

Executive Summary

Eni For 2020



Mission

We are an energy company.

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

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

Global goals for a sustainable development

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



Disclaimer

Eni for 2020 is a document published on a yearly basis which contains certain forward-looking statements related to the different topics covered therein. Forward-looking statements are based on Eni management’s reasonable assumptions and belief in light of the information available to them at the time the statements are made. Nevertheless, by their nature, forward-looking statements involve a component of uncertainty as they relate to events and depend on circumstances that may or may not occur in the future and which are, in whole or in part, out of Eni’s control. Actual results, also with reference to the targets and objectives identified in the strategic planning or those of Corporate Governance, may differ from those expressed in such statements, depending on a variety of factors, including without limitation: the impact of the pandemic disease (COVID-19); the fluctuation of the demand, the offer and the pricing of oil and natural gas and other oil products; the actual operational performances; the general macroeconomic conditions; geopolitical factors and changes in the economic and regulatory framework in many of the Countries in which Eni operates; the achievements reached in the development and use of new technologies; changes in the stakeholders’ expectations and other changes to the business conditions. The readers of the document are therefore invited to take into account a possible discrepancy between the estimates reported and the results that may be achieved as a consequence of the occurrence of the above. Eni for 2020 also contains terms such as, for instance, “partnership” or “public/private partnership” used for convenience only, without a technical-legal implication. “Eni” means the parent company Eni SpA and its consolidated subsidiaries.

ENI FOR 2020 - A JUST TRANSITION

Committed in the present to build the future

In this document, Eni wants to describe its contribution to a just transition, an energy transition that allows to give access to energy for all and to protect the environment, while being socially fair. Eni for 2020 recounts Eni's path to meet these challenges, which are now even harder following the health emergency that began in 2020. Eni for explores Eni's business model and in particular Operational Excellence, i.e. the enabling factors for achieving strategic objectives, as well as the importance of our Alliances for Development for creating value in the Countries where Eni operates. Eni for also includes two annexes, one detailing the path towards "Carbon Neutrality by 2050" and one dedicated to the Sustainability performance over the last 5 years, with related comments.



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Each of us is called upon to play an active part in the transition process, to build a more sustainable future for tomorrow's generations. Businesses are organisations of economic, financial and technical resources, but also and above all of human resources. Values such as respect for human rights, transparency, entrepreneurial spirit, a drive for innovation and the courage to go against the grain have characterised our company and are still the basis for our growth as a business. Our company is making a crossing, exposing ourselves to waves that we are now able to navigate safely. In this journey ahead, we are all called to act responsibly. Each of us plays an important role and must be at the service of others, working with and for others, creating a virtuous circle that unites all stakeholders and therefore achieves the just energy transition that we desire.

Claudio Descalzi
Chief Executive Officer

A handwritten signature in dark ink, appearing to read "Claudio Descalzi".

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30,775

People

21,170

Italy

9,605

Abroad



68

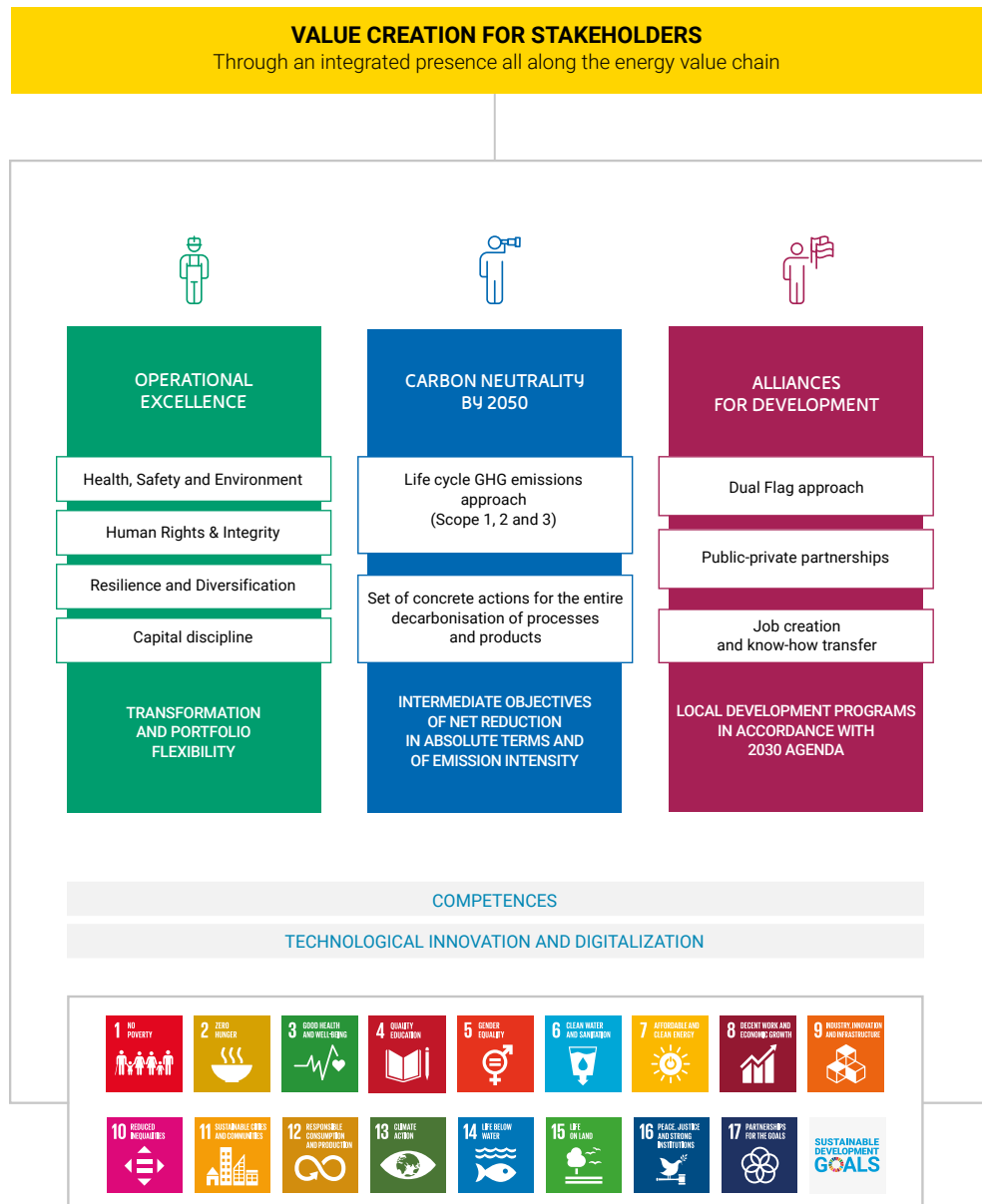
Countries of presence

106

Nationalities

TOWARDS A JUST TRANSITION: ENI'S BUSINESS MODEL

Eni's business model is aimed at creating value for all stakeholders, through a strong presence along the entire energy value chain. 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 lines: 1. operational excellence; 2. carbon neutrality by 2050; 3. Alliances for development.



2020 MAIN RESULTS

GHG EMISSIONS

-26%

Upstream Ghg Emission intensity index vs. 2014

-39%

Volume of hydrocarbons sent for process flaring vs. 2014

-90%

Upstream fugitive methane emissions vs. 2014 (target achieved)

11,4 MtonCO₂eq.

Net carbon footprint Upstream (GHG emissions Scope 1+2) -23% vs. 2019

439 MtonCO₂eq.

Net GHG lifecycle emissions (GHG emissions Scope 1+2+3 - on equity basis): -13% vs. 2019

68 gCO₂eq./MJ

Carbon intensity (GHG Scope 1+2+3 emissions-on equity basis): ~ 2019

RESEARCH & DEVELOPMENT

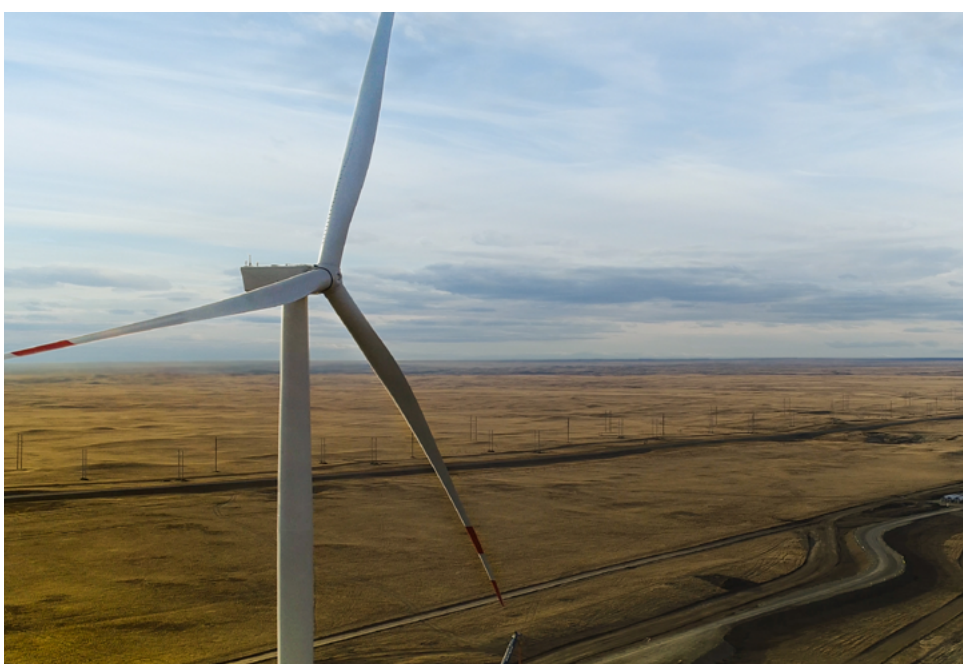
€157 Millions

Spese totali in ricerca e sviluppo nel 2020

of which **74** Millions in decarbonisation

CARBON NEUTRALITY BY 2050

Eni's business model provides for a pathway towards carbon neutrality based on an approach that looks at emissions generated throughout the life cycle of the energy products sold and on a set of actions that will lead to total decarbonisation of processes and products by 2050. Based on these principles,, in 2021, the new strategy was defined to relaunch the operational objectives in the short, medium and long term, which outline the evolutionary and integrated path of the individual businesses and which will lead Eni to carbon neutrality by 2050, in line with the provisions of the scenarios compatible with keeping global warming within the 1.5 °C threshold. The speed of evolution and the relative contribution of the businesses will depend on market trends, the technological scenario and the relevant legislation. In particular Eni will pursue a strategy that aims to achieve by 2050 the net-zero target on GHG Scope 1+2+3 emissions (Net GHG Lifecycle Emissions), and the elimination of related emission intensity (Net Carbon Intensity), referred to the entire life cycle of energy products sold.



SOME TARGET IDENTIFIED IN 2020

2020 PROGRESS

GHG EMISSIONS (SCOPE 1 - data referring to 100% of operated assets)

i) -26% upstream GHG emission intensity index vs. 2014; ii) -39% volume of hydrocarbons sent for routine flaring vs. 2014; iii) -90% upstream fugitive methane emissions vs. 2014 (TARGET ACHIEVED); iv) Substantially stable carbon efficiency index.

SHORT- AND MEDIUM-TERM TARGETS BY 2025

i) -43% of upstream GHG emission intensity index to 2025 vs. 2014; ii) Zero routine gas flaring to 2025; iii) -80% of upstream fugitive methane emissions to 2025 vs. 2014; iv) Average improvement of 2% per year to 2021 compared to 2014 carbon index.

2020 PROGRESS

SHORT- AND MEDIUM-TERM TARGETS BY 2025

LONG-TERM TARGETS (2030 AND BEYOND)

BY 2030	BY 2040	BY 2050
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NET CARBON FOOTPRINT (GHG SCOPE 1+2 EMISSIONS - on equity basis)

Net Carbon Footprint (GHG emissions Scope 1+2) upstream: 11.4 MtonCO ₂ eq. (-23% vs. 2019).	Halving the Net Carbon Footprint for Scope 1+2 upstream emissions by 2024 vs. 2018.	Net Zero Carbon Footprint for Scope 1+2 emissions of upstream activities by 2030.	Net Zero Carbon Footprint for Scope 1+2 emissions from all group activities by 2040.
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NET GHG LIFECYCLE EMISSIONS (GHG SCOPE 1+2+3 EMISSIONS - on equity basis)

439 MtonCO ₂ eq. (-13% vs. 2019)		-25% vs. 2018	-65% by 2040	Net-zero by 2050
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CARBON INTENSITY (GHG SCOPE 1+2+3 EMISSIONS - on equity basis)

68 gCO ₂ eq./MJ (~ 2019)		-15% vs. 2018	-40% vs. 2018	Net-zero by 2050
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2020 MAIN RESULTS

OPERATIONAL EXCELLENCE

PEOPLE

7,559

Women

33%

Ceo's direct reports are women

HEALTH

354,192

Health services provided

SAFETY

0.36

Tir of the workforce

ENVIRONMENT

91%

Freshwater reused

HUMAN RIGHTS

97%

Security contracts containing clauses on human rights

33,112

Hours of human rights training (+28% vs 2019)

TRANSPARENCY AND ANTI-CORRUPTION

9

Countries where Eni supports the Eiti Multi Stakeholder Groups at local level

Eni's business is constantly focused on operational excellence. This translates into ongoing commitment to the development of people through consolidation and evolution of skills to support the transformation process, to the protection of the health and safety of both people and asset integrity, and to the protection of the environment by promoting the efficient use of natural resources and the safeguard of protected areas relevant to biodiversity. Furthermore, Eni is committed to respecting and promoting integrity and respect for human rights in its activities and with the involvement of its stakeholders, with a focus on transparency and the anti-corruption in all its forms. 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.



SOME TARGET IDENTIFIED IN 2020

SHORT-TERM TARGETS (2021)	MEDIUM-TERM TARGETS (2022-2024)	LONG-TERM TARGETS (2030 AND BEYOND)
PEOPLE - GENDER DIVERSITY		
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.
HEALTH		
€73 million investments in health activities in 2021.	€161 million investments in health activities over the period 2022-2024.	Continuation of health promotion for all Eni's people and interventions in favor of local communities.
SAFETY		
Extension of Digital Safety initiatives worldwide and introduction of new digital technologies (i.e HSE processes).	Application of digital Technologies, to intercept potentially dangerous situations and introduce preventive measures at operational sites.	Full digitalisation of all operational processes through digital technologies that make business processes safer.
ENVIRONMENT – WATER RESOURCES		
Increase in the share of reclaimed water from the current 6.1 Mm³ to 12.6 Mm³ by 2024; Increase in the share of re-injected produced water to 64% of total produced water by 2024.		Commitment to achieve an efficient, collective and sustainable management of water resources at the river basin level.
HUMAN RIGHTS - TRAINING		
Continuation of human rights training campaign on the 4 specialist modules.	Updating training modules and launching new awareness campaigns.	Continuous updating of employees on human rights according to company strategies and needs.
TRANSPARENCY AND ANTI-CORRUPTION		
Successful passing of the surveillance audit required to maintain the ISO 37001: 2016 "Anti-bribery management systems" certification.	Continuous updating and improvement of the Anti-Corruption Compliance Program; Maintenance of the ISO 37001: 2016 "Anti-bribery management systems" certification.	

2020 MAIN RESULTS

INVESTMENTS IN LOCAL DEVELOPMENT

€96.1 Millions

Investments in local development

PARTNERSHIP FOR DEVELOPMENT

COOPERATION AGREEMENTS

Signed with world bank, usaid and civil society organizations

ACCESS TO ENERGY

57 Billions of Sm³

Gas sold to domestic markets in 16 countries

100%

Gas sold to the domestic markets of 12 out of 16 countries

LOCAL DEVELOPMENT PROJECTS

9,445

Households accessing clean cooking technology

4,526

Students attending schools that were renovated and with services improved by Eni

ALLIANCES FOR DEVELOPMENT

The outbreak of the health emergency triggered an unprecedented crisis, affecting the poorest and most vulnerable people in the world the most, and hindering progress towards the SDGs. In 2020, Eni has increased its efforts towards a just energy transition that combines the need to reduce carbon footprint with the need for community development by enhancing resources in the Countries where it operates, allocating gas production to the local market, promoting access to energy and supporting the definition of Local Development Programmes (LDPs). To address the health emergency, Eni has taken immediate action, in collaboration with local authorities, to reorient local development projects to better meet primary needs of the most vulnerable populations. In order to meet development challenges, partnerships with international development cooperation agencies and organisations have become increasingly important as an effective lever to mobilize resources that are not exclusively economic and to contribute to the development of Countries



SOME TARGET IDENTIFIED IN 2020

SHORT-TERM TARGETS (2021)

LOCAL DEVELOPMENT PROJECTS

Access to energy: 4,100 households accessing clean cooking technology
 Education: 6,180 students attending schools that were renovated and with services improved by Eni

MEDIUM-TERM TARGETS (2022-2024)

Access to energy: 11,300 households accessing clean cooking technology
 Education: 61,125 students attending schools that were renovated and with services improved by Eni

LONG-TERM TARGETS (2030 AND BEYOND)

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.

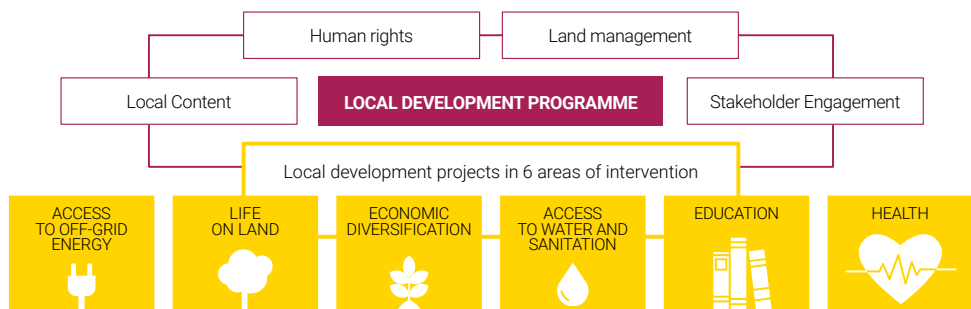
INVESTMENTS IN LOCAL DEVELOPMENT

€ 109.4 million invested in local development.

€ 243.9 million invested in local development.

Contributing to the promotion of development interventions for local communities.

Structure of the Local Development Programme



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



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 an articulated 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 of level of deepening.

The **2020 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 2020, has the aim of clearly and concisely meeting the information needs of Eni's stakeholders, further promoting the integration of financial and non financials 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: [Annual Report 2020](#)



Your feedback is important to us. If you have any comments, suggestions or questions, please write an email to sostenibilita@eni.com

Eni for 2020 - 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 2020 - Carbon neutrality by 2050

In-depth analysis of governance, risk management activities, strategy and main Eni metrics and targets on climate change.

Eni for 2020 - Sustainability performance

This report, available only online, provides an overview of non-financial performance indicators along the three pillars of Eni's business model.

Other reports

By June 2021 Eni will publish **Eni for Human rights**. Report describing Eni's strategy on promoting and respecting human rights and reporting 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 2021 on the site [For more information: eni.com](#)

REPORTING PRINCIPLES AND CRITERIA

Eni for 2020 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 2020 - Carbon Neutrality by 2050 is prepared in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Moreover, for the first time, 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). The reference tables related to the GRI standards, the TCFD recommendations, the SASB standards and the WEF metrics are available in Eni for 2020 - Sustainability Performance and on [eni.com](#) [For more information: Eni for 2020 - Sustainability performance \(pp. 57-58\)](#)

EXTERNAL ASSURANCE

Eni for 2020 was also subjected to limited assurance this year by the same independent auditors who also audited the Consolidated Financial Statements and the NFI [For more information: Eni for 2020 - A just transition \(pp. 97-99\)](#) 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 2020 - Carbon neutrality by 2050 \(pp. 56-59\)](#)