

Welcome to your CDP Water Security Questionnaire 2020

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 66 Countries around the world and employing more than 31,300 people.

In September 2019 Eni has announced a new mission, outlining the path that the company is taking to face the main challenge of the energy sector: ensuring access to efficient and sustainable energy for all, while reducing greenhouse gas emissions, in order to combat climate change in line with the objectives of the Paris Agreement. This mission completes and consolidates Eni's commitment to an energy transition that is also socially just and organically integrating the 17 SDGs to which Eni intends to contribute, while seizing new business opportunities.

In February 2020 Eni has announced its new Long-Term Strategic Plan to 2050, that combines objectives of continuous growth in a fast developing energy market with a significant reduction of the Group's carbon footprint. In the future, Eni will be even more sustainable, it will have a stronger role as a global player in the energy scenario and will benefit from the progressive development of business areas such as renewables, biofuels, circular economy. The evolution of the business portfolio will have a significant impact on carbon footprint reduction, as highlighted in the new GHG reduction targets announced during Eni's Strategy presentation: obtain an 80% reduction by 2050 in net emissions, referable to the whole life cycle of the energy products sold by 2050, including Scope 1, 2 and 3 emissions and a 55% reduction in emissions intensity compared to 2018. In this occasion, Eni has also confirmed and further extended the intermediate targets to reach net zero direct (Scope 1) and indirect (Scope 2) emissions by 2030 for the upstream activities, and on overall Eni's operations by 2040. These targets are referred to both operated and non-operated activities, on an equity basis.

In June 2020 Eni's Board of Directors has approved a new business structure for the company, creating two new business groups: *Natural Resources*, to develop the upstream oil & gas portfolio sustainably, promoting energy efficiency and carbon capture; *Energy Evolution*, dedicated to supporting the evolution of the company's power generation, product transformation and marketing from fossil to bio, blue and green. The new organization is a milestone towards the implementation of Eni's strategy to 2050, which combines value creation, portfolio sustainability and financial strength.

In July 2020 Eni has updated its short- and medium-term strategy to face the effects of the pandemic on the energy sector, in terms of market volatility and the significant reduction in commodity prices. All the other 2023 targets related to the energy transition businesses have been confirmed. Moreover, additional investments of 800 million euros in 2022 and 2023 have

been allocated to the businesses involved in the energy transition, in particular bio-refining, renewables and the retail customer segment.

Electric Utilities (EU) are referred and limited to the activities of Enipower SpA, which is 100% controlled by Eni.

Eni Rewind (formerly Syndial) is the Eni's environmental company, and it is 100% controlled by Eni.

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	5,000	99.9	25,000,000
Biomass			
Waste (non-biomass)			
Nuclear			
Fossil-fuel plants fitted with carbon capture and storage			
Geothermal			
Hydropower			
Wind			
Solar			
Marine			
Other renewable			
Other non-renewable			
Total	5,000	99.9	25,000,000

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, 2019	December 31, 2019

W0.3

(W0.3) Select the countries/areas for which you will be supplying data.

Algeria
 Angola
 Argentina
 Australia
 Austria
 Bahrain
 Belgium
 Canada
 China
 Congo
 Côte d'Ivoire
 Cyprus
 Czechia
 Democratic People's Republic of Korea
 Denmark
 Ecuador
 Egypt
 France
 Gabon
 Germany
 Ghana
 Greece
 Greenland
 Hungary
 India
 Indonesia
 Iraq
 Ireland
 Italy
 Japan
 Kazakhstan
 Kenya
 Lebanon

Libya
Luxembourg
Mexico
Montenegro
Morocco
Mozambique
Myanmar
Netherlands
Nigeria
Norway
Oman
Pakistan
Poland
Romania
Russian Federation
Saudi Arabia
Singapore
Slovakia
Slovenia
South Africa
Spain
Sweden
Switzerland
Taiwan, Greater 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

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	<p>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.</p> <p>Eni intends to decrease good quality freshwater withdrawals through efficiency programs, recycle and reuse initiatives and replacing it with low 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). No substantial change is predictable in the supply chain in the near future and, consequently, in its dependence to water, that is predicted to remain important. However, Eni in order to mitigate these risks is already adopting procedures and specific instruments for managing indirect water use and will soon implement further consolidated methodologies to measure the environmental impacts of its supply chain.</p>
Sufficient amounts of recycled, brackish and/or	Important	Not very important	<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</p>

produced water available for use			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. There is no specific dependence identified in the supply chain regarding recycled, brackish and/or produced water, nor is predictable a change in the future, therefore its relevance is predicted to remain not very important.
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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 "Oil and gas industry guidance on voluntary sustainability reporting" issued by IPIECA/API/IOGP in 2015. 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

		<p>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 "Oil and gas industry guidance on voluntary sustainability reporting" issued by IPIECA/API/IOGP in 2015. Method of measurement: Measure (flowmeters), estimation (from pump capacity). Frequency of measurement: Six months.</p>
<p>Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]</p>	<p>100%</p>	<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 "Oil and gas industry guidance on voluntary sustainability reporting" issued by IPIECA/API/IOGP in 2015. 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.</p>
<p>Water withdrawals quality</p>	<p>100%</p>	<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</p>

		<p>methodologies for acquiring HSE indicators”</p> <p>Method of measurement The quality of water withdrawals is generally measured via physical and chemical analysis.</p> <p>Frequency of measurement: Six months.</p>
Water discharges – total volumes	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 "Oil and gas industry guidance on voluntary sustainability reporting" issued by IPIECA/API/IOGP in 2015</p> <p>Method of measurement: Computation (sum of discharges).</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. 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: 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</p>

		<p>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 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 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 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</p>

		<p>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 "Oil and gas industry guidance on voluntary sustainability reporting" issued by IPIECA/API/IOGP in 2015. Method of measurement: computed as difference from input and output Frequency of measurement: Six months.</p>
Water recycled/reused	100%	<p>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</p>
The provision of fully-functioning, safely managed WASH services to all workers	100%	<p>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 Human Resources Management System Guidelines. 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.</p>

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	1,664,277	Lower	During 2019 the total volumes of water withdrawn decreased by about 10%. The decrease was mainly due to a decrease in seawater withdrawals that, in 2019, reduced by 12% thanks to the reduction at the Gela refinery and at the petrochemical plants of Priolo, Brindisi and Porto Marghera, and to the cessation of the activities of the LNG Shipping fleet. The intends of Eni are to continue to pursue initiatives for the use of low-quality water and seawater to replace freshwater, while seawater and produced water are expected to slightly increase as a consequence of upstream increase in production in the near future.
Total discharges	1,530,807	Lower	During 2019 the total volumes of water discharged decreased by over 10% with respect to the previous reporting year, in line with lower withdrawals. 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.
Total consumption	133,470	Much higher	In relative terms we observed a steep increase in water consumption with respect to the previous year, however the water consumed remained constantly under 10% of total water withdrawn in the last 5 years, and we do not expect this value to change much in the near future as the industrial asset will not change much.

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	Please explain
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		reporting year %	
Total withdrawals - upstream	227,108	About the same	Total water withdrawals remained about the same (+5,5% 2019 vs 2018) with a slight increase associated to an increase of activities. 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
Total discharges – upstream	140,966	Lower	The observed decrease (> 20%) is mainly due to the fact that the Villano asset (Ecuador), where 100% produced water was injected, is not any more in the Eni perimeter. We expect an increase associated to an increment of the activities in the future.
Total consumption – upstream	86,142	Much higher	The observed increase in consumption (more than doubled in 2019 vs 2018) is to be explained as a consequence of lower water discharged, see specific answer. No substantial changes are expected in the near future as a consequence of an increase of both withdrawals and discharges.
Total withdrawals - midstream/downstream	162,416	Much Lower	Total withdrawals decreased by over 40% mainly due to a lower seawater use and in particular thanks to a modification at the Gela green refinery that allows for a lower seawater use. Little variations in the refinery assets and, consequently in the water fluxes are expected in the near future.
Total discharges – midstream/downstream	158,013	Much Lower	The observed decrease (less than 40% with respect to the previous reporting year) is linked to the

			decrease of withdrawals. Little variations in the refinery assets and, consequently in the water fluxes are expected in the near future.
Total consumption – midstream/downstream	4,403	Much higher	The variation is big in relative terms (more than doubled), but little in absolute terms (little more than 3000 megaliters), if compared to the total water used in the downstream. 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 water fluxes are expected in the near future.
Total withdrawals – chemicals	919,986	About the same	Little changes (+ or - 10%) are normal variations due to programmed stop of production and are expected to be observed in the future. Furthermore, the refining, chemical and power processes are already optimized and characterized by a complex system of water (industrial, demineralized and steam) volumes exchanges among productive sites in order to maximize the efficient use of water and energy, therefore, no big enhancements can be foreseeable.
Total discharges – chemicals	914,398	About the same	Little changes (+ or - 10%) are normal variations due to programmed stop of production and are expected to be observed in the future. Furthermore, the refining, chemical and power processes are already optimized and characterized by a complex system of water (industrial, demineralized and steam) volumes exchanges among productive sites in order to maximize the efficient use of water and energy, therefore, no big enhancements can be foreseeable.
Total consumption – chemicals	5,588	Higher	The variation is big in relative terms (over one third variation), but little in absolute terms (little more than 1000 megaliters), if compared to the total

			water used in the chemical sector. In the last 5 years the water consumed remained roughly 1% of total withdrawals. These changes in volumes have to be considered as normal variations due to operating needs, such as maintenance programs, Total consumption is not expected to significantly change in absolute values in the near future as no significant changes in the chemical assets are predictable.
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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	% withdrawn from areas with water stress	Comparison with previous reporting year	Identification tool	Please explain
Row 1	Yes	1-10	About the same	WRI Aqueduct	Only a little proportion of total Eni's withdrawals regards freshwater (less than 8%) and, of these, only less than one quarter is located in water stressed areas (i.e. characterized by a baseline water stress greater than 40%). 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. Aqueduct is used as a first screening tool to identify and, consequently, calculate the

					<p>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%. Eni intends to use low quality water and seawater for its operations, however no relevant changes can be expected in the total exposure figures in the near future. The calculation of water withdrawals from water stressed areas in 2019 was carried out using the new Aqueduct 3.0, available since august 2019.As a consequence, for 9% of Eni sites there was a variation of stress classification, resulting in a decrease of total freshwater volumes originating from stress areas.</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	90,858	Higher	Freshwater is essential for demineralized water production and steam production, both fundamental in any industrial O&G process. It is also used as firefighting water. In 2019

				<p>a slight increase (11%) of withdrawals vs 2018 was observed: this variation has to be considered temporary as it was determined by the set-up the Mantova petrochemical plant had to keep during the outage for the maintenance of the cooling towers and the tests on the fire-fighting systems of the Sannazzaro refinery. 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.</p>
Brackish surface water/Seawater	Relevant	1,450,371	Lower	<p>Seawater is relevant for its use as cooling water and for injection in upstream operations. It is also used as firefighting water. In 2019 we observed a decrease of seawater withdrawals (-12%) thanks to the reduction at the Gela refinery and at the petrochemical plants of Priolo, Brindisi and Porto Marghera, and to the cessation of the activities of the LNG Shipping fleet. 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 future.</p>

Groundwater – renewable	Relevant	22,857	About the same	<p>Freshwater is essential for demineralized water production and steam production, both fundamental in any industrial O&G process. It is also used as firefighting water. The value of 2019 was almost the same as in 2018 as there were no main changes in the industrial assets. 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.</p>
Groundwater – non-renewable	Relevant	18,281	About the same	<p>Non renewable groundwater in Eni is currently assumed to be only brackish deep groundwater. It is under evaluation a methodology to better assess the renewal rate of the aquifers exploited by Eni. This is a preferred sources wherever available as an alternative to freshwater. It is a relevant source where no alternatives are available. such as in north Africa. An increase has been observed as a consequence of EOR use in north Africa while is predictable an increment of its use as a consequence of wells ageing and the need to maintain the reservoir pressure. However, in consideration of this aspect,</p>

				the brackish water increase will be anyway restrained through dedicated produced water reuse projects, (some already started).
Produced/Entrained water	Relevant	67,310	About the same	Produced water decreased by 1% over the last reporting year, as a consequence of onshore decrease and offshore increase. An increment is foreseeable as a consequence of ageing and increase of oil and gas production. Produced water is considered an essential resource to maintain the reservoir pressure and Eni has the objective to increase its reinjection over time for this purpose.
Third party sources	Relevant	14,600	Higher	An increase has been observed in 2019 vs 2018 (+18%). 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 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.

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	78,840	About the same	Most of freshwater discharge relates to the once-through cooling system in the petrochemical plant of Mantua. It is relevant as Eni needs to discharge these volumes both for cooling purposes and of industrial wastewater after treatment. Freshwater is mainly used in the downstream, whose productive assets remained almost unchanged in the reporting year,, so also discharges remained almost unchanged.
Brackish surface water/seawater	Relevant	1,354,013	Lower	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 decreased by 15% mainly as a consequence of the reduction of seawater withdrawals, as previously described.
Groundwater	Relevant	78,754	About the same	Discharge to deep formations is relevant as it is water injected for enhanced oil recovery. It is a slightly lower value with respect to the previous year as an effect of the exit of the Villano field from Eni operated sites. The Eni's intend to increase produced water reinjection, this value is expected to increase
Third-party destinations	Relevant	19,200	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 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
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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
0.78	Freshwater withdrawals	Other, please specify MWheq	About the same	The intensity is constantly decreasing over the last years, and remained constant in the last three years. As a consequence of interventions for freshwater savings at the Ferrera Erbognone and Brindisi power-plants, a slight decrease was accomplished in 2019. 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.

				<p>Decreasing freshwater intensity entails decreasing the impact of the industrial activities on freshwater per unit of production.</p> <p>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"> <input type="checkbox"/> decrease of withdrawals (and the relative water intensity index) <input type="checkbox"/> percentage of low-quality water out of total freshwater withdrawals <input type="checkbox"/> consumption decrease. Such decrease could result from: <ul style="list-style-type: none"> a. greater process efficiency b. the use of larger amounts of recycled water c. the use of desalinated water
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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

Lower

Please explain

The water intensity of upstream productions decreased constantly over the past 6 years and, specifically, decreased by 13% with respect to previous reporting year. In 2019 it reached a low 0.007 m³/boe as a consequence of our efforts to reduce or replace freshwater withdrawals, e.g. with produced or sea water. 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 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:

- decrease of withdrawals (and the relative water intensity index)
- 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

Business division

Midstream/Downstream

Water intensity value (m3)

0.85

Numerator: water aspect

Freshwater withdrawals

Denominator

Other, please specify
ton of refinery throughputs

Comparison with previous reporting year

About the same

Please explain

The figure remained constant over the last two years as the production asset remained almost constant. 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 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:

- decrease of withdrawals (and the relative water intensity index)
- 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

Business division

Chemicals

Water intensity value (m3)

11

 Percent

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, so that 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 introduced an index aimed at highlighting the efficiency of water use, dependent on the volume of recycled water, that is freshwater withdrawals / freshwater use, where freshwater use is given by: freshwater withdrawal + freshwater recycle. In this way, the water intensity can be lowered by a decrease of withdrawals as well as by an increase of recycled water. In the last year a slight increase was observed as a consequence of freshwater withdrawals increase because of the set-up the Mantova petrochemical plant had to keep during the outage for the maintenance of the cooling towers. No substantial changes are expected in the near future.

Water intensity is a relevant indicator of water efficiency and its analysis 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:

- decrease of withdrawals (and the relative water intensity index)
- 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

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

% of total procurement spend

76-100

Rationale for this coverage

The percentages were calculated with respect to the total number of suppliers subject to qualification assessment about HSE aspects carried out by Eni Spa in 2019. All suppliers are subject to a qualification assessment that, beyond technical capacity, assess also sustainability aspects and compliance with HSEQ requirements, defining appropriate action plans geared to the development and continuous improvement of suppliers' performances and aimed at remedying any shortcomings identified. Water management is part of HSE evaluation: suppliers are requested to report us information on their water management. As the qualification assessment is mandatory in order to be eligible as a supplier for Eni, this is a mean to incentivize to report on water management.

Impact of the engagement and measures of success

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.

Comment

In the qualification process Eni assesses suppliers' Water Management within the HSE evaluation. Scope of the vendor qualification process is to check if new suppliers meet the Eni mandatory HSE requirements for admittance into the Register of Vendors and

assess the adequacy of the models for managing HSE and Quality aspects used by the vendor and their level of application. Besides Eni monitors suppliers HSE performances and measures the success of their engagement by feedback collection.

W1.4b

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

Type of engagement

Onboarding & 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

Testing in 2019 the market reaction to the introduction of a new Supplier Code of Conduct, Eni has finalized its strategy for the distribution of the Code of Conduct connected with the Code of Ethics. The Code states Eni's commitment and expectations from suppliers regarding the management and monitoring of the most significant environmental aspects and integrate, whenever possible, circular approach into their supply chain management (between them, the reduction of the consumption and of the impact on water resources). The code is now going to be spread across the supply chain to raise awareness on sustainability and human rights. The programme, called JUST (Join Us in a Sustainable Transition), is finalised to raise an integrated approach toward sustainability introducing sustainability requirements in each procurement process, including green sourcing requirements, circularity, innovation, transparency and ethics, to be aware of Eni requirements from its suppliers and the market.

Impact of the engagement and measures of success

By requiring the suppliers to commit to the principles of the Code of Conduct, Eni wants to build a long-term relationship with them. The success is measured with the introduction of sustainability requirements in every procurement process. These are meant to verify the compliance of suppliers to the principles stated and to incentivize the adoption of better practices by giving them a competitive advantage, if they are already in line with expectations, or the instruments to know which are the best practices on the market and how to be competitive, if they are not. We are now measuring the baseline, in the next years we'll be able to quantify the improvements of our supply chain. The main beneficial outcomes are that it assures the suppliers compliance to Eni's requirements and, by asking something more detailed to the suppliers every time they

have contact with us, Eni and its supplier learn something new about each other and are challenged to keep doing better and grow together.

Comment

The scope of Eni Supplier Code of Conduct is to develop a relationship with suppliers of proven professionalism, capable of operating according to the highest quality standards and who share its corporate values, including those related to sustainable development. In addition to Supplier Code of Conduct, Eni is still evaluating to get on board on an international assessment platform through which it will be able to easily assess supplier performances about environmental issues.

Type of engagement

Incentivizing for improved water management and stewardship

Details of engagement

Water management and stewardship is integrated into supplier evaluation processes

% of suppliers by number

1-25

% of total procurement spend

Less than 1%

Rationale for the coverage of your engagement

Eni is still evaluating to get on board on an international assessment platform through which it will be able to easily assess supplier performances about environmental issues. In the meantime, Eni launched the JUST programme with the aim of deepening also environmental topics over the social and the economic ones. Such initiative will allow analysis of companies' behaviors and ongoing trends to support an ever more sustainable supply chain.

Impact of the engagement and measures of success

All the suppliers will be demanded to complete a self-assessment questionnaire on the Eni portal and then if they are performing well they will receive a tag to highlight their good environmental performance. Such tag of good performances will be taken into consideration at all the phases of the procurement process and will be used to monitor implemented best practices and to provide a snapshot of how different market segments are evolving.

Comment

Type of engagement

Innovation & collaboration

Details of engagement

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

% of suppliers by number

Unknown

% of total procurement spend

Unknown

Rationale for the coverage of your engagement

The initiatives included in this type of engagement actually started in 2020

Impact of the engagement and measures of success

Even though Eni has always requested to its suppliers the highest standard, the full compliance with the law and the adoption of the best technology available, in 2019 we decided to boost even more the expectation and collaboration with our suppliers with the programme called JUST. In fact, innovation is one of the pillars of this programme, aiming at the improvement and growth of both Eni and its ecosystem. In order to do so, through the programme, Eni is going to introduce rewards for those suppliers that demonstrate a strongest commitment to the energy transition and sustainability (such as reducing water impacts in an innovative way) and it's going to investigate how truly strong their commitment is by asking the percentage of profit reinvested in R&D and innovation.

Comment

More information can be found on the website: enispace,
https://esupplier.eni.com/PFU_en_US/restyling/home.page

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:

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

The Management System Guideline of HSE, Annex F "Risk Management", provides general criteria for HSE risk management, i.e. the process which identifies and assesses HSE risk and develops strategies to regulate it, to preserve the safety and health of people (employees, third parties, the local community) as well as the integrity of assets and to safeguard the environment in a life-cycle perspective. It considers the processes for: risk analysis, assessment and governance. The HSE risk management process includes monitoring the implementation and effectiveness of measures identified to reduce risk.

The Operating Professional Instruction "Analysis and assessment of environmental risks with potential effects for administrative liability in accordance with the Italian Legislative Decree 231/01" is designed to describe the methods used to identify and assess environmental risks with potential effects for administrative liability. The Management System Guideline of HSE (Annex E-D Water Resource Management) 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 order to minimize polluting discharges, through monitoring quality and quantity in compliance with sustainable environmental responsibilities, in line with, where technically and economically possible, best available technologies (BAT - Best Available Technologies).

The Annex E-D requires that each plant must have a sampling plan so that, for each discharge point, the characteristic parameters and typical pollutants are analyzed. In the specific case of electric generation, Eni 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 (reference D.lgs. 152/2006 part III, Annex 5). If a value above permitted limits is observed, each plant must activate an investigation on the causes of the exceeding values found and define a corrective action.

When it is necessary to provide for the disposal of an aqueous waste, deriving from, for example, remediation operations, compliance with the specific applicable legislation is guaranteed (reference Legislative Decree 152/2006 part IV), committing authorized personnel for the transportation and treatment of said waste.

The Annex E-D requires that annually the pertinent 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. These aspects are not evaluated in the value chain, besides what regards the qualification process described in W1.4, as they are considered not to have substantial impacts

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 Annex E-D, 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; data collection and monitoring; specific 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. 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

		<p>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"> • conducting periodic visual inspections in the plant and monitoring the state of preservation of pipes, sewerage system, containment basins and paving • identification and periodic updating of sampling points for control activity • 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 • verification of compliance with legal limits and / or those provided for in the discharge authorization and / or provided for by the sewer regulation • reporting of the indicators relating to withdrawals and discharges, as provided for internal planning, monitoring and reporting procedures • 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; • timely information to the competent control authority, to the HSEQ Enipower office and to the competent functions of the head office
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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. 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:

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- 4th level **OPERATING INSTRUCTION**

The Management System Guideline of HSE, Annex F "Risk Management", provides general criteria for HSE risk management, i.e. the process which identifies and assesses HSE risk and develops strategies to regulate it, to preserve the safety and health of people (employees, third parties, the local community) as well as the integrity of assets and to safeguard the environment in a life-cycle perspective. It considers the processes for: risk analysis, assessment and governance. The HSE risk management process includes monitoring the implementation and effectiveness of measures identified to reduce risk.

The Operating Professional Instruction "Analysis and assessment of environmental risks with potential effects for administrative liability in accordance with the Italian Legislative Decree 231/01" is designed to describe the methods used to identify and assess environmental risks with potential effects for administrative liability.

The Management System Guideline of HSE (Annex E-D Water Resource Management) 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 order to minimize polluting discharges, through monitoring quality and quantity in compliance with sustainable environmental responsibilities, in line with, where technically and economically possible, best available technologies (BAT - Best Available Technologies).

The Annex E-D requires that each plant must have a sampling plan so that, for each discharge point, the characteristic parameters and typical pollutants are analyzed. If a value above permitted limits is observed, each plant must activate an investigation on the causes of the exceeding values found and define a corrective action.

When it is necessary to provide for the disposal of aqueous waste, deriving from, for example, remediation operations, compliance with the specific applicable legislation is guaranteed (in Italy Legislative Decree 152/2006 part IV), using authorized persons for the transportation and treatment of such waste.

The Annex E-D requires that annually the pertinent 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.

Annex E-F, Biodiversity and Ecosystems (BES), requires that Eni identifies and evaluates all potential impacts on BES deriving from its operations and implements appropriate mitigation

actions to minimize any adverse effects, by applying principles consistent with the Convention of Biological Diversity, the guidelines of the Energy and Biodiversity Initiative and the implementation tools developed by the IPIECA-OGP Biodiversity Working Group. In order to deliver on the ground an effective management of BES issues, Eni Business Units need to include in their operating practices BES considerations and, possibly, the implementation of the BES action plan, containing the site-specific indicators used to monitor the effectiveness of the mitigation activities; the BES assessment should be repeated periodically, throughout the whole project/operating site/facility life-cycle and, if necessary, updated.

Eni has in place specific operating and methodological reference for the definition of activities and operating procedures for the management of Product Safety, with particular reference to Safety Data Sheet (SDS). The Specific instructions are reported in the Professional Operating Instruction opi hse 006 eni spa SF r03 en “Product Safety”, where specific instructions for Classification, labelling and drawing up SDS are reported. The SDS includes information such as the properties of each chemical; the physical, health, and environmental hazards; protective measures; and safety precautions for handling, storing, and transporting the chemical. Whenever necessary, e.g. for new products, the Employer’s Lines evaluates the need to carry out the issue of a new SDS or the revision of 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	The main potential pollutants of upstream and downstream operations are crude oil and its refined products. The main potential impact are linked to potential spills due to accident or sabotage. Both events, in terms of number and spilled	Compliance with effluent quality standards Measures to prevent spillage, leaching and leakages Community/stakeholder engagement Emergency preparedness	Potential mitigating actions are listed in Annex E-D, Water Resource Management: installation devices that measure volume, pressure and pollutants; leak control and maintenance; employee training and education; procedure for

		<p>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>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. Regarding oil spill, prevention is pursued by actions in all areas: research, technical areas, increase of controls and interventions on assets. Nearly 32.7 million € were invested in 2019 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</p>
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			<p>Vibroacoustic Pipeline Monitoring System, a proprietary patent with proved effectiveness and with future developments (eVPMS-TIP, to detect vibrations from excavation in the ground and anticipate intervention); ground-trotting (also involving community); use of "Chopper Overflies" and 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,</p>
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				<p>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 (10^{-6}).</p> <p>The success is measured in terms of number and volume of spills and is disclosed in our annual DNF</p>
Chemicals	Chemicals	<p>The main potential impact are linked to potential spills due to accident. 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>Compliance with effluent quality standards</p> <p>Measures to prevent spillage, leaching and leakages</p> <p>Emergency preparedness</p>	<p>List of potential mitigating actions listed in Annex E-D, 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;</p>

				<p>specific audits; certification and transparency of reporting. To enhance internal skills, Eni is committed to spreading knowledge across all the functions. The success is measured in terms of number and volume of spills and is disclosed in our annual DNF.</p>
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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.

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
Databases

Tools and methods used

GEMI Local Water Tool
 WRI Aqueduct
 COSO Enterprise Risk Management Framework
 FAO/AQUASTAT

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 of the water intensities of the productions. 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. It is noteworthy to add that results of herein technical assessments are integrated into Integrated Risk Management (IRM) process (as better explained under W3.3d and W.4.1.a). IRM process makes reference to COSO ERM framework.

Supply chain

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?

3 to 6 years

Type of tools and methods used

International methodologies
 Databases
 Other

Tools and methods used

Life Cycle Assessment
 Internal company methods
 External consultants

Comment

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 thanks to an environmental risk monitoring along the supplier qualification process, driven by level of commodity code's HSE criticality. The frequency of assessment for a supplier recurs each five years, but Eni 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. Moreover these elements are going to be integrated in the group's risk strategy, through value chain specific analysis (e.g. products' lifecycle analysis) and through the implementation of the Green Sourcing Project.

Other stages of the value chain

Coverage

None

Comment

W3.3b

(W3.3b) Which of the following contextual issues are considered in your organization's water-related risk assessments?

	Relevance & inclusion	Please explain
Water availability at a basin/catchment level	Relevant, always included	Water is essential for our operations and its availability is thus constantly monitored, also to drive decisions regarding the most reliable water sources. In this regard is an example the EniPower power plant of Brindisi, where a program to use more reliable water sources has been put in place (see W4.3a). The Climate Change and Strategy (CCS) function, in collaboration with the business units, carries out annually an analysis of water risk exposure 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 we use our internal data and international tools, such as Aqueduct and FAO/Aquastat. Where deemed necessary, local assessment using GEMI Local Water Tool or internal methodologies are carried out. It is noteworthy to add that results of herein technical assessments are integrated into Integrated Risk Management (IRM) process (as better explained under W3.3d and W.4.1.a). IRM process makes reference to COSO ERM framework.
Water quality at a basin/catchment level	Relevant, always included	The availability of good quality water is relevant as a source to produce demineralized water and steam. It is constantly monitored as part of water management at

		<p>every site and the trend of quality over time is an element taken into account to elaborate, when needed, projects to replace unreliable sources. Eni, in order to preserve high quality water sources, intends to increase, over its four-year plan, the treated groundwater (TAF water) for reuse for civil or industrial purposes and, likewise, to launch initiatives for the use of low-quality water to replace freshwater. The CCS function, in collaboration with the business units, carries out annually an analysis of water risk exposure 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, we use our internal data and international tools, such as Aqueduct and FAO/Aquastat. Where deemed necessary, local assessment using GEMI Local Water Tool or internal methodologies are carried out. As under previous reply, it is noteworthy to add that results of herein technical assessments are integrated into IRM process (as better explained under W3.3d and W4.1a). IRM process makes reference to COSO ERM framework.</p>
<p>Stakeholder conflicts concerning water resources at a basin/catchment level</p>	<p>Relevant, always included</p>	<p>Stakeholder expectations are always considered by Eni and they are always considered in the HSE risk management process, also to preserve the safety and health of people (employees, third parties, the local community) and to safeguard the environment. During local assessment of water risk, carried out according to GEMI Local Water Tool or using internally developed questionnaires, competition for the water resources is always included.</p> <p>Moreover, as stated in Eni's Statement on respect for 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. Eni informs and engages local communities by promoting free, prior and informed consultations, in order to consider their legitimate expectations in conceiving and conducting business activities, including community investments. Eni designs and implements community grievance mechanisms as part of its efforts to foster dialogue with local communities over project developments and potential impacts." For these reasons, Eni has set up a platform, the Stakeholder Management System, dedicated to support</p>

		<p>the management of the complex network of relationships in the territories, monitoring the expectations of the populations and the results of development projects. This tool allows to survey and visualize, through a map, the relations with each category of stakeholder, highlighting any areas for improvement, with the possibility of better investigating the potential impacts, current and emerging, tracing the presence of vulnerable groups and the presence of areas of naturalistic and/or cultural value around the areas of activity, enabling a more conscious management of the operational realities.</p> <p>These analyses are also conducted during the development of new projects to verify potential impacts on communities before the development of assets or exploratory activities.</p>
Implications of water on your key commodities/raw materials	Not relevant, explanation provided	Oil and gas commodities/raw materials are not water intensive. However, in view of an increase of the green activities (green chemistry and green refinery), this aspect is expected to become relevant, according to Eni long term plan to 2050, and will be included.
Water-related regulatory frameworks	Relevant, always included	<p>Regulatory frameworks are critical and always included in the risk analysis as licenses and permits for water withdrawals and discharge are an essential aspect of operative permitting. Licenses to withdraw water and any changes in the regulatory quality limits for water discharge can ask for more expensive treatment or the need to use low quality water, which also can increase the costs of treatment to guarantee a sufficient quality for use. The tools used (for example, procedures, instructions and records) are defined, updated and archived with a diversified frequency depending on the activities to ensure their constant adequacy and effectiveness, to ensure constant monitoring of the activities and their potential impacts on the environment, also taking into account possible variations in the conduct of activities, products or existing services, regulatory developments (legal and/or voluntary) of environmental conditions and the needs and expectations of stakeholders. Also, regulatory frameworks, related developments and possible constraints in HSE matters are strictly monitored by HSE functions as well as IRM function. "HSE regulation" represents a risk in IRM model (IRM scoring model is described under W4.1a). Impacts connected to water-related regulatory framework is evaluated under "Strategic Environmental Risks", as described under W4.1a</p>

<p>Status of ecosystems and habitats</p>	<p>Relevant, always included</p>	<p>Protection of the environment, based on the principles of prevention, protection, information and participation, is an essential component of how Eni operates. Particular attention is paid to the efficient use of natural resources, like water; to reducing operational oil spills; to managing waste through process traceability and control of the entire supply chain; and to managing the interaction with biodiversity and ecosystem services. The Annex E-D “Water resources management” of the HSE Management System Guidelines requires that annually the pertinent 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.</p> <p>Through the Annex E-F “Biodiversity and Ecosystems” and BES Policy, Eni adopts a Biodiversity and Ecosystem Services (BES) management model which incorporates the principles of the Convention of Biological Diversity, the guidelines of the main international initiatives and the implementation tools developed by the IPIECA-IOGP Biodiversity Working Group. Eni BES management model requires that biodiversity risk exposure is routinely monitored by screening new and existing sites for proximity to protected areas, key biodiversity areas and for the presence of threatened species (according to the IUCN Red List). Eni uses the results of the screening to identify the priority sites where to intervene with higher resolution investigations, by characterizing the operational and environmental context and assessing any BES dependencies along with direct, indirect and cumulative impacts potentially associated with company’s activities. Based on the outcomes of the above assessments, BES Action Plans are implemented on site to ensure the effective management of biodiversity risk and to drive continuous improvement of BES management performance towards “no net loss” or “net gain” of biodiversity, depending on project-specific risks and context.</p>
<p>Access to fully-functioning, safely managed WASH services for all employees</p>	<p>Relevant, always included</p>	<p>Core strategy and methodological approach of Eni initiatives on public health based on Company experience and developed in line with international guidelines (Health for All), are described in the Annex "Global Health" of Eni's Human Resources Management System Guidelines. Eni carries out health promotion activities, with the aim of increasing the Company's social responsibility, improving its image, building up employee loyalty and reducing the</p>

		<p>loss of work and production through injury or illness.</p> <p>The Annex "Global Health" outlines the key steps from Eni's initial decision to commit the Company to a global health initiative up to its completion, describing the decision-making and methodological process and identifying the people, instruments, products and timescales involved in formulating and managing said initiatives.</p> <p>The Eni health function is responsible also for developing a monitoring system that makes possible an accurate measurement of the progress made towards the objectives. The key performance indicators for monitoring the initiatives must be identified in accordance with efficiency criteria, adopting where possible the indicators used in other processes such as Sustainability for example.</p> <p>The Eni health function is responsible for checking the progress of the initiatives in the individual subsidiaries. The results obtained from this monitoring and from the qualitative analysis must be communicated to the Eni health function. In order to ensure that the monitoring activities are effectively carried out, the area health function must:</p> <ul style="list-style-type: none"> •support each subsidiary in developing an adequate monitoring process suited to the local context •ensure that each subsidiary stays on track to achieve the objectives •ensure that the health promotion activities are communicated and implemented as planned •ensure that each subsidiary adheres to the guidelines. <p>It is recommended to carry out semi-annual supervisions of each subsidiary. The Eni health functions update the priorities annually in order to adapt to the evolving necessities of the local contexts. Furthermore, in the technical guideline "Food & Water Hygiene" are outlined the safe (chemical, biological, physical) parameters of water quality to be used at Eni operational sites.</p> <p>It defines the design, quality control measures, good manufacturing and storage practices, training of staff to be done periodically at Eni operational sites as per HACCP (Hazard Analysis and Critical Control Points) principles.</p>
Other contextual issues, please specify	Not considered	

W3.3c

(W3.3c) Which of the following stakeholders are considered in your organization's water-related risk assessments?

	Relevance & inclusion	Please explain
Customers	Relevant, always included	<p>A continuous relations with consumer associations is relevant in order to build a relationship based on transparency and trust through dialogue, cooperation and problem solving.</p> <p>Our stakeholders are first and foremost people who live in the areas where Eni works: their knowledge and sharing of their concerns and expectations are the basis of our commitment to build lasting relationships in order to contribute, together, to a sustainable development. The direct involvement of stakeholders in each phase of the activities, the promotion and sharing of common principles and dialogue are at the basis of the creation of long-term value. In carrying out the activities, the daily and proactive dialogue, in place with different stakeholders, is essential in order to establish a solid and transparent relationship of trust, which can be a promoter for shared development processes. For instance, in Eni petrochemical sector, Versalis adopts Responsible Voluntary Programs such as the Responsible Care, that is the global chemical industry's unique initiative to improve health, environmental performance, enhance security, and to communicate with stakeholders about products and processes.</p> <p>Main customers engagement activities during the year:</p> <p>Meetings and workshops with Presidents and managers of the energy sector of national and local CA (Consumer associations) on topics such as sustainability, circular economy, reclamation and environmental remediation;</p> <p>Sponsoring CA initiatives on the issues of sustainability and the circular economy to which Eni's senior officials have taken part, bearing witness to our initiatives in this regard;</p> <p>Territorial meetings organized with the Customers' Associations of the CNCU (Italian National Council of Consumers and Users).</p>
Employees	Relevant, always included	<p>As recognised in Eni's mission, "Our work is based on passion and innovation, on our unique strengths and skills, on the quality of our people and in recognising that diversity across all aspects of our operations and organisation is something to be cherished." As a consequence, Eni's employees are regularly engaged and consulted (see also Eni's internal communication section on Eni's website (https://www.eni.com/enipedia/en_IT/business-model/people/enis-internal-communication.page)). To further integrate sustainability in the Board's agenda and to reinforce awareness of the importance of sustainability for both the strategy</p>

		<p>and day-to-day business of the company, Eni signed up to the pilot phase of the UN Global Compact LEAD Board Programme, aimed at training directors on sustainability issues.</p> <p>A specific process safety standard is going to be implemented in order to give instructions related to natural risk (weather, hydraulic, hydrogeologic, seismic, volcanic and tsunami) and how to evaluate and include it in operative safety reports.</p> <p>Moreover, to engage those operating units that have achieved major improvements and the people and teams that have developed the best ideas and projects in the areas of Safety and the Environment, Eni has also put in place a special Safety and Environment Day hold yearly at the presence of the CEO, the Chairman and the HSE&Q Director.</p>
Investors	Relevant, always included	<p>The direct involvement of stakeholders in each phase of the activities, the promotion and sharing of common principles and dialogue are at the basis of the creation of long-term value for Eni. Among the main investor engagement activities during the year ESG (Environmental, Social, Governance) where themes also relating to Shareholders' Annual meetings. Eni makes quarterly presentations of results and an annual strategy report to shareholders, engaging in one-to-one meetings and conference calls to illustrate the company's economic and operating performance and the targets of the four-year strategic plan. The investor relations department also manages the relationship with socially-responsible investors outlining the company's social and environmental performance, corporate governance and risks, the characteristics of integrated management systems and the model of co-operation with the countries in which Eni is active. After the new Board of Directors took office in 2014, the commitment to the management of sustainability issues was further strengthened through a greater diversification in terms of the professionalism, managerial experience and international outlook of the Directors, as well as via the establishment of the Sustainability and Scenarios Committee.</p>
Local communities	Relevant, always included	<p>As stated in Eni for 2019, to Eni, the relationship with its stakeholders, listening and sharing decisions with people in the Countries where it operates are fundamental elements: knowledge of their point of view and their expectations is the foundation of its commitment to building transparent and lasting relationships based on mutual trust.</p> <p>Eni includes risks affecting local communities (including water-related risks) within its Integrated Risk Assessment Process, as it is aware of the potential and actual impacts (either positive and negative) that we can exert on them.</p> <p>Therefore, responsible business management must respond to the needs expressed by local communities, contributing to their well-</p>

		<p>being in the medium and long term. Eni considers the relationship with the communities an important element of listening. For this reason, Eni tracks all the requests made by the stakeholders and analyzes them in an integrated form for each territory so as to identify the best actions to be put in place to achieve sustainable development in synergy with the local communities. In this perspective, the management of grievances is also a fundamental element of attention. Eni has defined its own Grievance Mechanism to receive, recognize, classify, investigate, respond and resolve complaints in a timely, planned and respectful way. The grievances are monitored through a dedicated system called the "Stakeholder Management System (SMS)".</p> <p>As stated in Eni for 2019, the stakeholder engagement activities include:</p> <ul style="list-style-type: none"> • Involvement of the communities close to plants (about 650, including indigenous ones) • Consultation of local authorities and communities for the new exploration activities and/or the development of new projects as well as for the planning, management and improvement of social projects • Mapping of community relations, requests and grievances and definition of local engagement content
<p>NGOs</p>	<p>Relevant, always included</p>	<p>Eni promotes a proactive dialogue with NGOs and international associations on issues of corporate responsibility and sustainability. This commitment is part of the broader relationship that we establish with all our stakeholders, aimed at creating value and sharing strategies. In this context, Eni promotes meetings and, where possible, responds to stakeholders' requests by presenting its own approach to sustainability as well as specific projects of particular relevance.</p> <p>One example is the dialogue with Amnesty International on activities in Nigeria: since 2009 Eni and the NGO have been talking about the protection of the human rights of the populations living near the extraction sites in Nigeria. The meeting allowed the parties to deepen various areas of discussion and in particular the potential impacts of oil spills on local communities. Eni is committed to completing remediation in areas of operational presence affected by spills, often caused by sabotage. Eni believes that the problems of the Niger Delta require a Nigerian-led multi-partner strategy. Companies, Institutions and NGOs, each in line with their respective missions, views and perspectives, must find common answers. As suggested by Amnesty International, a dedicated website (NAOC Sustainability) has been set up to present information on the technologies used to limit any oil spills, as well as data on the causes and magnitudes of oil spills in recent years. In 2016, Eni organized an internal awareness-raising</p>

		<p>workshop on security and human rights issues, involving a representative of the international secretariat of Amnesty International as a speaker. In 2018 Amnesty International published a report on the presumed impacts caused by Eni related to the management of oil spills in Nigeria. Eni has provided Amnesty International with a structured response, publishing it on its website.</p> <p>Other pertinent active partnerships: FFI, WCS. NGOs are considered when valuating water related reputational risk</p>
Other water users at a basin/catchment level	Relevant, always included	<p>Eni is aware of the opportunity represented by circular economy and, accordingly, water resources are deemed as a fundamental element toward this path. In the downstream section, consistent volumes of water are made available for industrial use (from 4.8 to 6.8 Mm³/year for the next 4 years), thanks to the groundwater treatment plants (TAF). Other water users at the basin/catchment level is fundamental to understand present and future water related risk due to competition for the water resources. Other water users are also evaluated in order to identify possible collective actions, that are relevant for best management initiatives such as the exchange of industrial water volumes among different users.</p>
Regulators	Relevant, always included	<p>The regulators are Eni's stakeholders in water related risk assessment issues, under multiple points of view. Regulators are, in particular, relevant and always included in water risk evaluation as they are fundamental in the steps of permitting.</p> <p>In ordinary business operations, for both new projects and existing facilities, during any step of water related risk assessment and permitting, regulators, as stakeholders, are:</p> <ul style="list-style-type: none"> • informed through objective information to demonstrate water risk assessment is mitigated and controlled through BAT or emerging techniques' application; • consulted to obtain feedback on very singular circumstances of ongoing projects' phases: Eni collaborate with regulators to decide and share the proposed solutions and alternatives. <p>Moreover, Eni participates in public consultations over regulatory changes, directly or through international associative bodies (Concawe, IOGP, Fuels Europe, ...) or national associations.</p>
River basin management authorities	Relevant, always included	<p>River basin management authorities are relevant and always included in water risk evaluation as they are fundamental in the steps of permitting. They are Eni's stakeholders in water related risk assessment issues, in ordinary business operations, for both new projects and existing facilities, during any step of water related risk assessment and permitting. Timely renewal of appropriate water permits is essential for our operations, thus regular engagement with river basin authorities, as regulated by local laws, is key to mitigate the risk in all our operating locations.</p>

Statutory special interest groups at a local level	Relevant, always included	Statutory special interest groups at a local level are relevant and always included in water risk evaluation as they are fundamental in the steps of permitting. Timely renewal of appropriate water permits is essential for our operations, therefore engagement with statutory special interest groups at a local level is evaluated in order to anticipate the needs and to mitigate local risks in all our operating areas.
Suppliers	Relevant, always included	<p>Eni has always been committed to selecting suppliers and external collaborators with appropriate professionalism and who share the company's values. The selection of reliable partners is an indispensable activity in the creation of value for shareholders, for ensuring innovation, continuous improvement, and the safeguarding of Eni's integrity and reputation in the market. To this end, the following documents have been produced: Code of Ethics, Model 231, Guidelines for the Promotion and Protection of Human Rights, and the Eni Anti-Corruption Management System (MGS).). In FY 2018, more than 8,500 suppliers were awarded contracts globally. The supplier qualification phase aims to assess, verify and monitor the technical and managerial skills, and the ethical, economic and financial reliability of a supplier on the basis of objective elements. In particular, selection is carried out by evaluating the degree of implementation of, among others, environmental protection.</p> <p>The Green sourcing project will aim at the identification of the levers in the supply chain for the reduction of environmental impacts and risks</p>
Water utilities at a local level	Relevant, always included	<p>Water utilities at a local level are relevant and always included in water risk evaluation as they can provide municipal water, essential for civil uses at the industrial sites and also, where needed and if available, for the use of wastewater treatment plants.</p> <p>Only a small amount of water needs in Eni are fulfilled by freshwater (less than 7%) and, of these, about 5% by municipal water.</p> <p>With regard to the risk associated to availability and capacity of water treatment plants, this is considered according to annex E-D to HSE Management System Guidelines, "Water resource management". Even if water utilities at local level represent a small volume for Eni, they are nevertheless important and factored in water risk assessment.</p>
Other stakeholder, please specify	Not considered	

W3.3d

(W3.3d) 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.

The central HSE function, in collaboration with the business unit, carries out annually an analysis of water risk exposure 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 2050, 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 represent 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 analysed 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).

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?

Yes, only within our direct operations

W4.1a

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

In Eni Integrated Risk Management (IRM) framework, largely based on COSO ERM Framework, a risk scoring model has been adopted in order to assess severity of risks identified according to the 4-y strategic plan objectives and coherently with risk management practices applied at different business areas (HSE, finance, etc).

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 metric: 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 strategic plan
- Descriptive-qualitative metric: 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 metric: the impact is measured based on reduction in daily production or delayed production
- Image & reputation metric: the impact is measured based on the duration of the negative impact upon selected stakeholders
- Environmental metric: the impact is measured based on the relevant fallouts on the environment, ecosystem and people. Indicators may include: the size of the involved area, impact on the ecosystem, inconvenience from pollution to personnel or population, etc.
- Health & safety metric: 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 metric: 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 metric: measures the impacts of criminal events on individuals/assets.

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.

In the same matrix, each risk is displayed at both inherent and residual level and the length of the line drawn between the two scores shows how effective the mitigations in place are.

According to IRM methodology, 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").

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. The **strategic impact** includes potential significant review of the adopted strategy and/or business model. Impacts and treatment actions are detailed in relevant risk register. The extent of the analysis performed by IRM, with reference to water-related risks, is Eni’s direct operations.

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	2	1-25	<p>This value has been calculated considering all Eni's productive sites. The selection of sites has been done taking into account sites located in areas characterized by a BWS higher than 40% and by a freshwater withdrawal higher than 500,000 m³ in the year 2018. Among these, local evaluations have been carried out according to the procedures described in the dedicated parts of this questionnaire.</p> <p>Considering all Eni productive sites, the exposed facilities represent less than 2 % of total number.</p> <p>According to the new release of Aqueduct, one of the sites (Porto Marghera) previously indicated as at risk according to the value of BWS, is not at stress anymore.</p>

W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/Area & River basin

Italy

Other, please specify

Arco Ionico

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

% company's annual electricity generation that could be affected by these facilities

Less than 1%

% company's global oil & gas production volume that could be affected by these facilities

1-25

% company's total global revenue that could be affected

Less than 1%

Comment

The refinery of Taranto is located in an area that is part of the "Bacino idrografico Taranto, macroarea ARCO IONICO (rif. Piano Tutela Acque Regione Puglia tab. 3.1)". As well as being the sole refining centre in south-east Italy and the most important hub for distributing petroleum products in this vast area, the refinery has links to the Upstream sector thanks to its direct pipeline connection with the Val d'Agri oil field in Basilicata (60.77 per cent Eni-owned). The Taranto refinery throughput represents roughly 1/5 of total Eni's refinery capacity. Electricity is generated for internal use.

Country/Area & River basin

Italy

Other, please specify

Bacino Toscana Costa

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

% company's annual electricity generation that could be affected by these facilities

Less than 1%

% company's global oil & gas production volume that could be affected by these facilities

1-25

% company's total global revenue that could be affected

Less than 1%

Comment

The refinery of Livorno is located in an area that is part of the "Livorno, Bacino Toscana Costa (rif. Piano Tutela acque Reg. Toscana § 2.3.4)".

The refinery of Livorno produces lubricants and other specialties and is connected via a pipeline to the Calenzano (Florence) deposit. The Livorno refinery throughput represents roughly 1/5 of total Eni's refinery capacity.

According to the new release of Aqueduct, the refinery of Livorno is located in a water stress area (BWS>40%).

Electricity is generated for internal use.

W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

Italy

Other, please specify

Arco Ionico

Type of risk & Primary risk driver

Physical

Increased water stress

Primary potential impact

Fines, penalties or enforcement orders

Company-specific description

The refinery of Taranto water withdrawals are represented, for about 99%, by seawater. As a consequence of an increase of water stress, an interruption of the license for freshwater supply could be hypothesized, limited to one month during the driest period of the year.

Timeframe

4-6 years

Magnitude of potential impact

Low

Likelihood

About as likely as not

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

16,000,000

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

The financial impact was calculated making the assumption that a shortage of freshwater could impose the complete shutdown of the refinery for one month and a consequent complete loss of revenues. However, an alternative for freshwater is already present, so the actual (residual) risk is zeroed.

Primary response to risk

Secure alternative water supply

Description of response

At the refinery of Taranto is in exercise a desalination plant having the capability to produce an extra desalinated water volume if needed, therefore the freshwater volumes currently withdrawn can be promptly replaced; furthermore, the increase of desalination throughput does not need further authorizations.

Cost of response

9,420

Explanation of cost of response

The cost indicated is calculated hypothesizing the replacement of the freshwater volumes for one month (7247 cubic meter as a monthly average) with desalinated water (at a cost of 1.3 €/m³) produced by the existing plant.

Country/Area & River basin

Italy

Other, please specify

Bacino Toscana Costa

Type of risk & Primary risk driver

Physical

Increased water stress

Primary potential impact

Fines, penalties or enforcement orders

Company-specific description

The refinery of Livorno is considered at stress according to the new release of Aqueduct 3.0 (BWS higher than 40%). The refinery of Livorno is totally dependent on freshwater and is located in an area where are present other water users, industrial, civil and agricultural and is characterized by a high seasonal rainfall variability. As a consequence of an increase of water stress, an interruption of the license for freshwater supply could be hypothesized, limited to one month during the driest period of the year.

Timeframe

4-6 years

Magnitude of potential impact

Low

Likelihood

About as likely as not

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**

As a consequence of an increase of water stress, an interruption of the license for freshwater supply could be hypothesized, limited to one month during the driest period of the year. The indicated value is an estimate considering one month of total shutdown of the refinery and a consequent complete loss of revenues. However, a shutdown due to a water shortage has never been recorded.

Primary response to risk

Secure alternative water supply

Description of response

In the 4 year plan are foreseen 2 different initiatives aimed at securing a more reliable water source and at diminishing the impacts to the water bodies. One initiative regards the realization of a plant that will treat industrial purchased water and waste water to produce demineralised water. The plant will lead to a reduction in the withdrawal of external surface water. The other initiative will enhance the quality of the wastewater discharge, allowing for the reuse of part of it to produce demineralized water.

Cost of response

3,690,000

Explanation of cost of response

The cost indicated is the 4 year plan budget for both the projects described (rental and final purchase).

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, drive by level of commodity code's HSE criticality. Moreover these elements are going to be integrated in the group's risk strategy, through value chain specific analysis (e.g. products' lifecycle analysis) and through the implementation of the Green Sourcing Project.

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

Local development - access to water

Company-specific description & strategy to realize opportunity

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 improve 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

• 16 wells completed, 5 in the Federal Capital Territory (FCT), 11 in the North East (5 in Borno State, 5 in Adamawa State, 1 in Yobe State). The wells are equipped with water purification systems, 18 taps for water supply and a storage capacity of 25,000-50,000 litres.

• Over 40,000 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)

12,800,000

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 (€12.8 million, Eni share) is related with the investments expected in the period 2020-2023 to improve access to water in the countries where we operate.

Type of opportunity

Other

Primary water-related opportunity

Other, please specify

Reuse of wastewater

Company-specific description & strategy to realize opportunity

Water is essential for electric power and vapor generation for the Enipower power plants. The Eni long term strategic plan is based on several principles, included the promotion of sustainable water resource management: in this perspective, the Enipower power plant of Ferrera Erbognone realized an opportunity to save freshwater. The Enipower power plant of Ferrera Erbognone has completed in the first half of 2019 the project for the recovery of condensed water that, otherwise, were delivered to the wastewater treatment plant before the discharge to the superficial water body, according to regulatory limits. The new plant allows for a saving of 10 t/h of demineralized water. The downstream sector in Eni is characterized by a high level of efficiency and is generally well integrated in the industrial context, so the efficiency margins for improvement are limited. However, whenever possible, also relatively small projects such as that above described, are realized, in a view of continuous improvement and of water stewardship, also according to the commitment to realize, over time, the CEO WM 6 core elements.

Estimated timeframe for realization

Current - up to 1 year

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)

321,566

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact

The financial impact indicated is the total cost to realize the project.

Type of opportunity

Resilience

Primary water-related opportunity

Increased resilience to impacts of climate change

Company-specific description & strategy to realize opportunity

The Eni multi-company site in Brindisi, where an EniPower thermoelectric power plant, a Versalis petrochemical plant and a Rewind (formerly Syndial) remediation plant are located, lies in a water stressed area. During 2018, a project was implemented at this site to reduce both seawater and freshwater withdrawals. At the EniPower site, through the project, which received approval by the Italian Ministry of the Environment, a new plant has been built. It has been in operation since September 2018 and replaces both the old thermal desalination system supplied with seawater and the existing desalination modules that used freshwater from wells and the Cillarese basin. Thanks to the project, freshwater consumption can be reduced by 52%, equal to about 990,000 m³/year. The demineralised water produced is used both for thermoelectric production and in the production processes of the co-located companies. The plant continues to use seawater as the main raw material but, while ensuring the same production, it makes it possible to reduce both withdrawals by about 6 million m³ a year and the amount of chemicals needed for conditioning seawater. A further improvement provides that, as an alternative discharging into the sea, part of the contaminated groundwater, after treatment (TAF water), can be sent to the new plant and reused in the production processes of the companies co-located at the petrochemical site. It is estimated that from the second half of 2019 about 125 m³/h of treated water will be used.

Estimated timeframe for realization

Current - up to 1 year

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)

800,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact

The financial impact is related to the full-life Capex for the ongoing project to connect the TAF water to the new reverse osmosis plant. This allows for a reduced seawater withdrawal and an energy saving.

Type of opportunity

Other

Primary water-related opportunity

Other, please specify

Water - energy - food nexus

Company-specific description & strategy to realize opportunity

In March 2019, Eni signed a Joint Research Agreement with the Italian National Research Council (CNR) to conduct joint research in four areas of high scientific and strategic interest: nuclear fusion, water, agriculture and the Arctic ecosystem. Eni and the CNR are combining 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. One of the research centres, located at Metaponto, in Southern Italy, is dedicated to the important role of water, both as a vital resource and as an essential element for a balanced ecosystem. The President of CNR said: "The National Research Council, together with Eni, aims at accelerating the development of new technologies that can tackle global challenges, such as the relationship between energy, water, food and the environment, with solutions that are efficient, clean and with a low water footprint. The agreement, with regard to water and agriculture, aims to achieve purification and reuse of the water resources and the sustainable food production, particularly in those areas of the world where population is growing at a fast pace such as Africa".

The main research areas to be developed at the Metaponto centre are:

- Advanced technologies for the optimization of water used in agriculture
- Innovative urban and industrial wastewater treatment
- Salt-tolerant plants for produced water management

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)

20,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact

Eni and the CNR will establish 4 joint research centers, 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.

Type of opportunity

Efficiency

Primary water-related opportunity

Cost savings

Company-specific description & strategy to realize opportunity

The project Blue Water, carried out by Eni Rewind (formerly Syndial) and Eni upstream, aims at the treatment of produced water in order to decrease the volumes of water disposed of while reusing it for local industrial, civil or agricultural purposes. The process, patent pending, is currently at the engineering design (FEED, Front End Engineering Design) stage for the construction of a 200 m³/h plant, operating 24/7. The realization schedule of the plant will depend on the results of the permitting procedure started in 2018 for the "Mini Blue Water", as described in next paragraph.

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)

176,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact

The value indicated is the Eni investment:

NPV: 176 M€ Eni share (61%)

IRR: 24,9%

Type of opportunity

Efficiency

Primary water-related opportunity

Cost savings

Company-specific description & strategy to realize opportunity

The project Mini Blue Water, carried out by Eni Rewind (former Syndial) 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 process, patent pending, 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 m³/h plant, is planned to start by 2021, while the start-up of the plant, operating 24/7, is foreseen by 2023. 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 sent to external plant with tankers.

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, a single figure estimate

Potential financial impact figure (currency)

44,800,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact

The cost indicated is the full life Capex. 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 Mini Blue Water plant at FEED accuracy.

CAPEX 44,8 M€

IRR 55%

W5. Facility-level water accounting

W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Facility reference number

Facility 1

Facility name (optional)

Refinery of Taranto

Country/Area & River basin

Italy

Other, please specify

Arco Ionico

Latitude

40.48

Longitude

17.19

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

Oil & gas sector business division

Midstream/Downstream

Total water withdrawals at this facility (megaliters/year)

57,959

Comparison of total withdrawals with previous reporting year

Much lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

57,422

Withdrawals from groundwater - renewable

457

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

80

Total water discharges at this facility (megaliters/year)

57,308

Comparison of total discharges with previous reporting year

Much lower

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

57,308

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

651

Comparison of total consumption with previous reporting year

Much higher

Please explain

The total water consumption has increased by a little amount in absolute terms and remained at about 1% of total withdrawals. The variation, little in absolute terms, has to be considered as intrinsic variability, linked to climatic variability or to variability in the quality of the processed oil. It is noteworthy to mention that over 90% of freshwater used at the Taranto refinery is sourced from a contaminated water treatment plant and from a seawater desalination plant.

Facility reference number

Facility 2

Facility name (optional)

Refinery of Livorno

Country/Area & River basin

Italy

Other, please specify

Bacino Toscana Costa

Latitude

43.59

Longitude

10.34

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

Oil & gas sector business division

Midstream/Downstream

Total water withdrawals at this facility (megaliters/year)

3,972

Comparison of total withdrawals with previous reporting year

Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

3,772

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

71

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

129

Total water discharges at this facility (megaliters/year)

3,840

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

3,840

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

132

Comparison of total consumption with previous reporting year

Much lower

Please explain

The variations in consumption is very little in absolute terms and is only 3% with respect to total withdrawals. The variation, little in absolute terms, has to be considered as intrinsic variability, linked to climatic variability or to variability in the quality of the processed oil.

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been externally verified?

Water withdrawals – total volumes**% verified**

76-100

What standard and methodology was used?

As part of the reporting external verification process, every year Eni reporting data of the sustainability and DNF are audited every year. A sample of representative sites is verified as well. The verification was planned as follows: facility #1 in 2018, #2 in 2015. The audits are conducted by EY.

Water withdrawals – volume by source**% verified**

76-100

What standard and methodology was used?

Facilities #1 and #2 are EMAS certified and the data reported are externally verified by SGS Italia.

Water withdrawals – quality**% verified**

76-100

What standard and methodology was used?

As part of the reporting external verification process, every year Eni reporting data of the sustainability and DNF are audited every year. A sample of representative sites is verified as well. The verification was planned as follows: facility #1 in 2018, #2 in 2015. The audits are conducted by EY.

Water discharges – total volumes**% verified**

76-100

What standard and methodology was used?

As part of the reporting external verification process, every year Eni reporting data of the sustainability and DNF are audited every year. A sample of representative sites is verified as well. The verification was planned as follows: facility #1 in 2018, #2 in 2015. The audits are conducted by EY.

Water discharges – volume by destination

% verified

76-100

What standard and methodology was used?

Facilities #1 and #2 are EMAS certified and the data reported are externally verified by SGS Italia.

Water discharges – volume by treatment method

% verified

Not verified

Water discharge quality – quality by standard effluent parameters

% verified

76-100

What standard and methodology was used?

Facilities #1 and #2 are EMAS certified and the data reported are externally verified by SGS Italia.

Water discharge quality – temperature

% verified

Not verified

Water consumption – total volume

% verified

76-100

What standard and methodology was used?

Facilities #1 and #2 are EMAS certified and the data reported are externally verified by SGS Italia.

Water recycled/reused

% verified

76-100

What standard and methodology was used?

Facilities #1 and #2 are EMAS certified and the data reported are externally verified by SGS Italia.

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 Commitment to water-related innovation	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 use of land and natural resources, the right to water Eni commits to operating beyond compliance throughout


		<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>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> 1, 2, 3, 4, 5, 6, 7, 8, 9</p>
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 ¹Annual-Report-2019.pdf

 ²Human rights statement Eni.pdf


 ³policy_sustainability.pdf

 ⁴Eni-Biodiversity-and-Ecosystem-Services-Policy.pdf

 ⁵Corporate-Governance-Report-2019.pdf

 ⁶Eni-for-2019-Sustainability-performance.pdf

 ⁷eni-report-human-rights.pdf

 ⁸Eni-for-2019-eng.pdf

 ⁹rules-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
Board-level committee	<p>The Sustainability and Scenarios Committee (SSC) is established by the Board of Directors and is charged with the task of supporting the Board of Directors with consultative and advisory functions. The Chairman of the Board of Directors and the CEO may participate in Committee meetings.</p> <p>The Committee focuses mainly on scenarios and sustainability, in particular on processes, initiatives and activities to preserve the Company 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</p>

	<p>resources.</p> <p>As stated in the Article 3 (duties) of the Rules of the SSC, the Committee provides recommendations and advice to the Board of Directors on scenarios and sustainability issues, e.g.:</p> <ul style="list-style-type: none"> • health, well-being and safety of people and communities • respect and protection of rights, particularly of the human rights • local development • access to energy, energy sustainability and climate change • environment and efficient use of resources • integrity and transparency; innovation <p>These responsibilities are directly linked to water security as:</p> <ul style="list-style-type: none"> - 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." - local development is linked to water security, Access to Water is one of the 6 areas of intervention of Eni's Local Development Projects - efficient use of resources is linked to water security from the production point of view <p>In 2020 ,the SSC decided to evaluate how to enhance the information flow or the responsibilities on water issues to the Board</p>
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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	Monitoring implementation and performance Reviewing and guiding business plans Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy	The SSC focuses mainly 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. In particular is monitored the respect and protection of rights, in particular human rights, which is the foundation for the inclusive development of companies, territories and, consequently, of companies operating there. Among other issues monitored, reviewed and guided by the SSC with regard to sustainability: 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 and climate

		<p>Reviewing and guiding corporate responsibility strategy</p>	<p>change; environment and efficient use of resources, such as water; integrity and transparency; and innovation.</p> <p>The SSC analyzes the context in which Eni operates, highlighting the emerging issues of sustainability, the relevant issues and the progress compared to the targets set. This scenario analysis is approved by Eni's Board of Directors.</p> <p>In each of the meetings held in 2019/2020, the SSC discussed issues related to climate change, such as water risk, and assessed the consistency of the results achieved with the climate objectives.</p> <p>Specifically, Eni water risk was reviewed in some of the meetings.</p> <p>Based on above cited monitoring and examination activities, the Committee provides recommendations and advice to the Board of Directors.</p>
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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

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Annually

Please explain

The Executive Vice President (EVP) of the Health, Safety, Environment & Quality (HSE&Q) Department guarantees the coordination of the Committee and holds the responsibility to supervise policy making, coordination, control and definition of standards for environment. He supervises the analysis of performance with regard to environment, included water performances. The HSE&Q EVP annually ensures the flow of information to the Board of Directors and ensures representation to control bodies for relevant HSE issues, included water issues. In particular, the annual review contributes to defining the next four-year planning cycle and the HSE&Q EVP ensures that the results of the review are shared with the CCOO, are submitted to the senior managers and made available to the internal departments and functions concerned. In particular, for the annual review, the HSE&Q 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?

	Provide incentives for management of water-related issues	Comment
Row 1	Yes	Eni remuneration Report is publicly available at https://www.eni.com/en-IT/about-us/governance/remuneration-report.html 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)?

	Role(s) entitled to incentive	Performance indicator	Please explain
Monetary reward	Chief Operating Officer (COO)	Reduction of water withdrawals	The CEO/Eni Rewind (former Syndial) 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: 4.6 million m3 for 2019; in the final balance 5,1 million m3). 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. Threshold for success 2020 for Rewind CEO: 5.7 million m3 of re-used and re-injected TAF water.
Non-monetary reward			

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

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?

Environmental policies are under HSEQ department coordination, whose role is to give company wide directions and strategy on environmental issues and to control their correct implementation.

Eni has structures in place that are permanently dedicated to Institutional Relations, so that the people delegated to manage institutional dialogue can be easily identified, while at the same time ensuring the consistency and coherence of our relational strategies. In line with legal provisions, all of our meetings with institutional representatives are recorded. Eni is structured with a Domestic and an International Affairs Departments. The international department support the Chief Executive Officer in defining relational strategies for international institutions and bodies which are useful for the development of Eni's business initiatives, with particular reference to those in new countries, working in agreement with the other relevant Eni functions; operate in conjunction with the Italy Affairs function to encourage unitary and consistent relational strategies. The domestic department, along with the relevant Eni functions, monitors the guidelines and the development of legislative and administrative measures in Italy and abroad which are of interest to Eni, ensuring the relevant information flows to the International Relations and other concerned Eni functions, in order to ensure consistency between the various company functions.

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)

 Annual-Report-2019.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

			<p>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.</p> <p>The objective of Carbon Neutrality in the long term is based on several principles, included the promotion of sustainable water resource management. 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>
<p>Strategy for achieving long-term objectives</p>	<p>Yes, water-related issues are integrated</p>	<p>21-30</p>	<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"> a) a path to decarbonization; b) an operating model that reduces business risks as well as social and environmental impacts; c) a host country cooperation model based on long-lasting partnerships. <p>Accordingly, environmental protection is among the fundamental values within the Eni business model. In the new central organisational function established in 2019 and named "Scenarios, Positioning and Medium-Long Term Plan", 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, projects for TAF water reuse and for</p>

			<p>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 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, enlarging 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>

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)

106

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

-52

Water-related OPEX (+/- % change)

-5

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

-4

Please explain

After an increase by 28% in 2019 vs 2018, the total expenditure will decrease by 27% in 2020, settling again at the 2018 values. The increase in Capex recorded in 2019 vs 2018 is due to investments realized in 2019, namely: "water injection and re-injection plants" and "wastewater monitoring and treatment", while the Capex value will settle again to the 2018 value in 2021.

The water-related expenditures include:

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

The Opex expenditure remained about the same with respect to the previous reporting year and are not expected to change significantly next year (2021) as no major change in the operative assets are foreseeable in the near future.

To be noted that future expenditure could be adjusted as a consequence of the Covid-19 crisis.

W7.3**(W7.3) Does your organization use climate-related scenario analysis to inform its business strategy?**

	Use of climate-related scenario analysis	Comment
Row 1	Yes	The review performed at the end of 2018 indicated that the internal rates of return of Eni's ongoing projects in aggregate should not be substantially affected by a carbon pricing mechanism. The sensitivity test performed at Eni's oil&gas CGUs (Cash Generating Units) under the IEA SDS (International Energy Agency Sustainable Development Scenario) assumptions indicated the resiliency of Eni's asset portfolio in terms of carrying amounts and fair value. The management has subjected to a sensitivity analysis the book value of all CGUs in the upstream sector, adopting the IEA SDS scenario; this stress test highlighted the substantial retention of the asset book values and no impact on fair value. Eni's Board of Directors examines on a half-year basis the results of sensitivities to Eni and IEA SDS carbon pricing and the results of the resilience test on all upstream Cash Generating Units (CGUs) applying the IEA SDS scenario.

W7.3a

(W7.3a) Has your organization identified any water-related outcomes from your climate-related scenario analysis?

Yes

W7.3b

(W7.3b) What water-related outcomes were identified from the use of climate-related scenario analysis, and what was your organization's response?

	Climate-related scenarios and models applied	Description of possible water-related outcomes	Company response to possible water-related outcomes
Row 1	Other, please specify IPIECA Water Visioning / Aqueduct	<p>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 visualising the future constraints, opportunities and possible responses in water management, as it applies to the oil and gas 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.</p>	<p>The benefits provided by ecosystems, such as food, fresh water, climate regulation and nutrient recycling, are vital for the livelihood communities and for the equilibrium of the whole planet. 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 water.</p> <p>In September 2019 in Eni was established a new central organisational function named "Scenarios, Positioning and Medium-Long Term Plan", where is active a specific unit dedicated to Climate Change Strategy having, among its responsibilities, a specific commitment on water issues and, specifically, to elaborate a long term plan for water. Informed by the results of the water risk analysis, it will evaluate a path to set, over time, targets of medium term (4y plan) as well as of long term (2030 and beyond), addressing not only operational aspects (e.g. efficiency, reduction of freshwater withdrawal, etc.) but also an integrated approach at the watershed level.</p> <p>A project to define a methodology</p>

			aiming at identifying risks and opportunities of adaptation measures in the medium-long term is ongoing. In particular the methodology will be tested during 2020/2021 in Countries of Eni interest identified as vulnerable to climate change.
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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?

No, but we are currently exploring water valuation practices

Please explain

Presently water cost is identified with its price, or with the cost of licenses. 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; in its second report, issued in 2019, it was better investigated the potential water market in Italy, that gives a better understanding of water value in Italy, where most of Eni's freshwater withdrawals occur. In September 2020 is scheduled the kick-off for a further study aimed at identifying economic strategies to promote water stewardship.

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	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

			<p>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>
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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.

Target reference number

Target 1

Category of target

Water recycling/reuse

Level

Business activity

Primary motivation

Increase freshwater availability for users/natural environment within the basin

Description of target

Eni Rewind, 100% controlled by Eni, has a target to make available for industrial use consistent volumes of water (from 5.7 to 9.3 Mm³/year in the 2020-2023 plan) derived from its groundwater treatment plants (TAF). 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. Eni Rewind is the environmental company of Eni and the treatment of contaminated aquifers is one of its core activities.

Quantitative metric

% increase in water use met through recycling/reuse

Baseline year

2018

Start year

2018

Target year

2019

% 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 created, to be distributed to companies for industrial use. During 2019, approximately 5 Mm³ of treated water was recovered.

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 enhance the oil recovery or to dispose them of. The use 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 primary sources such as brackish water or seawater. Eni's objective to achieve 71% re-injection of produced water by 2023 is forecast in the 4y plan.

Quantitative metric

Other, please specify

% produced water re-injection/total produced water

Baseline year

2019

Start year

2019

Target year

2023

% of target achieved

82

Please explain

In 2019 the produced water re-injected was 58% of total produced, a little less than in 2018 due to technical reasons that caused a lower than expected reinjection rate at the Congo and Nigeria facilities. This value represents 82% of the reinjection value foreseen to 2023 in the upstream 4 y plan (58% produced water reinjected @2019 vs 71% foreseen @2023).

Target reference number

Target 3

Category of target

Water recycling/reuse

Level

Business

Primary motivation

Water stewardship

Description of target

The target includes also the increase of water recycled for cooling purposes, but is limited to freshwater. Recycle and reuse initiatives are fundamental to increase water security as they allow for a freshwater withdrawals decrease, thus reducing the related risks (physical, economic and reputational risks). Several water reuse projects are planned by the single business units and the results are monitored at corporate level.

Quantitative metric

% increase in water use met through recycling/reuse

Baseline year

2018

Start year

2018

Target year

2019

% of target achieved

100

Please explain

In line with the trend recorded in recent years, in 2019 Eni also increased its total freshwater recycled/reuses compared to 2018. The target is set and monitored for each business unit. Several projects are planned in the 4 year plan in order to evaluate and implement water reuse at facility level.

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 Eni has signed a three-year Collaboration Agreement with 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 2019, 16 out of the 22 wells planned have been built. As many as 40,000 people (source: FAO data) have gained access to safe drinking water provided by the 16 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, as well as with training for their use and maintenance for 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, 29 wells and 30 fountains powered by solar panels were built, and 22 public buildings were connected to the boreholes. To date, Eni continues to support the good maintenance of these facilities.

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 2019 of 70,3%; 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 of 100%; Percentage of population using safely managed drinking water services, notably equipments of handwashing with water and soap, with cumulative progress as of 2019 of 11,3%; Quantity of water per person, per liters and per day, with an achievement of 14.7 liters of water as of 2019. No thresholds for success were established.

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

Eni Pakistan has operations in the Jamshoro and Dadu districts, in the Khairpur Mirs district and in coastal areas. All are lacking in sanitation infrastructure and adequate water supply. In the Nara Desert (Khairpur Mirs) the population occupies a hostile environment made of shifting sand dunes moving rapidly or sparse vegetation, due to lack of rain. There are only traces of irrigation and agriculture and people must travel 2-5km a day to fetch water. Since the water from local wells is salty, it is mainly used for animals and domestic use. Eni's objective is to improve access to primary services, including safe drinking water for the local communities in which it operates. Furthermore, Eni will continue its commitment to raise awareness among employees and local communities on the importance of adequately managing water resources in daily activities. These efforts are part of Eni commitment to improve 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

Baseline year

2013

Start year

2013

End year

2021

Progress

Between 2013-16, Eni Pakistan built 11 pumping systems powered by solar energy, 11 hand-pumps and two reverse-osmosis plants in the Kadanwari area, meeting the needs of 500-600 people. In the same years, in the areas of Bhit, Badhra, Kadanwari and coastal areas Eni Pakistan built and supplied 34 water tanks, 12 basins, dug 60 wells, 8 channels, 3 tubular wells, 247 hand pumps and 2 boreholes, from which 2,000 people still benefit today. In 2019, Eni has continued to improve access to safe water for local communities by providing drinking water through water tankers. Indicators used to monitor the progress towards the achievement of the goal in 2019 is "number of cubic meters of waters distributed". No threshold for success was established. In 2019, Eni Pakistan has distributed 11,312 liters of water in the Bhit area.

Goal

Other, please specify
Zero 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.
- These initiatives have allowed to plan actions and strategies aimed at recovering oil and reducing the number and especially the volume of spills over time. In particular, with respect to 2015, operational oil spill volumes were reduced by 45% and sabotage spills by 41%. In parallel, in 2019 36% of spills from sabotage and 70% of operational spills were recovered, recording an increase in the percentages recovered compared to 2018 (when 33% and 60% were recovered respectively) and also, especially, 2015 (with an increase compared to 2019 of 44% and 160% respectively).


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

 Annual-Report-2019.pdf

 Eni-for-2019-eng.pdf

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) are reported in the Annual Report 2019	ISAE 3000	Eni sustainability data have been certified by the auditing firm PWC. A limited audit was conducted in line with the criteria indicated by the International Standard on Assurance Engagements 3000 - Assurance Engagements other than Audits or Reviews of Historical Information (ISAE 3000) published in 2004 by the International Auditing and Assurance Standard Board (I.A.A.S.B.), the same body that oversees accounting standards. The level of assurance required by Eni is

			<p>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 2019: <<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 as of 31 December 2019 has not been prepared, in all material respects, in compliance with the GRI Standards as disclosed in the paragraph “Reporting Criteria” of the Report.</p> <p>Other aspects: The Sustainability Report – Eni For for the year ended 31 December 2018, which data are presented for comparative purposes, have been subject to limited assurance procedures by another auditor who, on 7 May 2019, expressed a conclusion without remarks on that Report.>></p>
<p>W3 Procedures</p>	<p>Stakeholder relation as described in Enifor 2019</p>	<p>ISAE 3000</p>	<p>Eni sustainability data have been certified by the auditing firm PWC. A limited audit was conducted in line with the criteria indicated by the International Standard on Assurance Engagements 3000 - Assurance Engagements other than Audits or Reviews of Historical Information (ISAE 3000) published in 2004 by the International Auditing and Assurance Standard Board (I.A.A.S.B.), the same body that oversees accounting standards.</p> <p>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 2019: <<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 as of 31 December 2019 has not been prepared, in all material</p>

			<p>respects, in compliance with the GRI Standards as disclosed in the paragraph “Reporting Criteria” of the Report.</p> <p>Other aspects: The Sustainability Report – Eni For for the year ended 31 December 2018, which data are presented for comparative purposes, have been subject to limited assurance procedures by another auditor who, on 7 May 2019, expressed a conclusion without remarks on that Report.>></p>
W6 Governance	As described in EniFor 2019	ISAE 3000	<p>Eni sustainability data have been certified by the auditing firm PWC. A limited audit was conducted in line with the criteria indicated by the International Standard on Assurance Engagements 3000 - Assurance Engagements other than Audits or Reviews of Historical Information (ISAE 3000) published in 2004 by the International Auditing and Assurance Standard Board (I.A.A.S.B.), the same body that oversees accounting standards.</p> <p>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 2019: <<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 as of 31 December 2019 has not been prepared, in all material respects, in compliance with the GRI Standards as disclosed in the paragraph “Reporting Criteria” of the Report.</p>
W0 Introduction	As described in EniFor 2019	ISAE 3000	<p>Eni sustainability data have been certified by the auditing firm PWC. A limited audit was conducted in line with the criteria indicated by the International Standard on Assurance Engagements 3000 - Assurance Engagements other than Audits or Reviews of Historical Information (ISAE 3000)</p>

			<p>published in 2004 by the International Auditing and Assurance Standard Board (I.A.A.S.B.), the same body that oversees accounting standards.</p> <p>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 2019: <<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 as of 31 December 2019 has not been prepared, in all material respects, in compliance with the GRI Standards as disclosed in the paragraph “Reporting Criteria” of the Report.</p>
W7 Strategy	Scenario and Strategy as described in the EniFor 2019	ISAE 3000	<p>Eni sustainability data have been certified by the auditing firm PWC. A limited audit was conducted in line with the criteria indicated by the International Standard on Assurance Engagements 3000 - Assurance Engagements other than Audits or Reviews of Historical Information (ISAE 3000) published in 2004 by the International Auditing and Assurance Standard Board (I.A.A.S.B.), the same body that oversees accounting standards.</p> <p>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 2019: <<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 as of 31 December 2019 has not been prepared, in all material respects, in compliance with the GRI Standards as disclosed in the paragraph</p>

			“Reporting Criteria” of the Report.
W8 Targets	Goals and targets as described in EniFor2019	ISAE 3000	<p>Eni sustainability data have been certified by the auditing firm PWC. A limited audit was conducted in line with the criteria indicated by the International Standard on Assurance Engagements 3000 - Assurance Engagements other than Audits or Reviews of Historical Information (ISAE 3000) published in 2004 by the International Auditing and Assurance Standard Board (I.A.A.S.B.), the same body that oversees accounting standards.</p> <p>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 2019: <<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 as of 31 December 2019 has not been prepared, in all material respects, in compliance with the GRI Standards as disclosed in the paragraph “Reporting Criteria” 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
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Row 1	Eni CEO	Chief Executive Officer (CEO)
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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	71,041,000,000

SW0.2

(SW0.2) Do you have an ISIN for your organization that you are willing to share with CDP?

Yes

SW0.2a

(SW0.2a) Please share your ISIN in the table below.

	ISIN country code	ISIN numeric identifier (including single check digit)
Row 1	IT	0003132476

SW1.1

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

No, CDP supply chain members do not buy goods or services from facilities listed 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 am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain Questions?
I am submitting my response	Investors Customers	Public	Yes, submit Supply Chain Questions now

Please confirm below