

# Eni and the people-centred transition

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





# Eni's commitment toward a just transition for workers, suppliers, communities, and consumers



We will only pursue a just transition if everyone contributes to sharing costs fairly, without burdening vulnerable communities. To move in this direction, concrete plans need to be put in place and different solutions adopted that safeguard different areas of the world and players, considering the whole system in all its complexity.

| CLAUDIO DESCALZI – CHIEF EXECUTIVE OFFICER OF ENI |

## ENI NET ZERO STRATEGY

Eni supports the goals of the Paris Agreement to limit the increase in the global average temperature to well below 2°C above pre-industrial levels, pursuing efforts to limit the temperature increase to 1.5°C. Eni recognises the Intergovernmental Panel on Climate Change (IPCC) as the most prominent scientific body on climate change and agrees with the IPCC's view that the impacts of climate change will be much lower at the temperature increase of 1.5°C compared with 2°C. Eni is keen to contribute to the global mitigation efforts by specifically pursuing a strategy that aims to achieve the Net Zero emissions target by 2050, in line with the scenarios compatible with keeping global warming within 1.5°C.

Eni has chosen to play a leading role in the transition. In 2020, Eni announced its long-term strategic plan to 2050 and set absolute reduction targets inclusive of scope 3 emissions. In the following years, Eni further improved its targets, accelerating its decarbonization efforts towards carbon neutrality. Eni's strategy towards Net Zero is supported by an industrial transformation plan and it is based on

proprietary and breakthrough technologies, new business models and stakeholder alliances.

Eni's Net Zero commitment includes the company's Scope 1, 2 and 3 GHG emissions (Net GHG lifecycle emissions), and the associated emission intensity (Net Carbon Intensity), referred to the entire life cycle of the energy products sold by Eni. To be effective also in the near term and keep stakeholders aligned on progresses, Eni also set interim targets in 2030 and 2040, both in terms of absolute emissions and carbon intensity. Specifically, the company targets a -35% reduction in net scope 1, 2 and 3 emissions by 2030 and -80% by 2040 compared to 2018 levels, adding a new intermediate target of -55% by 2035. For net scope 1 and 2 emissions, Eni will reach -40% by 2025 (compared to 2018 levels) and will achieve net zero emissions by 2035.

For a detailed disclosure on Eni's decarbonization strategy, please refer to [Eni for 2021 – Carbon neutrality by 2050](#)

In this path towards carbon neutrality, Eni supports a Just Energy Transition that includes the social dimension of the transformation.

## ENI PEOPLE: WE SUPPORT A SOCIALLY FAIR ENERGY TRANSITION

Just Transition starts from a strong commitment shared by the top management, but necessarily requires the involvement of every Eni person. In this sense, instilling values around Just Transition within the company and its people is a fundamental component of this broader effort. Our Code of Ethics embodies Eni's value system and ensures that in all our daily tasks we are "guided by rules and inspired by values": this means that we operate in compliance with the evolving legislative framework around energy transition, but also go beyond compliance to ensure such transition is ethical and socially just. Built with the UN Sustainable Development Goals in mind, our Code includes just transition values such as among others supporting a socially fair energy transition and optimizing the use of energy resources, as well as ethically creating value for our shareholders and collaborating with the communities in which we operate to create shared value. Eni's commitment in pursuing a just energy transition is also stated in the corporate mission, which is inspired by the UN Sustainable Development Goals.

## PEOPLE-CENTRED ENERGY TRANSITION

Eni is aware of the relevance of the social dimension of the ambitious path outlined. The energy transition is first and foremost a technological transition: only with a strong industrial and innovative capacity, as well as the willingness to combine forces and skills, we will be able to implement the transition while enhancing opportunities for people. In this direction, Eni works to convert existing activities and to develop new value chains with relevant opportunities for workers, economies and communities of the Countries where the Company operates, as in the case of:

- the development of renewable energy
- the conversion of refineries into bio-refineries
- other circular economy projects
- the implementation of Agribusiness projects
- Carbon Capture Use and Storage (CCU&S) projects
- forestry projects
- new energy solutions.

At the same time, Eni is committed to manage any potential negative impacts on workers, communities, consumers, and business partners both in “transition-out” and in “transition-in” activities leveraging on a solid approach to respect for human rights, diversity & inclusion and women empowerment.

🚩 [Eni's Statement on respect for human rights](#)

🚩 [Eni for Human Rights](#)

This ambition necessarily requires the engagement with all relevant stakeholders, in particular those who can play a relevant role in the Just Transition such as Unions and workers representatives, Institu-

tions, communities' representatives, industry organizations.

It is Eni's aim to align its actions with the just transition principles stated in the Paris Agreement, in the ILO 2015 Guidelines for a Just Transition, the Declaration “Supporting the Conditions for A Just Transition Internationally” signed during the COP26<sup>1</sup>, and the recommendations of the IEA's “Global Commission on People-Centred Clean Energy Transition”<sup>2</sup>.

### Workers

The challenge of the energy transition requires a cultural change, a new mindset, and the development of new skills. Eni is committed to engaging employees in its organisational strategies with listening and communication initiatives and defining and developing the technical competencies as well as the mindset and soft skills necessary for current and future activities. Within this effort and beyond the transition pathway, Eni is committed to providing decent and valuable working conditions and ensuring a working environment where diversity, personal and cultural views are regarded as sources of mutual enrichment, as well as key factors in business sustainability. Where Eni will be involved in transition-in activities, it is committed to providing access to decent jobs in decarbonized activities and it makes all possible efforts to attract the best talents, while providing equal opportunities for all regardless of gender, age, or any kind of perceived diversity.

Where Eni will be involved in transition-out activities or in transformation processes, it is committed to prioritizing up-skilling and re-skilling programmes for workers with the aim of making the best ef-

fort in supporting their relocation into new or transformed activities (within the company or in other companies).

Eni is also committed to supporting workers' social protection, specifically of those affected by the company's transition strategy. This may be achieved through multilateral agreements between Unions, workers and Eni to promote relocation programmes that are advantageous for both workers and the Company or allowing for a smooth turnover of skills combining favourable incentives for early voluntary exit plans and the hiring of skilled young people in key areas.

Establishing a trustworthy relationship between workers, unions and the Company is crucial in the transition. Eni is committed to discussing with the Trade Unions at various levels, starting locally, with particular reference to professional skills and employment levels. Eni will also make its best effort to develop a social dialogue model suitable for the new requirements connected to the transition pathway and characterised by preliminary consultation to set out the best solutions to be used in this evolving scenario.

The commitment undertaken by Eni has been agreed with international and Italian Unions, under a 🚩 [General Framework Agreement on International Relations and Corporate Social Responsibility](#) signed with IndustriAll. and other protocols (e.g. 🚩 [Together-Insieme: Industrial relations model to support the energy transition process](#)).

### Suppliers

Eni is committed to building an ecosystem of companies (current and future suppliers) which want to have

<sup>1</sup> <https://ukcop26.org/supporting-the-conditions-for-a-just-transition-internationally>

<sup>2</sup> <https://www.iea.org/reports/recommendations-of-the-global-commission-on-people-centred-clean-energy-transitions>



a leading role together with Eni in a fair and sustainable energy transition. Eni is committed to supporting and accompanying its suppliers in the transition – especially small and medium sized enterprises - promoting dialogue, awareness, and stimulating new ideas for a sustainable supply chain. Moreover, Eni is making every effort to ensure that its suppliers contribute to take care of the workers affected by the transition, supporting them through up-skilling and re-skilling programmes.

Eni is committed to continuously strengthening its own human rights management model on the supply chain to properly identify and manage any impact that the energy transformation may have on current and future activities, including those related to the extraction and transformation of the “transition minerals”.

#### **Communities**

Eni is committed to an equitable transition to achieve global human development, which requires cultural as well as social, economic, and

technological change. In the Countries where it operates, Eni promotes local development projects with a long-term perspective to improve the living standards of host communities including vulnerable groups.

Our approach aims at contributing to develop appropriate economic and social opportunities for all, by promoting access to energy, economic diversification, education, community health, access to water and sanitation, land protection and the improvement of the social protection systems. This implies the provision of transparent information and the implementation of strategies for the engagement of local communities by promoting free, prior and informed consultations, especially engaging vulnerable groups, with the purpose of considering their legitimate expectations in conceiving and conducting business activities, including community investments.

#### **Consumers**

Eni supports its own customers by offering cutting-edge energy solutions to help them play a pri-

mary role in the energy transition, also thanks to its investments in the production of renewable energy. Eni encourages customers to use energy more efficiently and makes them the focal point of its activities, communicating with them honestly and transparently, providing quality products and services, in line with customer's needs, to make the lifestyles and habits of the entire community more sustainable. Eni contributes to creating and spreading the culture of the sustainable energy usage among its customers and make its own decarbonization strategy suitable to the needs of its customers.

**Claudio Descalzi**  
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