

Eni for 2021

Executive Summary



Mission

We are an energy company.

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

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.





Eni for 2021 A just transition

WHY READ ENI FOR 2021?

In this document, Eni aims to describe its contribution to a just transition, an energy transition to guarantee access to efficient and sustainable energy by achieving the goal of net zero emissions by 2050, with a view to sharing social and economic benefits with workers, the value chain, communities and customers in an inclusive, transparent and socially equitable manner, taking into consideration the different level of development of the Countries in which it operates, minimising existing inequalities.

Eni for 2021 describes Eni's path to meeting these challenges. The document is structured according to the three levers of the integrated business model, Carbon Neutrality by 2050, Operational Excellence and Alliances for Development, which aim to create long-term value for all stakeholders.



MESSAGE TO OUR STAKEHOLDERS

The war in Ukraine marks a breaking point in European and world history. The conflict is causing a humanitarian tragedy that touches the founding values underlying our common culture: peace, stability and a sense of community. A time when it is necessary to be even more inclusive and not divisive, seeking the common good.

(...) As Eni, our response to the emergency was swift and decisive. Together with the Italian government and by leveraging alliances with countries in which we have been investing for years, we have been working to find alternative supplies to Russian gas for European needs, from our investments in exploration, development and production. At the same time, as I outlined on Capital Markets Day, we have maintained our commitment to a just energy transition, further accelerating our decarbonisation path. Our energy transition is inspired by the principles of the just transition, i.e. an energy transition that puts people at the centre, that is effective, thanks to an incisive approach, that adopts the available technologies, and that is fair, allowing for the adoption of various solutions, at different speeds depending on the specifics of the multiple contexts and internal constraints.

(...) In this transformational journey, based on the principles of integrity and transparency, we hold firm to our priorities with an ongoing commitment to protecting the health and safety of our people, safeguarding the integrity of our assets and protecting the environment. We are guided by the Sustainable Development Goals (SDGs) outlined in the United Nations 2030 Agenda, the Guiding Principles on Business and Human Rights (UNGPs), the OECD Guidelines for Multinational Enterprises and the 10 principles of the Global Compact, which call for systemic action to resolve today's complex challenges. We have also recently signed up to the United Nations Women's Empowerment Principles (WEP), as part of our commitment to promote gender equality and women's empowerment in the workplace, business practices and society. We see diversity as a resource to be safeguarded and enhanced both within the company and in all relations with external stakeholders. Key to achieving the common objectives are alliances for sustainable development with all the players involved - from private individuals, to the public sector, international organisations, civil society associations and research institutes - which make it possible to pool resources and human capital to promote inclusive and sustainable growth.

Claudio Descalzi
CEO



Business model

69

Countries of presence

108

Nationalities

31,888

People

20,632

Italy

11,256

Abroad

27.3%

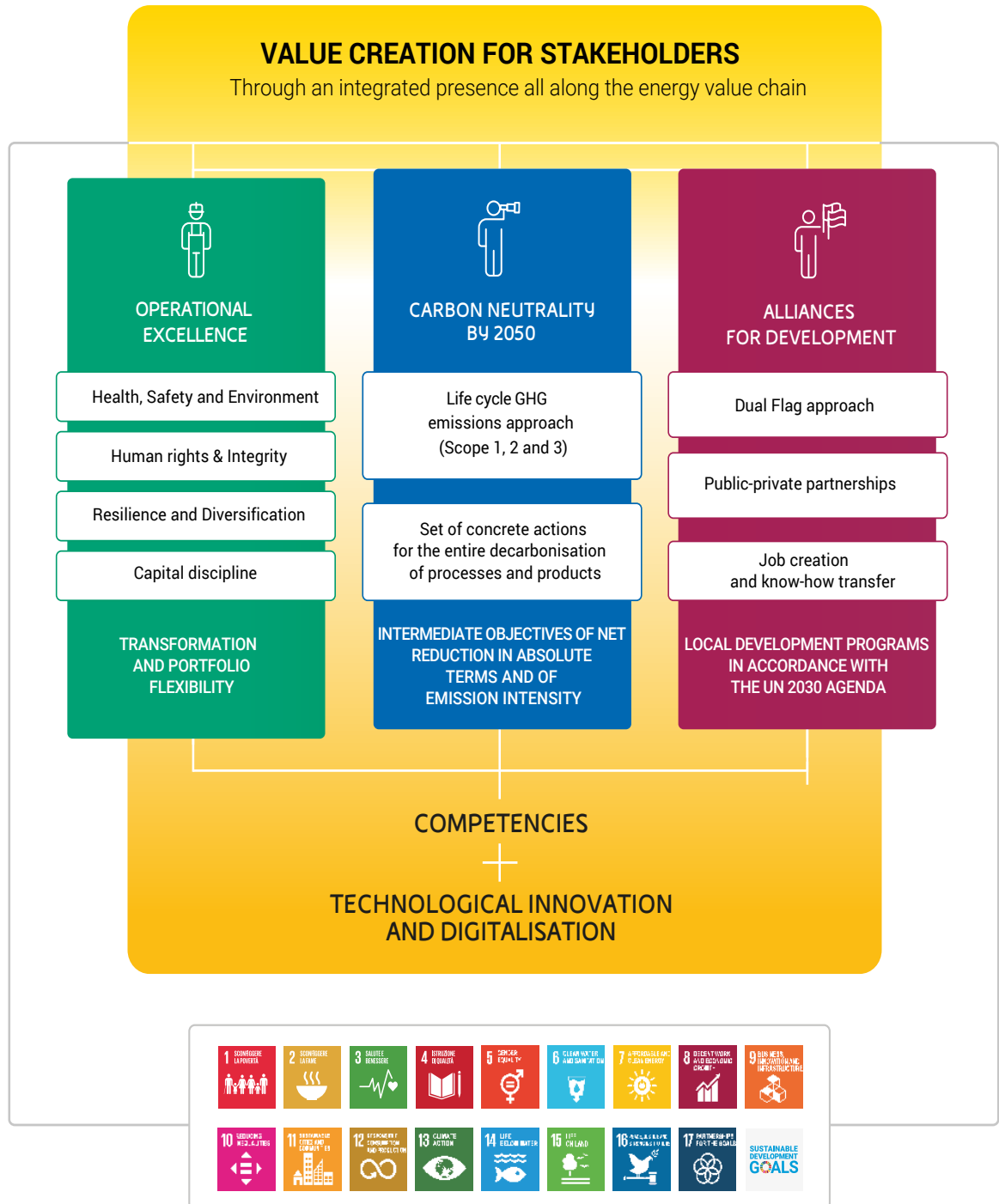
Women in positions of responsibility

33%

Women reporting directly to the CEO

Eni business model is aimed at the creation of value for all stakeholders through a strong presence along the entire value chain of energy. Eni aims to contribute, directly or indirectly, to the achievement of the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda, supporting a just energy transition, which responds with concrete and economically sustainable solutions to the challenges of combating climate change and giving access to energy in an efficient and sustainable way, for all.

Eni organically combines its business plan with the principles of environmental and social sustainability, extending its range of action along three pillars: operational excellence, carbon neutrality by 2050 and alliances for development.



Carbon neutrality by 2050



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

2021 PROGRESS

- 25% upstream GHG emission intensity index vs. 2014 (2021: 20.19 tonCO₂ eq./kboe)
- 31% volume of hydrocarbons sent to process flaring vs. 2014 (2021: 1.2 billion Sm³)
- 92% upstream fugitive methane emissions vs. 2014; target reached in 2019 (2021: 9.2 CH₄)

SHORT-TERM TARGETS TO 2025

- 43% upstream GHG emission intensity vs. 2014
- Zero routine flaring
- 80% upstream fugitive methane emissions vs. 2014

2022 PROGRESS

SHORT-TERM TARGETS (2025)

LONG-TERM TARGETS

BY 2030 BY 2035 BY 2040 BY 2050

NET CARBON FOOTPRINT (SCOPE 1+2)

UPS: -26% vs. 2018
(2021: 11 mln tCO₂ eq)

UPS: -65% vs. 2018
Eni: -40% vs. 2018

UPS NET ZERO

ENI NET ZERO

NET GHG LIFECYCLE EMISSIONS (SCOPE 1+2+3)

-10% vs. 2018
(2021: 456 mln tCO₂ eq)

-35% vs. 2018

-55% vs. 2018

-80% vs. 2018

NET ZERO

NET CARBON INTENSITY (SCOPE 1+2+3)

-2% vs. 2018
(2021: gCO₂eq/MJ)

-15% vs. 2018

-50% vs. 2018

NET ZERO

Operational excellence



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

2021 PROGRESS

SHORT-TERM TARGETS (2022)

MEDIUM-TERM TARGETS (2022-2025)

LONG-TERM TARGETS (2030 AND BEYOND)

GENDER DIVERSITY

2021 women's turnover: 0.51 (vs. male turnover 0.39)

Commitment to keeping turnover of female staff higher than that of male staff

Enhancement of female employment in all professional fields

Increase in female employment by at least 3 percentage points by 2030

INVESTMENTS IN HEALTH ACTIVITIES

€ 70 million invested in health activities in 2021

€ 79 million investments in health activities in 2022

€ 183 million investments in health activities over the period 2023-2025.

Continuation of health promotion for all Eni's people and local communities

ACCIDENT RATES

TRIR = 0.34; LTIF = 0.23; FATALITY INDEX = 0

- Maintenance of TRIR < 0.40; 0 fatal accidents
- Extension of digital safety initiatives to contracting companies and digitalisation of HSE processes
- Focus on behavioural safety and the Human Factor

WATER

9.1 Mm³ of water from TAF reused in the production cycle or re-injected: 58% of production water re-injected for production or disposal purposes. Publication of Eni's positioning on Water

Identification of targets for reduction of high-quality freshwater withdrawals in water stressed areas

Increase, foreseen in the 4Y Plan, in the share of reclaimed water from the current 9.1Mm³ to 12 Mm³ by 2025; increase, foreseen in the 4Y Plan, in the share of reinjected production water to 67% of the total by 2025

Commitment to achieve an efficient, collective and sustainable management of water resources at the river basin level

HUMAN RIGHTS - TRAINING

23,893 hours of human rights training provided during the year

Completion of three-year training programme on business and human rights

Continuation of human rights training campaign on the 4 specialist modules. Updating of training modules

ANTI-CORRUPTION COMPLIANCE PROGRAM

Updating of the Anti-Corruption MSG; Successful outcome of the surveillance audit required to maintain the ISO 37001: 2016 "Anti-bribery management systems" certification

Successful outcome of the recertification audit for ISO 37001:2016 "Anti-bribery management systems" certification

Updating and continuous improvement of the Anti-Corruption Compliance Programme; Maintenance of ISO 37001:2016 "Anti-bribery management systems" certification

CUSTOMERS

10 million customers reached in Europe in the retail market

Customer base: > 10 million people

Customer base: > 11.5 million people by 2025

Customer base: > 15 million people by 2030 > 20 million people by 2050

SUPPLIERS

100% of suppliers qualified in the year assessed according to social criteria

Awareness initiatives involving 100% of suppliers with high human rights risk

100% of qualified suppliers assessed according to social criteria



Alliances for development

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

2021 BASELINE

SHORT-TERM TARGETS (2022)

MEDIUM-TERM TARGETS (2022-2025)

LONG-TERM TARGETS (2030 AND BEYOND)

LOCAL DEVELOPMENT PROJECTS*

Access to energy: 61,900 households accessing clean cooking technology

Education: 70,700 new students attending schools that were built or renovated with improved services by Eni

Access to water services: 234,700 people reached

Economic diversification: 12,000 people receiving vocational training and support

Community health: 645,000 people reached

Access to energy: +100,000 households accessing clean cooking technology

Education: +23,000 new students attending schools that were built or renovated with improved services by Eni

Access to water services: +70,000 people reached

Economic diversification: +3,500 people receiving vocational training and support

Community health: +100,000 people reached

Access to energy: +290,000 households accessing clean cooking technology

Education: +72,000 new students attending schools that were built or renovated with improved services by Eni

Access to water services: +95,000 people reached

Economic diversification: +17,000 people receiving vocational training and support

Community health: +296,000 people reached

Access to energy: Ensuring access to modern energy, in particular clean cooking, for local communities

Education: Ensuring access to quality and inclusive education for students from local communities

Access to water services: promoting access to clean, safe water for local communities

Economic diversification: Promoting vocational training and support activities to facilitate access to employment opportunities

Community health: Continuation of health promotion in favour of local communities

INVESTMENTS IN LOCAL DEVELOPMENT

€ 105.3 million invested in 2021 in local development

€ 117.2 million invested in local development

€ 308.1 million invested in local development

Contributing to the promotion of development interventions for local communities

*The baseline refers to the cumulative values between 2018 and 2021

Eni's non-financial reporting

Through its non-financial reporting, Eni wants to proactively describe its role in the energy transition, sharing its values, corporate strategies, objectives and results achieved to date. For this reason, also aware of the increasing centrality of non-financial information, over the years Eni has developed a structured reporting system with the aim of satisfying the information needs of its

stakeholders in a complete and timely manner in terms of both variety and depth.

The **2021 Consolidated Disclosure of Non-Financial Information (NFI)**, prepared in accordance with the requirements of Legislative Decree 254/2016 (transposing European Directive 95/2014) and published in the Annual Report 2021, has the aim of concisely meeting the informa-

tion needs of Eni's stakeholders, further promoting the integration of financial and non-financial information. The NFI provides integrated reporting on the management model, policies applied, main risks and results related to environmental, social, personnel, human rights and anti-corruption issues.

For more information, see the [2021 Annual Report](#)



Eni for 2021 – A just transition

report that describes how, through the integrated business model, Eni creates long-term value, through the operational excellence model, alliances for local development and carbon neutrality by 2050.

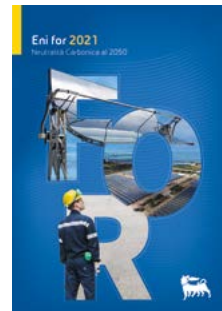
Eni For 2021 – Carbon neutrality by 2050: in-depth analysis of governance, risk management activities, strategy



and main Eni metrics and targets on climate change.

Eni for 2021 – Sustainability performance: report, available only online, which provides an overview of non-financial performance indicators along the three pillars of Eni's business model.

Other reports: in the coming months, Eni will also publish Eni for Human



rights. A report which describes Eni's strategy on promoting and respecting human rights and shows the main activities and performance indicators. In addition to these documents, Eni publishes other local sustainability reports on an annual basis, which will be available in the course of 2022 on the website.

For more information: eni.com

REPORTING PRINCIPLES AND CRITERIA

Eni for 2021 is prepared in accordance with the "Sustainability Reporting Standards" of the Global Reporting Initiative (GRI Standards) with an "in accordance Core" level of adherence and taking into account the 10 principles of the Global Compact. Eni for 2021 - Carbon Neutrality by 2050 is prepared in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Moreover, in line with the commitment to promote a complete and comparable disclosure, the metrics related to the Sustainability Accounting Standards Board (SASB) standard and the "core" metrics defined by the World Economic Forum (WEF) in the White Paper "Measuring Stakeholder Capitalism - Towards Common Metrics and Consistent Reporting of Sustainable Value Creation" were published (the latter already included in the Non-Financial Information). Finally, as of this year, Eni publishes a table containing the indicators required by the EU Sustainable Finance Disclosure Regulation (SFDR). The reference tables related to the GRI standard, the TCFD recommendations, the SASB standard and the WEF metrics and those required by the SFDR are available in Eni for 2021 - Sustainability Performance and on the website eni.com. For more information: [Eni for 2021 - Sustainability performance \(pp. 49-64\)](#)

EXTERNAL ASSURANCE

Eni for 2021 was also subjected to limited assurance this year by the same independent auditors who also audited the Consolidated Financial Statements and the NFI (p. 109). In addition, GHG Scope 1 and Scope 2 emissions are also subject to a reasonable assurance by the same external auditing company (PwC), with the aim of guaranteeing an even greater solidity of these data having strategic relevance for Eni. For more information: [Eni for 2021 - Carbon neutrality by 2050, \(pp. 52-55\)](#)