

Eni and the people-centred transition

Focus report on Just Transition initiatives for workers, suppliers, communities and consumers



Communities

Eni's commitment to local development aims to strengthen communities, with particular attention to the most complex and vulnerable contexts, improving people's quality of life and strengthening their resilience mechanisms, also with respect to the transformations that the energy transition brings. In particular, Eni discloses this commitment through the "Eni for" sustainability report. Below are some of the most significant areas of intervention, approaches and methods related to Just Transition.

Countries analysis. The definition and implementation of Eni's local

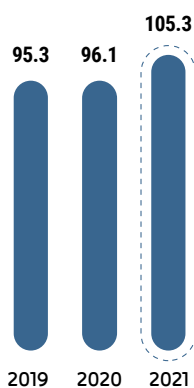
development strategy is based on an in-depth analysis of the social, political and economic context of the countries in which it operates, in line with the National Development Plans and the 2030 Agenda. It is supported by tools based on international standards, aimed at identifying the needs of communities. These analyses represent the starting point for the definition of local development programs.

Local Development Programs.

The Local Development Programs (LDPs) provide an integrated view of the various activities that Eni carries out in the Countries in

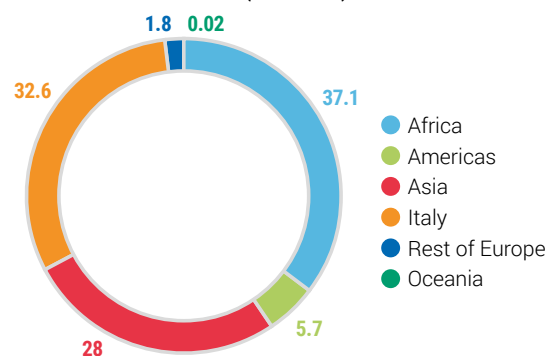
which it operates, also developed through the engagement of relevant stakeholders. The LDPs are divided into five lines of action: 1) stakeholder engagement; 2) human rights; 3) local content; 4) land management; 5) local development projects. The activities, defined in accordance with the National Development Plans and based on public-private partnerships, contribute to the achievement of the Country's objectives relating to the 2030 Agenda and the Paris Agreement (Nationally Determined Contributions NDCs), to improve the well-being of local communities.

LOCAL DEVELOPMENT INVESTMENTS (€ MILLION)



SECTORS OF INTERVENTION	
Access to off-grid energy	5.6
Economic diversification	33.7
Education and vocational training	16.2
Access to water and sanitation	4.8
Life on land	27.5
Community health	11.6
Compensation and resettlement	5.9

LOCAL DEVELOPMENT INVESTMENTS 2021 BY GEOGRAPHIC AREA (€ MILLION)



For further information on Eni's approach to local communities see Eni for 2021 A Just Transition (section Alliances for Development)

Local Development Projects. In line with the Sustainable Development Goals, Eni wants to "encourage lasting, inclusive and sustainable economic growth, full and productive employment and decent work for all" (SDG 8). Within the Local Development Programs, Eni

carries out projects to contribute to the improvement of access to off-grid energy and technologies for clean cooking, to economic diversification (e.g. agricultural projects, support for entrepreneurship, micro-credit, infrastructural interventions), education and professional

training, protection of lands, access to water and sanitation, and the improvement of health services for communities. These interventions are developed with a long-term perspective and are implemented based on the assessment of the local context.



Access to energy. Fighting energy poverty is the first step towards meeting primary needs related to education, health and economic diversification, and ensuring universal access to energy in an effi-

cient and sustainable manner. It is the main challenge for the energy sector in the transition process towards a low carbon future. Eni contributes to this challenge through the construction of gas infra-

structure as an integral part of the business model, the development of initiatives to improve access to modern cooking systems, and through off-grid and renewable energy projects.

Eni invests in the construction of infrastructure for the production and transport of gas both for export and for local consumption. In 2021, Eni supplied 78% of the gas produced from its fields to local markets, for a total of approximately 65 billion Sm³.

In Sub-Saharan Africa, Eni has built thermoelectric power plants characterized by the use of gas associated with oil production as feedstock, in order to diversify the energy mix through the introduction of natural gas.

Okpai Power Plant (Nigeria):

it is the largest electricity production plant built by private operators

- ▶ Provide for about **6.4%** of the total energy available in the national grid (**2,353 GWh** of electricity production in 2021)
- ▶ Approximately **480 MW** installed capacity.
- ▶ **12 million** users

Omoku Power Plant (Nigeria)

- ▶ **100 MW** approximately installed capacity
- ▶ **2 million** users

Centrale Electrique du Congo (CEC):

strategic supplier of industrial production centers

- ▶ About **70%** of the country's electricity production
- ▶ **484 MW** installed capacity

Eni manages several projects that promote the introduction of improved cooking systems with the aim of limiting health problems related to exposure to toxic fumes and reducing the exploitation of forests.

Starting from 2019, these activities are carried out in Mozambique and subsequently in Ghana, directly providing access to improved cooking technologies to about 17,000 people through the distribution of improved cooking systems, training

on their use, and activities to promote their use. Training was also provided to local craftsmen with the aim of repairing the cooking system as well as the on-site production of more efficient wood, coal, or LPG stoves. The project, further exten-

ded to Ivory Coast in 2022, promotes awareness of local communities on the benefits of sustainable cooking systems for families, their health and the environment and spreading good practices to encourage the startup of local businesses.

Economic diversification, education, and professional training.

Investment in vocational training, particularly aimed at young people, on more efficient energy systems, as well as support for innovative low-carbon business activities are a clear contribution to Just Transition. In Egypt,

Mozambique, Ghana, Kenya and Italy Eni promotes professional training projects aimed at the use of resources with new skills (e.g. inclusion in school curricula of subjects related to renewable energy in Egypt), and also the creation of small businesses related to the energy transition (e.g.

local production and sale of improved cooking system in Ghana, Mozambique and Kenya). In Ghana and Mozambique Eni promotes primary and secondary education projects, which also include awareness-raising activities for students on environmental and social issues.

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Eni is committed to supporting the development of a sustainable entrepreneurial ecosystem, aware that the challenge of the energy transition goes beyond the corporate perimeter, and in the profound belief that there is a stringent link between the innovative capacity of a country and its capacity for resilient growth. To this end, Eni through Joule, Eni School of Entrepreneurship, supports the growth of sustainable companies, in Italy and in the other Countries where it operates, through the promotion of an entrepreneurial mindset and the acceleration of innovative startups, with a strong impact on environmental and social sustainability. The sustainable entrepreneurship model has been consolidated in southern Italy - where Joule accelerates the growth of innovative and sustainable entrepreneurial projects in the Agritech and Agroenergy fields through the active involvement of local farms, thus generating direct positive effects on the territory of the Basilicata Region - similar virtuous initiatives are in progress in other countries. Moreover, through Joule, Eni is a partner of Next Generation Africa, an initiative of Startup Africa Roadtrip aimed at creating local and global growth opportunities for startups by fostering the connections of young African entrepreneurs with local businesses, and generating impact for communities, thanks to entrepreneurial and intercultural collaborations between Europe and Africa.

Agri-feedstock Projects: new energy and new economies.

The looming threat of climate change and the commitments made by national Governments in the Paris Agreement require a strong impetus in the conversion of industrial processes in specific sectors, such as transport and agriculture, **promoting new technologies capable of generating clean energy and creating new jobs.** In 2021, Eni launched a series of joint initiatives in various Countries to develop the high-quality biofuel supply chain, based on new circular economy models. These biofu-

els are produced from raw materials developed on marginal land, which are not in direct competition with food and forage crops, such as agricultural residues and non-food crops (e.g. castor and low ILUC cover crops). The goal is to supply the raw material for Eni's biorefining system in Italy (35% of the supply by 2025), building agrihubs that will produce vegetable oil from the squeezing of seeds of oil crops (such as castor seeds, croton or cotton seeds). Eni's approach also provides for dialogue with local institutions to evaluate any conversion of local refineries

into biorefineries in the future. In this first phase the oil will be exported for use in biorefineries in Italy, in the future it will be evaluated the chance to co-invest with production Countries to create local supply chains, which are not limited to the production of raw materials but decarbonise the transport sector in the Countries themselves. On the first projects that are underway in Kenya and Congo, Eni will conduct a joint analysis on the potential socio-economic and human rights impacts for communities of these new activities.

For more info, see the Case Study in Section II of the focus report

Other sources: <https://www.eni.com/en-IT/circular-economy/biofuels-africa.html>

[Agri-feedstock projects in Kenya and Congo | Eni](#)



Support for communities impacted by downstream transformations.

In recent years, the refining and petrochemical sectors have been radically transformed to cope with business changes and critical issues affecting downstream activities, contributing to the energy transition path set. In addressing these challenges, Eni does its utmost to take care of the

workers and communities affected by this transformation. An example of the reconversion of the refining business is represented by the conversion into the Gela Biorefinery, as an integral part of a plan for the development and relaunch of economic and industrial activities aimed at sustainable development of the territory. As part of broader Memoranda

of Understanding signed by Eni with the main stakeholders, various initiatives aimed at promoting skills have been developed in the Education / Training sector, which have seen the involvement of thousands of students from local professional institutes and universities, through the collaboration with the KORE University of Enna

For more info, see the Case Study in Section II of the focus report

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Various initiatives in support of the territory, for a detailed description of the downstream transformation and how Eni has managed the related social impacts, see the case studies on Gela and Porto Marghera.

Health and just transition. It is increasingly important to investigate new health-related risks and opportunities in the context of the energy transition. Eni's Health Department is working to adapt the management model for the energy transition within the Company's overall business model. Eni has published a first report on "Relations of Energy Transition and Human Health as the Twenty-First Century Continues" with three main objectives:

The preliminary identification of health-related risks of technologies used by Eni for the energy transition

The prediction of trends that affect, either directly or indirectly, the health priorities of Eni as a company with a global footprint

The definition of four priority areas of research:

- ▶ Epidemiological studies on the interaction between environment and health and health impacts of industrial activities;
- ▶ Industrial hygiene and toxicology
- ▶ Infectious diseases, emerging diseases and regional/global health emergencies;
- ▶ and Health and Social Health Models and Systems.

Moreover, an independent scientific research committee, hosted by the Eni Enrico Mattei Foundation (FEEM), was established to further analyze and evaluate the priority areas identified in the report. In particular, the task of the Committee is to carry out research on the impact of energy transition technologies on the health of workers and communities and to propose models of collaboration between the private and public sectors in terms of preparedness and response to emergencies and the provision of welfare services by contributing thus to the strengthening and resilience of health and social health systems.

The results of this activity will guide Eni's work in terms of design and development to strengthen health management models, by producing and disseminating analysis based on scientific evidence.

To complement the work carried out by the FEEM Health Committee, Eni's Health Department is collaborating with the University of Pavia on specific research on the risks and potential health impacts of the substances generated in all phases of biogas production plants.

With reference to the activities related to the development of agribusiness projects, Eni's Health Function is also defining a Health model to evaluate opportunities, risks and impacts of agricultural production and agri-hubs on health, as well as defining an integrated model for managing health to better regulate the processes, including the evaluation of health rights.