 7.82  | 8.19  | 7.97  |                  |
| Corporate and other activities   |                                       | 0.01  | 0.01  | 0.01  |                  |
| Carbon efficiency index  | (tonnes CO <sub>2</sub> eq/kboe)      | 36.01 | 33.90 | 31.41 | <b>13.1</b>      |
| GHG emissions/100% operated hydrocarbon gross production (upstream)                                    |                                       | 22.75 | 21.44 | 19.58 | <b>13.1</b>      |
| GHG emissions/equivalent electricity produced (EniPower)   | (gCO <sub>2</sub> eq/kWheq)           | 395   | 402   | 394   | <b>13.1</b>      |
| GHG emissions/refinery throughputs (raw and semi-finished materials)                                   | (tonnes CO <sub>2</sub> eq/kt tonnes) | 258   | 253   | 248   | <b>13.1</b>      |
| Methane fugitive emissions (upstream)  | (ktonnes CH <sub>4</sub> )            | 38.8  | 38.8  | 21.9  | <b>13.1</b>      |
| Volumes of hydrocarbon sent to flaring   | (billion Sm <sup>3</sup> )            | 2.3   | 1.9   | 1.9   | <b>13.1</b>      |
| of which: sent to process flaring  |                                       | 1.6   | 1.4   | 1.2   |                  |
| Volumes of gas sent to venting   |                                       | 0.05  | 0.05  | 0.03  | <b>13.1</b>      |
| CO <sub>2</sub> emissions from Eni plants subject to EU ETS  | (million tonnes CO <sub>2</sub> )     | 19.72 | 19.92 | 19.57 |                  |
| Quotas allocated to Eni plants subject to EU ETS   |                                       | 8.52  | 7.24  | 7.73  |                  |
| Eni plants subject to EU ETS   | (number)                              | 40    | 40    | 39    |                  |
| Indirect GHG emissions (Scope 2)   | (million tonnes CO <sub>2</sub> eq)   | 0.65  | 0.67  | 0.69  | <b>13.1</b>      |
| Indirect GHG emissions other than those due to purchases from other companies (Scope 3) <sup>(a)</sup> |                                       |       |       |       | <b>13.1</b>      |
| of which: use of sold products   |                                       | 228.6 | 231.0 | 232.6 |                  |
| of which: processing of sold products  |                                       | 11.0  | 11.3  | 11.8  |                  |
| of which: electricity purchased and sold   |                                       | 5.0   | 5.5   | 6.3   |                  |
| of which: purchased goods and services (supply chain)  |                                       | 1.7   | 2.0   | 2.0   |                  |
| of which: transportation and distribution of products  |                                       | 1.9   | 1.8   | 1.6   |                  |
| of which: business travel and employees commuting  |                                       | 0.2   | 0.2   | 0.2   |                  |
| of which: other contributions  |                                       | 0.5   | 0.5   | 0.5   |                  |
| Production of biofuels <sup>(b)</sup>  | (ktonnes)                             | 206   | 219   | 256   | <b>12.2 13.1</b> |
| Capacity of biorefineries <sup>(b)</sup>   | (ktonnes/year)                        | 360   | 360   | 660   | <b>12.2 13.1</b> |

(a) The GHG includes the CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O emissions; the Global Warming Potential used is 25 for the CH<sub>4</sub> and 298 for the N<sub>2</sub>O.

(b) Includes the pro-rata of installed capacity of Gela's biorefinery (720,000 tonnes/y) started in August 2019.

Eni has defined indicators that illustrate the progress achieved so far in the reduction of GHG emissions into the atmosphere, the use and consumption of energy from primary sources and the production of energy from renewable sources. With specific reference to short-term decarbonisation targets, defined on operated assets and accounted on a 100% basis, the following is a summary of the results achieved in 2019 and of the progress towards the targets.

**Reduction of the upstream GHG emission intensity index by 43% by 2025 vs. 2014:** the upstream GHG intensity index, expressed as the ratio between direct emissions in tonnes of CO<sub>2</sub>eq and thousands of barrels of oil equivalent, in 2019 decreased by 9% in 2019 against 2018, reaching 19.58 tonnes CO<sub>2</sub>eq/kboe. The overall reduction against 2014 is 27% and is in line with the target for 2025. The improvement in the index is linked to the increase in production from new low emissions intensity plants (e.g. Zohr in Egypt and OCTP in Ghana), to consolidation of the contribution from reduction of gas process flaring linked to projects launched during 2018, as well as completion of the campaigns to monitor fugitive methane emissions and planned leak maintenance in 2019.

**Zero gas process flaring by 2025:** in 2019, the volumes of hydrocarbons sent to process flaring, equal to 1.2 MSm<sup>3</sup>, decreased 15% against 2018, in relation to the contribution of specific projects for reduction of flaring (Libya, Nigeria, Turkmenistan) and the decrease in production that took place at a number of fields with associated gas flaring during 2019. In 2019, Eni invested €31 million in flaring down projects, in particular in Libya and in Nigeria.

**Reduction of upstream fugitive emissions by 80% by 2025 vs. 2014:** in 2019, upstream fugitive methane emissions were 21.9 ktonnes CH<sub>4</sub>, a decrease of 44% against 2018, thanks to monitoring and maintenance campaigns (Leak Detection And Repair - LDAR) conducted at the assets of Zohr (Egypt) and Jangkrik (Indonesia) and improvement of reporting at El Feel and Bouri (Libya). The reduction achieved made it possible to meet the 2025 target of an 80% reduction against 2014 six years early. The LDAR campaigns also involved the midstream sector (Sergaz), leading to a reduction of 35% compared to 2018.

**Improvement of the carbon efficiency index by an average of 2% per year up to 2021 compared to 2014:** the target extends the GHG reduction targets (scope 1 and scope 2) to all business areas with a target of improving the carbon efficiency index by an average of 2% per year<sup>4</sup>. This objective refers to the overall Eni index, even while maintaining the appropriate flexibility in the trends of the individual businesses. In 2019, the index stood at 31.41 tonnes CO<sub>2</sub>eq/kboe, down 7.4% from 2018 (33.90 tonnes CO<sub>2</sub>/kboe). This drop is partly due to a reduction in the upstream sector and an improvement of approximately 2% in the EniPower and

Refining & Marketing performance indexes. Although the target was to achieve the reduction by 2021, Eni will continue to pursue progressive improvement over the coming years.

Overall, direct GHG emissions deriving from Eni operations in 2019 were 41.20 million tonnes CO<sub>2</sub>eq, decreasing 5% against 2018 and 29% against 2010. The reduction is due mainly to a drop in combustion and process emissions as a result of energy efficiency projects, and reduction of fugitive emissions and methane venting (the latter also due to more accurate estimates following the census and detailed survey of emissions sources). Emissions from flaring, despite the reduction in the volumes of gas sent for process flaring, increased by 3.7%, as a result of extraordinary maintenance performed on gas injection compressors (Nigeria and Congo), temporary shut-downs of plants in Libya and an increase in emergency flaring in Angola (start-up of the Agogo field), as well as depressurisation of lines in Nigeria following sabotage.

GHG emissions for 2019 from the 39 Eni facilities subject to the Emissions Trading Scheme (19.57 MtonnesCO<sub>2</sub>) are in decrease but however in line with historical data (-1.8% vs. 2018). The free allowances assigned in 2019 under the allocation rules in force during the third ETS period (2013-2020) were not sufficient to cover the Company's needs (deficit of 11.8 MtonnesCO<sub>2</sub>); EniPower was particularly affected as, since 2013, it no longer receives free allowances except for those related to heat sold to third parties. With regard to Eni's indirect GHG emissions other than those due to purchases from other companies (so-called Scope 3, calculated in according to previously consolidated methodologies (e.g. IPIECA)) in the Oil & Gas sector, the most important category is linked to the use of products sold (natural gas and petroleum products) and in 2019 these emissions are substantially stable, in line with upstream productions. The other categories, though negligible in terms of emissions, are still the subject of targeted initiatives and are: product logistics optimization, green procurement, sustainable mobility, smart working and videoconference.

As far as biofuels are concerned, the quantities produced in 2019 rose to 256 thousand tonnes, with a 17% increase over the previous year. After the biorefinery in Venice, put into operation in 2014, the Gela biorefinery was started in August 2019, thus reaching a total feedstock capacity of over 1 million tonnes.

In the area of responsible approach to the biomass (defined in the specific **Eni's Position on biomass**<sup>5</sup>) Eni is committed to transparency and dissemination of information related to biomass used and the Country of origin, reporting this information annually. The table below shows the information related to the loads processed by the biorefineries in Venice and Gela in 2019.

4) It expresses the intensity of GHG emissions (scope 1 and scope 2 calculated on an operatorship basis in tonnes CO<sub>2</sub>eq, and which consider the contributions of CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O) of Eni's core industrial productions vs. operated production (converted into barrels of oil equivalent using the Eni average conversion factors published in the Fact Book) of each business, thus measuring their level of carbon efficiency in a decarbonisation scenario. Scope 1 emissions are direct emissions from the company's own assets. Scope 2 indirect emissions relate to the generation of electricity, steam and heat purchased from third parties.

5) For Eni's Position on biomass, see [eni.com](http://eni.com).

| Quantity in tonnes | HVO (Hydrotreated Vegetable Oil) product type | Biomass type (from)                                 | Quantity in tonnes | Country of origin |
|--------------------|---|---|--------------------|-------------------|
| 1,048              | HVO   | Nut shells  | 1,236              | Ghana             |
| 615                | HVO   | Nut shells  | 726                | Burkina Faso      |
| 778                | HVO   | Nut shells  | 946                | Benin             |
| 26,604             | HVO   | Used cooked oil                                     | 31,400             | Italy             |
| 98                 | HVO   | Other waste vegetable or animal oils                | 115                | Italy             |
| 2,919              | HVO   | Soybeans  | 3,439              | Brazil            |
| 48                 | HVO   | Biomass fraction from industrial waste              | 56                 | France            |
| 22                 | HVO   | Other feedstock                                     | 25                 | France            |
| 169,511            | HVO   | Palm oil  | 197,934            | Indonesia         |
| 38,292             | HVO   | Palm oil  | 45,804             | Malaysia          |
| 18,031             | HVO   | Palm oil mill effluent and empty palm fruit bunches | 21,374             | Malaysia          |
| 166                | HVO   | Palm oil mill effluent and empty palm fruit bunches | 192                | Indonesia         |
| 1,638              | HVO   | Other feedstock                                     | 1,883              | Italy             |

## Energy efficiency

|   |               | 2017   | 2018   | 2019   | SDGs - target   |
|---|---------------|--------|--------|--------|-----------------|
| Electricity produced by type of source  | (TWh)         | 28.847 | 29.508 | 27.251 | <b>7.1</b>      |
| of which: from natural gas  |               | 26.395 | 27.209 | 25.305 |                 |
| of which: from petroleum products   |               | 2.436  | 2.280  | 1.879  |                 |
| of which: from photovoltaic   |               | 0.016  | 0.019  | 0.067  |                 |
| Energy Intensity Index (refineries)   | (%)           | 109.2  | 112.2  | 112.7  | <b>7.3</b>      |
| Energy consumption from production activities/100% operated hydrocarbon gross production (upstream) | (GJ/toe)      | 1.49   | 1.42   | 1.39   | <b>7.3 12.2</b> |
| Net consumption of primary resources/Equivalent electricity produced (EniPower)                     | (toe/MWheq)   | 0.16   | 0.17   | 0.17   | <b>7.3</b>      |
| Primary sources consumption   | (million toe) | 13.0   | 13.0   | 13.6   | <b>12.2</b>     |
| of which: natural/fuel gas  |               | 10.5   | 10.2   | 10.2   |                 |
| of which: other petroleum products  |               | 2.5    | 2.8    | 3.4    |                 |
| Primary energy purchased from other companies by type   |               | 0.38   | 0.44   | 0.44   | <b>12.2</b>     |
| Electricity   |               | 0.33   | 0.38   | 0.38   |                 |
| Other sources <sup>(a)</sup>  |               | 0.05   | 0.06   | 0.06   |                 |
| Regular fuel savings resulting from energy saving projects  | (ktep/year)   | 295    | 313    | 303    | <b>7.3</b>      |

(a) Includes steam, heat and hydrogen.

In 2019, consumption of Eni's primary sources remained substantially stable. Electricity produced from photovoltaic sources increased to 66.9 GWh. In 2019, Eni went ahead with its investment plan both in projects aiming directly at increasing energy efficiency at assets (over €8 million) and in development and revamping projects with significant effects on the energy performance of operations. The work carried out during the year, when fully operational, will allow fuel savings of around 303 ktoe/year, to which 25 GWh/year of saving from purchases of electricity and steam, equivalent to a reduction in emissions of around 0.8 million tonnes of CO<sub>2</sub>eq must be added. The E&P sector made a major contribution to this result, with 49 energy efficiency initiatives implemented in 16 companies in 13 different Countries, allowing savings of over 286

ktoe/year of fuel. The most significant measures implemented by the sector concerned the revamping of compression units for gas for export or reinjection, adaptation of equipment to new operating conditions, thermal integration between adjacent plants and optimisation of the production network.

In the R&M&C sector (where the fuel saving in full operation obtained with the new projects completed in 2019 was over 15 ktoe/year) the most significant work concerned the Porto Torres petrochemical plant (reorganisation of CTE and boiler and torch utilities with a saving of over 11 ktoe/year) and the Sannazzaro refinery (for a saving of 3 ktoe/year). In G&P, the work completed in 2019 at the EniPower power plants in Brindisi, Ferrera Erbognone and Ravenna will lead to fuel savings of about 1 ktoe/year.

# Operational excellence model



FOR FURTHER INFORMATION:  
Eni for 2019 - A just transition  
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## People

### EMPLOYMENT

|  |          | 2017   | 2018   | 2019   | SDGs - target   |
|--|----------|--------|--------|--------|-----------------|
| Employees as of December 31                      | (number) | 32,195 | 30,950 | 31,321 | <b>8.5</b>      |
| Men  |          | 24,615 | 23,643 | 23,731 |                 |
| Women  |          | 7,580  | 7,307  | 7,590  | <b>5.1</b>      |
| Italy  |          | 20,468 | 20,576 | 21,078 |                 |
| Abroad   |          | 11,727 | 10,374 | 10,243 |                 |
| of which: Africa                                 |          | 3,303  | 3,374  | 3,371  |                 |
| of which: Americas                               |          | 1,216  | 1,257  | 1,005  |                 |
| of which: Asia                                   |          | 2,418  | 2,505  | 2,662  |                 |
| of which: Australia and Oceania                  |          | 114    | 90     | 88     |                 |
| of which: Rest of Europe                         |          | 4,676  | 3,148  | 3,117  |                 |
| Employees aged 18 - 24                           |          | 364    | 437    | 564    | <b>8.6</b>      |
| Employees aged 25 - 39                           |          | 9,761  | 9,224  | 9,289  |                 |
| Employees aged 40 - 54                           |          | 15,022 | 14,058 | 13,824 |                 |
| Employees aged over 55                           |          | 7,048  | 7,231  | 7,644  |                 |
| Employees abroad by category:                    |          |        |        |        |                 |
| Locals   |          | 10,010 | 8,572  | 8,320  | <b>8.5 10.1</b> |
| Italian expatriates                              |          | 1,234  | 1,261  | 1,360  |                 |
| International expatriates (including TCN)        |          | 483    | 541    | 563    |                 |
| Employees by professional category:              |          |        |        |        |                 |
| Senior managers                                  |          | 990    | 1,008  | 1,021  |                 |
| Middle managers                                  |          | 9,043  | 9,147  | 9,387  |                 |
| White collars                                    |          | 16,600 | 15,839 | 16,050 |                 |
| Blue collars                                     |          | 5,562  | 4,956  | 4,863  |                 |
| Employees by educational qualification:          |          |        |        |        |                 |
| Degree   |          | 14,802 | 14,603 | 15,375 |                 |
| Secondary school diploma                         |          | 14,300 | 13,348 | 13,184 |                 |
| Less than secondary school diploma               |          | 3,093  | 2,999  | 2,762  |                 |
| Employees by sector:                             |          |        |        |        |                 |
| E&P  |          | 11,928 | 11,619 | 11,478 |                 |
| R&M&C  |          | 10,312 | 10,510 | 10,684 |                 |
| G&P  |          | 4,220  | 2,941  | 2,914  |                 |
| Seniority  | (years)  |        |        |        |                 |
| Senior managers                                  |          | 22.08  | 22.12  | 22.78  |                 |
| Middle managers                                  |          | 20.01  | 20.02  | 20.00  |                 |
| White collars                                    |          | 17.02  | 17.03  | 16.73  |                 |
| Blue collars                                     |          | 13.05  | 13.05  | 13.55  |                 |
| Local employees abroad by professional category: | (number) |        |        |        |                 |
| Senior managers                                  |          | 58     | 46     | 46     |                 |
| Middle managers                                  |          | 1,781  | 1,686  | 1,659  |                 |
| White collars                                    |          | 5,543  | 4,769  | 4,606  |                 |
| Blue collars                                     |          | 2,628  | 2,071  | 2,009  |                 |

[continued]

| (continued)   |          | 2017   | 2018   | 2019   | SDGs - target   |
|---|----------|--------|--------|--------|-----------------|
| Local senior managers & middle managers abroad  | (%)      | 15.68  | 16.70  | 16.65  | <b>8.5 10.1</b> |
| Local employees in the upstream sector  |          |        |        |        | <b>8.5 10.1</b> |
| of which: historical presence Countries   |          | 90     | 87     | 86     |                 |
| of which: recent entry Countries  |          | 30     | 32     | 30     |                 |
| Employees in non OECD Countries   | (number) | 6,631  | 6,705  | 6,535  | <b>8.5 10.1</b> |
| Local employees in subsidiaries   | (%)      | 93.36  | 93.22  | 93.16  |                 |
| of which: consolidated  |          | 85.36  | 82.63  | 81.23  |                 |
| of which: non consolidated  |          | 97.03  | 97.25  | 97.44  |                 |
| Employees in non consolidated and proportionally consolidated subsidiaries <sup>(a)</sup> | (number) | 26,492 | 28,292 | 29,542 |                 |
| of which: local   |          | 25,733 | 27,540 | 28,810 |                 |
| Employees with permanent contracts <sup>(b)</sup>   |          | 31,609 | 30,183 | 30,571 | <b>8.5</b>      |
| Employees with fixed term contracts <sup>(b)</sup>  |          | 586    | 767    | 750    | <b>8.5</b>      |
| Employees with full-time contracts  |          | 31,612 | 30,390 | 30,785 | <b>8.5</b>      |
| Employees with part-time contracts <sup>(c)</sup>   |          | 583    | 560    | 536    | <b>8.5</b>      |
| Average age   | (years)  | 45.3   | 45.4   | 45.4   |                 |
| Number of new hires with permanent contracts  | (number) | 992    | 1,264  | 1,855  | <b>8.5</b>      |
| Number of terminations of permanent contracts   |          | 1,312  | 1,270  | 1,198  |                 |
| of which: resignations  |          | 504    | 488    | 441    |                 |
| of which: retirements   |          | 593    | 606    | 664    |                 |
| of which: layoffs   |          | 178    | 136    | 72     |                 |
| of which: other   |          | 37     | 40     | 21     |                 |
| Turnover rate <sup>(d)</sup>  | (%)      | 6.8    | 7.6    | 9.8    | <b>8.5</b>      |

(a) The calculation of employees in non-consolidated subsidiaries takes into account the total employees and not only the Eni employees.

(b) The subdivision of fixed-term/permanent contracts does not vary significantly either by gender or by geographical area except for China and Mozambique where it is common practice to insert local resources for fixed term and then stabilize them over a period of 1-3 years.

(c) There is a higher percentage of women (7% of total women) on part-time contracts, compared to men (0.2% of total men).

(d) Ratio between the number of hires + resolutions of permanent contracts and the permanent employment of the previous year.

Overall employment amounts to 31,321 people, 21,078 of whom in Italy (67.3% of Eni employees) and 10,243 abroad (32.7% of Eni employees). In 2019, employment at global level increased by 371 people compared to 2018, equal to +1.2%, with an increase in Italy (+502) and a reduction abroad (-131 employees), mainly as a result of new corporate reorganisations. In particular, the sale of Agip Oil Ecuador is worth mentioning. In Italy, 1,300 people were hired, 1,254 of whom hired with permanent contracts (32.7% women, with an increase of about 4 percentage point over 2018); the number of personnel employed rose in the youngest age group (18-29) as a result of the recruitment plan to guarantee a structure coherent with the business and innovation targets, as well as making the most of opportunities offered by new technologies. Again in Italy, in 2019 there were 831 terminations, 707 of whom were permanently employed (and 18.1% women). In 2019, 899 people were hired abroad, 601 of whom with permanent contracts (31.4% women) and 68.1% of employees aged under

40. There were 715 terminations, 491 of whom permanently employed. Of these, 40.1% regarded resources under the age of 40, and 30.5% were women. Around 50% of recruitments abroad were for the upstream business areas (mainly in the United States, the UK, Mexico and Angola) and in R&M (Ecuador, Germany, France), with the aim of both developing and sustaining new initiatives, and managing the turnover in support of consolidation and evolution of skills. At year end, the balance between recruitments and terminations abroad was +184 (+899 hired -715 terminated) and was substantially the result of a boost in the upstream business, as well as widespread recruitments in support of activities in other businesses. Outside Italy, as a result of the sale of Agip Oil Ecuador, there was a reduction of 252 local employees against the previous year, leading to a drop in the percentage incidence of local staff on "total employment abroad" from 82.6% in 2018 to 81.2% in 2019. Overall, in 2019 2,199 people were hired, 1,855 of whom with permanent contracts. Of these, 32.3% were

female and about 81% were resources under 40 years of age. In all, 1,546 contracts were terminated, including 1,198 permanent contracts<sup>6</sup>, and 23.2% regarded female employees. In 2019, 24.1% of employees with permanent contracts who ended their employment were under 40 years of age. A total of 1,923 expatriates (1,360 of whom are Italian) work abroad, slightly up from 2018 (+99 Italian). The average age of Eni people in the world is 45.4

years, unchanged from 2018. If we analyse the figures subdivided by professional category (rank), it can be seen that the average age of the resources in positions of responsibility (senior managers and managers) is 49.4 years (50.3 in Italy and 47.0 abroad). The average age is 44.1 years old (45.4 in Italy and 41.3 abroad) for white collar workers, whereas for blue collar workers it is 41.3 (40.0 in Italy and 43.0 abroad).

### Ratio between Eni minimum wage policy and market minimum wage (1<sup>st</sup> decile) (middle manager – senior staff – white collars)

**TABLE 1: MIDDLE MANAGERS, SENIOR STAFF AND WHITE COLLARS - RATIO BETWEEN ENI MINIMUM WAGE POLICY AND MARKET MINIMUM WAGE (1<sup>ST</sup> DECILE)**

| Ratio      | Countries   | SDGs - target |
|------------|---|---------------|
| 100 - 125  | Austria, Belgium, Ecuador, France, Germany, Greece, Ireland, Italy, Netherlands, Poland, United Kingdom, Romania, Spain, Switzerland, Hungary |               |
| 126 - 150  | Algeria, China, United States   |               |
| 151 - 175  | Australia, Russia   |               |
| 176 - 225  | Kazakhstan, Iraq  |               |
| 226 - 275  | Angola, Vietnam   |               |
| > 275      | Egypt, Indonesia, Nigeria, Pakistan   |               |
| <b>172</b> | <b>Global Average</b>   | <b>8.5</b>    |

**TABLE 2: WORKERS - RATIO BETWEEN ENI'S MINIMUM WAGE (1<sup>ST</sup> DECILE) AND MINIMUM MARKET WAGE (1<sup>ST</sup> DECILE)**

| Ratio      | Countries                               | SDGs - target |
|------------|---|---------------|
| 100 - 125  | Italy, Spain                            |               |
| 126 - 150  | Ecuador, Germany, Switzerland           |               |
| 151 - 175  | France                                  |               |
| 176 - 225  | Austria, Hungary                        |               |
| 226 - 275  | Pakistan                                |               |
| > 275      | Angola, Egypt, Indonesia, United States |               |
| <b>242</b> | <b>Global Average</b>                   | <b>8.5</b>    |

In its policy for local personnel, Eni sets out reference salary levels in a minimum/maximum range in relation to the market data of each Country, monitored annually through international providers. For the middle manager, senior staff and white collar worker population, for which Eni envisages specific wage policies, the minimum levels set

by Eni in its policy are compared to the minimum market levels reported by the providers (1<sup>st</sup> decile of local wage practices), as shown in table 1. For the blue collar worker population (table 2), monitoring is performed by comparing the 1<sup>st</sup> decile of wages of the local Eni population and the 1<sup>st</sup> decile of wages in the reference market.

6) Around 50% of which due to retirement and 37% due to resignation.

## EQUAL OPPORTUNITIES

|   |     | 2017  | 2018  | 2019  | SDGs - target |
|---|-----|-------|-------|-------|---------------|
| Women employees in service  | (%) | 23.54 | 23.61 | 24.23 | 5.1           |
| Women hired   |     | 24.70 | 29.11 | 32.29 | 5.1           |
| Women in managerial positions (senior managers and middle managers) |     | 24.86 | 25.28 | 26.05 | 5.5           |
| Senior managers   |     | 14.14 | 14.88 | 15.57 |               |
| Middle managers   |     | 26.03 | 26.42 | 27.19 |               |
| Replacement rate by gender  |     | 0.76  | 1.00  | 1.55  | 5.1           |
| Men   |     | 0.72  | 0.94  | 1.37  |               |
| Women   |     | 0.90  | 1.16  | 2.15  |               |
| Total pay ratio (women vs. men)                                     |     | 97    | 98    | 98    | 5.1           |
| Senior managers (women vs. men)                                     |     | 96    | 97    | 98    |               |
| Middle managers and senior staff (women vs. men)                    |     | 96    | 99    | 97    |               |
| White collars (women vs. men)                                       |     | 98    | 98    | 100   |               |
| Blue collars (women vs. men)  |     | 97    | 98    | 96    |               |

By the end of 2019, 7,590 women worked for Eni (24.23% of total employees), 5,287 of whom were in Italy and 2,303 abroad. In Italy, of the 1,254 people permanently hired during 2019, 32.70% (total 410) were female. In 2019, the replacement rate of women (ratio between hires/termination of permanent contracts) after an increase in 2018, rose again from 0.90 in 2017, to 1.16 in 2018, and to 2.15 in 2019. The percentage of women in managerial positions (senior and middle managers) also increased, from 24.86% in 2017, to 25.28% in 2018, and reached 26.05% in 2019.

The results of the 2019 analysis of the gender pay gap at a global level show a substantial alignment (98%) between the pay of female workers and that of male workers, with slight differences compared to previous years that are statistically irrelevant. As in previous years, a consolidated Eni method has been used which neutralizes, in the pay comparison, any effects deriving from differences in role and seniority. In 2019, this measurement involved a sample of about 30,000 resources in 50 Countries (over 90% of the total).

## TRAINING

|   |          | 2017      | 2018      | 2019      | SDGs - target |
|---|----------|-----------|-----------|-----------|---------------|
| Total attendances   | (number) | 152,343   | 177,236   | 266,893   |               |
| Training hours by type                                      | (hours)  | 1,111,112 | 1,169,385 | 1,362,182 | 4.3           |
| HSE and quality   |          | 401,094   | 354,756   | 438,552   |               |
| Languages and IT  |          | 124,266   | 108,160   | 125,395   |               |
| Conduct/Communication/Institutional                         |          | 213,477   | 283,126   | 173,609   |               |
| Professional-cross cutting                                  |          | 113,117   | 135,684   | 201,853   |               |
| Professional-technical/commercial                           |          | 259,158   | 287,659   | 422,773   |               |
| Total training hours by professional category:              |          |           |           |           |               |
| Senior managers   |          | 32,005    | 42,201    | 52,518    |               |
| Middle managers   |          | 319,615   | 335,440   | 385,507   |               |
| White collars   |          | 580,864   | 592,580   | 703,708   |               |
| Blue collars  |          | 178,628   | 199,164   | 220,449   |               |
| Average hours of training per employee by employee category |          | 34.2      | 36.9      | 43.6      |               |
| Senior managers   |          | 31.7      | 41.7      | 51.0      |               |
| Middle managers   |          | 35.7      | 37.2      | 42.0      |               |
| White collars   |          | 34.5      | 36.2      | 43.9      |               |
| Blue collars  |          | 31.6      | 37.7      | 44.3      |               |

(continued)

| (continued)                      |             | 2017    | 2018    | 2019    | SDGs - target |
|----------------------------------|-------------|---------|---------|---------|---------------|
| In house training <sup>(a)</sup> | (%)         | 24.2    | 27.7    | 34.2    |               |
| Training expenditures            | (€ million) | 30.7    | 33.6    | 33.4    | <b>4.3</b>    |
| Training hours                   | (hours)     |         |         |         |               |
| of which: distance               |             | 232,399 | 220,554 | 380,893 |               |
| of which: in class               |             | 878,713 | 948,831 | 981,289 |               |

(a) It includes also contributions related to companies not included in the scope.

In 2019, as a result of both technical and compliance courses provided in distance mode (also via the “Digital Transformation Center” platform) and resumption of classroom training, there was a sig-

nificant increase in the hours of training, that is +16.5% compared to 2018, without however impacting on the overall expenditure for training which was effectively stable at the level of last year.

## KNOWLEDGE MANAGEMENT

|   |          | 2017  | 2018  | 2019   |
|---|----------|-------|-------|--------|
| Knowledge/Community network by application sector                     | (number) | 64    | 62    | 66     |
| Business  |          | 52    | 51    | 54     |
| Cross cutting   |          | 12    | 11    | 12     |
| Participants in the knowledge community/network by application sector |          | 8,781 | 9,771 | 20,536 |
| Business  |          | 6,597 | 7,591 | 15,330 |
| Cross cutting   |          | 2,184 | 2,180 | 5,206  |

Improvement in the Knowledge Management systems are confirmed as an important element for on-going development of widespread and shared know-how. As from the beginning of July 2019, a new version of e-kms, with a substantial system upgrade, has been released, further consolidating the expansion of the network of people involved for the benefit of both the business areas and the transversal areas operating on the system. The number of participants in communities increased signifi-

cantly, in particular for those who use e-kms, bringing the total to 20,536 (the sum of the participants in each individual Community of Practice-CoPs without eluding possible multiple participations); the total increase was 110%.

With the start-up of the new “Digital Transformation”, “Magnetic fusion”, “Distillation columns and principles” and “Electrical: power and distribution” CoPs, the total number of CoPs rose to 66, with an increase of 6.5%.

## INTERNAL COMMUNICATION

|   | 2017                  | 2018                  | 2019                  |
|---|-----------------------|-----------------------|-----------------------|
| Eni Engage – number of online meetings                          | 13                    | 16                    | 17                    |
| Eni Engage – access to online meetings (total click)            | 59,325 <sup>(a)</sup> | 61,002 <sup>(b)</sup> | 47,099 <sup>(c)</sup> |
| Eni Engage – opinion on clarity of Eni objectives (max score 6) | 5                     | 5                     | 5                     |
| MyEni <sup>(d)</sup> – enabled users on MyEni                   | 25,837                | 28,931                | 30,153                |

(a) The number includes 23,303 clicks to the starting event of the Engage program with the participation of Eni’s CEO, organized for the first time in 2017.

(b) The number includes 31,532 accesses to the live event, and 29,470 access to the deferred event.

(c) The number includes 27,200 accesses to the live event, and 19,899 access to the deferred event.

(d) Company intranet, the main instrument of internal communication and support for the daily activity of Eni’s people.

In 2019, the internal communication strategy, in continuity with previous years, is based on 3 pillars, **Executive, Business and People**, with the aim of supporting employee engagement by using increasingly more innovative solutions and placing people at the centre of the communication process.

Every person contributes to creating value in support of Eni’s goals and major transformations: in order to increase the **team spirit** and optimise the **contribution of everyone** it is essential to get everyone to share and engage in the **business model, results, goals and strategies**. With this in mind, in 2019 the **Exec-**



**utive communication** continued to sustain a plan of action for Eni top management, launched 3 years ago, to involve various targets in the company population in an **inclusive engagement** process on missions and strategies and increase direct dialogue with people. In particular, the most significant initiatives in 2019 were: i) **Leadership Meeting**, the annual meeting of the CEO with the 250 Eni key managers on objectives and strategies, for the first time was broadcast live on the company Intranet to allow everyone to hear the CEO's message; ii) **Global Engage**, a communication programme following the Leadership Meeting and involving Eni top management to share objectives and results with their people through events that can be enjoyed by everyone live on the Intranet to facilitate integration; iii) in 2019, **the new Eni mission** was issued and the centrality of the United Nations SDGs was affirmed: a plan of tangible initiatives and widespread communications was defined and created to promote the sharing of these pillars of our strategy, which will continue in 2020 too.

**Business Communication** has created projects aiming to optimise **internal skills**, the **innovations** introduced by Eni and the **business results**; important themes relating to **circular economy and decarbonisation, asset integrity, digitalisation and cybersecurity** were announced using new communication formats in which the key to success in terms of engagement was their narration, in particular by video, involvement of expert colleagues and gamification.

**People communication** in 2019 focussed on the “**Eni secondo te**” (**Eni according to you**) **climate analysis**, the survey that periodically collects the opinions of all company employees anonymously and in aggregated format. The communications campaign, featuring our colleagues, was global to pursue the purpose of maximum participation, and gave the excellent results that were expected. **Dissemination of the results** was just as widespread, along with a plan of action aiming to clearly and transparently report the results, as well as the areas of strengths and those where improvements need to be made. Other internal communication projects were also conducted in 2019 on the subjects of **Diversity & Inclusion, HSE, training and smart working** in which our colleagues were key players in the campaigns and Eni focussed on the values of inclusion and security.

Lastly, as part of a process of **international engagement**, in 2019 **Eni's first world hackathon**, “*The Six-legged hack, world-wide edition*” was organised, an original and powerful employee engagement initiative that involved the whole company and on which an international internal communication plan was implemented with events, multimedia and publishing projects, streaming and involvement of top management. The challenges of the hackathon focussed on key themes of corporate strategy as well as on key themes for the planet involving our colleagues in a process of generation of ideas and consideration of solutions through promotion of the United Nations SDGs.

## ENHANCING PEOPLE

|  | 2017 | 2018 | 2019 | SDGs - target |
|--|------|------|------|---------------|
| Employees covered by performance assessment tools (senior managers, managers, young graduates) (%) | 85   | 90   | 93   | <b>8.5</b>    |
| of which: senior managers  | 100  | 100  | 100  |               |
| Employees subject to annual review (senior managers, managers, young graduated)                    | 95   | 95   | 96   | <b>8.5</b>    |
| of which: senior managers  | 100  | 100  | 100  |               |

In 2019, with relation to performance and feedback processes<sup>7</sup>, the **positive trend** (+3 percentage points) on the population of senior managers, middle managers and young graduates continued and there was a significant increase on the population of **other white collar workers of 73% (+13 percentage points vs. 2018)** which is in line with the commitment made by the management on performance and feedback processes in their organisations including detailed monitoring of the trend throughout the year.

**The increase in the % coverage outside Italy** where there was an increase of **12 percentage points for young graduates** and **10 percentage points for the other resources employed** is worth mentioning; these increases lead the population of senior and

middle managers and young graduates to a level of global coverage of 92%, closing Italy-Abroad gap.

The **complete mapping of senior management** by means of **management review**<sup>8</sup> processes is confirmed as well as a further increase for the remaining populations (**middle management and graduates who are not managers**) for whom coverage reached very high levels. In particular, involvement of the population of young graduates increased (98%) as well as coverage of the process outside Italy (+6 percentage points).

The increase of 3 percentage points for other white collar workers also denotes, at global level, an increasingly greater commitment to the spread of the annual review process.

<sup>7</sup>) Performance appraisal: this is the main tool for the communication of corporate priorities and objectives, guidance for the activities orientation and continuous improvement of managerial and professional results and skills. Its purpose is to appraise the contribution provided and the results achieved during the year by the people and is one of the reference elements for the rewarding system.

<sup>8</sup>) Annual review: an annual process aimed at expressing a synthetic appraisal of resources that takes into account all the instruments/occasions for observation/assessment of the year in a coherent way, identifying the population groups for definition of targeted development actions.

With regard to soft skills appraisal processes, 85% of the scheduled Potential Assessments<sup>9</sup> (using the methodologies of the Development Center, Assessment Center and Focused Interviews) were conducted; additionally, 114 resources in senior and middle management were appraised using the Management Appraisal<sup>10</sup> methodology. The

data collected with the tools and processes for appraisal and development of Eni people provide the information required for the processes of planning and recruitment of resources from the internal market (“balancing”) and make it possible to use internal resources as a priority if there is a vacancy and/or opportunity for development.

## HEALTH

|  |  | 2017    | 2018    | 2019                   | SDGs - target  |
|--|--|---------|---------|------------------------|----------------|
| Health Impact Assessments carried out                                | (number)   | 13      | 20      | 14                     | <b>8.8</b>     |
| Employees included in health monitoring programs                     |  | 30,944  | 28,807  | 28,579                 | <b>3.8</b>     |
| Number of health services provided                                   |  | 450,398 | 473,437 | 487,360                | <b>3.8</b>     |
| of which: to employees   |  | 297,480 | 320,933 | 312,490                |                |
| of which: to contractors   |  | 56,573  | 68,796  | 94,130                 |                |
| of which: to relatives   |  | 79,687  | 66,327  | 72,268                 |                |
| of which: to others  |  | 16,658  | 17,381  | 8,472                  |                |
| Number of registration to health promotion initiative <sup>(a)</sup> |  | 56,765  | 170,431 | 205,373 <sup>(b)</sup> |                |
| of which: to employees   |  | 34,458  | 75,938  | 97,493                 |                |
| of which: to contractors   |  | 11,739  | 46,930  | 78,330                 |                |
| of which: to relatives   |  | 10,568  | 47,563  | 29,550                 |                |
| OIFR Occupational Illness Frequency Rate <sup>(c)</sup>              | (Occupational illnesses allegations received/<br>hours worked) x 1,000,000 | 0.13    | 0.16    | 0.16                   | <b>3.3 8.8</b> |
| Occupational illnesses allegations received                          | (number)   | 120     | 81      | 73                     | <b>3.3 8.8</b> |
| Employees  |  | 12      | 10      | 9                      |                |
| Previous employed  |  | 108     | 71      | 64                     |                |

(a) The data consider the companies significant the point of view of health impacts, as detailed in the Reporting criteria p. 31. For this reason 2018 data differs from those published in the Eni for - Sustainability performance 2018 where the scope relates to fully consolidated entities only.

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

(c) 2018 and 2019 data refer to fully consolidated entities only while 2017 data refers to total Eni.

In 2019, all the companies continued to implement health management systems with the objective of promoting and maintaining the health and well-being of Eni people and ensuring adequate risk management in the workplace. As confirmation of this, the business areas completed the planned health monitoring programmes. In 2019, in order to assess the potential impact of projects on the health of the communities involved, Eni completed 14 HIA (Health Impact Assessment), of which 9 were integrated ESHIA studies (Environmental and Social Health Impact Assessment): 2 in Algeria, 2 in Cyprus, 1 in each of the following Countries: Congo, Italy, Mexico, Oman, Vietnam. 1 ESH (Environmental Social Health Baseline) in Mozambique; 2 Pre-ESHIA, 1 of which in Libya and 1 in Egypt; 1 Stand-alone Health baseline in Indone-

sia; 1 HIA in Italy. The number of health services sustained by Eni in 2019 was 487,360, 312,490 of which for employees, 72,268 for family members, 94,130 for contractors and 8,472 for others (e.g., visitors and external patients). The number of participants in health promotion initiatives in 2019 was 205,373, 97,493 of which were employees, 78,330 were contractors and 29,550 were family members. With regard to occupational diseases, during 2019 cases dropped from 81 to 73, with an overall reduction of 10%, due to the reduction of diseases reported, both from former employees (from 71 to 64 reports) and from current employees (from 10 to 9 claims). Of the 73 occupational disease reports submitted in 2019, 16 were submitted by heirs (all relating to former employees).

9) Potential assessment: measurement of potential allows collection of information related to personal skills and behaviours expressed at work also for the purpose of the timely identification of resources with high growth potential. Measuring potential, in particular in the first period of working life, provides fundamental support for the development of personal and professional skills and for orientation towards growth paths with prevalent managerial or technical-professional content, coherent with the business needs.

10) Management Appraisal: this methodology is aimed at individually evaluating a pool of resources belonging to the middle and senior managerial population (middle managers in development and senior managers for Italy, comparable roles abroad) to detect soft/managerial skills, level of usability and their potential for growth in relation to the roles to be filled.

## INDUSTRIAL RELATIONS

|   |          | 2017   | 2018   | 2019   | SDGs - target |
|---|----------|--------|--------|--------|---------------|
| Employees covered by collective bargaining                              | (number) | 27,325 | 25,841 | 26,832 | <b>8.8</b>    |
| Employees covered by collective bargaining                              | (%)      | 81.96  | 80.89  | 83.03  |               |
| Italy   |          | 100    | 100    | 100    |               |
| Abroad  |          | 44.54  | 35.33  | 40.91  |               |
| Consultations, negotiations with trade unions on organizational changes | (number) | 275    | 192    | 149    | <b>8.5</b>    |
| Number of employees in trade unions                                     |          | 12,166 | 11,444 | 11,369 |               |
| Number of employees in trade unions                                     | (%)      | 36.49  | 35.82  | 35.18  |               |

Eni is continuously in contact with the trade unions at national and international level, to draw up and renew agreements with their counterparts. At international level, the trade union relations model is based on three pillars: two of which are European (the European Works Council and the European Observatory for Health and Safety of Workers in Eni) and one global, that is the Global Framework Agreement on International Industrial Relations and Corporate Social Responsibility, renewed in 2019. With reference to international labour law, the mapping of ratifications of the major ILO Conventions in the Countries where Eni operates has been finalised and circu-

lated internally as confirmation of Eni's commitment to compliance with the fundamental principles contained in the conventions. Furthermore, with regard to the fundamental principle of freedom of association, a check was made in 2019 on the regulations existing in the main Countries where Eni operates to ascertain whether local legislations, in safeguarding this principle, allow the establishment of trade unions and workers' representatives and collective bargaining. Where local regulations do not provide for explicit prohibitions, Eni always recognises the most favourable conditions of those laid down by ILO and the local regulations.

## EMPLOYMENT DISPUTES

|                           |          | 2017      | 2018      | 2019    |
|---------------------------|----------|-----------|-----------|---------|
| Employee disputes         | (number) | 1,310     | 1,211     | 927     |
| Prevention/disputes ratio |          | 626/1,310 | 503/1,211 | 345/927 |
| Disputes/employees ratio  | (%)      | 4.05      | 3.89      | 2.9     |

The decrease in employment disputes in 2019 is principally due to the positive settlement of a number of serial claims both in Italy and abroad. As regards Italy, more than half the 662 disputes pending concern claims for damages by former employees, or their heirs, for alleged occupational diseases. These alleged diseases are related to exposure to potentially harmful agents occurring in the past, often prior to the 1990s, at industrial sites that

were not managed by Eni but acquired years later as a result of corporate transactions. Overall, the number of claims directly connected with the execution of employment contracts such as higher contractual status, recognition of pay differences and alleged deskilling, remain at an extremely low level which, if considered in relation to the number of employees, amounts to 0.11% of those in service at the end of December 2019 (0.12% in 2018).

## Safety

|  |   | 2017    | 2018    | 2019    | SDGs - target |
|--|---|---------|---------|---------|---------------|
| TRIR (Total Recordable Injury Rate)                                | (total recordable injuries/hours worked) x 1,000,000              | 0.33    | 0.35    | 0.34    | <b>8.8</b>    |
| Employees  |   | 0.30    | 0.37    | 0.21    |               |
| Contractors  |   | 0.34    | 0.34    | 0.39    |               |
| Italy  |   | 0.64    | 0.62    | 0.53    |               |
| Abroad   |   | 0.26    | 0.29    | 0.29    |               |
| High-consequence work-related injuries rate (excluding fatalities) | (high-consequence work-related injuries/hours worked) x 1,000,000 | 0.00    | 0.01    | 0.01    | <b>8.8</b>    |
| Employees  |   | 0.01    | 0.00    | 0.00    |               |
| Contractors  |   | 0.00    | 0.01    | 0.01    |               |
| Lost Time Injury frequency rate (LTIF)                             | (injuries with days of absence/hours worked) x 1,000,000          | 0.21    | 0.23    | 0.19    | <b>8.8</b>    |
| Employees  |   | 0.27    | 0.28    | 0.17    |               |
| Contractors  |   | 0.19    | 0.21    | 0.20    |               |
| Italy  |   | 0.60    | 0.60    | 0.52    |               |
| Abroad   |   | 0.12    | 0.14    | 0.11    |               |
| Injuries severity index  | (days of absence/hours worked) x 1,000                            | 0.011   | 0.010   | 0.011   | <b>8.8</b>    |
| Employees  |   | 0.019   | 0.016   | 0.011   |               |
| Contractors  |   | 0.008   | 0.007   | 0.012   |               |
| Fatality index   | (fatal injuries/hours worked) x 100,000,000                       | 0.33    | 1.21    | 0.90    | <b>8.8</b>    |
| Employees  |   | -       | -       | 1.09    |               |
| Contractors  |   | 0.47    | 1.67    | 0.83    |               |
| Number of fatalities as a result of workrelated injury             | (number)  | 1       | 4       | 3       | <b>8.8</b>    |
| Employees  |   | 0       | 0       | 1       |               |
| Contractors  |   | 1       | 4       | 2       |               |
| Near miss  |   | 1,550   | 1,431   | 1,159   | <b>8.8</b>    |
| Worked hours   | (millions of hours)   | 306.3   | 330.6   | 334.2   |               |
| Employees  |   | 93.1    | 91.6    | 92.1    |               |
| Contractors  |   | 213.3   | 239.0   | 242.1   |               |
| Training hours on safety   | (hours)   | 323,765 | 289,661 | 331,375 | <b>8.8</b>    |
| of which: to senior managers                                       |   | 9,567   | 4,945   | 4,399   |               |
| of which: to middle managers                                       |   | 67,293  | 57,061  | 55,266  |               |
| of which: to white collars   |   | 174,016 | 157,724 | 171,832 |               |
| of which: to blue collars  |   | 72,889  | 69,931  | 99,878  |               |
| Process safety events  | (number)  |         |         |         |               |
| Tier 1   |   | 23      | 27      | 12      |               |
| Tier 2   |   | 67      | 48      | 53      |               |

In 2019, the total recordable injuries rate (TRIR) of the workforce improved by 3% as compared to 2018. This improvement was particularly marked for the employees' index (-44%), while the contractors' index deteriorated due to an increase in the number of accidents (95 against 82 in 2018). Three fatal accidents occurred in the upstream sector: one to an employee in Italy in March 2019 was recorded on the Barbara F. platform offshore from Ancona and two to contractors struck by objects in Egypt. The high-consequence work-related injuries index was influenced by two accidents that occurred to two contractors in Italy (in the same accident that caused the fatal in-

jury of the Eni employee) and by an accident to a contractor whose hand was injured in Egypt.

In Italy, the number of total recordable accidents decreased (37 events vs. 40 in 2018), but the total recordable injury rate (TRIR) improved by 14%; however, the number of accidents abroad increased (77 events vs. 76 in 2018) and the total recordable injury rate worsened by +2%. Trend in the number of process safety events – both tier 1 and tier 2 – is constantly improving. Tier 1 and tier 2 measure the severity of the consequences (from the most to the least severe) in terms of amounts released and damages caused.

## Environment

### HSE MANAGEMENT SYSTEM CERTIFICATION AND EXPENSES

|   |             | 2017    | 2018    | 2019     | SDGs - target |
|---|-------------|---------|---------|----------|---------------|
| OHSAS 18001/ISO 45001 certifications                | (number)    | 103     | 103     | 102      | <b>8.8</b>    |
| ISO 14001 certifications                            |             | 99      | 94      | 92       | <b>12.2</b>   |
| EMAS registrations                                  |             | 9       | 10      | 10       | <b>12.2</b>   |
| ISO 50001 certifications                            |             | 22      | 22      | 23       | <b>12.2</b>   |
| Total HSE expenditure and investments               | (€ million) | 1,100.4 | 1,255.8 | 1,326.00 | <b>9.5</b>    |
| of which: current costs                             |             | 865.9   | 990.2   | 995.3    |               |
| of which: investments                               |             | 234.6   | 265.6   | 330.7    |               |
| of which: Safety expenditures and investments       |             | 249.8   | 260.3   | 306.2    |               |
| of which: current costs                             |             | 175.1   | 198.5   | 202.1    |               |
| of which: investments                               |             | 74.7    | 61.8    | 104.1    |               |
| of which Environmental expenditures and investments |             | 755.6   | 915.4   | 964.4    |               |
| of which: current costs                             |             | 604.0   | 729.2   | 746.1    |               |
| of which: investments                               |             | 151.6   | 185.0   | 218.3    |               |

The total number of certifications is slightly different from the figures published in previous editions as a result of changes in the consolidation area and the merging of several businesses under the same certificate. In 2019, Eni continued its activities aimed at certifying all its companies with significant HSE risks according to the OHSAS 18001/ISO 45001 and ISO 14001 standards, maintaining coverage above 90% with full coverage for both standards forecast by 2022 for companies recently taken over. The main production units in the R&M&C and G&P sectors retained EMAS registration and certification of the energy management systems under ISO

50001. In 2019, total HSE expenditure amounted to approximately €1,326 million, up overall by 5% compared to 2018. Expenditure on safety, amounting to over €306 million, mainly concerned work on fire fighting systems, equipment and management (€92 million), control, supervision, inspection and testing activities (€62 million) and maintenance of plant and equipment (€52 million). Environmental expenditure, amounting to approximately €964 million, increased by 5% compared to 2018 and is mainly due to remediation of land and groundwater (totalling over €367 million) and waste management (over €250 million).

### PROTECTION OF WATER

|  |                           | 2017  | 2018   | 2019   | SDGs - target |
|--|---------------------------|-------|--------|--------|---------------|
| Total water withdrawals  | (Million m <sup>3</sup> ) | 1,786 | 1,776  | 1,597  |               |
| of which: sea water  |                           | 1,650 | 1,640  | 1,451  |               |
| of which: freshwater   |                           | 119   | 117    | 128    | <b>6.4</b>    |
| of which: freshwater from superficial water bodies   |                           | 79    | 81     | 90     |               |
| of which: freshwater from subsoil  |                           | 20    | 19     | 20     |               |
| of which: freshwater from urban net or tanker  |                           | 10    | 6      | 8      |               |
| of which: polluted groundwater treated at TAF <sup>(a)</sup> plants and used in the production cycle |                           | 4     | 4      | 3      |               |
| of which: freshwater withdrawal from other streams   |                           | 6     | 7      | 7      |               |
| of which: brackish water from subsoil or superficial water bodies                                    |                           | 16    | 19     | 18     |               |
| Fresh water reused   | (%)                       | 86    | 87     | 89     | <b>6.4</b>    |
| Total production water extracted (upstream)  | (Million m <sup>3</sup> ) | 67    | 68     | 67     |               |
| Re-injected production water   | (%)                       | 59    | 60     | 58     | <b>6.3</b>    |
| Freshwater discharged  | (Million m <sup>3</sup> ) | 95    | 97     | 104    | <b>6.4</b>    |
| Sea water discharged   |                           | 1,552 | 1,449  | 1,323  |               |
| Total expenditures on water resources and discharges <sup>(b)</sup>                                  | (€ million)               | 99.73 | 131.05 | 168.15 | <b>9.5</b>    |
| of which: current costs  |                           | 73.61 | 91.62  | 86.91  |               |
| of which: investments  |                           | 26.11 | 39.43  | 81.24  |               |

(a) TAF: groundwater treatment facilities.

(b) The figure is part of the environmental expenses and investments reported in the "Certificates of HSE Management Systems and Expenses" table.

Eni uses water prevalently for cooling and steam generation. In 2019, 91% of water was drawn from the sea, 8% from fresh water sources and the remaining 1% from brackish waters. Over 67% of total water withdrawals was used in the R&M&C sector, while only 8% can be attributed to the E&P sector.

In 2019, Eni reduced water withdrawals from the sea by 12% compared to 2018. This result is mainly due to a decrease of over 93 million cubic metres at the Gela refinery (where, in 2019, the system for channelling cooling water to the plant that uses it was modified with the construction of a closed circuit network and where the seawater lifting pump was scaled down to adapt it to the actual capacity used) and to the reductions recorded at the petrochemical plants in Priolo, Brindisi and Porto Marghera due to maintenance stoppages (reduction of the water withdrawals by a total of over 56 million cubic metres). The decrease in water withdrawals from the sea in 2019 was also influenced by the discontinuance of

operations by LNG Shipping carriers in G&P (which accounted for over 60 million cubic metres in 2018).

Water drawn from fresh water sources, over 76% of which was used in the R&M&C sector, increased by 10% due to the settings that the petrochemical plant in Mantua had to use during the stoppage for maintenance to the cooling towers and as a result of the tests on the fire fighting systems preparatory to drawing up the Safety Report conducted at the Sannazzaro refinery. In 2019, the percentage of reuse of fresh water by Eni grew to 89%. The proportion of re-injected production water in the E&P sector was 58%, a decrease against 2018 due to maintenance in Nigeria (Ebocha) and technical problems in Congo (Zatchi and Loango). Only a small proportion of Eni's water withdrawals originates from freshwater sources (about 8%). From analysis of the level of stress of hydrographic basins<sup>11</sup> and from in-depth research at local level, it has been found that freshwater withdrawals from areas of stress account for less than 2% of total water withdrawals by Eni.

## BIODIVERSITY

### NUMBER OF PROTECTED AREAS AND KBAS IN OVERLAPPING WITH R&M, VERSALIS, ENIPOWER OPERATIONAL SITES AND UPS CONCESSIONS - 2019<sup>(a)</sup>

| (number)   | R&M, Versalis, EniPower Operational sites |   | UPS Concessions                                   |
|--|---|---|---|
|  | Overlapping with operational sites        | Adjacent to operational sites (<1km) <sup>(b)</sup> | With operating activities in the overlapping area |
| <b>Eni Operational sites/Concessions<sup>(c)</sup></b>   | <b>11</b>                                 | <b>15</b>   | <b>31</b>   |
| <b>UNESCO World Heritage Natural Sites<sup>(d)</sup></b> | <b>0</b>                                  | <b>0</b>  | <b>0</b>  |
| <b>Natura 2000<sup>(e)</sup></b>                         | <b>5</b>                                  | <b>21</b>   | <b>15</b>   |
| of which: terrestrial habitats                           | 4   | 15  | 9   |
| of which: mixed habitats (marine and terrestrial)        | 1   | 2   | 0   |
| of which: marine habitats                                | 0   | 4   | 6   |
| <b>IUCN<sup>(f)</sup></b>                                | <b>4</b>                                  | <b>11</b>   | <b>3</b>  |
| of which: terrestrial habitats                           | 3   | 9   | 3   |
| of which: mixed habitats (marine and terrestrial)        | 0   | 1   | 0   |
| of which: marine habitats                                | 1   | 1   | 0   |
| <b>Ramsar<sup>(g)</sup></b>                              | <b>0</b>                                  | <b>3</b>  | <b>2</b>  |
| of which: terrestrial habitats                           | 0   | 2   | 2   |
| of which: mixed habitats (marine and terrestrial)        | 0   | 1   | 0   |
| of which: marine habitats                                | 0   | 0   | 0   |

(continued)

<sup>11</sup> Water-stressed areas: areas where the Baseline Water Stress is higher than 40%. This indicator, defined by the World Resources Institute (WRI - [www.wri.org](http://www.wri.org)), measures exploitation of sources of freshwater and indicates a situation of stress if withdrawals from a given hydrographic basin are higher than 40% of its annual renewal flow.

(continued)

| (number)  | R&M, Versalis, EniPower Operational sites |   | UPS Concessions                                   |
|---|---|---|---|
|   | Overlapping with operational sites        | Adjacent to operational sites (<1km) <sup>(b)</sup> | With operating activities in the overlapping area |
| <b>Other Protected Areas<sup>(h)</sup></b>        | <b>2</b>                                  | <b>3</b>  | <b>12</b>   |
| of which: terrestrial habitats                    | 0   | 1   | 5   |
| of which: mixed habitats (marine and terrestrial) | 1   | 1   | 0   |
| of which: marine habitats                         | 1   | 1   | 7   |
| <b>KBAs<sup>(i)</sup></b>                         | <b>6</b>                                  | <b>11</b>   | <b>13</b>   |
| of which: terrestrial habitats                    | 4   | 8   | 9   |
| of which: mixed habitats (marine and terrestrial) | 2   | 3   | 1   |
| of which: marine habitats                         | 0   | 0   | 3   |

(a) The reporting boundary, in addition to fully consolidated entities, includes also 4 UPS concessions belonging to operated companies in Egypt and 1 coastal deposit of R&M, belonging to an operated company.

(b) The important areas for biodiversity and the operational sites do not overlap but are at distance of less than 1 km.

(c) An Eni operational site/concession may result in overlap/adjacent to more protected areas or KBAs.

(d) Natural Sites included in the UNESCO World Heritage (WHS) List as of May 31, 2019.

(e) Natura 2000 is the main European Union biodiversity conservation tool. It is a network of environmental habitats throughout the territory of the European Union, set up pursuant to Directive 79/409/EEC of April 2, 1979 on conservation of wild birds and Directive 92/43/EEC "Habitat".

(f) IUCN, International Union for Conservation of Nature.

(g) List of wetlands of international importance identified by the Countries that signed the Ramsar Convention in Iran in 1971 and which aims to ensure the sustainable development and conservation of biodiversity in these areas.

(h) Source: World Database of Protected Areas, December 2019.

(i) Source: World Database of Key Biodiversity Areas, December 2019. KBAs (Key Biodiversity Areas) are sites that contribute significantly to the global persistence of biodiversity, on land, in freshwater or in the seas. These are identified through national processes by local stakeholders using a set of globally agreed scientific criteria. The KBAs considered in the analysis consist of two subsets: 1) Important Bird and Biodiversity Areas; 2) Alliance for Zero Extinction Sites.

## TOTAL BIODIVERSITY EXPENDITURES

|  | 2017 | 2018  | 2019  | SDGs - target |
|--|------|-------|-------|---------------|
| Total biodiversity expenditures <sup>(a)</sup> | 5.25 | 12.51 | 13.62 | 9.5           |
| of which: current costs                        | 5.25 | 12.38 | 11.05 |               |
| of which: investments                          | 0.00 | 0.13  | 2.57  |               |

(a) The figure is part of the environmental expenses and investments reported in the "Certificates of HSE Management Systems and Expenses" table.

In 2019, Eni extended the assessment of exposure to biodiversity risk to its R&M, Versalis and EniPower operating sites, as well as to the concessions under development or exploitation in the upstream sector, with the aim of identifying where Eni activities fall, even only partially, within protected areas or key biodiversity areas (KBA). Analysis of mapping of operating sites for R&M, Versalis and EniPower shows that 11 sites, all located in Italy, overlap, even if only partially, with protected areas or with KBAs; a further 15 sites in 6 Countries (Italy, Austria, Hungary, France, Germany and the United Kingdom) on the contrary are near to protected areas or KBAs, that is they are located at a distance of less than 1 km. With regard to the upstream sector, 75 concessions partially overlap protected areas or KBAs (17 more than in 2018), but

of these only 31 concessions (4 more than in 2018) located in 6 Countries (Italy, Nigeria, Pakistan, Alaska, Egypt and the United Kingdom) have operational activities in the overlap areas. The increase in the number of concessions against last year is due to the take over of blocks already in production in the Beaufort Sea close to the coast of Alaska. In general, for all Business Lines, the greatest exposure in Italy is towards the areas protected by the Natura 2000 Network which is widespread across the Country. In no case, in Italy or abroad, is there any overlap of operational activity with natural sites listed as UNESCO World Heritage Sites (WHS); only one upstream site<sup>12</sup> is located in the vicinity of a natural WHS (Mount Etna) but there are no operational activities within this protected area.

12) Moreover, although the Zubair field (Iraq) is not included among the fully consolidated perimeter, it is located near the Ahwar site classified as a mixed WHS (natural and cultural). However, in this case too, no operational infrastructure or activity falls within this protected area.

**OIL SPILLS MANAGEMENT<sup>(a)</sup>**

|   |                           | 2017  | 2018  | 2019  | SDGs - target |
|---|---------------------------|-------|-------|-------|---------------|
| <b>Operational Oil spills</b>   |                           |       |       |       |               |
| Total number of oil spills (> 1 barrel)   | (number)                  | 55    | 72    | 68    | 12.4          |
| of which: upstream  |                           | 50    | 63    | 62    |               |
| Volumes of oil spills (> 1 barrel)  | (barrels)                 | 3,323 | 2,665 | 1,036 |               |
| of which: upstream  |                           | 3,022 | 1,595 | 988   |               |
| Operational oil spills/100% operated hydrocarbon gross productions (upstream)                   | (barrels/million barrels) | 3.0   | 1.5   | 0.9   | 12.4          |
| <b>Oil spills due to sabotage (including thefts)<sup>(b)</sup></b>                              |                           |       |       |       |               |
| Total number of oil spills (> 1 barrel)   | (number)                  | 102   | 101   | 138   | 12.4          |
| of which: upstream  |                           | 102   | 101   | 138   |               |
| Volumes of oil spills (> 1 barrel)  | (barrels)                 | 3,236 | 4,022 | 6,222 |               |
| of which: upstream  |                           | 3,236 | 4,022 | 6,222 |               |
| Volumes of oil spills due to sabotage (including thefts) in Nigeria (> 1 barrel) <sup>(b)</sup> |                           | 3,236 | 3,602 | 6,222 | 12.4          |
| <b>Chemical Spill</b>   |                           |       |       |       |               |
| Total number of chemical spills   | (number)                  | 17    | 34    | 21    | 12.4          |
| Volumes of chemical spills  | (barrels)                 | 63    | 61    | 4     | 12.4          |
| Spill prevention expenditures and investments <sup>(c)</sup>                                    | (€ million)               | 53.35 | 41.24 | 40.93 | 9.5           |
| of which: current costs   |                           | 27.64 | 11.65 | 8.27  |               |
| of which: investments   |                           | 25.72 | 29.60 | 32.66 |               |

(a) According to international standards, all the above values refer to events over 1 barrel. Data related to sabotage include spills due to oil theft attempts and vandalism.

(b) The 2018 figure was updated following some investigations closed after the publication of Eni for 2018. This circumstance could also occur for the 2019 figure.

(c) The figure is part of the environmental expenses and investments reported in the "Certificates of HSE Management Systems and Expenses" table.

The number of barrels spilled in operational oil spills was more than halved against 2018, in particular in Italy and Nigeria (in the latter Country also due to structural work such as preventive maintenance or revision of the integrated anti-corrosion plan and substitution of stretches of pipeline crossing rivers or canals). The two most significant events occurred in Egypt (spilling of 200 barrels following the overturning of a manoeuvring lorry) and in Nigeria (198 barrels spilled due to overfilling of a tank). As far as incidents due to sabotage

are concerned, in 2019 there was an increase in the number of spills both as regards the number of spills and the quantities spilt; all the events regarded upstream activities in Nigeria where the increase in spills may be partly linked to higher social unrest due to concurrent political elections. Barrels spilled in chemical spills have dropped considerably and are due essentially to upstream activities in the UK and USA. In 2019, total expenditure for spill prevention was €41 million (in line with the figure for 2018).

**AIR PROTECTION**

|  |                                     | 2017  | 2018  | 2019  | SDGs - target |
|--|-------------------------------------|-------|-------|-------|---------------|
| NO <sub>x</sub> (nitrogen oxides) emissions  | (ktonnes NO <sub>2</sub> eq)        | 55.6  | 53.1  | 52.0  | 3.9 12.4      |
| NO <sub>x</sub> emissions/100% operated hydrocarbon gross production (upstream)    | (tonnes NO <sub>2</sub> eq/kboe)    | 0.042 | 0.039 | 0.035 | 3.9 12.4      |
| SO <sub>x</sub> (sulphur oxides) emissions   | (ktonnes SO <sub>2</sub> eq)        | 8.4   | 16.5  | 15.2  | 3.9 12.4      |
| SO <sub>x</sub> emissions/100% operated hydrocarbon gross production (upstream)    | (tonnes SO <sub>2</sub> eq/kboe)    | 0.003 | 0.011 | 0.010 | 3.9 12.4      |
| SO <sub>x</sub> emissions/crude oil processing and semi-processed oil (refineries) | (tonnes SO <sub>2</sub> eq/ktonnes) | 0.281 | 0.240 | 0.200 | 3.9 12.4      |
| NM VOC (Non Methane Volatile Organic Compounds) emissions                          | (ktonnes)                           | 21.5  | 23.1  | 24.1  | 3.9 12.4      |
| TSP (Total Suspended Particulate) emissions  |                                     | 1.5   | 1.5   | 1.4   | 3.9 12.4      |
| Air protection expenditures and investments <sup>(a)</sup>                         | (€ million)                         | 55.07 | 65.82 | 53.79 | 9.5           |
| of which: current costs  |                                     | 22.82 | 29.92 | 25.92 |               |
| of which: investments  |                                     | 32.25 | 35.89 | 27.87 |               |

(a) The figure is part of the environmental expenses and investments reported in the "Certificates of HSE Management Systems and Expenses" table.



In 2019, emissions of pollutants into the atmosphere by Eni all showed decreasing trends, with the exception of NMVOC emissions which increased 4% against 2018, particularly in the E&P sector where the composition of gas at the Bouri field in Libya was updated, with a consequent increase in torched non-methane volatile organic compounds. NO<sub>x</sub> emissions fell by 2% compared to 2018 due to the decreasing contribution in all sectors. In particular, in E&P, which accounts for over 80% of the Eni consolidated result, the parameter decreased both in absolute terms (more than -400 tonnes) and with reference to production. In the G&P sector, the trend is due to lower quantities of gas transported by Sergaz, to improved performance by EniPower as compared to 2018 (when the result was negatively influenced

by a stoppage at the Mantua plant), as well as to discontinuance of operations by the LNG Shipping carriers. In the R&M&C sector, emissions of NO<sub>x</sub> fell overall by 4.9%, principally as a result of modifications to ovens at the petrochemical plant in Porto Marghera. The trend in SO<sub>x</sub> emissions (-7.4% against 2018) is also due to all sectors, with reductions both in absolute terms and in those referred to productions. The contribution of the R&M&C (-13.3% compared to 2018) was significant, in particular because of the reductions recorded at the Sannazzaro refinery (over -300 tonnes from better performances at the BELCO Unit) and at the Taranto refinery (over -218 tonnes due to the lower number of transients for plant stoppages/restarts compared to 2018).

## WASTE

|   |                     | 2017   | 2018   | 2019   | SDGs - target |
|---|---------------------|--------|--------|--------|---------------|
| Total waste from production activities                          | (million of tonnes) | 1.4    | 2.6    | 2.2    | 12.5          |
| of which: hazardous waste                                       |                     | 0.7    | 0.3    | 0.5    |               |
| of which: non-hazardous waste                                   |                     | 0.7    | 2.3    | 1.7    |               |
| Expenditures and investments in waste management <sup>(a)</sup> | (€ million)         | 225.80 | 224.14 | 249.64 | 9.5           |
| of which: current costs   |                     | 199.76 | 212.41 | 245.51 |               |
| of which: investments   |                     | 26.03  | 11.72  | 4.13   |               |

[a] The figure is part of the environmental expenses and investments reported in the "Certificates of HSE Management Systems and Expenses" table.

Waste generated by Eni from production operations in 2019 decreased by 15% compared to 2018, particularly with regard to non hazardous waste (78% of the total), while hazardous waste increased. The decrease in non-hazardous waste was mainly due to the reduction recorded by E&P in waste associated with the work to develop the Zohr project in Egypt and with the lower production of onshore aquifer water in the Central-Northern District disposed of as waste. The overall increase of hazardous waste, again due to the E&P sector, was caused by the drilling

campaigns in Nigeria, Kazakhstan, Angola and Pakistan that compensated for the reductions of hazardous waste recorded in the R&M&C sector (mainly due to the trend shown at the Taranto refinery, where 2018 was influenced by the general stoppage of plants and by the Contingency Plan project). The share of waste recovered and recycled by Eni in 2019 was 7% of all waste disposed of, less than in 2018, the year when the ramp-up of the Zohr project generated substantial quantities of recovered waste.

## REMEDIATION

|  |             | 2017   | 2018   | 2019   | SDGs - target |
|--|-------------|--------|--------|--------|---------------|
| Waste from remediation activities  | (Ktonnes)   | 4.8    | 4.3    | 4.1    | 12.5          |
| of which: hazardous waste  |             | 0.1    | 0.1    | 0.0    |               |
| of which: non-hazardous waste  |             | 4.7    | 4.2    | 4.1    |               |
| Soil and groundwater remediation expenditures and investments <sup>(a)</sup> | (€ million) | 260.12 | 375.53 | 367.20 | 9.5           |
| of which: current costs  |             | 254.70 | 358.27 | 336.21 |               |
| of which: investments  |             | 5.42   | 17.26  | 30.99  |               |

[a] The figure is part of the environmental expenses and investments reported in the "Certificates of HSE Management Systems and Expenses" table. Furthermore, the 2017 figure has been restated following a refinement of the reporting tool.

Total expenditure on remediations in 2019 amounted to approximately €367 million, an increase of 2% compared to last year. Also the expenditure incurred by Eni Rewind, a company specialised in remediation of contaminated disused sites, increased in 2019 to

over €197 million (€175 million in 2018).

In 2019, 4.1 million tonnes of waste were generated from remediation activities (3.9 million from Eni Rewind), 66% of which from groundwater. Compared to 2018, there was a reduction of 5.1%

in the quantities produced by all sectors. The volume of activity testifies to the complexity and variability of Eni's business, which ranges from Sites of National Interest (refineries, petrochemical plants and disused sites), to points of sale in the R&M sector or

well fields in the E&P sector. Remediation activities were substantially in line with previous years with ongoing implementation of the approved reclamation projects and technical/administrative follow-up of the numerous existing procedures.

## HUMAN RIGHTS

### TRAINING AND SECURITY

|   |          | 2017  | 2018   | 2019   | SDGs - target |
|---|----------|-------|--------|--------|---------------|
| Hours of training on human rights   | (number) | 7,805 | 10,653 | 25,845 | <b>4.7</b>    |
| In class  |          | 52    | 164    | 108    |               |
| Distance  |          | 7,753 | 10,489 | 25,737 |               |
| Attendances in human rights training courses                                  |          | 2,084 | 10,557 | 44,396 |               |
| Employees trained on human rights   |          | 1,360 | 8,512  | 19,745 |               |
| Employees trained on human rights <sup>(a)</sup>                              | (%)      | 74    | 91     | 97     |               |
| Security contracts containing clauses on human rights                         |          | 88    | 90     | 97     | <b>16.1</b>   |
| Countries with armed guards protecting sites                                  | (number) | 7     | 7      | 8      | <b>16.1</b>   |
| Security personnel trained on human rights <sup>(b)</sup>                     |          | 308   | 73     | 696    | <b>16.1</b>   |
| Security personnel (professional area) trained on human rights <sup>(c)</sup> | (%)      | 88    | 96     | 92     | <b>16.1</b>   |

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

(b) The variations of the KPI Security resources trained on human rights, in some cases also significant, which can be detected between one year and the next, are linked to the different characteristics of the training projects and to the operating contingencies.

(c) This data is a percentage of a cumulated value. The change compared to 2018 (96%) is due to a change in the scope of consolidation, due to the inclusion of new resources to be trained and the exit of resources already trained.

In 2019, the Human Rights programme continued with completion of the distribution campaign related to follow-up initiatives with thematic in-depth surveys addressed to differing targets according to the content of the forms (Security and Human Rights, Human Rights and relations with Communities, Human Rights in the Workplace and Human Rights in the Supply Chain). Additionally, in 2019 new training campaigns for all the Eni population began in open mode: "Sustainability concerning stakeholders, reporting and human rights" and "SDGs". In 2020, the programme will continue with the follow-up on individual sustainable development goals. The "Sustainability and Business Integration" and "Business and Human Rights" courses, considered to be a fundamental and necessary step for the training of new recruits remain available to all colleagues in open mode on Enicampus.

Regarding training programmes for security personnel, Eni creates training courses in which the issue of human rights & security is regularly dealt with in all courses for such personnel, including workshops for newly appointed Security Officers, the third edition of which was produced in 2019. Delivery of the "Security & Human Rights" e-learning course was also guaranteed in 2019

for both new recruits to the Security Function and resources who had not yet taken the course. The e-learning course has been produced in three languages (Italian, English and French), to extend its accessibility. Party due to the above courses, the percentage of personnel belonging to the Security professional area trained on human rights has reached 92%.

Moreover, since 2009 Eni has been conducting a training programme for public and private security forces at their subsidiaries in various Countries, and this programme has been recognised as a best practice in the 2013 joint publication Global Compact and Principles for Responsible Investment (PRI) of the United Nations. In 2019, the training session was conducted in Pakistan and in Nigeria and was addressed to public and private Security Forces working at Eni management and operational sites.

With regard to supply chain, is guaranteed the promotion and protection of human rights, both during the qualification assessment and periodically with the aim of verifying its compliance with the main international standards. In 2019 were subjected to assessments inspired by SA 8000 standard, 9 suppliers of which 1 of them in Ecuador, 3 in Vietnam, 1 in Mexico and 4 in Tunisia.

## WHISTLEBLOWING FILES ON HUMAN RIGHTS VIOLATIONS

|  | 2017    | 2018    | 2019    | SDGs - target |
|--|---------|---------|---------|---------------|
| Whistleblowing files (assertions) on human rights violations (archived during the year <sup>(a)</sup> and divided by result of investigation and by type), of which (number) | 29 (32) | 31 (34) | 20 (26) | <b>16.1</b>   |
| Justified assertions   | 3       | 9       | 7       |               |
| Potential socio-economic impacts on local communities <sup>(b)</sup>   | 0       | 0       | 0       |               |
| Potential impacts on health, safety and/or well-being of local communities <sup>(c)</sup>  | 0       | 0       | 0       |               |
| Potential impacts on worker rights <sup>(d)</sup>  | 3       | 6       | 5       |               |
| Potential impacts on workplace health and safety <sup>(e)</sup>  | 0       | 3       | 2       |               |
| Unfounded assertions, with the adoption of corrective/improvement measures   | 9       | 9       | 8       |               |
| Potential socio-economic impacts on local communities <sup>(b)</sup>   | 0       | 0       | 1       |               |
| Potential impacts on health, safety and/or well-being of local communities <sup>(c)</sup>  | 0       | 0       | 0       |               |
| Potential impacts on worker rights <sup>(d)</sup>  | 8       | 8       | 5       |               |
| Potential impacts on workplace health and safety <sup>(e)</sup>  | 1       | 1       | 2       |               |
| Unfounded/Not applicable assertions <sup>(f)</sup>   | 20      | 16      | 11      |               |
| Potential socio-economic impacts on local communities <sup>(b)</sup>   | 0       | 0       | 0       |               |
| Potential impacts on health, safety and/or well-being of local communities <sup>(c)</sup>  | 2       | 2       | 1       |               |
| Potential impacts on worker rights <sup>(d)</sup>  | 15      | 12      | 10      |               |
| Potential impacts on workplace health and safety <sup>(e)</sup>  | 3       | 2       | 0       |               |

(a) 2017 data includes 1 file with 1 unfounded/not applicable assertion related to not fully consolidated entities.

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

(c) Including spills, atmospheric pollution, accidents, etc.

(d) Including discrimination, violations of labour union rights, forced labour, child labour and unfit working conditions (including harassment and mobbing, salaries less than minimum wage and/or undignified salaries).

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

(f) Classification introduced in 2019. They are classified as such whistleblowing reports/assertions in which the facts reported: i) contain facts already covered in past specific investigations; ii) that do not qualify as Verifiable Detailed Reports as it is not possible to start the investigation phase; iii) Verifiable Detailed Reports for which, in light of the outcome of preliminary checks, it not being considered necessary to start the next investigation phase referred.

With regard to whistleblowing reports, in 2019 investigations were completed on 74 files<sup>13</sup>, 20<sup>14</sup> of which included human rights aspects, mainly concerning potential impacts on workers' rights. Among these, 26 assertions were checked: for 7 of them the facts reported were confirmed, at least in part, and corrective action was taken to mitigate and/or minimise their impacts, including: i) actions on the Internal Control and Risk Management System, relating

to the implementation and strengthening of existing controls, and training activities for employees; ii) actions against suppliers and iii) actions against employees, including disciplinary measures, in accordance with Model 231, and the collective employment agreement and other applicable national laws. At the end of the year 15 files were still open, 8 of which referred to human rights aspects, in particular potential impacts on workers' rights.

13) Whistleblowing file: this is a document summarising the investigations carried out on the Whistleblowing report(s) [which may contain one or more detailed and verifiable assertions] including the summary of the investigation carried out, the results of such investigation and any identified action plan.

14) All relating to companies consolidated on a line-by-line basis.

## Transparency and anti-corruption

### INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

|  |                          | 2017  | 2018  | 2019   | SDGs - target |
|--|--------------------------|-------|-------|--------|---------------|
| Integrated audits <sup>(a)</sup>                                   | (number)                 | 68    | 67    | 74     |               |
| scheduled audits   |                          | 59    | 57    | 61     |               |
| spot audits  |                          | 3     | 3     | 4      |               |
| follow-up  |                          | 6     | 7     | 9      |               |
| Audit actions on risk of corruption activities <sup>(a)</sup>      |                          | 36    | 32    | 27     | <b>16.5</b>   |
| E-learning for resources in medium/high corruption risk context    | (number of participants) | 493   | 951   | 13,886 | <b>16.5</b>   |
| E-learning for resources in low corruption risk context            |                          | 1,857 | 1,950 | 9,461  | <b>16.5</b>   |
| General workshops  |                          | 1,434 | 1,765 | 1,237  | <b>16.5</b>   |
| Job specific training  |                          | 1,539 | 1,461 | 1,108  | <b>16.5</b>   |
| Countries where Eni supports EITI's local Multi Stakeholder Groups | (number)                 | 9     | 8     | 9      | <b>17.16</b>  |

(a) 2017 and 2018 data refer to fully consolidated entities only.

During 2019, 27 audits were carried out in 20 Countries, with anti-corruption checks that confirmed the overall adequacy and effective operation of the anti-corruption compliance programme. As in previous years, 2019 also saw the continuation of training initiatives in relation to the "Internal Control and Risk Management System (ICRMS)" directed at Eni SpA's management and the main subsidiaries in Italy and abroad. These initiatives aim to provide an organic and integrated vision of the ICRMS and develop awareness of the role of management in the implementation and operation of an effective and efficient ICRMS. Additionally, this year these initiatives were integrated with specific sessions on the subject of Whistleblowing. In particular, in 2019 workshops were conducted in 12 Countries in addition to Italy and

the related e-learning course continues to be provided.

A new on-line training campaign on anti-corruption for the whole company population began in 2019. In particular, in 2019, 23,347 employees were trained, 59% of whom were resources in a context at medium/high risk of corruption.

In the area of the commitment with EITI, Eni follows the activities conducted at international level and in member Countries contributes annually to preparation of the Reports; additionally, as a member, Eni takes part in the activities of the Multi Stakeholder Groups in Congo, Ghana, Timor Leste, and the United Kingdom. In Kazakhstan, Indonesia, Mozambique, Nigeria and Mexico, the Eni subsidiaries interface with the local EITI Multi Stakeholder Groups through the trade associations present in the Countries.

### WHISTLEBLOWING MANAGEMENT

|  |          | 2017 | 2018 | 2019 | SDGs - target   |
|--|----------|------|------|------|-----------------|
| Whistleblowing files opened during the year, of which  | (number) | 73   | 81   | 68   |                 |
| Internal control and risk management system reports divided according to the process that is the subject of the report         |          | 58   | 69   | 60   | <b>16.5</b>     |
| Procurement  |          | 12   | 14   | 20   |                 |
| Human resources  |          | 8    | 11   | 14   |                 |
| Maintenance  |          | 5    | 8    | 2    |                 |
| Commercial   |          | 10   | 6    | 3    |                 |
| Logistics  |          | 4    | 6    | 3    |                 |
| HSE  |          | 3    | 5    | 4    |                 |
| Others (security, operations, portfolio management and trading)  |          | 16   | 19   | 14   |                 |
| Whistleblowing reports on other matters relating to alleged violations of the Code of Ethics                                   |          | 15   | 12   | 8    | <b>5.2 16.1</b> |
| Whistleblowing reports that have been closed during the year divided according to the outcome of the investigations, of which: |          | 83   | 79   | 74   |                 |
| Justified  |          | 10   | 15   | 18   |                 |
| Other matters  |          | 2    | 4    | 3    |                 |
| Internal control and risk management system  |          | 8    | 11   | 15   |                 |

(continued)

(continued)

|  | 2017 | 2018 | 2019 | SDGs - target |
|--|------|------|------|---------------|
| Unfounded, with the adoption of improvement measures | 35   | 30   | 26   |               |
| Other matters  | 8    | 2    | 2    |               |
| Internal control and risk management system          | 27   | 28   | 24   |               |
| Unfounded/ not applicable                            | 38   | 34   | 30   |               |
| Other matters  | 12   | 8    | 2    |               |
| Internal control and risk management system          | 26   | 26   | 28   |               |

In 2019, 90 whistleblowing reports<sup>15</sup> were received and 68 files were opened, 60 of which referring to matters relating to the “Internal Control and Risk Management System - SCIGR”<sup>16</sup> and 8 relating to “Other Matters - AM Reports”<sup>17</sup>. In the same period, a total of 74 files were archived, 67 of which concerned the “Internal Control and Risk Management System - SCIGR” and 7 concerned “Other matters - AM reports”. The checks carried out on 74 archived files resulted in the following outcomes: i) for 56 files the checks did not find any evidence to confirm the facts reported, however for 26 files improvement actions were taken in any case; ii) for 18 files the checks confirmed, at least in part, the contents of the reports and the appropriate corrective action was taken. In this regard, the 15 files concerning the “Internal Control and Risk Management System” mainly refer to: anomalies in the awarding and management of contracts, violations of the contractual obligations by suppliers/commercial partners, and

improper behaviour of employees. The corrective actions taken as a result of these files mainly consisted in: i) actions on the Internal Control and Risk Management System, relating to the implementation and strengthening of existing controls; ii) actions against suppliers and iii) actions against employees, including disciplinary measures, in accordance with Form 231, and the collective employment agreement and other applicable national laws. At December 31, 2019 there were still 13 files open related to the “Internal Control and Risk Management System” and 2 files concerning “Other Matters”.

In 2019, initiatives aiming to increase knowledge of Procedures by all Eni personnel on the subject of whistle-blowing, in particular, by updating the specific page of the internet site and the corporate Intranet and dedicated training workshops for the management of subsidiary companies were boosted as part of the previously mentioned ICRMS training activities.

15) Whistleblowing report(s): any communication received by Eni concerning behaviours that relate to Eni's People 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. For the purpose of processing and preliminary investigation, the Whistleblowing Reports are divided into SCIGR Reports and AM Reports.

16) SCIGR Reports - Whistleblowing Reports related to the Internal Control and Risk Management System: these are, for the effective maintenance of Eni's Internal Control and Risk Management System, all those Reports relating to non-Compliance with laws and external regulations and rules included in Eni's internal regulatory system. These include: (i) cases of fraud against the company's assets and/or in financial reporting, (ii) illegitimate behaviour pursuant to Italian Leg. Decree 231 of 2001 and/or violations of an intentional and/or fraudulent nature of Model 231 or the Compliance Models for foreign subsidiaries, (iii) possible corruption [active or passive] or violation of anti-corruption regulatory instruments.

17) AM Reports - Whistleblowing Reports related to other issues in violation of the Code of Ethics: there are all those Reports related to the violation of rules and principles contained in the Code of Ethics [for example, issues relating to business ethics, practices of mobbing, harassment, discrimination], which do not also result in the SCIGR Reports.

## Alliances for the promotion of local development



FOR FURTHER INFORMATION:  
*Eni for 2019 - A just transition*  
 Stakeholder engagement at local level, p. 63  
 Local development project, p. 66

### Local development investments

|   |             | 2017 | 2018 | 2019 | SDGs - target |
|---|-------------|------|------|------|---------------|
| Local development investments by sector of intervention | (€ million) | 70.7 | 94.8 | 95.3 |               |
| Access to off-grid energy                               |             | 1.1  | 1.7  | 4.2  | 7.1           |
| Economic diversification                                |             | 33.4 | 28.1 | 39.9 | 8.1           |
| Education and vocational training                       |             | 17.3 | 23.3 | 16.9 | 4.4           |
| Access to water and sanitation                          |             | 0.7  | 0.8  | 1.8  | 6.a           |
| Life on land <sup>(a)</sup>                             |             | 3.7  | 17.7 | 5.3  | 15.a          |
| Health  |             | 7.0  | 3.3  | 8.6  | 3.8           |
| Compensation and resettlement                           |             | 7.5  | 19.9 | 18.6 | 8.3           |
| Local development investments by geographic area        |             |      |      |      |               |
| Africa  |             | 22.9 | 46.7 | 53.3 |               |
| Americas  |             | 4.9  | 3.8  | 3.9  |               |
| Asia  |             | 34.3 | 21.9 | 28.1 |               |
| Italy   |             | 7.0  | 20.6 | 8.2  |               |
| Rest of Europe  |             | 1.4  | 1.5  | 1.5  |               |
| Oceania   |             | 0.2  | 0.3  | 0.3  |               |

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

In 2019, investments for local development totalled around €95.3<sup>18</sup> million (Eni share), about 98% of which in the area of upstream activities. In Asia, approximately €28.1 million was spent, mainly on economic diversification, in particular for the maintenance of road infrastructures (bridges and roads). In Africa a total

of €53.3 million was spent, of which €48.6 million in the Sub-Saharan area, mainly in the area of maintenance of road infrastructures and the construction of infrastructures for training. Overall around €43.4 million were invested in infrastructure development activities, €20.8 million in Africa and €21.2 million in Asia.

## Grievances

### GRIEVANCES BY TOPIC

|                             | 2019 |
|-----------------------------|------|
| Access to energy (%)        | 14   |
| Land Management             | 6    |
| Education                   | 6    |
| Employment                  | 16   |
| Infrastructure              | 10   |
| Community management        | 8    |
| Suppliers management        | 9    |
| Partnerships                | 7    |
| Social and economic impacts | 6    |
| Economic diversification    | 3    |
| Other                       | 15   |

Grievances<sup>19</sup> are monitored through a dedicated system called "Stakeholder Management System (SMS)"<sup>20</sup>. A grievance mechanism at operational level allows to quickly and effectively respond to possible critical situations, preventing their worsening and avoiding conflicts to arise. In 2019 Eni received 253 grievances from 8 subsidiaries/districts/plants. Among such grievances, 44% – equal to 112 cases – were resolved and closed. Most of the grievances have come from Sub-Saharan Africa (Congo, Ghana, Nigeria), the main topics being access to energy, employment development, education, land management.

18) This figure includes expenditure for resettlement activities which in 2019 totalled €18.6 million, of which: €18.1 in Mozambique, €0.4 million in Ghana and €0.1 million in Kazakhstan.

19) Complaints made by an individual or a group of individuals relating to actual or perceived impacts caused by the Company's operational activities.

20) For more informations see Eni for - A just transition pp. 17; 63.

## Other Indicators



FOR FURTHER INFORMATION:  
*Eni for 2019 - A just transition*  
Human rights, pp. 46-47

### Suppliers

#### SUPPLIERS ASSESSMENT

|   |          | 2017  | 2018  | 2019  | SDGs - target |
|---|----------|-------|-------|-------|---------------|
| Suppliers subjected to assessment regarding social responsibility aspects | (number) | 5,055 | 5,184 | 5,906 |               |
| of which: suppliers with criticalities/areas for improvement              |          | 1,248 | 1,008 | 898   |               |
| of which: suppliers with whom Eni has terminated the relations            |          | 65    | 95    | 96    |               |
| New suppliers that were screened using social criteria                    | (%)      | 100   | 100   | 100   | <b>8.8</b>    |

During 2019, around 6,000 suppliers (including all new suppliers) were subjected to checks and assessment with reference to sustainability and social aspects (i.e. health, safety, environment, human rights, anti-corruption and compliance). This figure is increasing considerably against the previous year due to the inclusion of data related to two more foreign subsidiaries (Eni US and Eni Angola) and to improvements in the reporting system, which have made it possible to fully assess the activity for updating lapsed qualifications. For 15% of these suppliers, potential critical issues and/or possible areas for improvement were identified; in 89% of cases these were not serious enough to compromise the possibility of potentially working with them, while for the remaining 11% of suppliers checked, the critical issues revealed led to the temporary suspension of relations with

Eni. In 2019, in fact, critical issues and/or areas for improvement were found for 898 suppliers and 96 of them received a negative assessment during the qualification phase or were subjected to a new impedimental action (state of attention with authorisation, suspension or cancellation of the qualification) or a confirmation of the pre-existing status of impediment, issued by Eni often in precautionary form also to suppliers not directly under contract. The critical issues found (with consequent request to implement improvement plans) during the qualification or human rights assessment process are ascribable to HSE issues or to violation of Human Rights, for example to health and safety regulations, violation of the code of ethics, corruption and eco-crimes. The percentage of expenditure in 2019 on local suppliers, in these Countries was around 35%.

### Clients and consumers

#### ENI CALL CENTER PERFORMANCE

|   |           | 2017 | 2018 | 2019 | Standard ARERA |
|---|-----------|------|------|------|----------------|
| Customers who called and spoke to an operator (service level)                                   | (%)       | 95.5 | 96.0 | 95.5 | 80             |
| Average hold time   | (seconds) | 104  | 107  | 126  | 240            |
| First Call Resolution (FCR)   | (%)       | 93   | 93   | 93   | -              |
| Self Care (operations performed autonomously by customers on the total of operations requested) |           | 73   | 77   | 78   | -              |

Of the Eni call center results achieved during 2019, at service level, with a percentage of 95.5%, are confirmed to be well above the 80% benchmark laid down by the Regulatory Authority for Energy, Networks and Environment (ARERA), the average call waiting time remains substantially below the Authority's benchmark, at 126 seconds against 240 seconds. The number of requests resolved on the first call (First Call Resolution, FCR) remained

stable at 93%. In this area, moreover, there was an increase in the operations conducted independently by "gas and electricity" customers on the total number of operations requested (self care), going from 77% in 2018 to 78% in 2019. A service assessment survey is conducted to monitor the level of satisfaction of customers phoning the call center, by interviewing a representative sample of customers each day.

## Satisfaction of G&P customers regarding telephone services

### SERVICE ASSESSMENT<sup>(a)</sup>

|                             |         | 2017 | 2018 | 2019           |
|-----------------------------|---------|------|------|----------------|
| Clarity <sup>(b)</sup>      | (%)     | 86.2 | 87.5 | Not applicable |
| Courtesy <sup>(b)</sup>     |         | 89.7 | 90.7 | Not applicable |
| Wait time <sup>(b)</sup>    |         | 84.4 | 85.4 | Not applicable |
| Resolution                  |         | 81.4 | 83.1 | 84.2           |
| Service satisfaction        |         | 82.4 | 82.9 | 83.5           |
| Average assessment          | (Score) | 86.7 | 87.9 |                |
| Customer Effort Score (CES) |         | -    | 84.3 | 85.1           |

(a) The assessment of the service, with the exception of questions related to resolutions, is measured on a scale from 0 to 100.

(b) Since May 2018, the phone survey has been modified and a new indicator (CES - Customer Effort Score) has been introduced. CES measures how comfortable a customer feels when interacting with a company. Therefore KPIs related to clarity, courtesy and wait time are no more monitored. For this reason, these data in 2019 data are not available, while in 2018 they only refer to the first 4 months of the year.

In 2019, the company continued the programme of initiatives aimed at increasing the level of customer satisfaction and outlining a reference model for the quality of the gas and electricity service. In this scenario, customer satisfaction with telephone services continued to grow, increasing from 82.9 in 2018 to 83.5 in 2019 and the num-

ber of requests resolved by the call center went from 83.1 in 2018 to 84.2 in 2019. The ease of use of the call center in obtaining the help that customers need, measured with the CES (Customer Effort Score)<sup>21</sup> indicator, also improved as compared to 2018 going from 84.3 to 85.1 in 2019.

21) The CES is given by the average value expressed by the Customers on that specific request expressed in 100ths. The calculation is made by dividing the final average by 9 (maximum survey value=100) and multiplying it by 100.



## Reporting criteria

### Reporting principles

Eni for is prepared in accordance with the “Sustainability Reporting Standards”, published by the Global Reporting Initiative (GRI Standards), according to principles of balance, comparability, accuracy, timeliness, reliability and clarity (reporting principles). Eni for has adopted the Core “in accordance” option. The performance indicators, selected based on the topics identified as most significant, are collected on an annual basis. The information and data gathering process is structured to ensure the comparability of data over the years, in order to allow a correct reading of the information and a full vision to all stakeholders interested in the evolution of Eni’s performance. In previous paragraphs sustainability performance indicators for the 2017-2019 period are reported. In general, trends in data and performance indicators are also calculated using decimal places not shown in the document. The data for the year 2019 are the best possible estimate with the data available at the time of preparation of this report. In addition,

### Reporting boundary

The boundary of the safety, environment, climate, whistleblowing reports, audit actions on risk of corruption activities, anti-corruption training and local development investment and number of Countries where Eni, directly or indirectly, supports EITI’s local Multi Stakeholder Groups data is in line with other corporate documents and, in some cases, in continuity with the past. In addition to providing consistency with the set objectives, the aim is to represent the potential impacts of the activities managed by Eni. In particular, for safety, environment and climate data the boundary is made up of companies that are significant from the point of view of HSE impacts and includes companies under joint operation or joint control or associates in which Eni has control of operations<sup>22</sup>. With regard to health, the data consider the companies significant from the point of view of health impacts and companies under joint operation or joint control or associates in which Eni has control of operations (with the sole exception of



FOR FURTHER INFORMATION:

*Eni for 2019 - A just transition*

*Eni’s non-financial reporting, p. 76*

some data published in previous years may be subject to restatement in this edition for one of the following reasons: refinement/change in estimation or calculation methods, significant changes in the consolidation boundary, nature of the data. If a restatement is made, the reasons for it are appropriately disclosed in the text. All GRI indicators in the Content Index refer to the version of the GRI Standards published in 2016, with the exception of those in Standard 403: Occupational Health and Safety, which refer to the 2018 edition. Eni published, for the third year running, the Consolidated disclosure of Non-Financial Information, in accordance with the requirements of Legislative Decree 254/2016. This disclosure is a specific section of the Management Report included in the Annual Report. The integration of non-financial information in the Annual Report is a path that Eni has been following since 2010 when it joined the International Integrated Reporting Council (IIRC) for the preparation of integrated financial statements.

data relating to occupational disease reports, which refer to fully consolidated companies only). The boundary of data referred to anti-corruption training, local development investments and number of Countries where Eni, directly or indirectly, supports EITI’s local Multi Stakeholder Groups relate to all the companies where anti-corruption training activities/local development/support to EITI’s local Multi Stakeholder Groups investments are envisaged. The boundary of data referred to whistleblowing reports relate to Eni SpA and its subsidiaries. The boundary of data referred to audit actions on risk of corruption activities relate to: Eni SpA, subsidiaries controlled directly and indirectly, excluding listed subsidiaries that have their own internal audit department, associated companies, based on specific agreements, third parties deemed to have a higher risk, as provided for under the contracts entered with Eni. The data of the fully consolidated companies as of December 31, 2019 are shown for the HR indicators.

<sup>22</sup>) The boundary includes data of fully consolidated companies and data including companies under joint operation or joint control or associates in which Eni has control of operations; for more details please refer to page 130 of Annual Report 2019, in particular to the footnote number 51.

## Calculation methods

| KPI                                    | Method   |
|--|--|
| <b>Governance</b>                      |  |
| <b>DIVERSITY IN THE CONTROL BODIES</b> | Outside of Italy, only the companies with a control body similar to the Italian Board of Statutory Auditors were considered.   |
| <b>VALUE ADDED</b>                     | Value added represents the wealth generated by the Company in carrying out its activities. Global gross value added is divided between the following beneficiaries: employees (direct remuneration composed of wages, salaries and provisions for severance payments (TFR) and indirect remuneration consisting of social welfare contributions); Public Administration (income tax); financial backers (medium- and long-term interest paid for the availability of borrowed capital); shareholders (dividends distributed); and the company (reinvested earnings). |

### Research and development

|                                 |   |
|---------------------------------|---|
| <b>RESEARCH AND DEVELOPMENT</b> | The tangible value generated by R&D is measured by the economic benefits related to the application of innovative production/process technologies. The overall value generated is divided into: a) actual benefits and b) expected benefits. Actual benefits are applied to 100% of the investment in technological applications projects and before tax. On the other hand, expected benefits are associated with: i) investment projects that employ innovative technologies; ii) reductions in expenditures envisaged from abandoning upstream infrastructures and are calculated in terms of Net Present Value (NPV) at 100% of the investment and before tax; and iii) increases in 2P reserves calculated by reportioning Eni's share of the unit NPV/boe to 100% using the SEC methodology. The latter include the benefit deriving from the application of applied technologies in exploration, which contribute to increasing the success rate and the associated values. The tangible benefits are identified in a "what if" scenario, namely as the difference compared to the application of the best alternative technology available on the market or, in the case of new products, as the difference compared to the margin derived from the sale of the new product net of any products replaced. |
|---------------------------------|---|

| KPI                                       | Method  |
|---|---|
| <b>Carbon neutrality in the long term</b> |   |
| <b>GHG EMISSIONS</b>                      | <p><b>Scope 1:</b> direct GHG emissions comprise CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O emissions; the Global Warming Potential used is 25 for CH<sub>4</sub> and 298 for N<sub>2</sub>O. The emission factors used for the calculations are, where possible, site-specific or, alternatively, derived from available international literature.</p> <p><b>Scope 2:</b> indirect GHG emissions relate to the generation of electricity, steam and heat purchased from third parties and comprise CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O contributions. There are no contributions of biogenic CO<sub>2</sub> emissions.</p> <p><b>Scope 3:</b> allow representing the carbon footprint for the entire company value chain and are reported by Eni according to the IPIECA<sup>(a)</sup>/WBCSD<sup>(b)</sup> methodology (contributions by category).</p> |
| <b>EMISSION INTENSITY</b>                 | <p>Numerator: direct GHG emissions (Scope 1) including CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O.</p> <p>Denominator:</p> <ul style="list-style-type: none"> <li>• UPS: 100% operated hydrocarbon gross production;</li> <li>• R&amp;M: incoming processed quantities (raw materials and semi-finished products) from own refineries;</li> <li>• EniPower: equivalent electrical energy produced.</li> </ul>  |
| <b>OPERATING EFFICIENCY</b>               | It expresses the GHG emissions intensity (scope 1 and scope 2 calculated on an operated basis expressed in tonnes CO <sub>2</sub> eq) of Eni's main industrial productions compared to operated production (converted by homogeneity into barrels of oil equivalent using the Eni average conversion factors) in the individual businesses of reference, thus measuring their degree of operating efficiency in a decarbonization scenario.   |
| <b>ENERGY CONSUMPTION</b>                 | Primary sources consumption: sum of consumption of fuel gas, natural gas, refinery/process gas, LPG, light distillates/petrol, diesel, kerosene, fuel oil, FOK and coke from FCC. Primary energy purchased from other companies: sum of purchases of electricity, heat and steam from third parties. Consumption from renewable sources depends on the national electric mix because consumption from photovoltaic panels installed by Eni on its assets is currently negligible.   |
| <b>ENERGY INTENSITY</b>                   | The refining energy intensity index represents the total value of energy actually used in a given year in the various refinery processing plants, divided by the corresponding value determined on the basis of predefined standard consumption values for each processing plant. In order to compare the data over the years, the data for 2009 was taken as a reference (100%). For the other sectors, the index represents the ratio between significant energy consumption associated to operated plants and the related production.  |

(a) IPIECA is an Oil & Gas industry association that deals with environmental and social issues.

(b) World Business Council for Sustainable Development.

| KPI  | Method   |
|--|--|
| <b>Operational excellence model</b>            |  |
| <b>EMPLOYMENT</b>                              | Eni uses a large number of contractors to carry out the activities within its own sites.   |
| <b>INDUSTRIAL RELATIONS</b>                    | Regarding industrial relations, the minimum notice period for operational changes is in line with the provisions of the laws in force and the trade union agreements signed in the Countries in which Eni operates.<br><b>Employees covered by collective bargaining:</b> are those employees whose employment relationship is governed by collective agreements or contracts, whether national, industry, company or site.  |
| <b>SENIORITY</b>                               | Average number of years worked by employees at Eni and its subsidiaries.   |
| <b>TRAINING HOURS</b>                          | Hours delivered to Eni employees through training courses managed and carried out by Eni Corporate University (classroom and distance) and through activities carried out by the organisational units of Eni Business areas/Companies independently, also through on-the-job training. Average training hours are calculated as total training hours divided by the average number of employees in the year.   |
| <b>LOCAL SENIOR AND MIDDLE MANAGERS ABROAD</b> | Number of local senior + middle managers (employees born in the Country in which their main working activity is based) divided by total employment abroad.   |
| <b>TURNOVER RATE</b>                           | Ratio of the number of hires + resolutions of permanent contracts and permanent employment for the previous year.  |
| <b>REPLACEMENT RATE</b>                        | Ratio of number of hiring and termination of permanent contracts.  |
| <b>HEALTH</b>                                  | <b>OIFR (Occupational Illness Frequency Rate):</b> frequency index of the reported occupational diseases of the employees. Ratio of the number of occupational diseases in the reference accounting period and the worked hours in the same period. Result of the ratio multiplied by 1,000,000.<br><b>Number of occupational disease reports filed by heirs:</b> indicator used as a proxy for the number of deaths due to occupational diseases.<br><b>Recordable cases of occupational diseases:</b> number of occupational disease reports.<br><b>Main types of diseases:</b> reports of suspected occupational disease made known to the employer concern pathologies that may have a causal connection with the risk at work, as they may have been contracted in the course of work and due to prolonged exposure to risk agents present in the workplace. The risk may be caused by the processing carried out, or by the environment in which the processing takes place. The main risk agents whose prolonged exposure may lead to an occupational disease are: i) chemical agents (example of disease: neoplasms, respiratory system diseases, blood diseases); ii) biological agents (example of disease: malaria); iii) physical agents (example of disease: hypoacusia).   |
| <b>SAFETY</b>                                  | Eni uses a large number of contractors to carry out the activities within its own sites.<br><b>TRIR:</b> total recordable injuries rate (injuries leading to days of absence, medical treatments and cases of work limitations). Numerator: number of total recordable injuries; denominator: hours worked in the same period. Result of the ratio multiplied by 1,000,000.<br><b>LTIF:</b> lost time injury frequency rate, i.e. number of work-related injuries that occurred for every million hours worked. Numerator: total injuries at work with lost days occurring in the period; denominator: hours worked in the same period; the result is multiplied by 1,000,000.<br><b>High-consequence work-related injuries rate (excluding fatalities):</b> injuries at work with days of absence exceeding 180 days or resulting in total or permanent disability. Numerator: number of injuries at work with serious consequences; denominator: hours worked in the same period. Result of the ratio multiplied by 1,000,000.<br><b>Near miss:</b> an incidental event, the origin, execution and potential effect of which is accidental in nature, but which is however different from an accident only in that the result has not proved damaging, due to luck or favourable circumstances, or to the mitigating intervention of technical and/or organizational protection systems. Accidental events that do not turn into accidents or injuries are therefore considered to be near misses.<br>The main hazards identified in 2019 at Eni were found in the following types of activities: <ul style="list-style-type: none"> <li>• load handling: events related to lifting or moving loads on the same plane;</li> <li>• energized systems: events connected to equipment under pressure or containing high/low temperature fluids, exposed electrical parts or moving mechanical parts, most often associated with accidents occurring during the use of moving mechanical parts, in particular cutting and grinding tools.</li> </ul> |
| <b>WATER WITHDRAWALS</b>                       | Sum of sea water, freshwater, and brackish water from subsoil or surface withdrawn. TAF (groundwater treatment plant) water represents the amount of polluted groundwater treated and reused in the production cycle.  |

(continued)

(continued)

| KPI  | Method  |
|--|---|
| <b>BIODIVERSITY</b>  | <p><b>Number of sites overlapping with protected areas and Key Biodiversity Areas (KBAs):</b> R&amp;M, Versalis and EniPower operational sites in Italy and abroad, which are located within (or partially within) the boundaries of one or more protected areas or KBAs (as of December 2019).</p> <p><b>Number of sites "adjacent" to protected areas or Key Biodiversity Areas (KBAs):</b> R&amp;M, Versalis and EniPower operational sites in Italy and abroad which, although outside the boundaries of protected areas or KBAs, are less than 1 km away (as of December 2019).</p> <p><b>Number of upstream concessions overlapping protected areas and Key Biodiversity Areas (KBAs), without activities in the overlapping area:</b> active national and international concessions, whether operated, under development or in production, present in the Company's databases (last updated in June 2019) that overlap one or more protected areas or KBAs, where development/production operations (wells, sealines, pipelines and onshore and offshore installations as documented in the Company's GIS geodatabase) are located outside the intersection area.</p> <p>The sources used for the census of protected areas and KBAs are the "World Database on Protected Areas" and the "World Database of Key Biodiversity Areas" (last updated in December 2019), respectively; the data was made available to Eni in the framework of its membership in the UNEP-WCMC Proteus Partnership. There are some limitations to consider when interpreting the results of this analysis:</p> <ul style="list-style-type: none"> <li>• it is globally recognised that there is an overlap between the different databases of protected areas and KBAs, which may have led to a certain degree of duplication in the analysis (some protected areas/KBAs could be counted several times);</li> <li>• the databases of protected or key biodiversity areas used for the analysis, while representing the most up-to-date information available at global level, may not be complete for each Country.</li> </ul> |
| <b>OIL SPILL</b>   | Spills from primary or secondary containment into the environment of oil or petroleum derivative from refining or oil waste occurring during operation or as a result of sabotage, theft or vandalism.  |
| <b>WASTE</b>   | <p><b>Waste from production:</b> waste from production activities, including waste from drilling activities and construction sites.</p> <p><b>Waste from remediation activities:</b> this includes waste from soil securing and remediation activities, demolition and groundwater classified as waste. The waste disposal method is communicated to Eni by the subject authorised for disposal.</p>  |
| <b>AIR PROTECTION</b>                                      | <p><b>NO<sub>x</sub>:</b> total direct emissions of nitrogen oxide due to combustion processes with air. It includes emissions of NO<sub>x</sub> from flaring activities, sulphur recovery processes, FCC regeneration, etc. It includes emissions of NO and NO<sub>2</sub>, excludes N<sub>2</sub>O.</p> <p><b>SO<sub>x</sub>:</b> total direct emissions of sulphur oxides, including emissions of SO<sub>2</sub> and SO<sub>3</sub>.</p> <p><b>NM VOC:</b> total direct emissions of hydrocarbons, hydrocarbon substitutes and oxygenated hydrocarbons that evaporate at normal temperature. They include LPG and exclude methane.</p> <p><b>TSP:</b> direct emissions of Total Suspended Particulates, finely divided solid or liquid material suspended in gaseous flows. Standard emission factors.</p>   |
| <b>SECURITY CONTRACTS WITH HUMAN RIGHTS CLAUSES</b>        | The indicator "percentage of security contracts with human rights clauses" is obtained by calculating the ratio between the "Number of security and security concierge contracts with human rights clauses" and the "Total number of security and security concierge contracts".  |
| <b>WHISTLEBLOWING REPORTS</b>                              | The indicator refers to the whistleblowing files relating to Eni SpA and its subsidiaries, closed during the year and relating to human rights; of the files thus identified, the number of assertions is reported as a result of the investigation conducted on the facts reported (Justified, Unfounded with the adoption of corrective/improvement measures, Unfounded/not applicable).  |
| <b>SUPPLIERS SUBJECTED TO ASSESSMENT</b>                   | This indicator relates to processes managed by Eni SpA, Eni Ghana, Eni Pakistan, Eni US and Eni Angola and represents all suppliers subjected to Due Diligence, a qualification process, HSE areas, compliance or business conduct performance assessment, feedback process, or human rights assessment (SA8000). It relates to all suppliers for which Vendor Management activities are centralized in Eni SpA (i.e. all Italian suppliers, mega-suppliers and international suppliers) and to local suppliers of Eni Ghana, Eni Pakistan, Eni US and Eni Angola.  |
| <b>NEW SUPPLIERS ASSESSED ACCORDING TO SOCIAL CRITERIA</b> | The indicator is included in that dedicated to "suppliers subjected to assessment", as this assessment also applies to new suppliers (in addition to those with which a relationship is already in place).  |
| <b>ANTI-CORRUPTION TRAINING</b>                            | <p><b>E-learning</b> for resources in a medium/high risk context.</p> <p><b>E-learning</b> for resources in a low risk context.</p> <p><b>General workshop:</b> classroom training events for staff in a context at high risk of corruption.</p> <p><b>Job specific training:</b> in-class training events for professional areas at risk of corruption.</p>  |

| KPI   | Method   |
|---|--|
| <b>Alliances for the promotion of local development</b> |  |
| <b>LOCAL DEVELOPMENT INVESTMENTS</b>                    | The indicator refers to Eni's share of spending in local development projects carried out by Eni in favour of local communities to promote the improvement of the quality of life and sustainable socio-economic development of communities in operational contexts.   |
| <b>SPENDING TO LOCAL SUPPLIERS</b>                      | <p>The indicator refers to the 2019 share of expenditure to local suppliers. "Spending to local suppliers" has been defined according to the following alternative methods on the basis of the specific characteristics of the Countries analysed:</p> <ol style="list-style-type: none"> <li>1) "Equity Method" (Ghana): the share of spending to local suppliers is determined on the basis of the percentage of ownership of the corporate structure (e.g., for a JV with 60% local component, 60% of total spending to the JV is considered as spending to local suppliers);</li> <li>2) "Local Currency Method" (Angola and UK): the portion paid in local currency is identified as spending to local suppliers;</li> <li>3) "Country registration method" (Iraq and Nigeria): spending to suppliers registered in the Country and not belonging to international/megasupplier groups (e.g., drilling service/drilling support service providers) is identified as local;</li> <li>4) "Country registration + Local Currency Method" (Congo): spending to suppliers registered in the Country and not belonging to international/megasupplier groups (e.g., drilling service/drilling support service providers) is identified as local. For the latter, spending in local currency is considered to be local.</li> </ol> <p>The Countries selected are those where a higher expenditure component was recorded compared to the Eni Group overall expenditure.</p> |
| <b>GRIEVANCE</b>  | Complaints made by an individual or a group of individuals relating to actual or perceived impacts caused by the company's operational activities.   |

## GRI Content Index

| Disclosure                    | Indicator description  | Page number(s) and/or url(s)  |
|-------------------------------|--|---|
| <b>Organizational profile</b> |  |   |
| 102-1                         | Name of the organization                                     | Annual Report 2019, p. 1  |
| 102-2                         | Activities, brands, products, and services                   | Eni for 2019 - A just transition, pp. 4-5; 9<br>Annual Report 2019, p. 3  |
| 102-3                         | Location of headquarters                                     | Eni for 2019 - A just transition, inside back cover   |
| 102-4                         | Location of operations                                       | Eni for 2019 - A just transition, pp. 4-5<br>Annual Report 2019, p. 3   |
| 102-5                         | Ownership and legal form                                     | Annual Report 2019, inside back cover<br><a href="https://www.eni.com/en_IT/company/governance/shareholders.page">https://www.eni.com/en_IT/company/governance/shareholders.page</a>          |
| 102-6                         | Markets served   | Eni for 2019 - A just transition, pp. 4-5; 9<br>Annual Report 2019, p. 3  |
| 102-7                         | Scale of the organization                                    | Eni for 2019 - A just transition, pp. 4-5; 26<br>Eni for 2019 - Sustainability performance, pp. 10-12<br>Annual Report 2019, pp. 12-13<br>NFI, pp. 118, 131                                   |
| 102-8                         | Information on employees and other workers                   | Eni for 2019 - Sustainability performance, pp. 10-12<br>NFI, pp. 118; 131   |
| 102-9                         | Supply chain   | Eni for 2019 - A just transition, pp. 46-47<br>Eni for 2019 - Sustainability performance, p. 29<br>NFI, p. 125  |
| 102-10                        | Significant changes to the organization and its supply chain | Annual Report 2019, pp. 152-155; 295  |
| 102-11                        | Precautionary Principle or approach                          | Eni for 2019 - A just transition, p. 16<br>Eni for 2019 - Carbon neutrality in the long term, pp. 10-13<br>Annual Report 2019, pp. 20-23  |
| 102-12                        | External initiatives   | Eni for 2019 - A just transition, p. 17<br>Annual Report 2019, p. 15  |
| 102-13                        | Membership of associations                                   | Eni for 2019 - A just transition, pp. 17; 76<br>Eni for 2019 - Sustainability performance, p. 31<br>Annual Report 2019, p. 15   |
| <b>Strategy</b>               |  |   |
| 102-14                        | Statement from senior decision-maker                         | Eni for 2019 - A just transition, p. 3<br>Eni for 2019 - Carbon neutrality in the long term, p. 2<br>Annual Report 2019, pp. 6-11   |
| 102-15                        | Key impacts, risks, and opportunities                        | Eni for 2019 - A just transition, p. 16<br>Eni for 2019 - Carbon neutrality in the long term, pp. 10-13<br>Annual Report 2019, pp. 20-23; 88-104  |
| <b>Ethics and integrity</b>   |  |   |
| 102-16                        | Values, principles, standards, and norms of behavior         | Eni for 2019 - A just transition, pp. 8; 12-13; 48-49<br>Annual Report 2019, pp. 2; 4-5; 29<br>NFI, p. 109  |
| <b>Governance</b>             |  |   |
| 102-18                        | Governance structure   | Eni for 2019 - A just transition, pp. 10-11<br>Eni for 2019 - Sustainability performance, p. 3<br>Eni for 2019 - Carbon neutrality in the long term, pp. 6-9<br>Annual Report 2019, pp. 24-29 |
| <b>Stakeholder engagement</b> |  |   |
| 102-40                        | List of stakeholder groups                                   | Eni for 2019 - A just transition, p. 17<br>Annual Report 2019, pp. 14-15  |
| 102-41                        | Collective bargaining agreements                             | Eni for 2019 - Sustainability performance, p. 17<br>NFI, pp. 118; 131   |
| 102-42                        | Identifying and selecting stakeholders                       | Eni for 2019 - A just transition, p. 17<br>Annual Report 2019, pp. 14-15  |

(continued)

(continued)

| Disclosure                | Indicator description  | Page number(s) and/or url(s)   |
|---------------------------|--|--|
| 102-43                    | Approach to stakeholder engagement   | Eni for 2019 - A just transition, p. 17<br>Annual Report 2019, pp. 14-15, 17   |
| 102-44                    | Key topics and concerns raised   | Eni for 2019 - A just transition, pp. 14-15, 17<br>Annual Report 2019, pp. 14-15   |
| <b>Reporting practice</b> |  |  |
| 102-45                    | Entities included in the consolidated financial statements                 | Eni for 2019 - Sustainability performance, pp. 31-35<br>Annual Report 2019, pp. 272-295<br>NFI, p. 130   |
| 102-46                    | Defining report content and topic Boundaries                               | Eni for 2019 - A just transition, pp. 14-15; 76<br>Eni for 2019 - Sustainability performance, p. 31<br>NFI, pp. 130; 134-135   |
| 102-47                    | List of material topics  | Eni for 2019 - A just transition, pp. 14-15; 76<br>Eni for 2019 - Sustainability performance, p. 31<br>NFI, pp. 130; 133-135   |
| 102-48                    | Restatements of information  | Eni for 2019 - Sustainability performance, pp. 31-35<br>NFI, pp. 122; 130  |
| 102-49                    | Changes in reporting   | Eni for 2019 - Sustainability performance, pp. 31-35<br>NFI, pp. 130, 134-135  |
| 102-50                    | Reporting period   | Eni for 2019 - Sustainability performance, pp. 31-35<br>NFI, p. 130  |
| 102-51                    | Date of most recent report   | <a href="https://www.eni.com/en-IT/publications.html">https://www.eni.com/en-IT/publications.html</a>  |
| 102-52                    | Reporting cycle  | Eni for 2019 - Sustainability performance, p. 31<br>NFI, p. 130  |
| 102-53                    | Contact point for questions regarding the report                           | <a href="https://www.eni.com/en-IT/contacts.html">https://www.eni.com/en-IT/contacts.html</a>  |
| 102-54 / 102-55           | Claims of reporting in accordance with the GRI Standards/GRI content index | Eni for 2019 - A just transition, p. 76<br><a href="https://www.eni.com/en-IT/sustainability/our-strategy/reporting-page">https://www.eni.com/en-IT/sustainability/our-strategy/reporting-page</a><br>Eni for 2019 - Sustainability performance, p. 31 |
| 102-56                    | External assurance   | Eni for 2019 - A just transition, pp. 73-75  |

| Material aspect/<br>GRI disclosure  | GRI disclosure description  | Section and/or page number  | Omission |
|---|---|---|----------|
| <b>COMBATING CLIMATE CHANGE</b>   |   |   |          |
| GHG emissions, promotion of natural gas, renewables, biofuels and green chemistry |   |   |          |
| <b>Economic performance - Management Approach (103-1; 103-2; 103-3)</b>           |   | <b>Boundary: External and Internal (Suppliers - RNES<sup>1</sup>, customers RNEC<sup>2</sup>)</b><br>Eni for 2019 - A just transition, pp. 9; 22-24; 48; 50; 56-57<br>Eni for 2019 - Sustainability performance, pp. 31; 38<br>NFI, pp. 109-111; 129; 134   |          |
| 201-2   | Financial implications and other risks and opportunities due to climate change                            | Eni for 2019 - Carbon neutrality in the long term, pp. 7; 10; 14-19; 21-37; 44-51<br>Annual Report 2019, pp. 22-23; 92-95<br>NFI, pp. 111-115   |          |
| <b>Emissions - Management Approach (103-1; 103-2; 103-3)</b>                      |   | <b>Boundary: External and Internal (Suppliers - RNES<sup>1</sup>, customers RNEC<sup>2</sup>)</b><br>Eni for 2019 - A just transition, pp. 22-23<br>Eni for 2019 - Sustainability performance, pp. 31; 38<br>Eni for 2019 - Carbon neutrality in the long term, pp. 6-7; 14-19; 38-41; 44-50<br>NFI, pp. 109-110; 111-115; 129-130; 134 |          |
| 305-1   | Direct (Scope 1) GHG emissions  | Eni for 2019 - Sustainability Performance, pp. 7-8<br>Eni for 2019 - Carbon neutrality in the long term, pp. 44-47; 49-50<br>NFI, pp. 114-115; 130  |          |
| 305-2   | Energy indirect (Scope 2) GHG emissions   | Eni for 2019 - Sustainability performance, pp. 7-8<br>Eni for 2019 - Carbon neutrality in the long term, pp. 44-45; 49-50<br>NFI, pp. 114-115; 130  |          |
| 305-3   | Other indirect (Scope 3) GHG emissions  | Eni for 2019 - Sustainability performance, pp. 7-8<br>Eni for 2019 - Carbon neutrality in the long term, pp. 44; 49-50  |          |
| 305-4   | GHG emissions intensity   | Eni for 2019 - Sustainability performance, pp. 7-8<br>Eni for 2019 - Carbon neutrality in the long term, pp. 44-50<br>NFI, pp. 114-115; 130   |          |
| 305-5   | Reduction of GHG emissions  | Eni for 2019 - Carbon neutrality in the long term, pp. 14-19; 44-47; 50   |          |
| 305-7   | Nitrogen oxides (NO <sub>x</sub> ), sulfur oxides (SO <sub>x</sub> ), and other significant air emissions | Eni for 2019 - Sustainability performance, pp. 22-23<br>NFI, pp. 120-122; 132   |          |
| <b>Energy - Management Approach (103-1; 103-2; 103-3)</b>                         |   | <b>Boundary: Internal</b><br>Eni for 2019 - A just transition, pp. 18-19; 22-23; 24; 36<br>Eni for 2019 - Sustainability performance, pp. 31; 38<br>Eni for 2019 - Carbon neutrality in the long term, pp. 14-19; 44; 48; 50<br>NFI, pp. 109-110; 111-115; 129-130; 134   |          |
| 302-1   | Energy consumption within the organization  | Eni for 2019 - Sustainability performance, p. 9   |          |
| 302-3   | Energy intensity  | Eni for 2019 - Sustainability performance, p. 9<br>Eni for 2019 - Carbon neutrality in the long term pagg. 48; 50<br>NFI, pp. 114-115; 130  |          |
| 302-4   | Reduction of energy consumption   | Eni for 2019 - Sustainability performance, p. 9<br>Eni for 2019 - Carbon neutrality in the long term, pp. 14-19; 44; 48; 50   |          |

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| Material aspect/<br>GRI disclosure   | GRI disclosure description   | Section and/or page number   | Omission |
|--|--|--|----------|
| 0G2  | Total amount invested in renewable energy  | Eni for 2019 - A just transition, p. 16<br>Eni for 2019 - Sustainability performance, pp. 5-6<br>Eni for 2019 - Carbon neutrality in the long term, pp. 14-19; 23-24; 36-37; 44; 50                            |          |
| 0G14   | Volume of biofuels produced  | Eni for 2019 - Carbon neutrality in the long term, pp. 14-19; 25-27; 30-32; 50<br>Eni for 2019 - Sustainability performance, pp. 8-9   |          |
| <b>PEOPLE</b><br>Employment, diversity and inclusion, Training, Occupational health and local communities health                   |  |  |          |
| <b>Market presence - Management Approach (103-1; 103-2; 103-3)</b>   |  | <b>Boundary: Internal</b><br><b>Eni for 2019 - A just transition, pp. 28-29</b><br><b>Eni for 2019 - Sustainability performance, pp. 31; 39</b><br><b>NFI, pp. 109-110; 116-118; 129; 132; 134</b>             |          |
| 202-2  | Proportion of senior management hired from the local community                       | Eni for 2019 - A just transition, pp. 28-29<br>Eni for 2019 - Sustainability performance, pp. 10-11<br>NFI, pp. 117-118; 131   |          |
| <b>Employment - Management Approach (103-1; 103-2; 103-3)</b>  |  | <b>Boundary: Internal</b><br><b>Eni for 2019 - A just transition, pp. 26-27</b><br><b>Eni for 2019 - Sustainability performance, pp. 31; 39</b><br><b>NFI, pp. 109-110; 116-118; 129; 132; 134</b>             |          |
| 401-1  | New employee hires and employee turnover   | Eni for 2019 - Sustainability performance, pp. 10-12<br>NFI, pp. 117-118; 131  |          |
| <b>Occupational health and safety - Management Approach (103-1; 103-2; 103-3; 403-1; 403-2; 403-3; 403-4; 403-5; 403-6; 403-7)</b> |  | <b>Boundary: Internal</b><br><b>Eni for 2019 - A just transition, pp. 10; 24; 31</b><br><b>Eni for 2019 - Sustainability performance, pp. 31; 39</b><br><b>NFI, pp. 109-110; 116-119; 131; 134</b>             |          |
| 403-10   | Work-related ill health  | Eni for 2019 - A just transition, p. 31<br>Eni for 2019 - Sustainability performance, pp. 16-17<br>NFI, pp. 117-118; 131   |          |
| <b>Training and education - Management Approach (103-1; 103-2; 103-3)</b>  |  | <b>Boundary: Internal</b><br><b>Eni for 2019 - A just transition, pp. 26; 30; 66; 68-69</b><br><b>Eni for 2019 - Sustainability performance, pp. 31; 39</b><br><b>NFI, pp. 109-110; 116-118; 129; 132; 134</b> |          |
| 404-1  | Average hours of training per year per employee                                      | Eni for 2019 - A just transition, pp. 26; 30<br>Eni for 2019 - Sustainability performance, pp. 13-14<br>NFI, pp. 117-118; 131  |          |
| 404-3  | Percentage of employees receiving regular performance and career development reviews | Eni for 2019 - Sustainability performance, p. 15   |          |
| <b>Diversity and equal opportunity - Management Approach (103-1; 103-2; 103-3)</b>   |  | <b>Boundary: Internal</b><br><b>Eni for 2019 - A just transition, pp. 26-29</b><br><b>Eni for 2019 - Sustainability performance, pp. 31; 39</b><br><b>NFI, pp. 109-110; 116-118; 129; 134</b>                  |          |
| 405-1  | Diversity of governance bodies and employees   | Eni for 2019 - A just transition, pp. 26-29<br>Eni for 2019 - Sustainability performance, pp. 3; 10-13<br>NFI, pp. 117-118   |          |
| 405-2  | Ratio of basic salary and remuneration of women to men                               | Eni for 2019 - Sustainability performance, p. 13   |          |

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| Material aspect/<br>GRI disclosure   | GRI disclosure description  | Section and/or page number  | Omission |
|--|---|---|----------|
| <b>SAFETY</b>  |   |   |          |
| People safety and asset integrity  |   |   |          |
| <b>Occupational health and safety - Management Approach (103-1; 103-2; 103-3; 403-1; 403-2; 403-3; 403-4; 403-5; 403-6; 403-7)</b> |   | <b>Boundary: External and Internal (Suppliers)</b><br>Eni for 2019 - A just transition, pp. 10; 24; 32-35<br>Eni for 2019 - Sustainability performance, pp. 31; 40<br>NFI, pp. 109-110; 116-119; 131; 134 |          |
| 403-9  | Work-related injuries   | Eni for 2019 - A just transition, pp. 32-33; 35<br>Eni for 2019 - Sustainability performance, pp. 16; 18<br>NFI, pp. 119; 131   |          |
| 0613   | Number of process safety events   | Eni for 2019 - A just transition, p. 35<br>Eni for 2019 - Sustainability performance, p. 18   |          |
| <b>REDUCTION OF ENVIRONMENTAL</b>  |   |   |          |
| Impacts Water resources, Biodiversity Oil spill  |   |   |          |
| <b>Water - Management Approach (103-1; 103-2; 103-3)</b>   |   | <b>Boundary: Internal</b><br>Eni for 2019 - A just transition, pp. 24; 36-37<br>Eni for 2019 - Sustainability performance, pp. 31; 40<br>NFI, pp. 109-110; 120-122; 129; 131-132; 134                     |          |
| 303-1  | Water withdrawal by source  | Eni for 2019 - A just transition, pp. 36-37<br>Eni for 2019 - Sustainability performance, pp. 19-20<br>NFI, pp. 121-122; 131-132  |          |
| 303-3 065  | Water recycled and reused   | Eni for 2019 - A just transition, pp. 36-37<br>Eni for 2019 - Sustainability performance, pp. 19-20   |          |
| <b>Biodiversity - Management Approach (103-1; 103-2; 103-3)</b>  |   | <b>Boundary: Internal</b><br>Eni for 2019 - A just transition, pp. 24; 36; 40-41<br>Eni for 2019 - Sustainability performance, pp. 31; 40<br>NFI, pp. 109-110; 120-122; 129; 131-132; 134                 |          |
| 304-1  | Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas | Eni for 2019 - A just transition, pp. 40-41<br>Eni for 2019 - Sustainability performance, pp. 20-21<br>NFI, pp. 121-122; 131-132  |          |
| <b>Effluents and waste - Management Approach (103-1; 103-2; 103-3)</b>   |   | <b>Boundary: Internal</b><br>Eni for 2019 - A just transition, pp. 24; 36; 38-39<br>Eni for 2019 - Sustainability performance, pp. 31; 40<br>NFI, pp. 109-110; 120-122; 129; 131-132; 134                 |          |
| 306-1  | Water discharge by quality and destination  | Eni for 2019 - Sustainability performance, p. 19  |          |
| 306-2  | Waste by type and disposal method   | Eni for 2019 - Sustainability performance, p. 23<br>NFI, pp. 121-122; 131-132   |          |
| 067  | Amount of drilling waste  | Eni for 2019 - Sustainability performance, p. 23  |          |
| 306-3  | Significant spills  | Eni for 2019 - A just transition, p. 38<br>Eni for 2019 - Sustainability performance, p. 22<br>NFI, pp. 121-122; 131-132  |          |
| 066  | Volume of flared and vented hydrocarbon   | Eni for 2019 - Sustainability performance, pp. 7-8<br>Eni for 2019 - Carbon neutrality in the long term, pp. 14-19; 44-47; 50<br>NFI, p. 115  |          |
| <b>Environmental compliance - Management Approach (103-1; 103-2; 103-3)</b>  |   | <b>Boundary: Internal</b><br>Eni for 2019 - Sustainability performance, pp. 31; 40<br>NFI, pp. 109-110; 120-122; 129; 131-132; 135  |          |
| 307-1  | Environmental compliance  | Annual Report 2019, pp. 214-219   |          |

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| Material aspect/<br>GRI disclosure  | GRI disclosure description  | Section and/or page number   | Omission   |
|---|---|--|--|
| <b>HUMAN RIGHTS</b><br>Rights of workers and local communities, Supply chain, Security  |   |  |  |
|   | <b>Non-discrimination - Management Approach (103-1; 103-2; 103-3)</b>         |  | <b>Boundary: External and Internal (Local security forces, Suppliers - RNES<sup>1</sup>)</b><br>Eni for 2019 - A just transition, pp. 42-47<br>Eni for 2019 - Sustainability performance, pp. 31; 41<br>NFI, pp. 109-110; 123-124; 129; 135      |
| 406-1   | Incidents of discrimination and corrective actions taken                      | Eni for 2019 - Sustainability performance, pp. 24-25<br>NFI, pp. 123-124   |  |
|   | <b>Security practices - Management Approach (103-1; 103-2; 103-3)</b>         |  | <b>Boundary: External and Internal (Local security forces, Suppliers - RNES<sup>1</sup>)</b><br>Eni for 2019 - A just transition, pp. 24; 42; 45<br>Eni for 2019 - Sustainability performance, pp. 31; 41<br>NFI, pp. 109-110; 123-124; 129; 135 |
| 410-1   | Security personnel trained in human rights policies or procedures             | Eni for 2019 - A just transition, pp. 42; 45<br>Eni for 2019 - Sustainability performance, p. 24<br>NFI, pp. 123-124     |  |
|   | <b>Human rights assessment - Management Approach (103-1; 103-2; 103-3)</b>    |  | <b>Boundary: External and Internal (Local security forces, Suppliers - RNES<sup>1</sup>)</b><br>Eni for 2019 - A just transition, pp. 42-44<br>Eni for 2019 - Sustainability performance, pp. 30; 41<br>NFI, pp. 109-110; 123-124; 129; 135      |
| 412-2   | Employee training on human rights policies or procedures                      | Eni for 2019 - A just transition, p. 44<br>Eni for 2019 - Sustainability performance, p. 24<br>NFI, pp. 123-124          |  |
|   | <b>Supplier social assessment - Management Approach (103-1; 103-2; 103-3)</b> |  | <b>Boundary: External and Internal (Local security forces, Suppliers - RNES<sup>1</sup>)</b><br>Eni for 2019 - A just transition, pp. 42; 46-47<br>Eni for 2019 - Sustainability performance, pp. 31; 41<br>NFI, pp. 109-110; 125; 129; 132; 135 |
| 414-1   | New suppliers that were screened using social criteria                        | Eni for 2019 - A just transition, pp. 42; 46-47<br>Eni for 2019 - Sustainability performance, p. 24<br>NFI, pp. 125; 132 |  |
| <b>INTEGRITY IN BUSINESS MANAGEMENT</b><br>Transparency and anti-corruption   |   |  |  |
|   | <b>Anti-corruption - Management Approach (103-1; 103-2; 103-3)</b>            |  | <b>Boundary: External and Internal (Suppliers - RNES<sup>3</sup>)</b><br>Eni for 2019 - A just transition, pp. 24; 48-49<br>Eni for 2019 - Sustainability performance, pp. 31; 41<br>NFI, pp. 109-110; 126-129; 135                              |
| 205-2   | Communication and training about anti-corruption policies and procedures      | Eni for 2019 - A just transition, pp. 48-49<br>Eni for 2019 - Sustainability performance, p. 26<br>NFI, pp. 126-127; 135 |  |
| <b>ACCESS TO ENERGY, LOCAL DEVELOPMENT THROUGH PUBLIC-PRIVATE PARTNERSHIPS</b><br>Economic diversification, Education and training, Access to water and hygiene, Health |   |  |  |
|   | <b>Indirect economic impacts - Management Approach (103-1; 103-2; 103-3)</b>  |  | <b>Boundary: Internal</b><br>Eni for 2019 - A just transition, pp. 50-72<br>Eni for 2019 - Sustainability performance, pp. 31; 41<br>NFI, pp. 109-110; 127-129; 135  |
| 203-1   | Infrastructure investments and services supported                             | Eni for 2019 - A just transition, pp. 50-72<br>Eni for 2019 - Sustainability performance, p. 28<br>NFI, pp. 128; 132     |  |

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| Material aspect/<br>GRI disclosure                                       | GRI disclosure description   | Section and/or page number  | Omission |
|--|--|---|----------|
| 203-2  | Significant indirect economic impacts  | Eni for 2019 - A just transition, pp. 52-72<br>Eni for 2019 - Sustainability performance, p. 28   |          |
| <b>Local communities - Management Approach (103-1; 103-2; 103-3)</b>     |  | <b>Boundary: Internal</b><br><b>Eni for 2019 - A just transition, pp. 50-72</b><br><b>Eni for 2019 - Sustainability performance, pp. 31; 42</b><br><b>NFI, pp. 109-110; 127-129; 135</b>  |          |
| 413-1  | Operations with local community engagement, impact assessments, and development programs | Eni for 2019 - A just transition, pp. 54-72<br>Eni for 2019 - Sustainability performance, p. 28<br>NFI, pp. 127-128   |          |
| OG10   | Significant disputes with local communities and indigenous peoples                       | Eni for 2019 - Sustainability performance, pp. 24; 28   |          |
| <b>LOCAL CONTENT</b>   |  |   |          |
| <b>Procurement practices - Management Approach (103-1; 103-2; 103-3)</b> |  | <b>Boundary: External and Internal (Suppliers - RNES<sup>1</sup>)</b><br><b>Eni for 2019 - A just transition, pp. 46-47; 52; 70-72</b><br><b>Eni for 2019 - Sustainability performance, pp. 31; 42</b><br><b>NFI, pp. 109-110; 127-129; 135</b>                 |          |
| 204-1  | Proportion of spending on local suppliers  | Eni for 2019 - A just transition, pp. 46-47; 52; 70-72<br>Eni for 2019 - Sustainability performance, p. 29<br>NFI, pp. 127-128; 135   |          |
| <b>DIGITALIZATION, TECHNOLOGICAL INNOVATION AND RESEARCH</b>             |  |   |          |
| <b>Innovation - Management Approach (103-1; 103-2; 103-3)</b>            |  | <b>Boundary: Internal</b><br><b>Eni for 2019 - A just transition, pp. 18-19</b><br><b>Eni for 2019 - Sustainability performance, pp. 31; 42</b><br><b>Eni for 2019 - Carbon neutrality in the long term, pp. 36-37; 50</b><br><b>NFI, pp. 109-115; 129; 135</b> |          |

(1) RNES: Reporting not extended to suppliers.

(2) RNEC: Reporting not extended to customers.

(3) RPES: Reporting partially extended to suppliers.



Eni SpA

**Registered Office**

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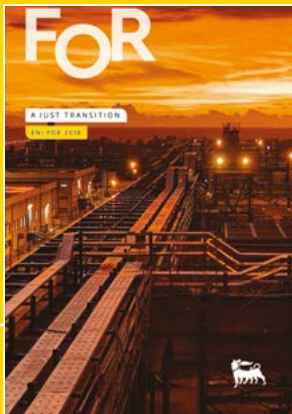
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