

# Welcome to your CDP Water Security Questionnaire 2022

## W0. Introduction

### W0.1

#### **(W0.1) Give a general description of and introduction to your organization.**

**Eni is an integrated company that operates across the entire energy chain in 69 Countries around the world and employing more than 31,000 people.**

The company mission clearly expresses Eni's commitment to play a decisive role in the Just Transition process 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. Along this path, Eni is committed to become a leading company in the production and sale of decarbonized energy products, increasingly customer-oriented.

Decarbonization will be achieved through the implementation and strengthening existing technologies and activities such as:

- Efficiency and digitalization in operations and customer services;
- Renewables through increased capacity and integration with the retail business;
- Biorefineries with an increasing input of raw material from waste and from an integrated agriobiofeedstock production chain not in competition with food production;
- Circular economy with increased production of biomethane, use of waste products and recycling of end products;
- Blue and green hydrogen to power highly energy-intensive industrial activities and sustainable mobility;
- Natural or artificial carbon capture to absorb residual emissions through Natural Climate Solutions, including REDD+ forest conservation initiatives and CCS projects.

Gas will be an important support to intermittent sources in the energy transition.

Eni's business model is focused on creating value for all its 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.

In **June 2021** Eni published its **position on water**, identified it as a strategic resource for the protection of biodiversity and human health, for social and economic development, The company therefore undertakes to define objectives to minimize its freshwater withdrawals in water-stressed areas, seeking improvement solutions and leveraging innovative technologies.

**Electric Utilities** (EU) water data are referred to the activities of Enipower SpA, the Eni company that produces electricity and steam power. The company has six gas-fired combined cycle power stations.

**Chemical activities** refer to Eni Versalis SpA, Eni's chemical subsidiary, is also Italy biggest chemical company in terms of turnover, production volumes and number of employees. The company is also at the cutting edge and in continuous evolution, and is one of the leading players in the international chemicals sector.

**Eni Rewind** is the Eni's environmental company that operates according to the principles of the circular economy to enhance industrial land and waste through efficient reclamation and recovery projects, with attention to the specificity of the territories. Its operational model aims at regenerating soils, **waters** and resources that can be recovered thanks to the scientific research and the skills of over 1000 people. The company has launched a new business that will enable Eni Waste to Fuel technology to be applied on a large scale to transform organic waste into bio oil and water.

## W-EU0.1a

**(W-EU0.1a) Which activities in the electric utilities sector does your organization engage in?**

- Electricity generation
- Distribution

## W-EU0.1b

**(W-EU0.1b) For your electricity generation activities, provide details of your nameplate capacity and the generation for each technology.**

	Nameplate capacity (MW)	% of total nameplate capacity	Gross electricity generation (GWh)
Coal – hard			
Lignite			
Oil			
Gas	5,060	100	24,610
Biomass			
Waste (non-biomass)			
Nuclear			
Fossil-fuel plants fitted with carbon capture and storage			
Geothermal			
Hydropower			

Wind	585		588
Solar	552		398
Marine			
Other renewable			
Other non-renewable			
Total	6,197		25,596

## W-OG0.1a

**(W-OG0.1a) Which business divisions in the oil & gas sector apply to your organization?**

- Upstream
- Midstream/Downstream
- Chemicals

## W0.2

**(W0.2) State the start and end date of the year for which you are reporting data.**

	Start date	End date
Reporting year	January 1, 2021	December 31, 2021

## W0.3

**(W0.3) Select the countries/areas in which you operate.**

- Albania
- Algeria
- Angola
- Argentina
- Australia
- Austria
- Bahrain
- Belgium
- Brazil
- Canada
- China
- Congo
- Côte d'Ivoire
- Cyprus
- Czechia
- Democratic People's Republic of Korea
- Denmark
- Ecuador
- Egypt
- France
- Gabon

Germany  
Ghana  
Greece  
Greenland  
Hong Kong SAR, China  
Hungary  
India  
Indonesia  
Iraq  
Ireland  
Italy  
Japan  
Kazakhstan  
Kenya  
Lebanon  
Libya  
Mexico  
Montenegro  
Morocco  
Mozambique  
Myanmar  
Netherlands  
Nigeria  
Norway  
Oman  
Pakistan  
Poland  
Portugal  
Romania  
Russian Federation  
Saudi Arabia  
Singapore  
Slovakia  
Slovenia  
South Africa  
Spain  
Sweden  
Switzerland  
Taiwan, China  
Timor-Leste  
Tunisia  
Turkey  
Turkmenistan  
United Arab Emirates  
United Kingdom of Great Britain and Northern Ireland  
United States of America  
Venezuela (Bolivarian Republic of)

Viet Nam

## W0.4

**(W0.4) Select the currency used for all financial information disclosed throughout your response.**

EUR

## W0.5

**(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.**

Companies, entities or groups over which operational control is exercised

## W0.6

**(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?**

No

## W0.7

**(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?**

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, an ISIN code	IT0003132476

## W1. Current state

### W1.1

**(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.**

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Vital	Important	Direct use is vital for all sectors as it is needed for cooling and for steam production, as well as for its process activities; for these reasons direct use importance is predicted to remain vital for industrial operation also in the future. Eni intends to decrease good quality freshwater withdrawals through efficiency programs, recycle and reuse initiatives and replacing it with low

			<p>quality sources in the future, i.e., contaminated groundwater after treatment (TAF water), desalinated water, rainwater or wastewater. Eni is aware of the importance of water related risks existing along its supply chain, as freshwater use is important for some item production (e.g. steel or pipes production) and for some industrial process (e.g. cooling purposes or hydrodynamic washing). In order to mitigate the risks of an unsustainable future, Eni has launched a series of initiatives, some of which are specifically dedicated to the management of indirect water use, with the aim of gathering information and guiding supply chain behavior. The importance of water in the supply chain is foreseen to increase and specific interventions will be implemented to address water intensive suppliers or materials.</p>
<p>Sufficient amounts of recycled, brackish and/or produced water available for use</p>	<p>Important</p>	<p>Not very important</p>	<p>Direct use: brackish water is used and important only in upstream operations and especially in arid areas where other water sources are difficult to access, mainly for pressure maintenance and for civil/industrial purposes. Produced water is an important resource as it is used to maintain the reservoir pressures and Eni intends to increase its use for reinjection. Recycled water is important to reduce the freshwater withdrawals and Eni intends to increase its use in the future. The use of seawater is important for cooling purposes and for reservoir pressure maintenance and its use is expected to be stable or to increase slightly. Eni is aware of the importance of water related risks existing along its supply chain, as recycled freshwater use is important for some item production (e.g. steel or pipes production) and for some industrial process (e.g. cooling purposes or hydrodynamic washing). There is no specific dependence identified in the supply chain regarding brackish and/or produced water therefore, on overall, recycled and brackish and/or produced water would not affect the business overall nor is predictable a change in the future,. In order to mitigate the risks of an unsustainable future, Eni has launched a series of initiatives, some of which are specifically dedicated to the management of indirect water use, with the aim of gathering information and guiding supply chain</p>

			behaviour. The importance of recycled freshwater in the supply chain is foreseen to increase and specific interventions will be implemented to address water intensive suppliers or materials
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## W1.2

**(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?**

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	100%	HSE indicators are acquired from the Corporate HSEQ function through the Integrated HSE Database (BDHSE) IT system. The frequency of collecting each indicator is specified in individual tables found in the technical annex entitled “Criteria and methodologies for acquiring HSE indicators”. The methodology comprises an annex for Water Resource Management and a specific Professional Operating Instruction for the Acquisition methodologies for HSE indicators, where are identified the indicators, metrics, evaluation methods and frequency of water flows accounting. The reporting takes into account what indicated in the "Sustainability reporting guidance for the oil and gas industry" issued by IPIECA/API/IOGP in 2020. Method of measurement: Computation (sum of withdrawals from saline and fresh sources). Frequency of measurement: six months.
Water withdrawals – volumes by source	100%	HSE indicators are acquired from the Corporate HSEQ function through the Integrated HSE Database (BDHSE) IT system. The frequency of collecting each indicator is specified in individual tables found in the technical annex entitled “Criteria and methodologies for acquiring HSE indicators”. The methodology comprises an annex for Water Resource Management and a specific Professional Operating Instruction for the Acquisition methodologies for HSE indicators, where are identified the indicators, metrics, evaluation methods and frequency of water flows accounting. The reporting takes into account what indicated in the "Sustainability

		reporting guidance for the oil and gas industry" issued by IPIECA/API/IOGP in 2020. Method of measurement: Measure (flowmeters), estimation (from pump capacity). Frequency of measurement: Six months.
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	100%	HSE indicators are acquired from the Corporate HSEQ function through the Integrated HSE Database (BDHSE) IT system. The frequency of collecting each indicator is specified in individual tables found in the technical annex entitled "Criteria and methodologies for acquiring HSE indicators". The methodology comprises an annex for Water Resource Management and a specific Professional Operating Instruction for the Acquisition methodologies for HSE indicators, where are identified the indicators, metrics, evaluation methods and frequency of water flows accounting. The reporting takes into account what indicated in the "Sustainability reporting guidance for the oil and gas industry" issued by IPIECA/API/IOGP in 2020. Method of measurement: measure, computation, estimation. The total volume is calculated as the sum of discharged and re-injected that, in turn are measured or estimated on the basis of the pump capacity. Frequency of measurement: Quarter.
Water withdrawals quality	100%	HSE indicators are acquired from the Corporate HSEQ function through the Integrated HSE Database (BDHSE) IT system. The frequency of collecting each indicator is specified in individual tables found in the technical annex entitled "Criteria and methodologies for acquiring HSE indicators". Method of measurement: the quality of water withdrawals is generally measured via physical, chemical and biological analysis. The analysis are carried out according to official analytical methods, national (e.g. defined by the Italian agency IRSA CNR) or international (e.g. ASTM, ISO, US-EPA, IMO), Frequency of measurement: Six months.
Water discharges – total volumes	100%	HSE indicators are acquired from the Corporate HSEQ function through the



		<p>Integrated HSE Database (BDHSE) IT system.</p> <p>The frequency of collecting each indicator is specified in individual tables found in the technical annex entitled "Criteria and methodologies for acquiring HSE indicators".</p> <p>The methodology comprises an annex for Water Resource Management and a specific Professional Operating Instruction for the Acquisition methodologies for HSE indicators, where are identified the indicators, metrics, evaluation methods and frequency of water flows accounting. The reporting takes into account what indicated in the "Sustainability reporting guidance for the oil and gas industry" issued by IPIECA/API/IOGP in 2020.</p> <p>Method of measurement: Computation (as sum of discharges to all different destinations).</p> <p>Frequency of measurement: Six months.</p>
Water discharges – volumes by destination	100%	<p>HSE indicators are acquired from the Corporate HSEQ function through the Integrated HSE Database (BDHSE) IT system.</p> <p>The frequency of collecting each indicator is specified in individual tables found in the technical annex entitled "Criteria and methodologies for acquiring HSE indicators".</p> <p>Method of measurement: It is generally measured (flowmeters). In rare cases: computation (from mass balance) or estimation (from pump capacity).</p> <p>Frequency of measurement: Six months.</p>
Water discharges – volumes by treatment method	100%	<p>All water discharges are treated as to fulfil local or international limits or, in absence of both, to the best available practices internationally (e.g. IPIECA, IMO ) recognized.</p> <p>We do not collect at the corporate level the volumes by treatment method, however all discharges are monitored in terms of quality and volumes in order to guarantee the quality of discharges and the efficacy of treatment at local level. At each treatment facility, the water discharged volumes are properly monitored at the level of each single treatment unit and at the level of the whole water treatment plant prior to discharge. If water is discharged to a third party treatment facility, it is monitored to fulfil the parameters dictated by the receiving</p>

		<p>facility and in respect of local regulations.</p> <p>Method of measurement: it is generally measured (flowmeters). In rare cases: computation (from mass balance) or estimation (from pump capacity).</p> <p>Frequency of measurement: Six months</p>
Water discharge quality – by standard effluent parameters	100%	<p>All water discharges are treated as to fulfil local or international limits, such as thresholds stated under permits issued by Competent authorities or, in absence of both, to the best available practices internationally (e.g. IPIECA, IMO ) recognized. Quality indicators are acquired from the Corporate HSEQ function through the Integrated HSE Database (BDHSE) IT system.</p> <p>Method of measurement: Measure (chemical analysis or instrumental measurement depending on the parameter).</p> <p>Frequency of measurement: Annual.</p>
Water discharge quality – temperature	100%	<p>All water discharges are treated as to fulfil local or international limits, such as thresholds stated under permits issued by Competent authorities or, in absence of both, to the best available practices internationally (e.g. IPIECA, IMO ) recognized. Method and frequency of measurement: temperature is generally monitored in continuous (24h/day) using probes in situ.</p>
Water consumption – total volume	100%	<p>HSE indicators are acquired from the Corporate HSEQ function through the Integrated HSE Database (BDHSE) IT system. The frequency of collecting each indicator is specified in individual tables found in the technical annex entitled “Criteria and methodologies for acquiring HSE indicators”. The methodology comprises an annex for Water Resource Management and a specific Professional Operating Instruction for the Acquisition methodologies for HSE indicators, where are identified the indicators, metrics, evaluation methods and frequency of water flows accounting. The reporting takes into account what indicated in the "Sustainability reporting guidance for the oil and gas industry" issued by IPIECA/API/IOGP in 2020.</p>

		Method of measurement: computed as difference from input and output Frequency of measurement: Six months.
Water recycled/reused	100%	All volumes of water reused or recycled are measured. The water volumes recycled for cooling are not included except for the chemical sector, responsible for over 60 % of Eni's total freshwater withdrawals. In upstream operations, the recycled water is mainly referred to produced water reused for enhanced oil recovery, and is generally estimated by mass balances. Method of measurement: Measure (flowmeter) or estimation (mass balance or project design data). Frequency of measurement: Six months
The provision of fully-functioning, safely managed WASH services to all workers	100%	Core strategy and methodological approach, of Eni initiatives concerning public health, based on Company experience and developed in line with international guidelines on Global Health (Health for All), are described in the Annex "Global Health" of Eni's Health Management System Guideline. The health management system is implemented in all Eni companies, in Italy and abroad. Medical examinations performed for Eni employees is part of medical surveillance plans, carried out by company health facilities and by private and public health systems. Periodical medical examinations of health surveillance refer to annual medical surveillance plans.

## W1.2b

**(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?**

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	1,731,195	About the same	Total withdrawals decreased by less than 3% in 2021 with respect to the previous year, as an effect of the decrease in sea water withdrawals and an increase in brackish water, freshwater

			<p>and produced water. Both withdrawals and discharge variations have to be considered normal oscillation related to maintenance cycle or temporary variations to the usual configuration, for example for testing reasons. The intends of Eni are to continue to pursue initiatives for the use of low-quality water and seawater in order to replace freshwater withdrawal, while seawater and produced water are expected to slightly increase as a consequence of upstream increase in production in the near future.</p>
Total discharges	1,627,611	About the same	<p>Discharged volumes decreased less than 3% in 2021 with respect to the previous year, in line with lower withdrawals. Both withdrawals and discharge variations have to be considered normal oscillation linked to maintenance cycle or temporary variations to the usual configuration, for example for testing reasons. In the future, the objective to increase the hydrocarbon production will contribute to an increase of total produced water. Consequently, the additional produced water injected into the subsoil or discharged will contribute to an increase of total discharges. Seawater discharges are also expected to increase due to an increase of upstream activities.</p>
Total consumption	103,584	About the same	<p>In relative terms we observed less than 2% decrease in total consumption with respect to the previous year. This relatively lower consumption has to be considered a normal oscillation related to maintenance cycle or temporary variations to the usual configuration, for example for testing reasons; for these reasons withdrawals and discharges, as previously seen, have physiological variations that, subsequently determine consumption variations. The water volume consumed remained constantly under 10% of total water withdrawn in the last 6 years, and we do not expect this value to change much in the near future as the industrial assets will not change much.</p>

## W-OG1.2c

**(W-OG1.2c) In your oil & gas sector operations, what are the total volumes of water withdrawn, discharged, and consumed – by business division – and what are the trends compared to the previous reporting year?**

	Volume (megaliters/year)	Comparison with previous reporting year %	Please explain
Total withdrawals - upstream	313,646	Much higher	Total water withdrawals increased (+43% 2021 vs 2020) mainly as a consequence of a general activity recovery after pandemic or, in the case of Libya, to a better political context. A higher seawater withdrawal is expected due to an increase of off-shore activities and to the intends to reduce freshwater sources. Total withdrawals are expected to slightly increase as a consequence of seawater and produced water volumes increase associated to the increase of activities offshore . To be noted that in the last five years we observed a constant increase in the proportion of seawater volumes in the total of water withdrawals, as a consequence of Eni efforts to use less precious sources (seawater) for its industrial activities.
Total discharges – upstream	259,703	Much higher	Consistently with the water withdrawal increase and to the recovery of production, an increase of sea water, freshwater and of produced water discharges was observed in 2021 vs 2020 (+70%). We expect an increase associated to an increment of the activities in the future.
Total consumption – upstream	53,943	Lower	The observed decrement in consumption (-19% in 2021 vs 2020) has to be explained as a consequence of higher water discharges due to activities recovery

			in many Countries. No substantial changes are expected in the near future as a consequence of an increase of both withdrawals and discharges.
Total withdrawals - midstream/downstream	154,046	About the same	As predicted in the last CDP disclosure, we observed very little change in total water withdrawals (-1%) in 2021 vs 2020 and we expect, also for the near future, little variations in the refinery assets and, consequently in the water fluxes.
Total discharges – midstream/downstream	152,105	About the same	As predicted in the last CDP disclosure, we observed very little change in total water withdrawals (-1%) in 2021 vs 2020 and we expect, also for the near future, little variations in the refinery assets and, consequently in the water fluxes.
Total consumption – midstream/downstream	1,941	Much higher	The variation is big in relative terms (+27%), but negligible in absolute terms (little more than 400 megaliters), if compared to the total water used in the downstream and to be explained as a normal oscillation related to maintenance cycle or temporary variations to the usual configuration, for example for testing reasons. In the last 5 years the water consumed remained constantly under 3% of total withdrawals. Little variations in the refinery assets and, consequently in the absolute values of water fluxes are expected in the near future.
Total withdrawals – chemicals	861,003	Lower	The observed decrease in total withdrawals (-17%, mainly as seawater) has to be attributable to the end of maintenance and testing activities carried out in the Priolo facility in 2020. Further future variations in the reported volumes have to be expected as a consequence of the planned maintenance cycle of the assets.

Total discharges – chemicals	856,355	Lower	The observed decrease in total discharges (-17%, mainly as seawater) has to be attributable to the end of maintenance and testing activities carried out in the Priolo facility in 2020. Further future variations in the reported volumes have to be expected as a consequence of the planned maintenance cycle of the assets.
Total consumption – chemicals	4,648	About the same	A minor change in water consumption (-3%) was observed in 2021 vs 2020. Future variations in the reported volumes have to be expected as a consequence of the planned maintenance cycle of the assets, however we expect that the total consumption volume continue to be negligible with respect to withdrawals also in the near future.

## W1.2d

**(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.**

	Withdrawals are from areas with water stress	Please explain
Row 1	Yes	Only a little proportion of total Eni's withdrawals regards freshwater (less than 7%) and, of these, about 20% is located in water stressed areas (i.e. characterized by a baseline water stress greater than 40% or that are arid, that is, characterized by Aqueduct water stress scores 3, 4 or 5). Eni intends to decrease freshwater withdrawals, however the volumes withdrawn in stressed areas are already very small if compared to total withdrawals (less than 2%), so that those reductions cannot be appreciated in the total proportion. Consequently, the comparison with the previous reporting year is about the same and it is expected to be about the same also next year. Water sources whose coordinates match a water stress area according to Aqueduct, are classified as water stress sources and water withdrawals are classified accordingly. In case of freshwater used by offshore facilities, the point of freshwater source is evaluated to assess its stress condition. Seawater is not sourced from water basins mapped by aqueduct. Onshore produced water in water-stressed areas was 22.7 Mm3 in 2021, however, it is not sourced from the water basins mapped in Aqueduct, as it is associated to oil and gas

		<p>reservoirs, placed well below the aquifers. Brackish water sourced in stressed areas is about 13 Mm<sup>3</sup>; considering the sum of freshwater and brackish water from water stressed areas, the total proportion of withdrawals from stressed areas is about 2%.</p> <p>Aqueduct is used as a first screening tool to identify and, consequently, calculate the quantity of freshwater withdrawn in stressed areas; however, some sites indicated as stressed by Aqueduct, resulted not at risk by a local analysis, that could better investigate the actual freshwater availability on a local basis. In some sites, the analysis has been conducted using the GEMI Local Water Tool for Oil and Gas. Therefore, the actual figure should be regarded as even lower than 2%. In June 2021 Eni published its "Position on Water". The company is therefore committed to setting targets to minimize its freshwater withdrawals in water-stressed areas, seeking improved solutions, for example by using low-quality water to carry out its operations, such as wastewater, reclaimed water, rainwater or produced water, reducing consumption through efficiency activities and leveraging innovative technologies to safeguard water resources. The definition of the targets will be based on the assessment of the stress conditions of the catchment areas, the sites with the greatest potential impact (top consumer sites) and the opportunities to contribute to local management activities, in synergy with local authorities and stakeholders. Therefore, in the future we expect the volumes of water sourced from stressed areas to decrease.</p>
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## W1.2h

**(W1.2h) Provide total water withdrawal data by source.**

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	81,798	Higher	Fresh surface water withdrawals increased by 16%. The trend is mainly attributable to the petrochemical plant in Mantua (+7 Mm <sup>3</sup> ) where withdrawals returned to usual after the minimum of 2020 linked to the stress tests carried out on-site to check what the minimum withdrawal of the plant could be in favorable conditions.



				<p>Through the four-year Eni intends to increase the reuse of contaminated groundwater after treatment (TAF water) for civil or industrial purposes and, likewise, to launch initiatives for the use of low-quality water to replace freshwater, as stated in its positioning on water, published in June 2021. Eni intends to decrease its freshwater withdrawals from sources such as lakes and rivers and to increase the use of rainwater, polluted water, wastewater or desalinated water in the future.</p>
Brackish surface water/Seawater	Relevant	1,533,405	About the same	<p>In 2021, brackish surface water/seawater withdrawals were down 4% overall, due to the significant decrease recorded in the R&amp;MeC sector (-188 Mm<sup>3</sup>) due to the maintenance shutdown at the Brindisi petrochemical plant and the end of the functionality tests on the seawater network that in 2020 had led to an increase in the related withdrawals. Wherever possible, saline water sources are preferred to freshwater but, in the same way, produced water is a preferred source with respect to seawater, therefore we do not expect significant changes in the near future.</p>
Groundwater – renewable	Relevant	29,307	Higher	<p>Groundwater volume in 2021 was 15% higher than in 2020 mainly due to higher use of water from contaminated site treatment (TAF) . Renewable</p>

				<p>groundwater is mainly freshwater and, wherever possible, saline water sources are preferred to freshwater, therefore a trend to decrease this source is foreseeable and pursued by Eni. As the distinction between renewable and non renewable water is not always a simple task, a plan to better investigate the water balances at site level has been recently started and is ongoing. Whenever possible, groundwater from contaminated sites is used in order to preserve higher quality sources, and this source is foreseen to increase in the near future.</p>
Groundwater – non-renewable	Relevant	14,541	Much higher	<p>Non renewable groundwater in Eni is currently assumed to be only brackish deep groundwater. It is on-going the mapping of the aquifers exploited by Eni to define their renewability. In specific cases, the withdrawal of this source could be an alternative to freshwater withdrawal. It is a relevant source where no alternatives are available such as in North Africa and Central Asia. An increase (about 30%) has been observed as a consequence of the recovery of the activities in Libya in 2021 after the political instability in 2020. An increment of its use in North Africa is predictable as a consequence of an increase of activities of reservoir depletion and the</p>

				<p>subsequent need to maintain the reservoir pressure. However, the brackish water increase will be anyway restrained through dedicated produced water reuse projects, (some already started).</p>
Produced/Entrained water	Relevant	58,206	About the same	<p>Produced water remained almost the same (+1%) over the last reporting year, both onshore and offshore as no relevant change in productive asset perimeter occurred in the last year. A slight increase is expected in the near future due to changes in the current Upstream production profiles and portfolio</p>
Third party sources	Relevant	13,940	Lower	<p>A decrease has been observed in 2021 vs 2020 returning to the 2019 values. It remained almost constant in the past years and it is foreseeable to remain almost constant, with observed changes due to temporary variations in the productive assets, such as for maintenance. It is relevant as it is used for civil purposes (drinkable water) or can be necessary for industrial purposes (demineralized water, industrial water or purchased vapour). It is mainly used in the downstream, and no relevant changes in the productive asset are predicted in the near future, so its use is predicted to remain about the same.</p>

## W1.2i

**(W1.2i) Provide total water discharge data by destination.**

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Relevant	68,750	About the same	Most of freshwater discharge relates to the multiple-through cooling system in the petrochemical plant of Mantua. It is relevant as Eni needs to discharge these volumes both of water for cooling purposes and of industrial wastewater after treatment. Freshwater is mainly used in the downstream, and its volume remained almost unchanged in 2021 vs 2020 (+3%) . Besides common maintenance cycle we expect that productive assets will remain almost unchanged in the future, so also discharges are expected to remain almost unchanged in the near future.
Brackish surface water/seawater	Relevant	1,457,320	About the same	It is mainly constituted by seawater discharges, necessary for cooling purposes and of produced water treated and discharged. It is the largest discharge by volume and as such it is relevant to Eni. This value remained substantially unchanged (-4%) and no major change are foreseeable in the near future, besides normal maintenance cycles.
Groundwater	Relevant	84,520	Much higher	In this destination are included produced water volumes reinjected into deep formations. The observed increase in the last year (+36%) is attributable to the recovery of O&G activities in many fields, in particular Libya

				and Congo. We expect this value to increase in the future, according to Eni 4y plan.
Third-party destinations	Relevant	16,989	About the same	Third party destinations are a relevant destination as these include the discharge, via sewer, to a treatment facility and the delivery of demineralized and industrial water as well as vapour to third parties. These streams have remained about the same (-8%) as no relevant changes of industrial assets have occurred. This destination is mainly used in the downstream, and no relevant changes in the productive asset are predicted in the near future, so its use is predicted to remain about the same in the near future

## W1.2j

**(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.**

	Relevance of treatment level to discharge	Please explain
Tertiary treatment	Relevant but volume unknown	Tertiary treatment is relevant in all industrial plants or civil facilities where the organic and/or inorganic pollutants that are present need a tertiary treatment in order to fulfil the regulatory limits or, if these are absent, to guarantee no harm to the receiving body or to the wider environment, according to international best practices. Water volumes are measured at the discharge point of each wastewater plant, however the data are recorded at corporate level as an aggregate of total volume discharge, not distinguished per treatment type.. Tertiary treatment is not as common as secondary treatment at Eni's sites.
Secondary treatment	Relevant but volume unknown	Secondary treatment is relevant in all industrial plants or civil facilities where the organic and/or inorganic pollutants that are present need a secondary treatment in order to fulfil the regulatory limits or, if these are absent, to guarantee no harm to the receiving body or to the wider environment, according to international best practices. Water volumes are measured at the discharge point of each wastewater plant, however the data

		are recorded at corporate level as an aggregate of total volume discharge, not distinguished per treatment type. Secondary treatment is, for example, in place at the wastewater treatment plant of the Versalis petrochemical plant of Brindisi or at the Sannazzaro Refinery
Primary treatment only	Relevant but volume unknown	Primary treatment is relevant in all industrial plants or civil facilities where the organic and/or inorganic pollutants that are present need a tertiary treatment in order to fulfil the regulatory limits or, in these are absent, to guarantee no harm to the receiving body or to the wider environment, according to international best practices. Water volumes are measured at the discharge point of each wastewater plant, however the data are recorded at corporate level as an aggregate of total volume discharge, not distinguished per treatment type. Primary treatment is for example in place at the wastewater treatment plant of offshore oil extraction and production facilities
Discharge to the natural environment without treatment	Relevant but volume unknown	Discharge without treatment is relevant as it regards mainly sea water discharge to ocean when seawater is used in once through cooling systems. Another relevant case is rainwater discharge, if not contaminated
Discharge to a third party without treatment	Relevant but volume unknown	Discharge to third party without treatment is relevant as it regards mainly civil wastewater, such as offices, connected to the municipal net.
Other	Not relevant	Other discharge water treatment such as, for example, rhizofiltration are not relevant for the Company.

## W1.3

**(W1.3) Provide a figure for your organization's total water withdrawal efficiency.**

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	76,575,000,000	1,731,195	44,232.4521501044	Revenues are taken from the Eni fact book 2021, "sales from operations". Future trend of such an indicator will depend mostly on the financial development rather than from water withdrawals.

## W-EU1.3

**(W-EU1.3) Do you calculate water intensity for your electricity generation activities?**

Yes

## W-EU1.3a

**(W-EU1.3a) Provide the following intensity information associated with your electricity generation activities.**

Water intensity value (m3)	Numerator : water aspect	Denominator	Comparison with previous reporting year	Please explain
0.64	Freshwater withdrawals	MWh	Lower	<p>As a consequence of interventions for freshwater savings at the Ferrera Erbognone and Brindisi power-plants, a slight decrease was accomplished in 2019 while, in the last year, water withdrawn for different purposes than to produce energy was not accounted in the calculation of water intensity, in order to have a better representation of water intensity; as a consequence, a lower value is observed in 2021 vs 2020. The Eni intends to reduce freshwater withdrawals were and will be reflected in future water intensity. The data do not take into account the renewable production (presently accounting for less than 1% of total electricity production). Water intensity, calculated as freshwater withdrawn per product unit is a relevant indicator of water efficiency and its value is an essential part of the annual Water Risk Report issued for internal use in Eni. Decreasing freshwater intensity entails decreasing the impact of the industrial activities on freshwater per unit of production. As indicated in Eni internal operating instruction, the efforts made to reduce the impact on freshwater sources can be highlighted in 3 different ways:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> decrease of withdrawals (and the relative water intensity index)</li> <li><input type="checkbox"/> percentage of low-quality water out of total freshwater withdrawals</li> <li><input type="checkbox"/> consumption decrease. Such decrease could result from: <ul style="list-style-type: none"> <li>a. greater process efficiency</li> <li>b. the use of larger amounts of recycled water</li> <li>c. the use of desalinated water</li> </ul> </li> </ul> <p>Eni is seeking to reduce its freshwater withdrawals and recently committed to</p>

				<p>minimize its freshwater withdrawals in water stressed areas (see the Eni position on water, <a href="https://www.eni.com/assets/documents/eng/just-transition/2021/eni-e-acqua-eng.pdf">https://www.eni.com/assets/documents/eng/just-transition/2021/eni-e-acqua-eng.pdf</a>), so we expect a reduction in water intensity in the future; this is in line with the operational excellence lever of Eni business model towards a just transition.</p> <p>To be noted that the calculation of water intensity is based on total freshwater withdrawals, included those for cooling purposes, even if in once-through systems.</p>
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### W-OG1.3

**(W-OG1.3) Do you calculate water intensity for your activities associated with the oil & gas sector?**

Yes

### W-OG1.3a

**(W-OG1.3a) Provide water intensity information associated with your activities in the oil & gas sector.**

**Business division**

Upstream

**Water intensity value (m3)**

0.01

**Numerator: water aspect**

Freshwater withdrawals

**Denominator**

Barrel of oil equivalent

**Comparison with previous reporting year**

About the same

**Please explain**

The upstream water intensity confirmed in 2021 the low value reported in the previous years. The Eni intends to reduce freshwater withdrawals are expected to tend to decrease future water intensity.

Water intensity, calculated as freshwater withdrawn per product unit is a relevant indicator of water efficiency and its value is an essential part of the annual Water Risk Report prepared annually in Eni in order to map and monitor water risks and drought in present and future scenarios (2030 and 2040 according to WRI/Aqueduct) as to define



long-term actions, also to prevent and mitigate the effects of climate change, in line with environmental sustainability pursued by Eni in its strategic view. The Report represents an input for the 4Yplan of Eni and is used to prioritize actions to safeguard water, according to criteria taking into account, inter alia, the productive importance of the asserts, the freshwater top consumer assets and the water stress of the basins where we operate.. Decreasing freshwater intensity entails decreasing the impact of the industrial activities on freshwater per unit of production. For example, in Enifor 2020 and 2021 are reported actions taken to reduce freshwater withdrawals at Egypt sites, with a consequent decrease of water intensity of productive strategic assets located in a water stress basin such as the Nile Delta.

As indicated in Eni internal operating instruction, the efforts made to reduce the impact on freshwater sources can be highlighted in 3 different ways:

- 1 decrease of withdrawals (and the relative water intensity index)
- 2 increase the percentage of low-quality water out of total freshwater withdrawals
- 3 consumption decrease.

Such decrease could result from:

- a. greater process efficiency
- b. the use of larger amounts of recycled water
- c. the use of desalinated water

Eni is seeking to reduce its freshwater withdrawals and recently committed to minimize its freshwater withdrawals in water stressed areas (see the Eni position on water, <https://www.eni.com/assets/documents/eng/just-transition/2021/eni-e-acqua-eng.pdf>), so we expect a reduction in water intensity in the future; this is in line with the operational excellence lever of Eni business model towards a just transition.

To be noted that the calculation of water intensity is based on total freshwater withdrawals, included those for cooling purposes, even if in once-through systems.

### **Business division**

Midstream/Downstream

### **Water intensity value (m3)**

1.07

### **Numerator: water aspect**

Freshwater withdrawals

### **Denominator**

Other, please specify  
ton of refinery throughputs

### **Comparison with previous reporting year**

Lower

### **Please explain**

As predicted in the CDP 2021, the temporary increment in downstream water intensity returned to lower values (-12%) after the increase recorded in 2020 values due to reduced production activities related to the pandemic, and maintenance activities. The

Eni intends to reduce freshwater withdrawals are expected to decrease future water intensity.

Water intensity, calculated as freshwater withdrawn per product unit is a relevant indicator of water efficiency and its analysis is an essential part of the annual Water Risk Report prepared annually in Eni in order to map and monitor water risks and drought in present and future scenarios (2030 and 2040 according to WRI/Aqueduct) as to define long-term actions, also to prevent and mitigate the effects of climate change, in line with environmental sustainability pursued by Eni in its strategic view. The Report represent an input for the 4Yplan of Eni and is used to prioritize actions to safeguard water, according to criteria taking into account, inter alia, the productive importance of the asserts, the freshwater top consumer assets and the water stress of the basins where we operate. Decreasing freshwater intensity entails decreasing the impact of the industrial activities on freshwater per unit of production. For example, at the Livorno refinery, top consumer in stress area, is ongoing a project to reduce freshwater withdrawals

As indicated in Eni internal operating instruction, the efforts made to reduce the impact on freshwater sources can be highlighted in 3 different ways:

- decrease of withdrawals (and the relative water intensity index)
- increase of percentage of low-quality water out of total freshwater withdrawals
- consumption decrease. Such decrease could result from:

- a. greater process efficiency
- b. the use of larger amounts of recycled water
- c. the use of desalinated water

Eni is seeking to reduce its freshwater withdrawals and recently committed to minimize its freshwater withdrawals in water stressed areas (see the Eni position on water, <https://www.eni.com/assets/documents/eng/just-transition/2021/eni-e-acqua-eng.pdf>), so we expect a reduction in water intensity in the future; this is in line with the operational excellence lever of Eni business model towards a just transition.


To be noted that the calculation of water intensity is based on total freshwater withdrawals, included those for cooling purposes, even if in once-through systems.

### **Business division**

Chemicals

### **Water intensity value (m3)**

8

 The value is expressed as %

### **Numerator: water aspect**

Freshwater withdrawals

### **Denominator**

Other, please specify  
freshwater use

### **Comparison with previous reporting year**

About the same

### Please explain

Chemical production is characterized by very different processes therefore, a cumulative index of water withdrawn vs. ton of product is not very useful to understand the efficiency in water use and management over time. In Eni we use an index that highlights the efficiency of freshwater use, dependent on the volume of recycled water, that is  $\text{withdrawal}/(\text{withdrawal} + \text{recycle})$ . In this way, the freshwater intensity can be lowered by a decrease of withdrawals as well as by an increase of recycled water. In 2021 a slight increase was observed mainly as a consequence of freshwater withdrawals increase due to the set-up the Mantua petrochemical plant. No substantial changes are expected in the near future, except for reasons linked to normal maintenance activity cycles.

Water intensity is a relevant indicator of water efficiency and its analysis is an essential part of the annual Water Risk Report prepared in Eni to map and monitor water risks and drought in present and future scenarios (2030 and 2040 according to WRI/Aqueduct) as to define long-term actions, also to prevent and mitigate the effects of climate change, in line with environmental sustainability pursued by Eni in its strategic view. The Report represents an input for the 4Yplan of Eni and is used to prioritize actions to safeguard water, according to criteria taking into account the productive importance of the assets, the freshwater top consumers and the water stress of the basins. Decreasing freshwater intensity entails decreasing the impact of the industrial activities on freshwater. For example, at the Brindisi productive site, top consumer in stress area, is ongoing a project to reduce freshwater withdrawals.

As indicated in Eni internal operating instruction, the efforts made to reduce the impact on freshwater sources can be highlighted in 3 different ways:

- decrease of withdrawals (and the relative water intensity index)
- increase percentage of low-quality water out of total freshwater withdrawals
- consumption decrease

Such decrease could result from:

- greater process efficiency
- use of larger amounts of recycled water
- use of desalinated water

Eni is seeking to reduce its freshwater withdrawals and recently committed to minimize its freshwater withdrawals in water stressed areas (as per Eni position on water), so we expect a reduction in water intensity in the future; this is in line with the operational excellence lever of Eni business model towards a just transition.

## W1.4

### (W1.4) Do you engage with your value chain on water-related issues?

Yes, our suppliers

## W1.4a

**(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?**

### Row 1

#### **% of suppliers by number**

76-100

#### **Rationale for this coverage**

Eni aims to foster a fair and inclusive energy transition and involve companies in the supply chain in innovation and industrial transformation initiatives in the economic, social and environmental fields. Companies working with Eni share the principles and values of the Code of Conduct and meet economic-financial, technical, organisational, reputational, health, safety and environmental requirements, committing to overcome any gaps with improvement plans, followed by timely follow-up. Sustainability elements are an integral part of the whole procurement process, with the aim of sustainable development of supply chains. Appropriate focus is reserved for the water resource to investigate and monitor its use, risks, and management by suppliers. In order to achieve the objectives of sustainable development, it is essential that all the players in the productive ecosystem, from small and medium-sized enterprises to large industrial groups, financial institutions and sector associations, work together. For this very reason, at the beginning of 2021, a partnership between Eni, BCG, and Google Cloud gave rise to Open-es, a system initiative open to all companies and industrial sectors, which responds with concrete tools to the need to measure, improve, and share ESG performance. Through the digital platform, all companies have the opportunity to measure their sustainability performance according to standard metrics and share their ESG profile with their customers and/or financial institutions, compare themselves with industry benchmarks, access customised development plans to identify priority actions to be implemented, quickly and easily obtain an initial version of their sustainability report and identify services and solutions to improve their ESG performance. The platform already has more than 3,000 companies from 75 Countries and 60 different sectors that have decided to use Open-es to share their data and improve their sustainability performance. On the platform, a set of core questions are designated as mandatories, including those on water resource use and monitoring. The related answers return a sustainability score, which will become functional in qualification and tender evaluations, incentivizing companies to give evidence of their state of the art on water.

#### **Comment**

## W1.4b

**(W1.4b) Provide details of any other water-related supplier engagement activity.**

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**Type of engagement**

Onboarding &amp; compliance

**Details of engagement**

Requirement to adhere to our code of conduct regarding water stewardship and management

**% of suppliers by number**

76-100

**% of total procurement spend**

76-100

**Rationale for the coverage of your engagement**

During the qualification process, every supplier (100%) is required to adhere to Eni's Code of Conduct, the written commitment of suppliers (published in 2020 and based on the Eni' Code of Ethics) to pursue universal and sustainable values, with explicit reference also to water management. In particular Suppliers are required to: (i) minimize environmental impacts and optimize the use of energy and natural resources such as water; (ii) conduct their activities through the responsible use of resources; (iii) actively participate in the process of risk assessment and environmental protection; (iv) contribute in the achievement of company targets regarding the efficiency of plants, reduction of direct emissions, promotion of a low-carbon impact energy mix and a steady effort in research and development; (v) manage and monitor the environmental aspects relevant to their activities, drawing inspiration from broadly internationally recognized environmental management standards and models; (vi) integrate the sustainable environmental principles into their supply chain management. Non-acceptance of Eni's code of conduct precludes the supplier from being awarded a contract.

**Impact of the engagement and measures of success**

The aim of Eni's Supplier Code of Conduct is to develop a relationship with suppliers of proven professionalism. In order to guarantee the correct application of the Code, Eni constantly monitors compliance with the principles set out in the Code and can verify the truthfulness of the supplier's commitment in order to assess its real commitment. If the supplier does not share the values and principles included in the Eni's Supplier Code of Conduct, the contract cannot be signed among the parties. During 2021 specific contractual clauses were introduced to monitor progress over time with respect to the sustainable improvement plans that emerged during the qualification phase or participation in the tender.

The concrete impact of this engagement is the significant increase in the quality of Eni's list of suppliers, contract holders or non-contract holders, engaged with a written and mandated commitment, also on water use related issues. The measure of success of this initiative is the certainty that Eni awards contracts and works only with suppliers formally engaged and committed on the efficient use and monitoring of water.

**Comment**

See "Supplier Code of Conduct" on Publications posted under the link -  
<https://www.eni.com/en-IT/about-us/governance/code-of-ethics.html>

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### **Type of engagement**

Incentivizing for improved water management and stewardship

### **Details of engagement**

Demonstrable progress against water-related targets is incentivized in your supplier relationship management

Water management and stewardship action is integrated into your supplier evaluation

### **% of suppliers by number**

51-75

### **% of total procurement spend**

76-100

### **Rationale for the coverage of your engagement**

The Eni qualification process is a true totalizing assessment, which invests, investigates and involves every aspect of a company's life and history, its state of health, its strengths and weaknesses, also considering water issues, in terms of policies, consumption and monitoring. This approach, which can go as far as a site visit for situations perceived to be at risk or otherwise in need of further investigation, makes it possible to make Eni's supplier list increasingly robust, reliable, competitive and innovative, thanks to the strengths detected, and to transform the areas and signs of weakness discovered by companies into improvement plans that are shared with them. It is a continuous process: the company is monitored throughout its journey as an Eni supplier, which normally lasts 5 years, in its performance and actions, carried out for Eni and outside Eni. And with the supplier also its subcontractors. Open-es gives companies an additional opportunity, to measure their sustainability with a score, a report that indicates areas to work on and services and solutions that can support that growth. All of Eni's suppliers with a contract in place or invited to a bid are requested to register to Open-es.

To the tools described above, we have added JUST Workshops, initiatives organized by Eni's purchasing function with qualified suppliers to communicate sustainability goals, discuss action plans that suppliers must implement to meet Eni's expectations. The event is a unique opportunity to engage the market with an open discussion on the opportunities and constraints (regulatory, technological) to be considered to achieve a just energy transition and define a concrete action plan and KPIs, related to the most relevant environmental items in each commodity sector (CO2 emissions, water, waste, etc.), to be monitored over time.

From December 2020 and throughout 2021, Eni ran several workshops focused on sectors where water consumption is a key factor involving more than 400 suppliers, defining shared KPIs such as: CO2 reduction for waste transportation and in the area of reclamation and decommissioning; the amount of recycled material for packaging; and the resulting water savings achieved in the production of goods. These specific KPIs will be evaluated at the tender stage, and only those suppliers who have exceeded the

target thresholds set by Eni together with suppliers during the workshops will be eligible for the contract.

### **Impact of the engagement and measures of success**

To date there are approximately 6800 companies registered on Open es - 3000 are qualified Eni companies representing 95% of contract value in place in Italy assigned to qualified suppliers.

Of the 6800 companies onboard, around 1850 have made their responses transparent, including those on water consumption. Another element that measure the success of the initiative is related to Open-es collaboration area; 937 suppliers (234 in 2020) shared their success stories, projects, experiences as best practices to follow (340 on Planet area and 78 on Circular Economy Area). The purpose of these stories, and therefore the expected impact, is to create a flywheel for the entire market in terms of best practices and technologies on emission reduction.

### **Comment**

eniSpace - Business opportunities: [https://enispace.eni.com/en\\_US/collabora.page](https://enispace.eni.com/en_US/collabora.page)

### **Type of engagement**

Innovation & collaboration

### **Details of engagement**

Encourage/incentivize innovation to reduce water impacts in products and services

### **% of suppliers by number**

76-100

### **% of total procurement spend**

76-100

### **Rationale for the coverage of your engagement**

Eni aims to foster a fair and inclusive energy transition and involve companies in the supply chain in innovation and industrial transformation initiatives in the economic, social and environmental fields, with different significant initiatives:

- Open-es, a system initiative open to every industrial sectors, in which all companies have the opportunity to measure their sustainability performance according to standard metrics and share their ESG profile with their customers and/or financial institutions, compare themselves with industry benchmarks, access customised development plans to identify priority actions to be implemented and, by leveraging the collaborative mechanism of the platform, identify services and solutions to improve their ESG performance and support their innovation related to reduce water impacts in products and services too. All of Eni's suppliers with a contract in place or invited to a bid are requested to register to Open-es.
- EniSpace, the suppliers' portal developed as a common space to involve Eni's suppliers base in the energy transition process and sustainable development initiatives, includes a channel called Innovation Match, entirely dedicated to the competition for innovative ideas and solutions. The most interesting and applicable ideas and solutions

will be the starting point for collaborations, experiments and co-design activities.

- “Basket Bond – Sustainable Energy” programme, realised in collaboration with ELITE, part of the Borsa Italiana Group/Euronext and illimity Bank, is the first innovative financial tool aimed at all companies within the integrated energy chain, especially focused on SMEs; companies who qualify for the programme will access to financial resources – on favourable terms according to their current and expected sustainability profile – to be used in projects and investments for the achievement of the UN SDGs. Therefore, companies committed to a fair energy transition path and aiming to improve their own industrial processes and business models will be able to support tangible initiatives, including with regard to efficient and responsible water resource management.

### **Impact of the engagement and measures of success**

- Open-es: To date, 3000 Eni qualified contract holder suppliers are already registered on Open-es. They represent the 95% of the contract's value in place assigned to qualified suppliers, in Italy.
- EniSpace: During 2020 and 2021 Eni launched 18 call for innovation, 50% of these calls aimed at receiving from the market innovative proposals for reducing emissions and for safety purposes
- “Basket Bond – Sustainable Energy” programme: officially it was started at the Italian stock exchange in November 2021. A phase of first issue of the basket bond for a value of 17 million is currently underway (operation not yet completed)

### **Comment**

Learn more:

- Open-es: (<https://www.openes.io/>)
- eniSpace, Innovation Match: [https://enispace.eni.com/en\\_US/home.page](https://enispace.eni.com/en_US/home.page) - [https://enispace.eni.com/en\\_US/innovation.page](https://enispace.eni.com/en_US/innovation.page)
- Basket Bond: Basket Bond Energia Sostenibile | ELITE ([elite-network.com](http://elite-network.com))

## **W2. Business impacts**

### **W2.1**

**(W2.1) Has your organization experienced any detrimental water-related impacts?**

No

### **W2.2**

**(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?**

No



## W3. Procedures

### W-EU3.1

**(W-EU3.1) How does your organization identify and classify potential water pollutants associated with your business activities in the electric utilities sector that could have a detrimental impact on water ecosystems or human health?**

**Eni's New Regulatory System** was designed with the objective to rationalize and simplify our Regulatory System. The fundamental guidelines of the New System consist of **four main principles**:

- from an organization based approach to a business process based approach with a key role for the Process Owner as responsible of the whole process throughout Eni;
- more emphasis on the role of direction, coordination and control performed by eni over its subsidiaries, while safeguarding their corporate and business independence;
- the integration of the Compliance Principles into the business processes;
- a simple architecture with plain language and a user-friendly search menu.

The architecture of the new system is divided into four levels which apply to the whole company and its subsidiaries, thus the power sector too, and which are line with national and international laws in force:

- 1st level **POLICY**
- 2nd level **MANAGEMENT SYSTEM GUIDELINE**
- 3rd level **PROCEDURE**
- 4th level **OPERATING INSTRUCTION**

POLICY declines through Eni spa Code of Ethics, Eni spa 231 Model - Eni Compliance Model, Eni Policies, Eni's position on water (<https://www.eni.com/assets/documents/eng/just-transition/2021/eni-e-acqua-eng.pdf>) Eni's commitment on sustainable water management (<https://www.eni.com/en-IT/just-transition/waterresource-efficient-management.html>).

Eni Management System Guideline (MSG) for HSE is a group of internal guidelines that provides general criteria for HSE management. The [reference legislation at European level](#) for the management of water resources is Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000, nationally implemented by Part III of Legislative Decree 152/06 (Consolidated Environmental Law).

MSG Risk management provides general criteria for HSE management and defines the process which identifies, assesses HSE risk, their frequency, and consequences. It further provides general criteria for governing and monitoring HSE risks developing strategies to regulate it, to preserve the safety and health of people as well as the integrity of assets and to safeguard the environment in a life-cycle perspective.

MSG Water Resource Management illustrates, in line with the Eni Policies and the HSE Management System Mode the main aspects of water resource management, defining the areas of competence and providing guidelines to ensure, in the various Eni operational realities, resource management according to homogeneous criteria and consistent with the highest international standards and best practices. It reports that not only must be compliant to

legal limits, but preventive programs should be enforced, and operational management procedures and innovative technologies must be implemented. In the power sector, Eni thermoelectric plants are located only in Italy, where the law identifies the parameters and the related limits according to the type of discharge and of the receptor body (D.Lgs. 152/2006 part III, Annex 5). Each asset must activate an investigation on the causes if exceeding permitted values and implement corrective action. The disposal of wastewater, for example from remediation operations, must comply with the specific applicable legislation (D.Lgs. 152/2006 part IV), committing authorized personnel for the transportation and treatment of said waste. Annually, Eni corporate functions gather information from all the business units regarding the presence of sensitive watersheds and connected habitats potentially influenced by the industrial operations. The principles incorporate the 6 core elements of the CEO WM, including the search for ways to encourage advanced water management among its suppliers and utilities.

PROCEDURES (pro) define the modus operandi procedures with which the company's business must be carried out. In the power sector, the procedure "Water Resource Management" provides guidelines on how to identify, evaluate and minimize impacts on water resource and, specifically, it identifies and periodically monitors by sampling and estimates the potential pollutants of concern in the discharge waters.

PROFESSIONAL OPERATING INSTRUCTIONS (opi) define the details of the operating methods relating to a specific function/organizational unit/professional area or professional-family, or to Eni people and functions involved in fulfilling their requirements. "Acquisition Methodologies for HSE indicators" identifies methodologies for MSG "Planning, monitoring and reporting of HSE indicators" identifies which water pollutants in wastewater and produced water must be periodically detected and quantified. "Analysis of the environmental aspects and of the impacts/risks for the environment and the organization" describes the operating approach for the analysis of the environmental aspects and the identification and assessment of the associated impacts and risks, including environmental risks with potential consequences on business liability (risks as per Legislative Decree n. 231).

## W-EU3.1a

**(W-EU3.1a) Describe how your organization minimizes the adverse impacts of potential water pollutants associated with your activities in the electric utilities sector on water ecosystems or human health.**

Potential water pollutant	Description of water pollutant and potential impacts	Management procedures	Please explain
Thermal pollution	Thermal pollution is the main potential impact of Enipower activities, as all power plants are "combined cycle" facilities fired by natural gas. Due to the nature of the "pollutant", its potential impact is considered low, as it is easily and naturally recoverable	Compliance with effluent quality standards Measures to prevent spillage, leaching, and leakages Emergency preparedness	The potential mitigating actions are listed in Water Resource regulations mentioned in W-EU3.1, which include: installation devices that measure volume, pressure and pollutants; leak control and maintenance; employee training and education; procedure for anomalous or emergency situations; data collection and monitoring; specific

		<p>audits; certification and transparency of reporting. As all plants are located in Italy, applies Italian law regarding the water discharges (reference D.lgs. 152/2006 part III Annex 5). The success of the application of internal procedures is clearly demonstrated by the fact that Enipower is EMAS registered since 2006.</p> <p>Enipower monitors any impacts, identified as any modification of the environment, negative or beneficial, caused totally or partially by the organization. (UNI EN ISO 14001). For the purposes of internal procedures, reference is made to the volume of water discharged and used by an organization from a source, which influences availability or quality for other uses or which causes damage to health or ecosystems. Eni establishes a system for monitoring the quantity and quality of the discharges, in order to reduce the impacts and guarantee the correct functioning of the production cycle, adopting the best practices in the sector and taking into account the sensitivity and vulnerability of the local context and of the receiving water bodies.</p> <p>Specific points indicated in the procedure:</p> <ul style="list-style-type: none"> <li>• conducting periodic visual inspections in the plant and monitoring the state of preservation of pipes, sewerage system, containment basins and paving</li> <li>• identification and periodic updating of sampling points for control activity</li> <li>• the definition of the sampling program, the identification of the methods of analysis of wastewater discharges, the control of the relative analytical certificates of the analysis</li> <li>• verification of compliance with legal limits and / or those provided for in the</li> </ul>
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			<p>discharge authorization and / or provided for by the sewer regulation</p> <ul style="list-style-type: none"> <li>• reporting of the indicators relating to withdrawals and discharges, as provided for internal planning, monitoring and reporting procedures</li> <li>• internal investigation of any exceedances of the authorized limits detected by the analyses carried out, according to the corporate procedure for managing non-conformity, of corrective and preventive actions;</li> <li>• timely information to the competent control authority, to the HSEQ Enipower office and to the competent functions of the head office</li> </ul>
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## W-OG3.1

### (W-OG3.1) How does your organization identify and classify potential water pollutants associated with its activities in the oil & gas sector that may have a detrimental impact on water ecosystems or human health?

**Eni's New Regulatory System** was designed with the objective to rationalize and simplify our Regulatory System. It consists of **four main principles**:

- from an organization based approach to a business process based approach with a key role for the Process Owner as responsible of the whole process throughout Eni
- more emphasis on the role of direction, coordination and control performed by eni over its subsidiaries, while safeguarding their corporate and business independence
- the integration of the Compliance Principles into the business processes
- a simple architecture with plain language and a user-friendly search menu

The architecture of the new system is divided into four levels which apply to the whole company and its subsidiaries, the O&G sector too, and which are in line with national and international laws in force:

- 1st level **POLICY**
- 2nd level **MANAGEMENT SYSTEM GUIDELINE**
- 3rd level **PROCEDURE**
- 4th level **OPERATING INSTRUCTION**

POLICY declines through Eni spa Code of Ethics, Eni spa 231 Model - Eni Compliance Model, Eni Policies, Eni's position on water (<https://www.eni.com/assets/documents/eng/just-transition/2021/eni-e-acqua-eng.pdf>) Eni's commitment on sustainable water management (<https://www.eni.com/en-IT/just-transition/waterresource-efficient-management.html>). Eni Management System Guideline (MSG) for HSE is a group of internal guidelines that provides general criteria for HSE management. The [reference legislation at European level](#) for the management of water resources is Directive 2000/60/EC of the European Parliament and of

the Council of 23 October 2000, nationally implemented by Part III of Legislative Decree 152/06 (Consolidated Environmental Law). Water management system in Eni O&G sector shall also comply with ISO 9000:2015, ISO 9001:2015, ISO 45001:2018, ISO 14001:2015, ISO 14004:2016, ISO 50001:2018; further it is in line with IPIECA and IOGP framework.

MSG Risk management provides general criteria for HSE risk management defining the process which identifies and assesses risk, their frequency and consequences. It provides general criteria for governing and monitoring HSE risks developing strategies to regulate it, to preserve the safety and health of people as well as the integrity of assets and to safeguard the environment in a life-cycle perspective. MSG Water Resource Management illustrates the main aspects of water resource management, defining the areas of competence and providing guidelines to ensure, resource management according to homogeneous criteria and consistent with the highest international standards and best practices. It reports that not only must be compliant to legal limits, but preventive programs should be enforced, and operational management procedures and innovative technologies must be implemented. MSG requires that each plant must have a sampling plan so that, for each discharge point, the characteristic parameters and typical pollutants are analyzed. Annually the corporate functions gather information from all the business units regarding the presence of sensitive watersheds and connected habitats potentially influenced by the industrial operations.

PROFESSIONAL OPERATING INSTRUCTIONS define the details of the operating methods for specific function/organizational unit/professional area or professional-family, or to Eni people and functions involved in fulfilling their requirements. "Sustainable water management" applies to all onshore and offshore facilities worldwide to all Eni O&G. It provides guidelines on water management through a consistent and homogenous classification, the development of a Water Management Plan fixing a budget, assessing water risk, making water balances, fixing targets and improvements, actions and recommendation, and digital water monitoring. "Analysis of the environmental aspects and of the impacts/risks for the environment and the organization" analyses activities, products and services for businesses carried out by employee including environmental risks with potential consequences on the matter of business liability (risks as per Legislative Decree n. 231). "Acquisition Methodologies for HSE indicators" identifies methodologies for MSG "Planning, monitoring and reporting of HSE indicators": water pollutants of concern in wastewater and produced water must be periodically detected and quantified by measure, estimate or calculation. Eni follows a best practice for offshore environmental monitoring activities with focus on marine water and sediment quality.

Eni has specific MSG for the management of Product Safety in compliance with REACH, CLP, in particular Safety Data Sheet (SDS). The SDS includes information on properties of each chemical; the physical, health, and environmental hazards; protective measures; safety precautions for handling, storing, and transporting the chemical. Whenever necessary (new products) the Employer's Lines evaluates the need to issue a new SDS or to revise an existing SDS.

## W-OG3.1a

**(W-OG3.1a) For each business division of your organization, describe how your organization minimizes the adverse impacts on water ecosystems or human health of potential water pollutants associated with your oil & gas sector activities.**

Potential water pollutant	Business division	Description of water pollutant and potential impacts	Management procedures	Please explain
Hydrocarbons	Upstream Midstream/Downstream	<p>The main potential pollutants of upstream and downstream operations are crude oil and its refined products. The main potential impact is linked to potential spills due to accident or sabotage. Potential spills can be detrimental for water ecosystem and can degrade freshwater quality, limiting its availability and increasing costs for water treatment and reclaim.</p> <p>Hydrocarbon spills can also have detrimental impact on safety (potential flames and explosions), on health when water basins used for animal and human life are contaminated, and on ecosystems damaging or</p>	<p>Compliance with effluent quality standards</p> <p>Measures to prevent spillage, leaching and leakages</p> <p>Community/stakeholder engagement</p> <p>Emergency preparedness</p>	<p>Potential mitigating actions are listed in MSG, Procedure and Operating Instructions on Water Resource Management: installation devices that measure volume, pressure and pollutants; leak control and maintenance; employee training and education; procedure for anomalous or emergency situations due to pollution event; data collection and monitoring; specific audits; certification and transparency of reporting; BES action plan, containing site-specific indicators.</p> <p>Regarding oil spill, prevention is pursued by actions in all areas: research, technical areas, increase of</p>

		<p>altering vegetable ecosystems and agriculture. Spills, in terms of number and spilled volumes, are recorded in Eni HSE database. The magnitude of a spill impact can be low, medium or high, depending on the volume and quality of the hydrocarbons spilled and on the vulnerability of the area where it occurs.</p>	<p>controls and interventions on assets. Over 28 million € were invested in 2020 in oil spill prevention. Eni has adopted the best available technologies, in accordance with national laws and international standards. In particular, innovative techniques were introduced to improve the early identification of losses along the pipelines: use of optical fibers; e-VPMS, Eni Vibroacoustic Pipeline Monitoring System, a proprietary patent with proved effectiveness and with further developments (eVPMS-TIP, to detect vibrations from excavation in the ground and anticipate intervention); ground-trotting (also involving community); use of "Chopper Overflies" and</p>
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			<p>short-range drones for asset surveillance and to discourage the activity of oil theft.</p> <p>Regarding drilling, Eni's approach involves: the use of the best drilling technologies, reducing the diameter of wells, managing pressure, blow-out preventer and robotic systems to prevent and contain any oil spills.</p> <p>To enhance internal skills, Eni is committed to spreading knowledge across all the functions.</p> <p>Eni developed an innovative system of well barriers to decrease by one order of magnitude the probability of a blow-out event (<math>10^{-6}</math>).</p> <p>The success is measured in terms of number and volume of spills and is disclosed in our</p>
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				<p>annual DNF.</p> <p>It is noteworthy to mention that:</p> <ul style="list-style-type: none"> <li>• all Eni refineries, both traditional and green, are EMAS registered;</li> <li>• In upstream, 30 subsidiaries (56% of total) and 2 joint ventures (25% of total) acquired the environmental management system certification according to the ISO 14001 standard, and 32 subsidiaries (59% of total) and 1 joint ventures (12% of total) that of the health and safety management system according to the ISO 45001 standard.</li> </ul>
Chemicals	Chemicals	The main potential impact is linked to potential spills due to accident. Potential spills can be detrimental for water ecosystem and can degrade	<p>Compliance with effluent quality standards</p> <p>Measures to prevent spillage, leaching and leakages</p> <p>Emergency preparedness</p>	List of potential mitigating actions listed in Annex E-D, Water Resource Management: installation devices that measure volume, pressure and

		<p>freshwater quality, limiting its availability and increasing costs for water treatment and reclaim.</p> <p>Chemical spills can also have detrimental impact on health when water basins used for animal and human life are contaminated. Chemical spills can compromise safety and health of people and ecosystems.</p> <p>All events, in terms of number and spilled volumes, are recorded in Eni HSE database. The magnitude of a spill impact can be low, medium or high, depending on the volume and quality of the chemicals spilled and on the vulnerability of the area where it occurs.</p>	<p>pollutants; leak control and maintenance; employee training and education; procedure for anomalous or emergency situations due to pollution event; data collection and monitoring; specific audits; certification and transparency of reporting. To enhance internal skills, Eni is committed to spreading knowledge across all the functions.</p> <p>The success is measured in terms of number and volume of spills and is disclosed in our annual DNF. It should be noted that all Versalis operating units have acquired the environmental management system certification according to the ISO 14001 standard, that of the health and safety</p>
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				management system according to the OHSAS 18001 standard and the Responsible Care Certification. To these, the quality certification according to the ISO 9001 standard is added.
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### W3.3

**(W3.3) Does your organization undertake a water-related risk assessment?**

Yes, water-related risks are assessed

### W3.3a

**(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.**

**Value chain stage**

Direct operations

**Coverage**

Full

**Risk assessment procedure**

Water risks are assessed as part of other company-wide risk assessment system

**Frequency of assessment**

Annually

**How far into the future are risks considered?**

More than 6 years

**Type of tools and methods used**

- Tools on the market
- Enterprise risk management
- International methodologies and standards

**Tools and methods used**

GEMI Local Water Tool  
 WRI Aqueduct  
 COSO Enterprise Risk Management Framework

### Contextual issues considered

Water availability at a basin/catchment level  
 Water quality at a basin/catchment level  
 Stakeholder conflicts concerning water resources at a basin/catchment level  
 Water regulatory frameworks  
 Status of ecosystems and habitats  
 Access to fully-functioning, safely managed WASH services for all employees

### Stakeholders considered

Customers  
 Employees  
 Investors  
 Local communities  
 NGOs  
 Regulators  
 Suppliers  
 Water utilities at a local level  
 Other water users at the basin/catchment level

### Comment

The procedures for identifying and assessing water-related risks have different level of approach. Starting from the general HSE Management System Guideline to the more detailed annexes "Risk Management" and "Water Resource Management". Annually, a report dedicated to evaluate the water risk is carried out for each business unit (refining, power, upstream and chemicals), applying international tools and databases, such as WRI Aqueduct and FAO/Aquastat. The analysis identifies at high level (e.g. screening level) the top consumers in stress areas, current and as projected to 2030 and 2040, and analyses the trend of relevant water volumes (withdrawn, discharged, etc.) and quality (fresh, desalinated, salt, produced, etc.) and of the water intensities of the productions. The analysis considers Eni's exposure at site level as well as at basin and country level, and local/country regulatory frameworks as well as the awareness of contextual habitats and the needs of stakeholders (regulators, customers, employees, investors, local communities, NGOs, suppliers, water utilities and other water users) are an integral part of water-related project evaluation criteria. The report identifies priorities and improvement actions that are subsequently considered as an input in the 4y plan. Where deemed necessary, local assessment using GEMI Local Water Tool or internal methodologies, or deep investigation at Country level are carried out. Eni ensures the provision of Clean drinking water, Sanitary facilities and Washing facilities to its employees in the areas of influence, ss per the technical guidelines for "Industrial hygiene" and "Food & Water Hygiene. It is noteworthy to add that results of herein technical assessments are integrated into Integrated Risk Management (IRM) process (as better explained under W3.3b and W.4.1.a). IRM process makes reference to COSO ERM framework.

Contextual issues includes quality and quantity evaluations as essential for industrial

activities, as well regulatory analysis and evaluation of ecosystem and other users at the basin level as they all contribute to understand overall water related risks. Stakeholders are engaged at local level, as well as regulators, other users, local authorities, employees, suppliers and customers.

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**Value chain stage**

Supply chain

**Coverage**

Full

**Risk assessment procedure**

Water risks are assessed as part of other company-wide risk assessment system

**Frequency of assessment**

More than once a year

**How far into the future are risks considered?**

More than 6 years

**Type of tools and methods used**

Tools on the market  
International methodologies and standards

**Tools and methods used**

WRI Aqueduct  
WWF Water Risk Filter  
Alliance for Water Stewardship Standard  
ISO 14001 Environmental Management Standard  
ISO 14046 Environmental Management - Water Footprint

**Contextual issues considered**

Implications of water on your key commodities/raw materials  
Water regulatory frameworks  
Status of ecosystems and habitats

**Stakeholders considered**

Customers  
Employees  
Investors  
Local communities  
Suppliers

**Comment**

Water related issues and risks are assessed during supplier qualification process, driven by level of commodity code's HSE criticality. Indeed, during qualification process the suppliers are asked to provide the ISO 14001 and ISO 14046 to get the best scoring in HSE that will also be evaluated at the vendor list stage of the tender process.

Eni regularly carries out assessments of its suppliers, both new and expiring ones, but also performs a continuous monitoring on supplier's performances. The information and the feedback collected are used to detect situations that may require a deeper evaluation, such as an audit, and can be used to launch improvement plans and define actions on the supplier qualification status, by assessing again the supplier. Open-es, an open digital platform dedicated to all companies, provides industrial supply chain with concrete tools to improve their ESG performance, based on the Stakeholder Capitalism Metrics, the metrics defined by the World Economic Forum (WEF). Suppliers need to answer to a questionnaire, which is based on GRI standards, in particular the water milestone focuses on the GRI 303 "water and Effluents". The references to carry out the questionnaire refers to WRI Aqueduct, WWF water risk and Alliance for Water Stewardship Standard

### W3.3b

#### **(W3.3b) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.**

The procedures for identifying and assessing water-related risks have different level of approach. Starting from the general HSE Management System Guideline to the more detailed annexes "Risk Management" and "Water Resource Management". Annually, a report dedicated to evaluate the water risk is carried out for each business unit (refining, power, upstream and chemicals), applying international tools and databases. Local assessment are carried out at sites characterized by high freshwater withdrawals, that are located in water-stressed as well as water-scarce areas.

Eni carries out annually an analysis of water risk exposure of its facilities taking into account the absolute quantity and the trend of water needs for the industrial operations and the availability at basin/catchment level. For this purpose Eni uses its internal data and international tools, such as WRI Aqueduct. The analysis is furthermore integrated with data from Aqueduct and from FAO/Aquastat. The timeframe projections provided by these tools and databases go as far as 2040, allowing for a long term perspective analysis. The analysis is used to provide suggestions for improvements and for defining targets, that are monitored year by year. The study is applied to operated sites and, in new projects, can be a support to ESHIA (Environmental Social Health Impact Assessment). The outcome of the above activities represents an input for Eni Integrated Risk Management (IRM) process which maps and monitors Eni global risk profile as well as contributes to regularly updating the mitigation actions adopted at different levels of the organization. Specifically, within the IRM process, water related risks fall within the "strategic environmental risks" which are analyzed at a global, i.e. aggregated, level, at business lines level as well as at country (of Eni presence) level. Results thereof, comprehensive of the input coming from the above technical risk management carried out by HSE, are quarterly shared with/ presented to all Eni business levels, including Eni Board of Directors.

The study is applied to operated sites and, in new projects, can be a support to ESHIA (Environmental Social Health Impact Assessment).

From 2021 Eni started to develop a risk management process that aims to assess, by the end of 2022, the physical risk related to climate change of its asset portfolio for all its business lines

and of the third party assets that can have a direct impact on Eni business as well. The process, based on a third party specialized data provider, assess, as a first step, the “inherent risk” of the assets (based on their position in climate related risk exposed areas, with a time horizon of 3 decades) with respect of 10 identified risks (both acute and chronic). As a further step of the analysis, those assets that resulted exposed to some of the identified risks are assessed in terms of mitigation actions already in place for each one of them, in order to evaluate the “residual risk” of each asset with respect to each climate related risk. This residualization process assumes different strengths and effectiveness of the several mitigation actions, by considering their capability to avoid/prevent/manage/treat each individual risk. Those assets that resulted still exposed to climate related risks even after residualization, will be analyzed within the Asset Integrity process through a further quantitative and more detailed analysis and consequent check of the design basis. Further mitigation actions, if required, could be identified and implemented. One of the risks evaluated is also the water stress, and such analysis includes the detailed findings and results of the Water Resource Management assessment.

## W4. Risks and opportunities

### W4.1

**(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?**

No

### W4.1a

**(W4.1a) How does your organization define substantive financial or strategic impact on your business?**

To assess severity of risks identified according to the 4y strategic plan objectives and coherently with risk management practices applied at different business areas, Integrated Risk Management (IRM) framework, largely based on COSO ERM Framework, a risk scoring model has been adopted and is applied to direct operations, including impacts on Eni deriving from the supply chain

Risk impact is assessed based on a 5-level rating scale: negligible(1), significant(2), relevant(3), very relevant(4), extreme(5).

Such impact is measured based on the **following** quantitative and qualitative **metrics**, which are subject to yearly review and harmonized with the 4y strategic plan:

**Economic-financial:** the impact is measured based on reduction of net profit or cash flow. For such a metric, severity thresholds, from negligible to extreme, are set up based on the assumptions underlying the 4y plan

**Descriptive-qualitative:** the impact is measured based on the effort of the top management to manage the risk; it may involve a potential review of strategy when appropriate

**Operational:** the impact is measured based on reduction in daily production or delayed production

**Image&reputation:** the impact is measured based on the duration of the negative impact upon selected stakeholders

**Environmental:** the impact is measured based on the relevant fallouts on the environment, ecosystem and people. Indicators may include: size of the involved area, impact on the ecosystem, inconvenience from pollution to personnel or population, etc

**Health&safety:** the impact is measured based on the effects on health of both Eni and third parties' personnel, or any other individual concerned (accidents, illnesses, etc.)

**Social:** the impact is measured based on any social damage to local communities and population adjacent to industrial plants. Indicators may include: employment and workers' rights, access to basic resources, etc

**Security:** measures the impacts of criminal events on individuals/assets

Risks are evaluated at the inherent level as well as at the residual level taking into consideration how effective the mitigations in place are.

In order to assess the overall magnitude of risk, however, impact is combined with probability/frequency that is apportioned over a 5-level rating scale - in line with impact evaluation: (1)rare, (2)unlikely, (3)moderate, (4)possible, (5)likely.

The resulting risk score (probability x impact) is plotted in a probability/impact matrix.

Highly improbable major risk (probability = 1 and Impact =4 or 5) and all risks that have a risk score of 8 or higher, at residual level, are considered as "substantive" (i.e. top risk according to IRM methodology and definitions and, as such, treated differently and monitored/assessed on a quarterly basis. Top risks fall within the so called "tier 1" and "tier 2" area of the matrix).

Based on what above, a **substantive financial impact** occurs when a risk scores 8 or above with the higher impact registered on the economic-financial metric (that means, plotted the risk in the matrix, at least a "significant" economic-financial impact with reference to a risk event classified as "possible": the current threshold used for a "significant" financial impact in relation to an event with a likelihood of occurrence classified as "possible", determines a net profit or cash flow reduction that would lie above €100 million).

A **strategic impact** occurs whenever an impact is registered such that the approved strategy is consequently modified.

Lastly, a **substantive change** occurs when the residual, i.e. net of mitigations, score of a selected risk escalates up to 8 or higher in Eni probability/impact matrix, compared to the previous assessment or when a "top" risk escalates – always based on resulting scoring at residual level – from the so called "tier 2" area to "tier 1" area of the matrix, the latter being associated to the most severe risks.

**Water-related risks**, included in Eni "strategic environmental risks", have scored 16 at inherent level in latest annual risk assessment, based on probability "possible" and impact "very relevant" registered on 5 out of the 8 metrics described above.

By adopting the mitigation actions and practices elsewhere described in this report, residual score of Eni "strategic environmental risks" is lower than 8 and therefore the risk in question is not included in Eni's top risks, i.e. it is included in "tier 3" risks. However, great attention is given to water themes and water aspects are connected to Eni strategy. In such regard, please note that our recently adopted mission is largely based on SDG's targets, including those connected to water.

A **substantive financial impact** in the context of water-related risks is connected, amongst others, to potential floods at site level and relevant damages/disputes, increase in the cost of water supply partly due to stricter regulation, etc.



## W4.2b

**(W4.2b) Why does your organization not consider itself exposed to water risks in its direct operations with the potential to have a substantive financial or strategic impact?**

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	<p>In the past years we indicated as at risk two refineries located in water stressed areas. However, also in a conservative hypothesis where shortages of water in the driest months of the year could determine an interruption of activities for several weeks or months, the consequent impact could be significant for the site and, in case of interruptions of several months, at the business level. At the corporate level, however, an interruption of activity of a single refinery as long as several weeks or months has a negligible impact (less than 1% of total company revenues). For example, in 2017 the Livorno Refinery had to shut down as a consequence of flooding, with a revenue loss estimated in less than 1% of total company revenues. Another example is the Nile delta: the remote hypothesis of an interruption of activities of several weeks during the driest period of the year would not result in a substantial impact at corporate level according to Eni internal procedures and metrics.</p> <p>From 2021 Eni started to develop a risk management process aiming to assess, by 2022, the physical risk related to climate change of its asset portfolio for all its business lines and of the third party assets that can have a direct impact on Eni business as well. The process, based on a third party specialized data provider, assess, as a first step, the “inherent risk” of the assets (based on their position in climate related risk exposed areas, with a time horizon of 3 decades) with respect of 10 identified risks (both acute and chronic). As a further step of the analysis, those assets that resulted exposed to some of the identified risks are assessed in terms of mitigation actions already in place for each one of them, in order to evaluate the “residual risk” of each asset with respect to each climate related risk. This residualization process assumes different strengths and effectiveness of the several mitigation actions, by considering their capability to avoid/prevent/manage/treat each individual risk.</p> <p>Those assets that resulted still exposed to climate related risks even after residualization, will be analyzed within the Asset Integrity process through a further quantitative and more detailed analysis and consequent check of the design basis. Further mitigation actions, if required, could be identified and implemented. One of the risks evaluated is also the water stress, and such analysis includes the detailed findings and results of the Water Resource Management assessment.</p>

## W4.2c

**(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?**

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	Eni operates along its supply chain and knows that water risks exist along its supply chain (e.g. water scarcity or water contamination). Eni is aware of water related issues and risks through an environmental risk monitoring along the supplier qualification process, driven by level of commodity code's HSE criticality. The importance of water in the supply chain is foreseen to increase and specific interventions will be implemented to address water intensive suppliers or materials. Suppliers are required to report information on their water management by means of a qualification questionnaire as part of a wider investigation of the vendor's HSE aspects. If critical issues or improvement areas emerge, Eni requires the implementation of an improvement plan to overcome the shortcomings identified. Beyond the qualification assessment, Eni performs a continuous monitoring on overall supplier's performances, including HSE. The information and the feedback collected are used to detect if a deeper evaluation, such as an audit, is required and can be used to launch improvement plans. Should critical issues emerge from this evaluation it would lead to the termination of the relations with Eni on an ongoing basis. This approach of constant monitoring ensures the success of engagement with 100% of our suppliers which are certainly responding to our requirements. In the qualification process Eni assesses suppliers' Water Management within the HSE evaluation.

## W4.3

**(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes, we have identified opportunities, and some/all are being realized

### W4.3a

**(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.**

**Type of opportunity**

Markets

**Primary water-related opportunity**

Improved community relations

### **Company-specific description & strategy to realize opportunity**

Consistent with its transition strategy, Eni has issued Sustainability-linked financial instruments that incentivize the achievement of predetermined, challenging and significant sustainability targets and support the achievement of the SDGs.

Access to water and basic sanitation is considered a priority for development and therefore promoting safe and reliable access to water is a priority for Eni, as part of its local intervention strategy. Initiatives promoting access to water resources and improving hygiene and sanitation conditions include the building of wells, water purifying plants, water distribution networks and sewers, as well as training activities. This effort represents an opportunity to pursue Eni's commitment to contributing to achieving the 2030 UN SDG targets, by improving community water efficiency, protect watersheds and increase access to water services as a way of promoting sustainable water management and reducing risks (as expected by the 5th core element of CEO Water Mandate). An example of the strategy in action is the three-year Collaboration Agreement signed in February 2018 between Eni and FAO (Food and Agriculture Organization of the United Nations), for the implementation of sustainability activities in favour of communities affected by the humanitarian crisis triggered by the Boko Haram movement in the North East of Nigeria and the crisis caused by the shrinking of Lake Chad. The Access to Water project is the first initiative identified by the agreement, to ensure access to clean and safe water thanks to the construction of wells powered by photovoltaic systems, for domestic use and for irrigation. The partnership identifies, in collaboration with local authorities, the areas of intervention to support the IDPs (internally displaced persons) and host communities affected by the North East – Lake Chad crisis, through technical support and sharing of know-how by the United Nations agency and the construction of water wells by Eni.

#### **RESULTS AND BENEFICIARIES**

- 22 wells completed, 5 in the Federal Capital Territory (FCT), 17 in the North East (5 in Borno State, 5 in Adamawa State, 7 in Yobe State). The wells are equipped with water purification systems, up to a maximum of 24 faucets for water supply and a storage capacity of 25,000-50,000 litres.
- Over 67,000 people reached

#### **Estimated timeframe for realization**

1 to 3 years

#### **Magnitude of potential financial impact**

Low

#### **Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

#### **Potential financial impact figure (currency)**

7,050,000

#### **Potential financial impact figure – minimum (currency)**

#### **Potential financial impact figure – maximum (currency)**

### **Explanation of financial impact**

The improvement of community relations doesn't have a defined direct financial impact in terms of revenues (therefore financial impact it's not the scope of these activities). The figure provided (€7 million, Eni share) is related with the investments expected in the period 2021-2024 to improve access to water in the countries where we operate. As much as 98,8% of these investments will go towards the creation of water provision systems for local communities, while 1,2% will be used to create sanitation facilities and systems for local communities.

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### **Type of opportunity**

Resilience

### **Primary water-related opportunity**

Increased resilience to impacts of climate change

### **Company-specific description & strategy to realize opportunity**

Zohr represents one of the most important O&G development in the last years and for this reason it is considered a strategic asset for Eni; as the site is located in a water stress area, it is important both to secure a reliable water source for industrial activities and to relief the pressure to a scarce and precious resource for local needs.

According to UN, water is the primary medium through which we will feel the effects of climate change, so it is important to reduce the dependency of production to sources that are or are predicted to be unreliable, searching for alternative solutions that can assure the provision of water needed for the industrial activities in suitable quantity and quality, thus assuring an increased resilience of the assets to future uncertainties related to a water availability.

The desalination plant in the Zohr offshore gas field (Egypt), operational from the half of 2021, aims to ensure the independence of the water supply and minimise the withdrawal of fresh water for necessary uses. Designed and installed in 2020 for a maximum production capacity of 1,200m<sup>3</sup>/day of desalinated water, the plant treats brackish water taken from coastal supply wells through a unit consisting of three filtration and reverse osmosis trains, meeting the Zohr plant's water needs previously guaranteed by tankers and the local aqueduct. In addition, the plant minimises the impact of natural waste management by injecting the saline concentrate resulting from the osmosis process into coastal wells. Finally, with the aim of reducing the waste produced, the new plant will be able to receive, treat and recirculate for internal use on the site the effluent from the demineralisation units (up to 200 m<sup>3</sup>/day), previously entirely transported by truck to external sites for disposal. Water is the primary medium through which we will feel the effects of climate change (cit. UN water, <https://www.unwater.org/water-facts/climate-change/>) thus, it is vital to be able to respond to water challenges faced when operating in water stress areas such as Egypt. In this regard, making Zohr independent from freshwater supply is considered a strategic opportunity to increase resilience to impacts of climate change for Eni.

### **Estimated timeframe for realization**

Current - up to 1 year

**Magnitude of potential financial impact**

High

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

18,000,000

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact**

The figure, expressed in US\$, refers to the total investment planned for the implementation of the opportunity as previously described. 89% of this investment costs are for the water desalination facilities while 11% for disposal and producer wells. Furthermore, thanks to the reduction up to 1,200 m<sup>3</sup>/d of freshwater withdrawals and thanks to the elimination of water transportation by truck, we expect currently unquantifiable benefits in terms of improved water source resiliency, more freshwater available for local communities, Furthermore, we expect a reduction of transportation CO<sub>2</sub> emissions from an estimated value of 120 tons/y to zero and improved reputation for the Company.

**Type of opportunity**

Resilience

**Primary water-related opportunity**

Increased resilience to impacts of climate change

**Company-specific description & strategy to realize opportunity**

Eni's Refining & Marketing business is focused on refining of crude oil, production and storage of refined products in Italy, Germany and the Middle East. Livorno Refinery represents 15% of balanced refining capacity of the Company (Eni's share); as every Eni's refineries in Italy, it has operating and strategic features that aim at maximizing the value associated to the asset structure, the geographic location with respect to end markets and the integration with Eni's other activities.

The Italian Refinery of Livorno is located in a water stress area and is also exposed to extreme events, such as the flood occurred in 2017 and documented by Eni in the questionnaire CDP water 2018. The new sections for water treatment (demineralization unit) and water reuse allows for a lower dependence from freshwater and in particular from surface water withdrawals, thus enhancing the refinery resilience to water stress, and increases the wastewater treatment capacity, thus enhancing also the refinery resilience in case of extreme events such as floods. The projected interventions respond

also to anticipated changes in the regulatory limits for water discharge thus increasing resilience to water regulatory risk. Water is the primary medium through which we will feel the effects of climate change, so it is important and beneficial for Eni to decrease its dependence from freshwater. The opportunity is in line with Eni endorsement of the CEO Water Mandate and to the commitment with respect to the core element #1 related to water use efficiency in the direct operations. It is also a way to decrease Eni's dependency from freshwater in stressed areas. The project completion is expected by the end of 2022.

### **Estimated timeframe for realization**

Current - up to 1 year

### **Magnitude of potential financial impact**

Medium-high

### **Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

### **Potential financial impact figure (currency)**

2,700,000

### **Potential financial impact figure – minimum (currency)**

### **Potential financial impact figure – maximum (currency)**

### **Explanation of financial impact**

The economic impact indicated relates to the supply of the unit under a rental and service framework agreement with the supplier.

The breakdown of cost items over the 36 contractual months is defined as follows, expressed in €:

- Supply of equipment = approx. 1,000,000
- Operation site preparation, approx. 80,000
- Operation & Maintenance service = approx. 300,000
- Variable quota proportional to the treated water volumes approx. 680,000 (estimated as maximum treatment capacity for 36 months)
- Final redemption approx. 500,000 for the acquisition of the unit by the refinery upon expiry of the lease

Furthermore, we expect benefits that are currently not quantifiable in terms of improved resilience of water sources and better reputation for the Company.

### **Type of opportunity**

Resilience

### **Primary water-related opportunity**

Increased resilience to impacts of climate change

### **Company-specific description & strategy to realize opportunity**

Technological innovation and digital development are strategic areas for Eni to successfully meet the energy transition challenges.

In March 2019, Eni signed a Joint Research Agreement with the Italian National Research Council (CNR) to combine their strong technological research and development capabilities by establishing 4 joint research centres, with a total economic commitment of over 20 million euros for a duration of 5 years. The Metaponto center, in Southern Italy, is dedicated to the role of water, both as a vital resource and as an essential element for a balanced ecosystem. CNR and Eni, aim at accelerating new technologies development that can tackle global challenges, such as the relationship between energy, water, food and environment, with solutions that are efficient, clean and with a low water footprint.

The main research areas under development in the Metaponto centre that can increase our resilience towards climate change impacts are:

- Advanced technologies for the optimization of water used in agriculture, in particular analysis of plant responses to water stress and beneficial effects of natural endophytic bacterial inoculation
- Innovative urban wastewater treatment through a pilot installation of innovative treatment chains within a wastewater treatment plant nearby the research centre, and experimental reuse of treated water in agriculture
- Hydrogeological and geomechanical model setup applied to an area subjected to saline intrusion and subsidence to develop a tool for a sustainable groundwater use

The opportunity is in line with:

- Eni positioning on water that states "identifying and developing innovative technologies will be a key lever to support its objectives of safeguarding water resources"
- the endorsement of the CEO Water Mandate commitment with respect to the core element #1 related to the use of new technologies

Water is the primary medium through which we will feel the effects of climate change, so it is important and beneficial for Eni to decrease its dependence from freshwater.

The above illustrated research activities are linked to Eni interest regarding agro-feedstock for biofuels production both reducing required water for crops irrigation, exploiting marginal lands, and eventually using treated wastewater.

A tool to manage groundwater withdrawal avoiding costal aquifers deterioration and subsidence, would improve know-how on superficial aquifer modelling, an area of interest for Eni Rewind.

### **Estimated timeframe for realization**

4 to 6 years

### **Magnitude of potential financial impact**

High

### **Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

### **Potential financial impact figure (currency)**

12,000,000

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact**

Eni and the CNR established 4 joint research centres, with a total economic commitment of over 20 million euros for a duration of 5 years. The financial figure indicated is for the whole agreement, of which Eni's share part is 12 million euros. The Metaponto research centre has a whole budget of 7 million euros, of which Eni's share part is around 4 million euros.

With these activities Eni will benefit both from know-how acquisition and strengthening the existing relation with CNR, moreover the obtained results could lead to technological applications in countries where Eni is present, as well as to reputational impact.

**Type of opportunity**

Efficiency

**Primary water-related opportunity**

Cost savings

**Company-specific description & strategy to realize opportunity**

The Blue Water technology is conceived with an innovative approach, aimed at treating and reusing produced water in line with international management guidelines and Eni's circular economy strategy. The Blue Water project, carried out by Eni Rewind and Eni upstream, aims at the treatment of produced water of the "Centro Olio Val D'Agri - COVA" in order to recycle it and to fulfil the site industrial needs. The treated water will be connected to the industrial site by two feed lines, one for industrial water uses and the other one for demineralized water uses. The application for international patent for this specific water treatment was submitted in May 2017. The European Patent Office submitted Communication to EniRewind about intention to grant a European patent on march 31th 2021 (application nr. 17727563.3). The industrial plant, is currently in the permitting step (first authorization conference on July 2019) and, if the necessary authorizations will be achieved, the construction of a 72 m<sup>3</sup>/h plant, is planned to start by 2023, while the start-up of the plant, operating 24/7, is foreseen by 2024. The initiative is strategically based on increasing sustainability for the management of Eni Upstream produced water: the plant will meet the water needs of COVA reducing its water footprint and will at the same time reduce the impacts (economical and environmental) for the water treatment of water that cannot be re-injected and that are currently sent to external suitable authorized plant with tankers as liquid wastes.

**Estimated timeframe for realization**

1 to 3 years

**Magnitude of potential financial impact**

High



**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)****Potential financial impact figure – minimum (currency)**

40,000,000

**Potential financial impact figure – maximum (currency)**

55,000,000

**Explanation of financial impact**

The cost indicated is the full life CAPEX. We expect a reevaluation of CAPEX with respect to the value indicated in CDP 2021, to take account of new raw material procurement price scenario. Less than 2 years payout time is expected. The economic evaluation are based on currently disposal cost (of un-reinjected produced water) and CAPEX and OPEX estimated for Blue Water plant at FEED accuracy.

CAPEX 40-55 M€

IRR 52,7% considering @ 1700 m3/d

**Type of opportunity**

Efficiency

**Primary water-related opportunity**

Water recovery from sewage management

**Company-specific description & strategy to realize opportunity**

Brindisi is a site located in a water stress area. At the site several interventions in the past years have been carried out, as described in previous CDP questionnaire, so that most of its water needs are satisfied by desalinated water and water from site remediation activities. In order to continue along a water stewardship path, a study for wastewater reuse will be completed by 2021, the project is expected to be completed by 2024. To the purpose of wastewater reuse, otherwise discharged to the sea, it will be installed a tertiary treatment in order to reuse about 500 MI/year of water for industrial purposes, that is a significant reduction relative to the total water withdrawals of the site. Water is the primary medium through which we will feel the effects of climate change, so it is important and beneficial for Eni to decrease its dependence from freshwater. The intervention is an opportunity to pursue Eni's commitment to minimize its water withdrawals from water stress areas, according also to Eni's endorsement of the CEO Water Mandate.

**Estimated timeframe for realization**

1 to 3 years

**Magnitude of potential financial impact**

Medium-high

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

600,000

**Potential financial impact figure – maximum (currency)**

1,400,000

**Explanation of financial impact**

The figures refer to the total investment planned for the implementation of the tertiary unit, presently estimated with a  $\pm 40\%$  accuracy. Furthermore, we expect unquantifiable benefits in terms of improved water source resiliency and improved reputation for the Company

**Type of opportunity**

Resilience

**Primary water-related opportunity**

Increased resilience to impacts of climate change

**Company-specific description & strategy to realize opportunity**

The area of the Sinai peninsula is a desert, so that freshwater as well as slightly brackish water (2-5 g/L of total dissolved solids) are highly valuable resources. In order to increase the water source reliability for its activity and to decrease the overall pressure to these precious resources, Eni decided to upgrade its seawater desalination units at two of its plants. With the upgrade of its plants, Eni is aiming to decrease its fresh and slightly brackish water withdrawals by about 650 ML/y, thus achieving a significant reduction relative to the total water withdrawals of the site to be realized in the current 4YP. Water is the primary medium through which we will feel the effects of climate change, so it is important and beneficial for Eni to decrease its dependence from freshwater. The intervention is an opportunity to pursue Eni's commitment to minimize its water withdrawals from water stress areas, according also to Eni's endorsement of the CEO Water Mandate.

**Estimated timeframe for realization**

1 to 3 years

**Magnitude of potential financial impact**

Medium-high

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

1,800,000

**Potential financial impact figure – minimum (currency)****Potential financial impact figure – maximum (currency)****Explanation of financial impact**

The figure, expressed in US\$, refers to the total investment planned for the implementation of the opportunity as previously described, furthermore we expect currently unquantifiable benefits in terms of improved water source resiliency and improved reputation for the Company.

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**Type of opportunity**

Resilience

**Primary water-related opportunity**

Increased resilience to impacts of climate change

**Company-specific description & strategy to realize opportunity**

The Brindisi power plant is located in a water stressed area, where Eni already carried-out important investments for water preservation, as described in the past years (see also <https://www.eni.com/en-IT/operations/italy-brindisi-new-plant-membrane-technology-produce-demineralised-water.html>). The new intervention provides for the expansion of the rainwater management system of the power plant which will allow the collection, treatment and recovery of rainwater. The rainwater collected and treated will be reused to feed the demineralized water production plant, displacing a similar quantity of fresh water. Water is the primary medium through which we will feel the effects of climate change, so it is important and beneficial for Eni to decrease its dependence from freshwater. The intervention is an opportunity to pursue Eni's commitment to minimize its water withdrawals from water stress areas, according also to Eni's endorsement of the CEO Water Mandate.

**Estimated timeframe for realization**

1 to 3 years

**Magnitude of potential financial impact**

Low-medium

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

1,000,000

**Potential financial impact figure – minimum (currency)****Potential financial impact figure – maximum (currency)**

### Explanation of financial impact

The costs of the project are mainly related to: 1) the development of the study and executive engineering of the works, approx. 20%; 2) the civil works necessary for the construction of the works and connection to existing systems, the supply of the required equipment and the electrical / instrumental connection activities, approx. 60%. Furthermore we expect currently unquantifiable benefits in terms of improved water source resiliency and improved reputation for the Company.

## W6. Governance

### W6.1


#### (W6.1) Does your organization have a water policy?


Yes, we have a documented water policy that is publicly available


#### W6.1a


#### (W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	Description of business dependency on water Description of business impact on water Description of water-related performance standards for direct operations Description of water-related standards for procurement Reference to international standards and widely-recognized water initiatives Company water targets and goals Commitment to align with public policy initiatives, such as the SDGs Commitments beyond regulatory compliance	Eni's biodiversity and ecosystem services (BES) policy covers the company's relationships with stakeholders and local communities, its contribution to local development, the protection of human rights, climate strategy and ways to safeguard biodiversity and ecosystems. Eni's BES management model aligns with the strategic goals and targets of the Convention on Biological Diversity, such as drinking water supply and water related disasters risk reduction. In Eni's Sustainability Policy there is a clear link between water and climate change (Eni promotes the sustainable management of water resources in actions that are oriented towards the adjustment of the consequences of climate change); a wide description of business impact on water; a commitment to water stewardship (Eni evaluates the interaction of its activities with ecosystem services, and promotes, in particular, efficient water management, especially in areas under water stress, and the reduction of emissions in air, water and soil). In Eni's Statement on Respect for Human Rights there is an acknowledgement of the human right to water: Eni respects the rights of individuals and the local communities in which it operates, with particular reference to biodiversity, the rights to ownership and


		<p>Commitment to water-related innovation</p> <p>Commitment to stakeholder awareness and education</p> <p>Commitment to water stewardship and/or collective action</p> <p>Acknowledgement of the human right to water and sanitation</p> <p>Recognition of environmental linkages, for example, due to climate change</p>	<p>use of land and natural resources, the right to water</p> <p>Eni commits to operating beyond compliance throughout the projects lifecycle.</p> <p>Eni promotes investment projects and initiatives that combine the conservation BES with the sustainable development of local communities, and raises awareness on these topics through dedicated initiatives.</p> <p>Eni promotes a transparent and continuous dialogue with relevant stakeholders and partnership with conservation NGOs, and with national and international scientific institutions. In 2019 we endorsed the CEO Water Mandate and committed to adopting and implementing a comprehensive approach to water management that incorporates, over time, all six elements of the CEO water Mandate.</p> <p>In June 2021 Eni published its position on water, identified it as a strategic resource for the protection of biodiversity and human health, for social and economic development, The company undertakes to define objectives to minimize its freshwater withdrawals in water-stressed areas, seeking improvement solutions and leveraging innovative technologies. Eni recognizes water as a strategic resource, the pivotal role of SDG6, the rational and efficient use of natural resources, such as water.</p> <p> 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12</p>
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 <sup>1</sup>advice-to-shareholders-of-board-of-directors-2020.pdf

 <sup>24</sup>\_policy\_sustainability.pdf

 <sup>36c</sup>\_eni-for-2021-sustainability-performance-eng.pdf

 <sup>41</sup>\_Annual-Report-2021.pdf


 <sup>56a</sup>\_eni-for-2021-carbon-neutrality-2050-eng.pdf

 <sup>63</sup>\_Eni-Biodiversity-and-Ecosystem-Services-Policy.pdf


 <sup>75</sup>\_Corporate-Governance-Report-2021.pdf

 <sup>82</sup>\_Eni-Statement-on-respect-for-Human-Rights.pdf

 <sup>97</sup>\_Eni-Report-Human-Rights.pdf

 <sup>106b</sup>\_eni-for-2021-just-transition-eng.pdf

 <sup>119</sup>\_Eni's position on water.pdf

 <sup>12</sup>Rules-of-the-Sustainability-and-Scenarios-Committee.pdf

## W6.2

**(W6.2) Is there board level oversight of water-related issues within your organization?**

Yes

## W6.2a

**(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.**

Position of individual	Please explain
Chief Executive Officer (CEO)	<p>In accordance with the By-laws, on 14 May 2020 the Board of Directors appointed a Chief Executive Officer to manage the Company, while reserving decisions on certain issues exclusively to itself. The CEO is therefore the main person responsible for the management of the Company, apart from those tasks reserved to the Board. As such, the CEO gave his agreement to the Eni's endorsement of the CEO Water Mandate in 2019, to the publication of the Eni's Position on Water in June 2021 and, since 2020, he signs the CDP Water questionnaire.</p>
Board-level committee	<p>The Sustainability and Scenarios Committee (SSC) is established by the Board of Directors (BoD) and is charged with the task of assisting the Board of Directors with preparatory, consultative and advisory functions on scenarios and sustainability issues. Upon invitation of the Chairman of the Committee, the Chairman of the BoD and the CEO may attend specific Committee meetings.</p> <p>The Committee focuses mainly on scenarios and sustainability, in particular the processes, projects and activities aimed at ensuring the Company's commitment to sustainable development along the value chain. Particular attention is paid to the respect and protection of human rights, to the environment and to the efficient use of resources.</p> <p>As stated in the Article 3 (duties) of the Rules of the SSC, it provides recommendations and advice to the BoD on scenarios and sustainability issues, e.g.:</p> <ul style="list-style-type: none"> <li>• climate transition and technological innovation</li> <li>• respect and protection of rights, particularly of the human rights</li> <li>• local development, particularly economic diversification</li> <li>• access to energy, energy sustainability</li> <li>• environment and energy efficiency</li> <li>• health, well-being and safety of people and communities</li> <li>• integrity and transparency; diversity and inclusion</li> </ul> <p>These responsibilities are directly linked to water security as:</p> <ul style="list-style-type: none"> <li>- human rights are linked to water security (as stated in Eni's Statement on Human rights, "Eni respects the rights of individuals and the local communities in which it operates, with particular reference to [...] the right to water [...]. Eni operates according to advanced criteria for environmental and public safety protection and takes human rights issues into account from the very first feasibility evaluation phases of new projects and relevant operational changes."</li> <li>- local development is linked to water security, Access to Water is one of the 6 areas of intervention of Eni's Local Development Projects</li> </ul>

## W6.2b

**(W6.2b) Provide further details on the board’s oversight of water-related issues.**

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	<p>Monitoring implementation and performance</p> <p>Reviewing and guiding business plans</p> <p>Reviewing and guiding major plans of action</p> <p>Reviewing and guiding risk management policies</p> <p>Reviewing and guiding strategy</p> <p>Reviewing and guiding corporate responsibility strategy</p>	<p>During its term of office, the Board of Directors is deeply involved in the sustainability topics, such as energy transition, management and valorization of water resources, waste management and remediation, including the usage of the ‘Waste to Fuel’ technology.</p> <p>The Board of Directors, with the support of the SSC, focuses also on scenarios and sustainability, with particular focus on processes, initiatives and activities implemented to preserve the Company’s commitment to sustainable development along the value chain.</p> <p>In particular, the following issues are monitored and reviewed: health, well-being and safety of people and communities; respect and protection of rights, particularly of the human rights, such as access to water; local development; access to energy, energy sustainability; environment and energy efficiency, such as water; integrity and transparency; climate transition and technological innovation, diversity and inclusion.</p> <p>The SSC analyses the context in which Eni operates, highlighting to the Board the emerging issues of sustainability, the relevant issues and the progress compared to the targets set.</p> <p>In various meetings held in 2021/2022, the SSC discussed issues related to climate change, such as water risk, and assessed the consistency of the results achieved with the climate objectives, including water risk and the company’s goal for the safeguard of water resources.</p> <p>The Board receives periodic reports (at each meeting) on the issues examined by the SSC, via the so called ‘Outcomes of the SSC Meetings’.</p> <p>Furthermore, in 2021 the Board has been informed of the publication, on 9 June 2021, of Eni “Positioning on Water” ensuring 5 material commitments:</p>

		<ul style="list-style-type: none"> <li>• proceed in targeting the 6 material goals of the CEO Water Mandate, to which adheres since 2019;</li> <li>• proceed in the annual analysis of water related risks in its business;</li> <li>• set the goals to minimize the water withdrawals in water stressed areas;</li> <li>• proceed in its cooperation activities with national and international authorities to safeguard water resources;</li> <li>• maintain its commitment towards transparency and disclosure of information regarding water related issues.</li> </ul> <p>In 2022 the Board receives information by the SSC Committee on the results of the CDP Questionnaires – in particular CDP Water Security Questionnaire.</p> <p>Finally, the Board of Directors also approves annually the HSE Report and the Eni For Report, which include water related issues.</p>
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## W6.2d

**(W6.2d) Does your organization have at least one board member with competence on water-related issues?**

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues
Row 1	Yes	<p>The competence of board members on sustainability topics and on environmental issues can be assessed on the basis of publicly available curricula.</p> <p>From the curricula available on Eni’s website it is also possible to find out that the Board members dealt with advisory, training and publication activities in the energy and environmental field, participation in governmental and non-governmental, national and international bodies that deal with these issues.</p> <p>The commitment of the entire Board is unanimously recognized on the issues of energy transition, climate change, sustainability and ESG.</p> <p>Moreover, pursuant to the Rules of the Sustainability and Scenarios Committee, all the members have expertise that is consistent with the duties they are required to perform, including sustainability matters.</p>

## W6.3

**(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).**



**Name of the position(s) and/or committee(s)**

Safety, Health, Environment and Quality committee

**Responsibility**

Assessing future trends in water demand  
 Assessing water-related risks and opportunities  
 Managing water-related risks and opportunities

**Frequency of reporting to the board on water-related issues**

Quarterly

**Please explain**

The Executive Vice President (EVP) of the Health, Safety, Environment & Quality (HSEQ) Department guarantees the coordination of the Comm. and holds the responsibility to supervise policy making, coordination, control and definition of standards for environment. He supervises the analysis of environmental performance and trends, included water. The HSEQ EVP ensures the flow of information to the Board of Directors and ensures representation to control bodies for relevant HSE issues, included water issues at least quarterly. In particular, the annual review contributes to defining the four-year planning cycle and the HSEQ EVP ensures the results of the review are shared with the Human Capital&Procurement Coordination Director, are submitted to the senior managers and made available to internal departments and concerned functions. At the annual review, the HSEQ EVP ensures that its results are communicated, shared and discussed in the Management Committee and in Eni's Board of Directors.

**W6.4**

**(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?**

	<b>Provide incentives for management of water-related issues</b>	<b>Comment</b>
Row 1	Yes	Eni remuneration Report is publicly available at <a href="https://www.eni.com/en-IT/about-us/governance/remuneration-report.html">https://www.eni.com/en-IT/about-us/governance/remuneration-report.html</a> The Report on remuneration policy and remuneration paid is prepared by the Remuneration Committee and is approved by the Board of Directors.

**W6.4a**

**(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?**

	<b>Role(s) entitled to incentive</b>	<b>Performance indicator</b>	<b>Please explain</b>
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Monetary reward	Chief Operating Officer (COO) Other, please specify  Head of TAF (groundwater treatment plant) management	Reduction of water withdrawals	<p>The CEO/Eni Rewind, as in 2020, also in 2022 has a specific objective linked to the increase in the amount of re-use and re-injection of water from TAF (groundwater treatment plant) compared to the total water treated by TAF (threshold: 9 million m3 for 2022).</p> <p>The head of TAF MANAGEMENT unit of Eni Rewind has a specific objective linked to the increase in the amount of re-use and re-injection of water from TAF (groundwater treatment plant) compared to the total water treated by TAF (threshold: 9 million m3 for 2021; in the final balance 9.1 million m3).</p> <p>The treatment of water using integrated systems for intercepting the aquifer and directing the water to treatment plants for purification and reuse is fundamental to protect and preserve freshwater resources and TAF water can represent a reliable source for industrial use and an alternative to withdrawals from other water sources, thus reducing withdrawals from primary sources (e.g. surface or subsurface water). Rewind is Eni's environmental company.</p>
Non-monetary reward	No one is entitled to these incentives		

## W6.5

**(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?**

- Yes, direct engagement with policy makers
- Yes, trade associations
- Yes, funding research organizations
- Yes, other

## W6.5a

**(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?**

A detailed process guideline (i.e. "MSG for Government Affairs") regulates Eni's Public Affairs function to ensure consistency of the institutional relations and stakeholders' engagement with the Company's strategies and commitments. The MSG also highlights that all persons involved in the Government Affairs process must operate according to Eni's Code of Ethics in relating

with counterparts. The Code of Ethics specifically mentions our commitment to fight climate change through the efficient use of natural resources, the protection of biodiversity and water resources, and the support of mitigation and adaptive actions in the contexts where we operate. Any violation to the Code is dealt with appropriate measures including contractual remedies provided under the applicable law. Institutional relations are managed at national, European, international and local levels also involving associative bodies, industry organizations and research centres to consolidate the Company's reputation and spread knowledge over topics of common interest, part of the global sustainability effort Eni has taken up. For example, in due institutional contexts, Eni proposes the adoption of a regulatory framework based on "suitability for use" capable of enhancing possible uses of treated water, according to Eni's circular and resources optimization principles. We also partner with several internationally recognized organizations focused on (water) sustainability (WBCSD, UN Global Compact, WEF, IPIECA).

## W6.6

**(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?**

Yes (you may attach the report - this is optional)

 1\_Annual-Report-2021.pdf

## W7. Business strategy

### W7.1

**(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?**

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	21-30	The analysis and evaluations of sustainability scenario are the basis to define Eni's strategic sustainability Guidelines, issued by the Chief Executive Officer for all business segments. These Guidelines are deployed in the yearly, four-year and up to 2050 strategic plan and the managerial targets are defined. These also identify key and material sustainability issues, which enable the company to create value in the short, medium and long-term (2050), according to the three directives of Eni's business model: carbon neutrality in the long term; operational excellence; alliances for development. The protection of water sources are integral part of the operating model, as underlined by the commitment to the SDGs and to the CEO Water Mandate. The objective of Carbon Neutrality in the long term

			<p>strategy is oriented towards the creation of long-term value, combining economic/financial and environmental sustainability. With the “dual flag” approach, Eni aims to cooperate with host countries to focus on the economic value of the resources of producer countries, and on support for sustainable development, such as access to clean water and sanitation as per SDGs commitment. In 2019, the Evaluation for Medium and Long Term Plans Committee was established, at the management level, chaired by the CEO to support the organic and sustainable development of Eni’s business identifying strategic and operational guidelines and addressing the actions to ensure the achievement of the targets.</p>
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	21-30	<p>Eni has adopted an integrated strategy to pursue its operating objectives, combining financial robustness with social and environmental sustainability, based on:</p> <ul style="list-style-type: none"> <li>a) a path to decarbonization;</li> <li>b) an operating model that reduces business risks as well as social and environmental impacts;</li> <li>c) a host country cooperation model based on long-lasting partnerships.</li> </ul> <p>Accordingly, environmental protection is among the fundamental values within the Eni business model. In the new central organizational function established in 2020 and named “Scenarios, Strategic Options and Climate Change”, a specific unit focuses its activities on water issues and performs an annual mapping and monitoring of water risks and drought in present and future scenarios (2030 and 2040 according to WRI/Aqueduct) in order to define long-term actions, also to prevent and mitigate the effects of climate change.</p> <p>Projects for produced water reinjection and valorisation and the dual flag model are integral part of Eni strategic plan, as well as studies of water resiliency carried out at refining sites and at water stress basins of strategic interest for Eni, projects for TAF water reuse and for withdrawals reduction. An example of cooperation model is the Eni–FAO agreement, where FAO will provide support in identifying the areas of intervention whereas Eni will drill the freshwater wells ,provide them with photovoltaic power systems, and will provide training for their use and maintenance for long term sustainability.</p>
Financial planning	Yes, water-related issues are integrated	21-30	<p>At business unit level, several studies include the financial planning of projects related to water, aimed at reducing freshwater withdrawals, increase produced water reinjection (upstream), treatment and reuse of</p>

			<p>contaminated groundwater.</p> <p>Community investment for projects of access to water and sanitary services, according to the commitment to the SDGs, as stressed in the new corporate mission, are integral part of Eni financial planning, as well as expenditures for withdrawals, monitoring and treatment and water injection.</p> <p>Eni integrates organically its industrial plan with the principles of environmental and social sustainability, extending its actions along three directives: operational excellence, carbon neutrality in the long term, alliance for development. Eni is in a new phase of evolution of its business model, strongly oriented towards creating value over the long-term that combines economic and financial sustainability with environmental sustainability. The plan's initiatives aiming at maximizing the value of our asset portfolio will allow Eni to further reduce the cash neutrality and to strengthen the Company's environmental sustainability in line with the UN SDGs.</p>
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## W7.2

**(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?**

Row 1

**Water-related CAPEX (+/- % change)**

-61

**Anticipated forward trend for CAPEX (+/- % change)**

40

**Water-related OPEX (+/- % change)**

2

**Anticipated forward trend for OPEX (+/- % change)**

1

**Please explain**

The investments in 2021 vs 2020 continued to decreased as a consequence of the reschedule of several projects and the general slowdown of the activities due to the pandemic, as anticipated in the 2021 CDP disclosure. The investments are anticipated to recover in 2022 in line with general economic recovery post pandemic. . The OPEX expenditure, as anticipated in the 2021 CDP disclosure, did not change significantly in 2021, and no major change is expected as no major changes in the operative assets

are foreseeable in the near future.

The water-related expenditures include:

- water supply, desalination and cooling systems
- wastewater monitoring and treatment
- water injection and re-injection plants.

## W7.3

### (W7.3) Does your organization use scenario analysis to inform its business strategy?

	Use of scenario analysis	Comment
Row 1	Yes	Eni stress-tests the recoverability of O&G assets book values, assessing risks and opportunities related to climate change in lowest carbon scenarios. Eni's decarbonisation path envisages a hydrocarbon production profile at plateau of 1.9 Mboe/d in 2025, followed by a downward trend, mainly in oil component in the M-L term. Eni built a resilient O&G portfolio. The main upstream projects under execution show an overall IRR of ~21% in Eni's price scenario (Strategy 2022) and are competitive even in less favourable scenarios (IRR=17% at 20% price reduction). Management carried out a sensitivity analysis on the recoverability of the book values of the Cash Generating Units in the E&P segment, using the IEA SDS and Net Zero NZE 2050 WEO 2021 scenarios, without making revisions to cost profiles or rescheduling activities in terms of project development/production. Outcome: the headroom, i.e. difference between NPV and book value of assets was substantial (Annual Report 2021 pg. 139).

## W7.3a

### (W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Climate-related	As an active member of the IPIECA water working group, Eni participated to the development of a members only report: "Water Visioning: from now to 2030", a work aimed at visualizing the future constraints, opportunities and possible responses in water management, as it applies to the oil and gas	Intensification of extreme and chronic weather phenomena, such as water stress, in the medium to long term could cause damage to plants and infrastructures, resulting in an interruption of industrial activities and increased recovery and maintenance costs. The annual water risk	The annual water risk analysis carried out by Eni using Aqueduct as well as specific local investigations, allow for site level recommendations if any water relate risks emerge, such as trends toward more restrictive regulations, or decreased reliability of water sources

	<p>industry. The key threat to water security is posed by increasing water demands and changing supply availability. Water demands will increase through population and economic growth and declining supply in some areas due to over-exploitation of aquifers, pollution and the impacts of climate change. In the definition of the 2030 scenarios, the impacts from climate change are acknowledged to be influential.</p> <p>The water risk analysis carried out by Eni uses also decadal climate projections to 2030 and 2040 of water stress, as provided by Aqueduct. The risk and opportunity management process connected with climate change is part of the Integrated Risk Management (IRM) Model, developed by Eni with the aim of supporting the management in the decision-making process by strengthening awareness of the risk profile and related mitigations. As described in "Eni for 2021 - Carbon Neutrality by 2050", risks related to climate change are analyzed, assessed and managed by considering the aspects identified in the TCFD recommendations, which</p>	<p>analysis carried out by Eni using Aqueduct as well as specific local investigations, allow for site level recommendations if any water relate risks emerge, such as trends toward more restrictive regulations, or decreased reliability of water sources both in terms of volumes and quality. The results of the annual Report on Water Risk represent an input of Eni 4YP. Regarding extreme climate phenomena, such as hurricanes or typhoons, Eni's current portfolio of assets, designed in accordance with applicable regulations to withstand extreme environmental conditions, has a geographical distribution that does not result in concentrations of high risk. With regard to more gradual phenomena such as sea level rise or coastal erosion, vulnerability of Eni's assets affected by the phenomenon is assessed through specific analysis, as in the case of Eni's assets in the Nile Delta area, where the impact is however limited, and it is therefore possible to implement preventive mitigation interventions to counter the phenomenon.</p>	<p>both in terms of volumes and quality. In view of acknowledged water risks, in June 2021, Eni published its position on water. The company therefore undertakes to define objectives to minimize its freshwater withdrawals in water-stressed areas, seeking improvement solutions and leveraging innovative technologies.</p> <p>In 2021 a project was completed in collaboration with FEEM (Fondazione Eni Enrico Mattei) and the Pisa Institute of Management (IDM), for the assessment of the main risks/opportunities connected to Climate Change, which led to the development of guidelines and measures which provide methodological support for the identification and implementation of adaptation actions in Countries of interest.</p>
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		<p>refer both to the risks related to energy transition (market scenario, regulatory developments, legal risk, technological evolution and reputational issues) and to the physical risks (acute and chronic) associated with climate change. The analysis is carried out using an integrated and cross-cutting approach that involves specialist departments and business lines and considers the related risks and opportunities.</p>		
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## W7.4

**(W7.4) Does your company use an internal price on water?**

Row 1

**Does your company use an internal price on water?**

Yes

**Please explain**

Presently water cost is identified with its price, or with the cost of licenses. Eni Rewind provides re-used water for industrial and environmental uses at the best cost, that is site specific based on quality requirements and related treatment processes. In such cases Eni Rewind gets fresh water provided by local integrated water management authorities, at specific rates. According to Eni strategy, these figures are included in the Eni Rewind's business plan. A broader and comprehensive method to value water is recognized as important but not yet considered. Eni participated to the development of a study on water management with Politecnico di Milano, where a first attempt to evaluate the economic benefits associated to water efficiency is reported. A further study aimed at identifying economic strategies to promote water stewardship was initially scheduled in September 2020, but was postponed to the second half of 2021.

## W7.5

**(W7.5) Do you classify any of your current products and/or services as low water impact?**

Products and/or services classified	Please explain
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	as low water impact	
Row 1	Yes	Eni does not classify specific products as low water impact, however it is a matter of fact that wind and photovoltaic renewables production is characterized by very low water intensity (freshwater per produced energy) source if compared to conventional fossil fuel electric energy production.

## W8. Targets

### W8.1

**(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.**

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Company-wide targets and goals Business level specific targets and/or goals	Targets are monitored at the corporate level Goals are monitored at the corporate level	<p>The process to set targets and goals starts every year in October with the issue of the Chief Executive Officer (CEO) guidelines. The objectives (either qualitative or quantitative) are included in the long term plan of each business unit, defined and quantified in their 4 year strategy. The qualitative and quantitative objectives are collected at the corporate level. The business unit 4 years plans are used to define the MBO for the management. The numerical results are monitored quarterly, through the HSE data reporting, and biannually through a more descriptive and comprehensive review process, at the corporate level.</p> <p>Eni strategic plan is publicly communicated in March, every year. Water issues are included, in the described process, as a part of HSE performance flow that, in turn, is included in the sustainability CEO guidelines. The General principles and process flows for HSE planning, monitoring and reporting are described in the Annex J "Planning, monitoring and reporting of HSE indicators" of the HSE Management System Guidelines. This annex includes all the HSE indicators and indexes considered to be indispensable for correct measuring and evaluation of HSE performance.</p> <p>The HSE indicators: are defined in terms of absolute values; provide information on performance and achieving planned objectives; can be expressed in currency or physical units.</p> <p>The indexes allow for a comparison of the performances and risks trends over time.</p> <p>In June 2021 Eni publicly committed to set targets to minimize its freshwater withdrawals in stressed basins.</p>

			Defining targets in the short, medium and long term, and the related priorities to achieve them, will be based on assessing the stress conditions of the catchment areas, those sites with the greatest potential impact (top consumer sites) and the opportunities to contribute to local management activities, in synergy with the authorities and working together with local stakeholders.
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## W8.1a

**(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.**

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### Target reference number

Target 1

### Category of target

Water recycling/reuse

### Level

Business activity

### Primary motivation

Reduced environmental impact

### Description of target

Eni Rewind is the environmental company of Eni and the treatment of contaminated aquifers is one of its core activities. To facilitate the recovery and valorization of water resources, from a circular economy perspective, the Company promotes and supports a sustainable management, with the aim of maximizing reuse and reducing the withdrawal of water from the environment. Low quality water can represent a reliable alternative for industrial purposes as it is not in competition with local needs (e.g. civil or agricultural) and decrease Eni's impact on the quantity/availability of primary sources such as freshwater from superficial or underground sources. The target is consistent with the Eni's commitment to minimize water withdrawals in stress areas and is aligned to the first core element of the CEO Water Mandate.

### Quantitative metric

% increase in water use met through recycling/reuse

### Baseline year

2020

### Start year

2020

### Target year

2021

**% of target achieved**

100

**Please explain**

During the past plan, the objective to reach the target reuse percent of treated groundwater was completely fulfilled. In the Priolo, Porto Torres, Assemini and Brindisi plants special demineralized water production sections have been built, in order to deliver treated water to companies for industrial use. The treated water is reused within the industrial sites or, in other cases, such as in Manfredonia site, the treated water is re-injected into the aquifer to restore its natural conditions. Eni Rewind, 100% controlled by Eni, has a target to make available for industrial use consistent volumes of water (from 9,9 to 11,7 Mm<sup>3</sup>/year in the 2022-2025 plan) derived from its groundwater treatment plants (TAF). During 2021, approximately 9 Mm<sup>3</sup> of treated water was recovered and reused mainly for industrial purposes, in line with planned volumes

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**Target reference number**

Target 2

**Category of target**

Water recycling/reuse

**Level**

Business

**Primary motivation**

Reduced environmental impact

**Description of target**

Increase of the re-injection of produced water is a relevant target for the upstream business. Produced water typically contains high quantity of salt, in addition to other minerals, metals and organic compounds (in both aqueous and non-aqueous phases). According to best international practices (IOGP, IPIECA), produced water are re-injected to improve the oil recovery or to dispose them of. The reuse of produced water allows to reduce the use of other kind of water, e.g. sea water, brackish water, thus decreasing the Eni's impact on the quantity/availability of higher quality sources. Eni's objective is to achieve 67% re-injection of produced water by 2025 as forecasted in the 4y plan.

**Quantitative metric**

Other, please specify

% produced water re-injection/total produced water

**Baseline year**

2021

**Start year**

2021

**Target year**

2025

**% of target achieved**

87

**Please explain**

In 2021 the produced water re-injected was 58% of total produced water, higher than in 2020 due to the resumption of activities in Libya after a period of political instability, and in Congo. This value represents 87% of the reinjection value foreseen to 2025 in the upstream 4 y plan (58% produced water reinjected @2021 vs 67% foreseen @2025).

**W8.1b**

**(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.**

**Goal**

Providing access to safely managed Water, Sanitation and Hygiene (WASH) in local communities

**Level**

Country level

**Motivation**

Increase freshwater availability for users/natural environment within the basin

**Description of goal**

This goal is an essential part of Company's sustainability policy and represents an essential part of Eni's commitment to participate in collective efforts with civil society, intergovernmental organizations, affected communities and other business to advance water sustainability and to reduce its water related reputational risk. This is also a commitment expected by the 3th core element of CEO Water Mandate, endorsed by Eni in 2019. In North East Nigeria a humanitarian emergency is ongoing, caused by the violent Boko Haram movement and the shrinking of the Chad Lake basin, the main source of water for local communities. The crisis has triggered important migration flows in the Country and the development of informal settlements both in Abuja and in the North East. In this context, the Federal Government of Nigeria has requested support from energy companies and in 2018 Eni has signed a three-year Collaboration Agreement with the Food and Agriculture Organization (FAO) to foster access to safe and clean water by drilling boreholes powered with photovoltaic systems, both for domestic use and irrigation purposes. The project aims to contribute to the humanitarian interventions for internally displaced persons and host communities which have known unprecedented levels of population displacements and prolonged disruption of agricultural, livestock and fishing activities.

**Baseline year**

2018

**Start year**

2018

**End year**

2021

**Progress**

The indicators used to monitor progress towards the achievement of the goal are the number of wells drilled (threshold for success: 22 wells built over 3 years) and the number of people with access to safe drinking water (no threshold for success). As of 2020, all the 22 wells planned have been built. As many as 67,000 people (source: FAO data) have gained access to safe drinking water provided by the 22 wells. These achievements have been possible thanks to the joint efforts of FAO, that has provided support in identifying the areas of intervention and the technical expertise and know-how in the targeted areas, and Eni, that has drilled the boreholes and provided them with photovoltaic power systems, also facilitating training in the use and maintenance of the plants to ensure long term sustainability.

**Goal**

Providing access to safely managed Water, Sanitation and Hygiene (WASH) in local communities

**Level**

Country level

**Motivation**

Increase freshwater availability for users/natural environment within the basin

**Description of goal**

Since 2012 the Integrated Hinda Project has strived to improve the living conditions of the communities who live in proximity to Eni Congo's onshore installations. Local communities have limited access to basic services, including safe drinking water. The Hinda project has a strong component on natural resources management. The general objective of the component is to promote access and sustainable management of natural resources, with one of its specific objectives being the promotion of equitable and sustainable access to drinking water and good hygiene practices and sanitation. The project is particularly important for Eni as it allows it to contribute to a number of SDGs (6, 7, 12, 15), in line with Eni's new mission. Since 2012, 30 wells and 45 fountains powered by solar panels were built, and 22 public buildings were connected to the boreholes. In 2021, water and hygiene sensitization campaigns were conducted with the water authorities to facilitate local ownership, with children and school communities, and 30 water management committees were trained in water management and wells' maintenance. The project, aligned with the National Development Plans and identified in collaboration with local stakeholders, contributes to achieving the Sustainable

Development Goal 6 - Clean water and sanitation – of the UN Agenda 2030, around which Eni's mission is structured.

**Baseline year**

2012

**Start year**

2012

**End year**

2021

**Progress**

The indicators used to monitor progress towards the achievement of the specific goal are: Percentage of population using safely managed drinking water services in project area, with a cumulative progress as of 2020 of 80%; Percentage of Local Administrations having implemented operational policies and procedures encouraging the participation of the local population in water and sanitation management, with a cumulative progress as of 2020 of 100%; Percentage of population using safely managed drinking water services, notably equipment of handwashing with water and soap, with cumulative progress as of 2021 of 100% of school population where handwashing units were installed; Quantity of water per person, per liters and per day, with an achievement of 16 liters of water as of 2021. The progress of the activities satisfies the project schedule successfully.

**Goal**

Providing access to safely managed Water, Sanitation and Hygiene (WASH) in local communities

**Level**

Country level

**Motivation**

Increase freshwater availability for users/natural environment within the basin

**Description of goal**

In Southern Angola, water is scarce and drought is a serious problem for communities. An Integrated Social Project was launched in 2017 in collaboration with the Ministry of Energy and Water and the Ministry of Health of Angola, to promote the strengthening of services in four communities in the municipality of Gambos, province of Huíla, and in five communities in the municipality of Bibala, province of Namibe, by building/rehabilitating 8 water systems and creating 35 water systems management and hygiene groups. Eni opened a water plant recently in the village of Kamupapa, in Namibe province. The well can pump 30,000 litres of water a day, is equipped with a disinfection system and is linked up to the school, the medical centre and the homes of teachers and nurses who live near the plant. We've also built three public fountains, a trough for livestock and a local solar farm for the community.

The overall purpose of the project is to improve the quality of life for the target

communities, and specifically, for the water and energy component of the project, to improve access to water and solar energy in schools and health clinics through the installation of solar powered boreholes in schools and clinics. The project, aligned with the National Development Plans and identified in collaboration with local stakeholders, contributes to achieving the Sustainable Development Goal 6 - Clean water and sanitation – of the UN Agenda 2030, around which Eni's mission is structured.

### **Baseline year**

2017

### **Start year**

2017

### **End year**

2022

### **Progress**

The indicator used to monitor progress towards the achievement of the goal is the number of boreholes drilled and energy systems installed. The progress of the activities satisfies the project schedule successfully. As of end of 2019, the end of phase 1 of the project, the project had installed 100% of the integrated solar and water systems planned, i.e. 8 water points and 8 solar energy systems. The water systems, that comprise boreholes with solar pumps, distribution pipes and taps to facilitate the distribution of water, with a cumulative capacity of 233,200 liters of water produced per day, have benefited an estimated 14.650 people living close to the 8 systems (nurses, teachers, pupils and 50% of the community members), with water for drinking, for the animals, the health posts and the schools of Gambos and Bibala. In relation to the energy systems, that have a cumulative energy production capacity of 209 kW/day, 10.300 people, (nurses, teachers, pupils and 50% of the community members) are benefiting from the interventions.

In 2020, which was a transitional year towards the second phase of the project and severely impacted by Covid 19, 4 additional water systems were commissioned and built. Throughout 2021 maintenance of the boreholes and solar energy systems constructed to date was carried out, while from 2022 new boreholes will be constructed as foreseen by Phase 2 of the Project.

### **Goal**

Other, please specify  
Zero Operational Oil Spill target in Nigeria

### **Level**

Country level

### **Motivation**

Reduced environmental impact

### **Description of goal**

Environmental protection, based on prevention, protection, information and participation criteria, is an essential component of Eni's modus operandi, thus the zero oil spill target is a relevant objective for pursuing Eni operating excellence model.

In recent years, Eni facilities in Nigeria (wells, flow lines and pipelines covering approximately 3,000 km) were the targets of illegal activities leading to significant losses. In response, Eni developed an integrated strategy to prevent, reduce, contain these events and clean up the impacts and in Nigeria it has set the "zero oil spill" objective for itself. To be noted that the target is for all spills, not only to water, but is especially relevant for the protection of water systems (e.g. delta of Niger, swamp areas)

### **Baseline year**

2015

### **Start year**

2015

### **End year**

### **Progress**

The zero oil spill has to be achieved through a series of actions:

- prevention through asset integrity, maintenance and application of techniques for the early detection of losses, damages or break-in activities near pipelines, reducing reaction times and spills (e-vpms® and SSPS - Safety Security Pipeline System tools);
- increased surveillance activities, from the air and with the support of local communities;
- containment and recovery of spills with tracing systems with geo-referenced localisation of sabotage points, and customised technology for the prompt repair of the pipeline;
- promotion of projects for local development, with the involvement of the affected parties;
- awareness campaign directed at local communities and institutions, to increase awareness of the dangers deriving from sabotage on oil infrastructures.

Compared to previous years, in 2020 we have observed a significant decrease in the number of spills due to sabotage, presumably due to the declining social tensions after the 2019 election period and an increased surveillance (around -22%). The total number of cases in 2016 Vs 2020 has decreased by around 21%. In order to achieve ZERO operational spills, NAOC JV has a robust asset integrity plans for the next years in order to progressively replace the most damages sections of pipelines. In case of a spill event, NAOC JV performs a series of activities to respond, manage, contain, measure, recover and remediate in agreement to Regulatory Agencies.

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### **Goal**

Providing access to safely managed Water, Sanitation and Hygiene (WASH) in local communities



**Level**

Country level

**Motivation**

Increase freshwater availability for users/natural environment within the basin

**Description of goal**

The Local Development Project, which includes an access to water component, promotes inclusive economic growth and the well-being of the people in the Offshore Cape Three Point (OCTP) area of influence, in Ghana. The project was designed to improve access to basic social services and a specific outcome has been foreseen to enhance the water infrastructure and community management system. The following activities have been carried out: construction of 3 new fetching points and 1 connection to the Sanzule - Krisan school, refurbishment of the existing fetching points and installation of a solar power system. A Water management board has been formed and trained, and the water quality test has been completed. The initiative contributes to SDG 6 – Clean Water and Sanitation. The project, aligned with the National Development Plans and identified in collaboration with local stakeholders, contributes to achieving the Sustainable Development Goal 6 - Clean water and sanitation – of the UN Agenda 2030, around which Eni's mission is structured.

**Baseline year**

2019

**Start year**

2019

**End year**

2021

**Progress**

The indicators used to monitor progress towards the achievement of the specific goal are the number of fetching points installed and the number of beneficiaries reached. The water extension project has been completed and handed over to the communities where 5,000 people gained access to potable water. Eni Ghana and its partners Vitol and Ghana National Petroleum Corporation are carrying out a set of initiatives to support local development, focusing on education, access to energy, access to water and sanitation, and economic diversification. The progress of the activities satisfies the project schedule successfully.

## W9. Verification

### W9.1

**(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?**

Yes

## W9.1a

**(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?**

Disclosure module	Data verified	Verification standard	Please explain
W1 Current state	Water withdrawals by source, produced water re-injected and groundwater treated or used in production or reinjected (TAF water), as well as water withdrawals from water stress areas are reported in the Annual Report 2021	ISAE 3000	Eni sustainability data have been certified by the auditing firm PWC. A limited audit was conducted in line with “International Standard on Assurance Engagements ISAE 3000 (Revised) – Assurance Engagements other than Audits or Reviews of Historical Information” (hereinafter also “ISAE 3000 Revised”) issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. Quoting the auditor’s report: “We are responsible for expressing a conclusion, on the basis of the work performed, regarding the compliance of the NFS with the Decree and the GRI Standards. We conducted our work in accordance with International Standard on Assurance Engagements 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information (“ISAE 3000 Revised”), issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. The standard requires that we plan and apply procedures in order to obtain limited assurance that the NFS is free of material misstatement. The procedures performed in a limited assurance engagement are less in scope than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised, and, therefore, do not provide us with a sufficient level of assurance that we have become aware of all significant facts and circumstances that might be identified in a reasonable assurance engagement. [...] Based on the work performed, nothing has come to

			our attention that causes us to believe that the NFS (non-financial statement) of Eni Group for the year ended 31 December 2021 is not prepared, in all material respects, in accordance with articles 3 and 4 of the Decree and with the GRI Standards”
W6 Governance	As described in EniFor 2021 - A just Transition	ISAE 3000	<p>Eni sustainability data have been certified by the auditing firm PWC. A limited audit was conducted in line with “International Standard on Assurance Engagements ISAE 3000 (Revised) – Assurance Engagements other than Audits or Reviews of Historical Information” (hereinafter also “ISAE 3000 Revised”) issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. The level of assurance required by Eni is limited, which is the most common for sustainability reporting at the international level.</p> <p>Quoting the Independent auditor’s report on the limited assurance engagement of the Sustainability Report – Eni For 2021 - A just Transition: &lt;&lt; Based on the work performed, nothing has come to our attention that causes us to believe that the Sustainability Report – Eni for of Eni Group for the year ended 31 December 2020 is not prepared, in all material respects, in accordance with the requirements of the GRI Standards as illustrated in the “Reporting criteria” section of the Report.”</p>
W7 Strategy	Scenario and Strategy as described in the EniFor 2021 - A just Transition	ISAE 3000	<p>Eni sustainability data have been certified by the auditing firm PWC. A limited audit was conducted in line with “International Standard on Assurance Engagements ISAE 3000 (Revised) – Assurance Engagements other than Audits or Reviews of Historical Information” (hereinafter also “ISAE 3000 Revised”) issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. The</p>

			<p>level of assurance required by Eni is limited, which is the most common for sustainability reporting at the international level.</p> <p>Quoting the Independent auditor’s report on the limited assurance engagement of the Sustainability Report – Eni For 2021 - A just Transition: &lt;&lt; Based on the work performed, nothing has come to our attention that causes us to believe that the Sustainability Report – Eni for of Eni Group for the year ended 31 December 2021 is not prepared, in all material respects, in accordance with the requirements of the GRI Standards as illustrated in the “Reporting criteria” section of the Report.”</p>
W8 Targets	Goals and targets as described in 2021 - A just Transition	ISAE 3000	<p>Eni sustainability data have been certified by the auditing firm PWC. A limited audit was conducted in line with “International Standard on Assurance Engagements ISAE 3000 (Revised) – Assurance Engagements other than Audits or Reviews of Historical Information” (hereinafter also “ISAE 3000 Revised”) issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. The level of assurance required by Eni is limited, which is the most common for sustainability reporting at the international level.</p> <p>Quoting the Independent auditor’s report on the limited assurance engagement of the Sustainability Report – Eni For 2021 - A just Transition: &lt;&lt; Based on the work performed, nothing has come to our attention that causes us to believe that the Sustainability Report – Eni for of Eni Group for the year ended 31 December 2021 is not prepared, in all material respects, in accordance with the requirements of the GRI Standards as illustrated in the “Reporting criteria” section of the Report.”</p>

## W10. Sign off

### W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

### W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Eni CEO	Chief Executive Officer (CEO)

### W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

No

## SW. Supply chain module

### SW0.1

(SW0.1) What is your organization's annual revenue for the reporting period?

	Annual revenue
Row 1	76,575,000,000

### SW1.1

(SW1.1) Could any of your facilities reported in W5.1 have an impact on a requesting CDP supply chain member?

No facilities were reported in W5.1

### SW1.2

(SW1.2) Are you able to provide geolocation data for your facilities?

	Are you able to provide geolocation data for your facilities?	Comment
Row 1		

## SW2.1

**(SW2.1) Please propose any mutually beneficial water-related projects you could collaborate on with specific CDP supply chain members.**

## SW2.2

**(SW2.2) Have any water projects been implemented due to CDP supply chain member engagement?**

## SW3.1

**(SW3.1) Provide any available water intensity values for your organization’s products or services.**

## Submit your response

**In which language are you submitting your response?**

English

**Please confirm how your response should be handled by CDP**

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

## The European Climate Pact Submission

**Please indicate your consent for CDP to showcase your disclosed environmental actions on the European Climate Pact website as pledges to the Pact.**

No, we do not wish to pledge under the European Climate Pact at this stage

**Please confirm below**

I have read and accept the applicable Terms