eni

Sustainability Performance 2010

MISSION

We are a major integrated energy company, committed to growth in the activities of finding, producing, transporting, transforming and marketing oil and gas. Eni men and women have a passion for challenges, continuous improvement, excellence and particularly value people, the environment and integrity.

Countries of activity

EUROPE
Austria, Belgium, Croatia, Cyprus, Czech Republic, Denmark, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, Malta, the Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom

AFRICA
Algeria, Angola, Congo, Côte D'Ivoire, Repubblica Democratica del Congo, Egypt, Equatorial Guinea, Gabon, Ghana, Libya, Mali, Morocco, Mozambique, Nigeria, Togo, Tunisia

ASIA AND OCEANIA
Australia, Azerbaijan, China, East Timor, India, Indonesia, Iran, Iraq, Kazakhstan, Kuwait, Malaysia, Oman, Pakistan, Papua-New Guinea, Philippines, Qatar, Russia, Saudi Arabia, Singapore, Taiwan, Thailand, Turkmenistan, Ukraine, the United Arab Emirates, Vietnam, Yemen

AMERICAS
Argentina, Brazil, Canada, Colombia, Dominican Republic, Ecuador, Mexico, Peru, Trinidad & Tobago, the United States, Venezuela

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Eni's activities

Ref. GRI 2.1 - 2.10

Eni is an integrated energy company committed to growth in the activities of finding, producing, transporting, transforming and marketing oil and gas. The Company has operations in 79 Countries and employs 79,941 people. In 2010 Eni reported revenues from core business of € 98.52 billion, with an adjusted net profit of € 6.87 billion; investments and acquisitions amounted to € 14.28 billion.

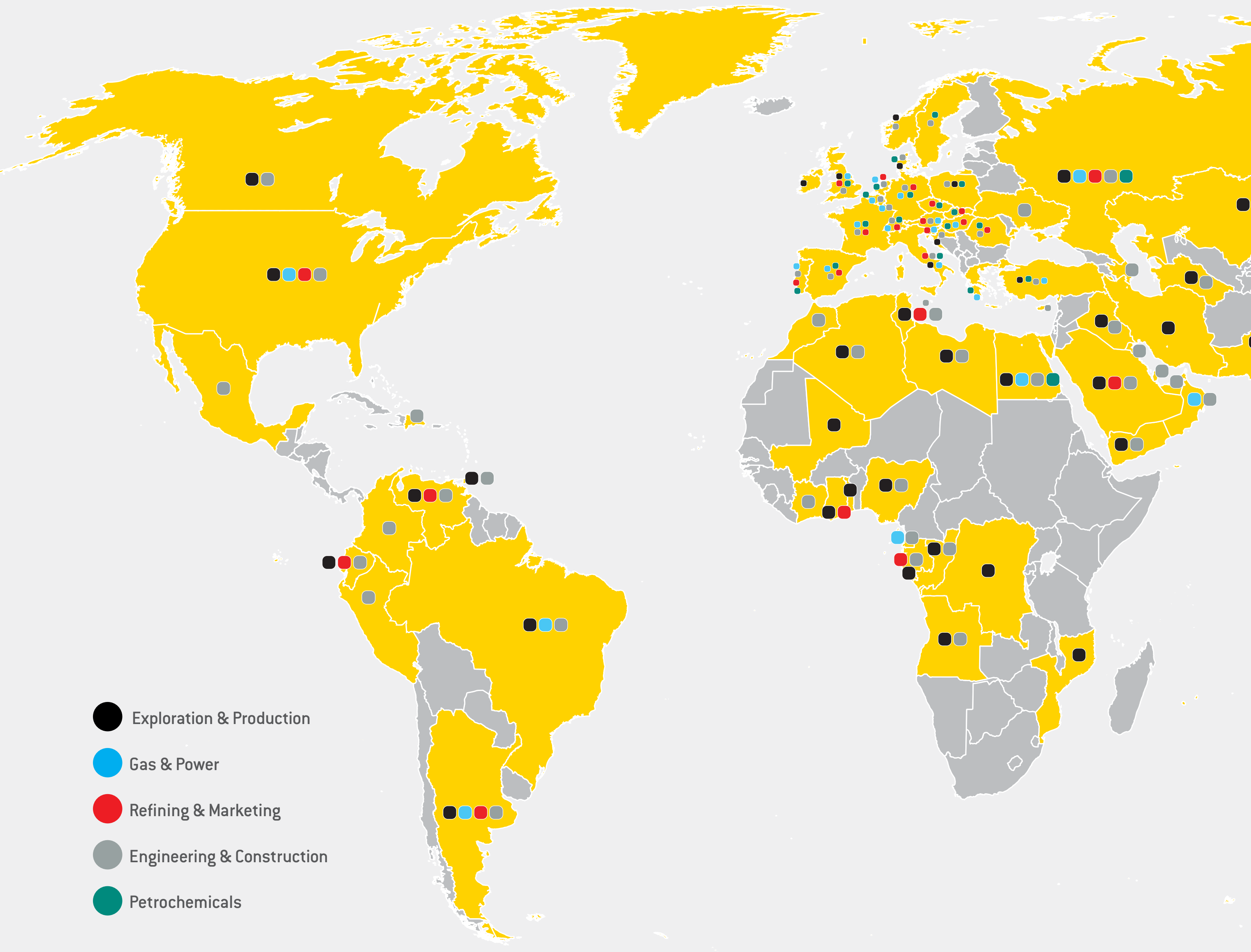
● Exploration & Production

The E&P sector employs 10,276 people and its operations include the exploration, development and production of oil and natural gas worldwide. Many of these activities are carried out through joint ventures with national oil companies. On the basis of its Cooperation and Development Model, Eni enters into agreements that provide for the support and promotion of initiatives to advance independent development in producing Countries by listening to the local players. In 2010, to reach the most inaccessible Countries and environments with extreme climate conditions, Eni's investments amounted to € 9,690 million (69.86% of Eni's total investments). In the same year, hydrocarbons production reached 1.815 million barrels per day.

On the basis of crude oil year-end market values, proven reserves amount to 6,843 million boe, with an all-source replacement rate of 135% and a reserve life index of 10.3 years.

● Gas & Power

The G&P sector employs 11,245 people and covers all phases of the gas value chain: supply, transmission, distribution, sale and LNG, through a unique integrated business model. Eni is the leading supplier of gas in terms of sales in the European market. Its strong market positioning is underpinned by extensive gas supplies (both produced and imported under long-term agreements) access to infrastructure, and a broad customer portfolio. Eni also has significant power generation capabilities. Eni has historically contributed to Italy's energy security, covering domestic demand through the construction of large-scale import infrastructure and the negotiation of long-term import deals.
In 2010 Eni sold 97.06 billion cubic meters of natural gas, and the volume of gas transported in Italy was 83.32 billion cubic meters. Power sales amounted to 39.54 TWh (+16.43%).



Refining & Marketing

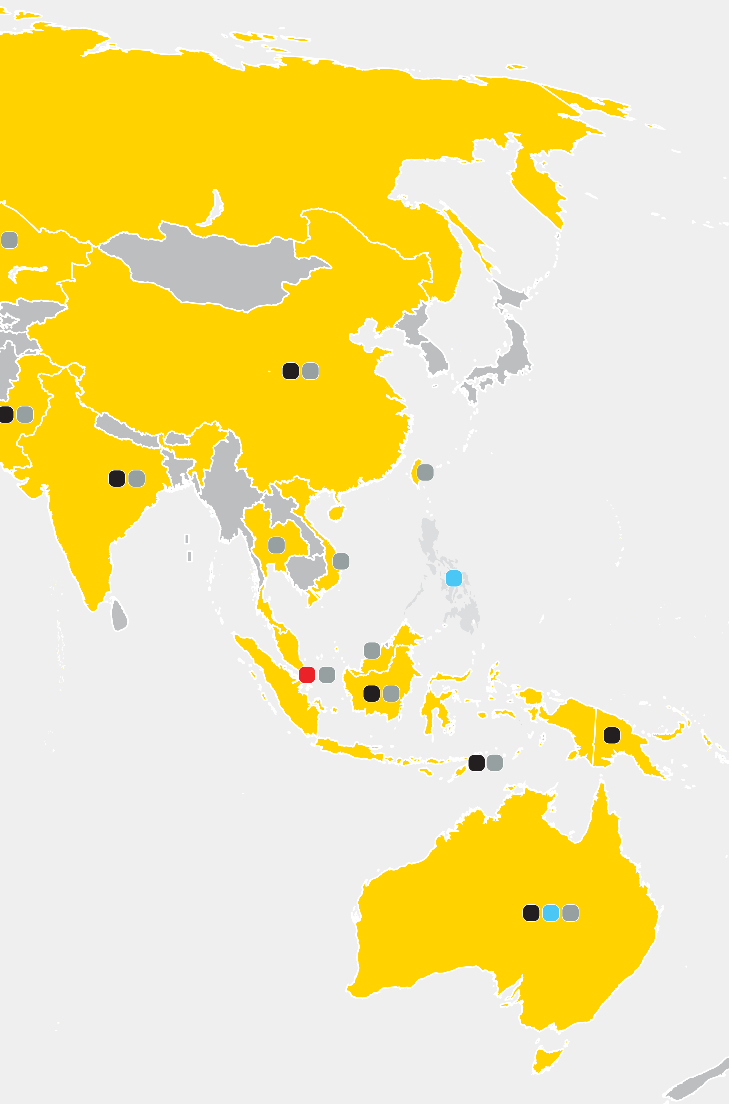
The R&M sector employs 8,022 people. Eni is Italy's leading oil refining company, and is competitively positioned in the European market. Throughout its history, Eni has been committed to producing fuels that enhance motor performance and power, cut consumption, and reduce polluting emissions. Its refining system has an overall balanced capacity of approximately 757,000 barrels per day. Eni is also Italy's leading network distributor. In 2010 oil product sales through the European network amounted to 11.73 million tons.

Petrochemicals

The sector employs 5,972 people. Through Polimeri Europa, Eni is engaged in the production and sale of a broad portfolio of petrochemical products, backed by its range of proprietary technologies, next-generation plants, and an extensive and efficient distribution network. Eni's strategic business areas in the petrochemical sector are basic chemicals, plastics, and synthetic rubbers. 7.22 million tons of petrochemical products were manufactured in 2010.

Engineering & Construction

This sector employs 38,826 people. Eni's major operations in oil field engineering and services are performed through its subsidiary Saipem. The available distinctive technologies and expertise which Saipem provides to Eni in the engineering and implementation of complex projects are a key element in Eni's growth and innovation strategies. In 2010, the value of Saipem's total purchase orders was € 20,505 million, with projects mainly concentrated in North Africa (18%) and Western Africa (13%), Middle East (27%), Rest of Europe (11%), Italy (6%). For further details please refer to Saipem Sustainability Report 2010.



Africa		
Hydrocarbons production	365,730	mln boe
Hydrocarbons reserves	3,278	mln boe
Employees	15,251	n.
- of whom women	1,110	n.
Direct GHG emissions	26.25	Mt CO_2eq

Americas		
Hydrocarbons production	52,195	mln boe
Hydrocarbons reserves	374	mln boe
Employees	6,943	n.
- of whom women	843	n.
Direct GHG emissions	0.90	Mt CO_2eq

Asia		
Hydrocarbons production	87,235	mln boe
Hydrocarbons reserves	1,738	mln boe
Employees	12,849	n.
- of whom women	1,186	n.
Direct GHG emissions	4.43	Mt CO_2eq

Australia and Oceania		
Hydrocarbons production	9,490	mln boe
Hydrocarbons reserves	127	mln boe
Employees	177	n.
- of whom women	58	n.
Direct GHG emissions	0.09	Mt CO_2eq

Europe		
Hydrocarbons production	147,825	mln boe
Hydrocarbons reserves	1,326	mln boe
Employees	44,721	n.
- of whom women	9,557	n.
Direct GHG emissions	29.01	Mt CO_2eq

Commitments, results and objectives

Ref. GRI 1.2

Commitments	2010 Results	Objectives for 2011-2014
Governance		
Guarantee a governance system in accordance with Sustainability principles as well as to the best international practices	- Implemented changes to Eni by-laws in order to promote the shareholders participation in voting - Continued the program for promoting gender diversity as well as diversity in corporate bodies of Eni subsidiaries - Carried out a comparative analysis of the various system of Corporate Governance	- Continue promoting involvement of minority shareholders - Promote adequate representation of gender diversity in corporate bodies of the Company - Promote the best governance practices - Render the New Regulatory System fully operational - Prepare the new Board Induction
Maintain and reinforce the commitment to fighting corruption	- Created new Anti-Corruption Ancillary Procedures - Made web seminars and workshops for key officers (more than 3,000 people) - Continued discussions with UN and Italian anti-corruption network	- Continue interaction and relationship with UN and primary stakeholders - Draft and implement new ancillary procedures - Extend training on anti-corruption
People		
Guarantee safety of all Eni's employees and of local communities	- Decreases in injury frequency rate for employees (-9%) and contractors (-25.4%) - Continued "Asset Integrity" audits on E&P, R&M Sector and Petrochemicals - Widened to E&P subsidiaries the INDACO data base for monitoring accidents - Completion of georeferencing project of operating assets and fleets in service within the emergency management system - Realization of more than 400 workshops since the start of the program "Leadership in Safety" (2008)	- Complete (by the end of 2011) the project for communicating safety issues, targeted at 35,000 Eni employees - Continue the decrease in injuries for contractors and the process safety/asset integrity project - Complete (as of 2011) the extension of the INDACO Database to foreign sites different from E&P - Realize a training plan on functional safety; Planning and maintenance of the reliability of instrumental safety systems
Guarantee and promote the health of employees of Eni, even through the spread of best practices	- Obtained certification OHSAS 18001 for E&P subsidiaries in Ghana and USA, EniMed and Ionica Gas in Italy, 22 subsidiaries in total, as well as San Donato Milanese HQ, Central Northen District and Southern District - Completed OHSAS certification for all petrochemical sites - Defined reference standards for the Health Impact Assessment (HIA) in E&P - Completed assessment of compliance with respect to new healthcare standards in Norway, Congo, Italy, Brazil, Tunisia, Nigeria and Ecuador as well as Health Risk Assessments in Algeria, Nigeria, Mali, Ghana and India (E&P) - Started "BEST" (Better Life Style) program in E&C - Implemented GIPSI database in Italy, Tunisia and KCO (E&P)	- Complete the OHSAS 18001 certification plan in all certifiable production sites within 2014 and compliance with the ISO 15554 standard for emergency management (E&P) achievement of OHSAS certification for all refineries - Promote and spread the best practices of operating management; Improve control systems by defining new indicators - Complete the "Eni in Forma" project; complete the telemedicine project in collaboration with the ESA (European Space Agency) for the development of a robot to perfor remote ultrasound scan
Create an atmosphere of collaboration and participation in the company's objectives even by improving organizational wellness	- Feedback interviews with 87% of executives and 80% of mid-level managers and newly graduated employees - Opening of nursery school in San Donato Milanese - Implemented the "Free to Breath" project - Stipulated an agreement with Fondazione Centro San Raffaele for healthcare services - Eni summer camps: about 2,000 participants	- Continue and extend the Feedback Project - Develop new welfare services in Italy and a feasibility study for foreign subsidiaries - Plan and implement periodical surveys on company atmosphere
Attract, manage and motivate the best national and international human resources, appreciating people in the company and safeguarding diversity	- Stipulated the new Human Resources policy and initiated the revision of assessment, management and worldwide tools - Launched with SDA Bocconi the project for monitoring company diversity - Completed the E&P job posting project - Implemented 230 professional development plans for local employees - Implemented potential assessments in Egypt, Nigeria and Angola - Developed new long-distance training tools for more than 2,000 people - Reorganized the web section "Work with us" with new interactive tools	- Review of assessment, management and development tools monitoring their distribution in Italy and abroad - Develop system for diversity reporting tools; strengthen and distribute job posting system in Italy and abroad - Update network of relationships with universities and research centers and start-up of the "Eni Faculty" project - Extend development plans for local HR in foreign subsidiaries - Review of variable incentives systems for the medium to long period and study of models for international foreign mobility "abroad on foreign"
Climate change and energy efficiency		
Contribute to EU and international objectives and commitments and pursue a policy for decreasing global CO_2 emissions	- Reduction of flared gas by 32% in 2010 with respect to 2007 due to the continuation of projects in Africa - Continuation of energy savings in R&M (-33.6 kton/year of CO_2 in 2010, 67.4 during regular operations) and in Petrochemicals (-43.4 kton/year of CO_2 in 2010, 87.2 during regular operations) - Adherence to the CDP supply chain project for the reduction of indirect emissions	- Reduce flared gas by 80% in 2014 with respect to 2007 and reduce the GHG emissions rate by 40% within 2014 (projects in Algeria, Congo, Libya, Nigeria, Tunisia, Kazakhstan) - Continue energy savings plan in R&M (-132 ktoe/year of CO_2 by 2014) and in Petrochemicals (-59 ktoe/year by 2014) - Complete the construction of a turbogas electrical plant and maintenance of the performance rate <415 g CO_2/kWheq - Extend Energy Efficiency Improvements and Advanced Power Generation to E&P subsidiaries - Develop control systems for GHG scope 3 emissions
Technical innovations and renewable resources		
Develop technologies to increase the availability of hydrocarbons while protecting the environment and ensuring safety. Continually improve the quality of final products. R&D on renewable sources, biofuels and CO_2 geological sequestration	- Applied new techniques for processing seismic data (RTM, DVA) as well as for drilling and well completion (e-cdTM) - Applied EOR techniques with additives (BWI) - Studied new formulations of BluDiesel Tech - New polyethylenes (LLDPE) on pilot plant were consolidated - Started projects for the management of oil spills: "filtration paper" with great absorption capacity (partnership with MIT) - Strengthened strategic alliances with universities and research centers - Created the "Solar Frontiers Center" at MIT - Created coloring agents and transparent polymeric plates acting as convertors and concentrators of the solar spectrum were created - Developed liquefaction process for the conversion of organic waste into bio-oil (energy recovery > 80%)	- R&D investments: 1.1 billion € (2011-2014) - Strengthen capacity to operate in deep waters and critical areas; Develop technologies to improve process production and efficiency - Assess the industrial application of proprietary technologies for producing biofuels - Strengthen technological leadership in elastomers - Identify opportunities in the green chemical sector by increasing value of proprietary technologies - Achieve a competitive advantage from the expected results in the field of weather forecasting and CO_2 transportation - Define the usage strategy of solar energy and biomass - Define the program for reduction environmental recovery costs

Commitments	2010 Results	Objectives for 2011-2014
Environment		
Improve the effectiveness of management, control and reporting systems	- Attained the ISO 14001 certification was for 23 E&P subsidiaries. In 2010 Ionica Gas (Italia), Eni Ghana and InAgip (Croazia) achieved the certification too - Centralized IT system created for Air, Water, Soil and Waste data - Achievement of ISO 16001 for an industrial complex within the Venice Refinery and EMAS achievement for the refinery HUB	- Achieve coverage of 85% E&P subsidiaries for the double OHSAS 18001 and ISO 14001 certification - Complete the OHSAS 18001 certification for all Operating Units and the ISO 14001 certification for Operating Units with industrial activities in G&P - EMAS coverage for all electrical plants by 2011 - Extention of ISO 14001 to 40% of R&M service stations directly owned
Reduce local environmental impact of activities by improving environmental performance and implementing resources recovery and reuse	- Reduced by 4.7% NO_x emissions - Increased by 5% SO_2 emissions in 2010 due to maintenance period for Gela Refinery plant - Mapped with the Global Water Tool production sites within areas with hydric stress - Started pilot project for development of a monitoring system of VOC's based on Wireless Sensor Network (WSN) - Completed western Desert Project in Egypt for the reduction of oil spills; 50% of the project in Turkmenistan for the replacement of the whole pipeline system	- Reduce emissions in refinement by about 1400 t/year for SO_2 and 120 t/year for NO_x as of 2013 and given parity of production - Adopt state-of-the-art burners in all plants of the electrical sector within 2012 in order to reduce NO_x - Complete water injection projects in E&P and reach 62% of produced water re-injected in 2014 - Continue "Water e waste management plan" in E&P subsidiaries - Finalize, within 2012, the Green remediation method and continue the Quantitative Evaluation of Belaym Contaminated Soils (QUEBEC) project
Human Rights		
Implement a system for assessing the risk of Human Rights (HR) violations in company processes and plan preventive actions	- Created HRCA in Angola - Actions for improvement in Corporate and in Countries subject to HRCA; Initiated pilot project for verification of the integration of Human Rights in the SBS; Training modules on HR for security personnel in Nigeria and Egypt; Continued integration of HR clauses within supervisory contracts (100% of sites in 2013)	- Activate a work group among different business areas in order to integrate views on Human Rights in the high processes - Extend the HR training modules to other operating sites - Insert a section with HR requirements within the security checklist for site vulnerability
Territory and community		
Protect ecosystems and preserve biodiversity	- Defined biodiversity and ecosystemic service policies; Completed Eni/WBCSD pilot project for assessing company-ecosystem relationship - Controlled investigation, evaluation and mitigation of impact on biodiversity and onshore/offshore ecosystems: The Villano Biodiversity (Ecuador) project was completed	- Map operational onshore and offshore sites with respect to high value areas for biodiversity and Ecosystemic services (0.8 million euro) - Continue projects for the restoration of the landscape as well as investigate, assess and mitigate the E&P impact on biodiversity and ecosystems (61.7 million euro) - Extend the Eni Health Community Model to critical contexts and new operating sites
Improve and consolidate relations with stakeholders	- Strengthened relations with the UN system (adherence to the LEAD Program of the GC, participation in round tables on Anticorruption, Human Rights, Climate and Development) - Active participation in round tables and work groups of WBCSD and IPIECA; Continued Transparency Operation with NGO's as well as informational meetings and discussions with Amnesty International, WWF Italia, Legambiente, Amici della Terra, Transparency International	- Strengthen communications with associations as well as national and international NGO's - Consolidate and develop relations with the United Nations system, particularly Global Compact, as well as with The Earth Institute, and WBCSD, even through participation in round tables and pilot projects - Revise process and tools for engagement
Develop and apply models for relationships with the territory	- Stipulated strategic agreements with Egypt, Togo, Iraq, Democratic Republic of Congo and Venezuela; Signed cooperation and development agreements with 26 local communities in Ecuador - Issued new ESHIA procedure in E&P - Partnership with IBLP in order to integrate Human Rights with impact assessment tools - Developed models and organizational tools for Community Relations in Countries of operation; partnership in Congo with AVSI	- Consolidate mapping of initiatives in territories for E&P - Develop partnership with Vale Institute in order to assess the efficacy of investments in Countries of operation - Spread the new ESHIA procedure to all new E&P projects - Extend the Community Investment process to all new E&P projects - Case study pilot program for assessing Human Rights impact within a Social Baseline Analysis - SBA
Contribute to local development	- Partnership stipulated with the Earth Institute and project for measuring efficacy of operations for community was initiated - Achieved results in electrification projects in Congo and Nigeria - Sustain for local entrepreneurship through microcredit in Nigeria, Pakistan, Australia - Pilot studies for measuring local content in Peru and Angola	- Create a database to measure the intervention effectiveness for the community - Invest in developing economies and improvement oflocal expertises - Develop project to promote the access to energy in the Countries in which Eni operates - Contribute to the achievement of the Millennium Goals - Develop a project to evaluate the "diversity" in the projects effectiveness measurement with SDA Bocconi
Suppliers		
Extend control over Sustainability themes	- Extended vendor Management systems in Pakistan and Algeria; VM activities were initiated in Iraq - Implemented SA8000 audits on suppliers in Angola and Congo - Issued contractual standards for abroad as well as new Guidelines which include Human Rights requirements; participation in the CDP supply chain and the Task Force Supply Chain of IPIECA	- Continue the extension of Vendor Management systems - Extend the SA8000 Audit to suppliers and sub-suppliers - Monitor and spread the principles of Sustainability within the supply chain - Develop initiatives to create awareness on the culture of workplace safety within supply chain companies - Initiate a pilot project on green procurement
Develop local procurement	- Local content requirements inserted within the new "Guidelines for Preparation of Procurement Strategy"; local procurement and professional training strengthened within Countries of operation; National Market Participation Initiative with WBCSD project	- Continue actions to increase local procurement - Pilot project within the realm of the NMPI project of WBCSD for the application of best practices in local content
Customers and consumers		
Improve the quality of customer services and communications with consumers	- Expanded and improved the range and quality of customer services both within R&M and G&P - More than 600 counter operators and arbitrators trained on the online Settlement Protocol, active at a national level	- Continue the Quality Excellence program for the G&P service - Rebranding of gas stations - Expand non-oil services - Improve satisfaction indices for R&M and G&P customers - Continue the Sustainability Program for commercial activities

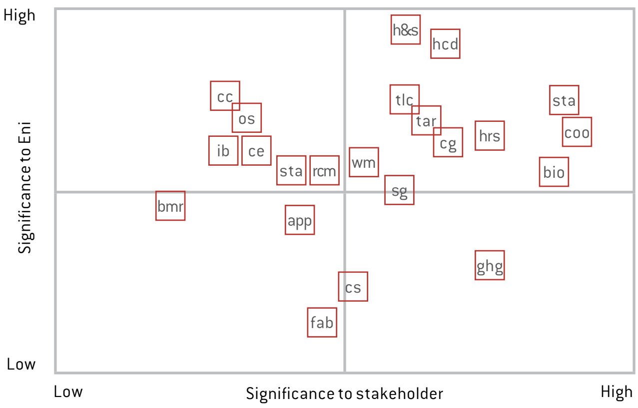
Methodology and reporting criteria

Ref. GRI 3.1 - 3.13

This document integrates the Sustainability information included in the Eni Annual Report 2010, showing in details both the Company performance and the sector key performance indicators.
The information and topics here reported are compliant with the Global Reporting Initiatives Guidelines, version G 3.0.

Materiality and stakeholders' engagement

A materiality analysis has been conducted to identify the most relevant Sustainability issues both for the Company and its related stakeholders. The extent to which issues were relevant to the Company (internal significance) was analysed by providing a specific questionnaire to a sample of Eni's managers.
The stakeholders' relevant issues (external significance) were, instead, identified by combining an analysis of stakeholders' requests submitted to Eni during the 2010 with the periodic coverage of issues found in the questionnaires prepared by rating agencies (SAM, Vigeo, Eiris and Goldman Sachs). The materiality is determined through the intersection of internal and external significance.



Climate Strategy	**cs**	Risk & Crisis Management	**rcm**
Management of GHG	**ghg**	Transparency and Anti-Corruption	**tlc**
Oil spill, transports and soil protection	**os**	Customers and Consumers	**cc**
Renewable sources and biofuels	**fab**	Suppliers and sustainable supply chain	**app**
Management systems	**sg**	Human Capital Development	**hcd**
Water and emissions	**wm**	Cooperation and Development Model	**coo**
Brand Management and Reputation	**bmr**	Relationship with institutional stakeholders	**sta**
Code of Ethics	**ce**	Health and Safety	**h&s**
Corporate Governance	**cg**	Talent Attraction & Retention	**tar**
Human Rights and Security	**hrs**	Ecosystem services and biodiversity	**bio**
Innovation and business	**ib**	Local impact evaluation and stakeholders	**sta**

The report area and sustainability context

The document illustrates both the main initiatives and the performance trends of 2008-2010 period. Information refers to Eni SpA and its consolidated subsidiaries. The consolidation perimeter the is the same of financial reporting, except for some data indicated throughout the document. As for health, safety and environmental data, the consolidation domain is established on the basis of the operational criterion: the emissions reported refer to 100% of the emissions of a plant operated by Eni.

Quality guarantee principles of the sustainability reporting

This document highlights Eni's successes, its weaknesses, and its growth opportunities. The reported data have been collected to give a clear and balanced picture of the Company's activities and characteristics. The process of obtaining relevant information and quantitative data has been structured so as to ensure comparability of data over several years, in order to allow a correct interpretation of information and a complete vision to all stakeholders interested in the evolution of Eni's performances. The reporting is audited by an independent auditor, that verifies both the Eni's Annual Report and the information disclosed in this document.

Calculation methods

Following are described the calculation methods relating to: Added Value, injury frequency and severity rates indexes, energy intensity index in the refining sector and emission indexes. The added value is the wealth generated by the Company in performing its business. The global added value, net of depreciation, is then specifically divided among the various beneficiaries as follows: employees, public administration, financing institutions, shareholders, companies. The injuries frequency rate is calculated as ratio between the numbers of injuries causing over one day absence (including fatalities) and millions of hours worked, the severity rate is instead defined as the ratio between the days of absence due to accidents (excluding fatalities) and thousands of hours worked. The energy intensity index in the refining sector is the ratio between the total net value of energy used in a given year in the various refineries plants and the corresponding value calculated on the basis of standard consumptions. The refining emission indexes are calculated starting from the equivalent distillation capacity supplied by a third party entities, the hydrocarbon production indexes consider the net production, while the electricity sector indexes include the electricity and thermal energy produced and expressed in equivalent MWh. The Methane is converted into CO_2eq using a Global Warming Potential (GWP) equal to 21.

Disclosure on management approach

The table below reports Eni's institutional documents containing references to the disclosure on management approach with regard to Sustainability topics according to the GRI Guidelines G3.0. All listed documents are available on Eni website.

	Topic	Document	Paragraph
Economic Performance	Management approach	AR 2010	Letter to shareholders - ref. GRI 1.1
	Goals and performance	AR 2010	Letter to shareholders, Financial performance
	Policy	AR 2010	Letter to shareholders, Outlook
Environmental	Management approach	AR 2010	Environmental management
	Goals and performance	SP 2010	Key Sustainability indicators
		AR 2010	Responsibility towards the environment
	Policy	eni.com	HSE Management System, Coordinating Committee
	Organizational responsibility	AR 2010	Training and internal communication
	Training and awareness	eni.com	Knowledge sharing
		AR 2010	Environmental management, Whistleblowing management
	Monitoring and Follow-Up	eni.com	Certification and registration of management systems (plants or relevant units) according to ISO 14001 – EMAS
Labor Practices and Decent Work	Management approach	AR 2010	Commitment to sustainable development - People
	Goals and performance	SP 2010	Key Sustainability indicators
	Policy	CE	Development and protection of Human Resources, Knowledge Management, Corporate security, Health, safety, environment and public safety protection
		ICEM	Principles
		IRP	Introduction
	Organizational responsibility	CE	Code of Ethics Guarantor
	Training and awareness	AR 2010	Training and internal communication
	Monitoring and Follow-Up	AR 2010	Management and development of human resources, Whistleblowing management
		SP 2010	Governance and stakeholder engagement
		eni.com	Certification and registration of management systems (plants or relevant units) according to OHSAS 18001
Human Rights	Management approach	LgHR	Principles
	Goals and performance	WbP	The whole document
		SP 2010	Key Sustainability indicators
	Policy	CE	Suppliers and external collaborators
		ICEM	Principles
		LgHR	Description of key company processes
	Organizational responsibility	CE	Code of Ethics Guarantor
	Training and awareness	SP 2010	Key Sustainability indicators
	Monitoring and Follow-Up	AR 2010	Whistleblowing management
		CE	Reference and supervision structures
Society	Management approach	CE, RGS 2010	Anti-Corruption Policy
	Goals and performance	SP 2010	Key Sustainability indicators
	Policy	CE	Political organizations and trade unions
		RGS 2010	Anti- Corruption Policy
	Organizational responsibility	CE	Code of Ethics Guarantor
		231 Model	Watch Structure Tasks
	Training and awareness	SP 2010	Key Sustainability indicators
		AR 2010	Training and internal communication, Whistleblowing management
	Monitoring and Follow-Up	CE	Reference and supervision structures
Product Responsibility	Management approach	AR 2010, CE	Customers and consumers, Privacy protection
	Goals and performance	SP 2010	Key Sustainability indicators
	Policy	CE	Code of Ethics Guarantor
	Organizational responsibility	AR 2010	Training and internal communication
	Training and awareness	CE	Reference and supervision structures
	Monitoring and Follow-Up	CE	Reference and supervision structures

Acronyms

CE: Code of Ethics
ICEM: Agreement on international industrial relations and corporate social responsibility
LgHR: Guidelines on the Protection and Promotion of Human Rights
IRP: Industrial Relations Protocol
AR 2010: Annual Report 2010
RGS 2010: Corporate Governance and Shareholding Structure Report 2010
SP 2010: Eni Sustainability Performance 2010
WbP: Whistleblowing Procedure

Governance and stakeholders engagement

Ref. GRI 4.1 - 4.17

A brief description of the governance structure of the Company is provided below. For additional information, refer to the document "Report on Corporate Governance and Shareholding Structure", published in the Governance section of the Company's website.

Ref. GRI	Information on the corporate governance structure
4.1 4.2 4.3	The Corporate Governance structure of Eni is structured in accordance with the traditional model which – given the competencies of the Assembly – assigns corporate management to the Board of Directors (BOD) and auditing functions to the Board of Statutory Auditors, while external auditing is entrusted to an auditing company which is appointed by the shareholders' Assembly. The BOD appoints a Chief Executive Officer (CEO) to whom management of the company is entrusted, with the exception of certain areas which are reserved for the Board, and entrusts the Chairman – who does not have an executive role – with proxies for identifying and promoting integrated projects and international agreements of strategic relevance. The selected model therefore provides for a net separation of functions between the Chairman and the Chief Executive Officer; both are entrusted with legal representation of the Company. The BOD is composed of nine directors, eight of which are non-executive, seven are independent and non-executive and one which is executive. Three committees are established within the BOD with advisory and consulting functions: the Internal Control Committee, the Compensation Committee and the Oil-Gas Energy Committee. In addition – upon proposal of the CEO and in agreement with the Chairman – the BOD has appointed three General Managers which head the three operating divisions of Eni (refer to 2010 Corporate Governance Report, CGR - "Corporate governance structure").
4.4	Eni employees have numerous available internal communication channels: the MyEni portal, MyEni news and the internal communication network in addition to the communication options with the company pursuant to trade union agreements. In addition, the Cascade program has been expanded in order to involve the entire personnel of the Company in the latter's strategic objectives. The Investor Relations department manages relations with shareholders. In collaboration with other Company departments, Eni has drafted a Shareholders' Guide in order to clarify the rights of the shareholders, promote their participation in the Assembly and provide a variety of information. Eni also provides an informational channel for its employees as well as members of corporate bodies or third parties; this channel allows users to send – even in confidential or anonymous format – reports relative to problems in the internal control system or related to financial reporting, administrative liability of the company, fraud or other topics (violations of the Code of Ethics, mobbing, theft, security, etc...).
4.5	The variable incentive systems of Eni are based on the attainment of economic/financial, business development and operational objectives which are defined in accordance with the Strategic Plan of Eni that includes a specific Sustainability section.
4.6	In 2010, the BOD of Eni approved the procedure "Operations involving interests of directors and auditors and operations with related parties" with the objective of ensuring transparency as well as substantive and procedural honesty in operations with related parties. The procedure also provides for – in compliance with the provisions of the Self-Regulating Code of the listed companies – specific regulations, even in terms of behaviors, for operations in which a director or auditor retains interests, either on his/her own behalf or for third parties (refer to 2010 CGR - "Interests of directors and auditors and operations with related parties").
4.7	In accordance with the provisions of the Eni Code relative to the effective and conscious execution of the role of director, Eni has drafted – for the Board which is currently holding office – a training plan (board induction) to be implemented immediately after appointment. This plan will allow the new directors to acquire detailed knowledge of the company's activities and organization as well as of the sector of reference and the role to implement in relation to the specific nature of Eni (refer to 2010 CGR - "Training of the Board of Directors").
4.8	Eni is an integrated energy Company which operates in the oil, natural gas and energy sector as a whole and in the sectors of electrical energy generation and marketing, Petrochemical and Engineering & Construction; in all these sectors it has excellence know-how and retains strong market positions at an international level (refer to 2010 CGR - "Profile"). The BOD – by means of the Code of Ethics – considers the task of clearly defining the values and principles which guide the actions of Eni, both internally and externally, to be of fundamental importance in order to guarantee that all Company's activities are implemented in compliance with the norms of reference and in accordance with the principles of fair competition, honesty, integrity and good faith, as well as in accordance with the legitimate interests of all stakeholders with which Eni interacts on a daily basis: shareholders, employees, suppliers, customers, commercial and financial partners, and the local communities and institutions of the Countries in which Eni operates. The commitment of Eni to spread the principles of the Code is further emphasized by the creation of a specific "Team for Promoting the Code of Ethics" which reports to the Guarantor of the Code of Ethics (refer to 2010 CGR - "Code of Ethics"). In accordance with the development of the Company's organizational model, Eni has initiated a rationalization program for its regulatory system in order to optimize and simplify the Company body of regulations. The key documents of the new regulatory architecture are the Policies: 10 binding documents which are applicable across all company processes and which define the principles and general behavioral rules which must serve as the basis for all activities of Eni while taking into account risks and opportunities (refer to 2010 CGR - "New Eni Regulatory System").
4.9	Improvement areas include the Sustainability objectives of the Company and serve as a preliminary operating tool for identifying the projects that must be inserted within the Sustainability section of the Strategic Plan of Eni. The Improvement Areas – after being approved by the Eni Management Committee – will become part of the so-called "CEO Guidelines" and contain the priority operations and objectives which each department and operational division of the company must pursue. Projects which contribute towards attaining the objectives are collected, selected and incorporated within the Sustainability section of the Strategic Plan of Eni. The BOD will approve both the Guidelines as well as the Strategic Plan.
4.10	The BOD of Eni, in accordance with the best international practices and in compliance with the Stock Exchange Code, will annually conduct a Board review on the size, composition and functioning of the Board as well as on the Board's committees and may potentially provide Guidelines on professionals whose presence in the Board is considered opportune (refer to 2010 CGR - "Self- assessment").
4.11	Every action of Eni is characterized by a strong commitment to sustainable development: placing value on individuals, contributing to the development and well-being of the communities in which it operates, respecting the environment, investing in technological innovation, pursuing energy efficiency and mitigating the risks of climate change are objectives which are shared by the corporate bodies as well as management and employees (refer to 2010 CGR - "Eni: profile, structure and values").
4.12	Eni actively collaborates with major international organizations that are involved in spreading awareness of Sustainability themes. The existence of common areas of interest that are mutually beneficial may therefore result in the realization of concrete actions which aim to promote economic development and Sustainability. The primary partnerships include: organizations associated with the UN system (UN Global Compact, World Food Programme, UNDP, UNICEF), World Business Council for Sustainable Development, Earth Institute, universities and Italian/foreign research centers.
4.13	Eni participates in the following associations: Assonime (Associazione fra le Società Italiane per Azioni, Association of Italian Corporations), Confindustria (Confederazione Generale dell'Industria Italiana, General Confederation of Italian Industry), European Issuers and ECGI (European Corporate Governance Institute).

Stakeholder relations - Ref. GRI 4.14 - 4.17	
Stakeholder	**Main actions in 2010**
International Institutions and Organizations	
UNGC	Caring for Climate; Second Meeting of Signatories; Active participation in the Leaders Summit of New York; Adherence to the LEAD Program; Participation in the COP Advanced Programme; Meetings with the Anti-Corruption Working Group - Meetings with the Human Rights Working Group; Meetings with the Climate & Development Working Group; Join the test phase of Guidance for Responsible Investment in High-Risk and Conflict Areas
WFP	Sponsorship of the concert of the Italian WFP committee in favor of Pakistan
UNFCCC	Participation in COP XVI (Cancún)
IEF	Participation in the IV International Energy Business Forum (IEBF) which preceded the XII IEF Ministerial Meeting (Cancún)
WBCSD	Ecosystem Valuation Initiative (EVI); National Market participation Initiative
G20 BUSINESS	Active participation (working groups) in the Seoul G20 Business Summit
WEF	Participation in the WEF in Davos, speech of the CEO at the event for launching the LEAD Program; participation in the WEF Summit in Quatar
WEC	Montreal: Oil presentation event
Community of Democracies	Participation in the High Level Democracy Meeting Krakow 2010
Italian Ministry of Foreign Affairs	Training of commercial embassy staff in relation to internationalization topics and approaches with partner Countries
Italian Ministry of the Environment	Participation in the work group for companies in preparation of the Summit Rio +20
EU Institutions	Constant communications with the various DG of the European Commission
Regulatory entities - AGCM (Italian Anti-trust Authority)	Constant interaction with AGCM on unfair commercial practices
Economic partners	
Suppliers	E-procurement portal. Support in the process of improvement following negative assessments
Trade associations and industrial partners	Participation in Confindustria roundtables and dedicated commissions (in particular the Commission for Sustainable Development, the Cultural Commission); Dialogue and collaboration with Assomineraria; Participation in the IPIECA Working Group (including the Social Responsibility WG); Chairmanship and participation in the Biodiversity WG; participation in OGP work groups
Consumers	
Consumer associations	Training on Online Settlement Protocol, dedicated web section, workshop on specific themes
Employees	
Eni's people	Internal communication and employees involvement in Company strategies (2010 Cascade Program)
Trade unions	National level: collective negotiation and communications with trade unions on specific local actions; EU level: European Corporate Committee Agreement; International level: ICEM agreement
Financial stakeholders	
Retail shareholders	Manual for Minority Shareholders, updating of dedicated web section
Analysts and portfolio managers (including SRI)	Periodical reporting of results, four-year strategy and illustration of the industrial and economic objectives; Description of the risk management system, with a focus on deep water drilling activities and on activities in Nigeria and Congo; Description of the CO_2 emissions management strategy with projects highlighting and flaring reduction targets; Illustration of eco-efficiency performance and main objectives
Sustainability rating agencies	Drafting of information for Dow Jones Sustainability World and Europe, FTSE4Good and Carbon Disclosure Performance Leadership Indexes
	CDP: Participation in pilot projects within the supply chain and management of water resources
Associations and NGO's	
EITI	Initiatives implementation through adherence to multi-stakeholder groups in implementing Countries
BSR	Participation in the Ecosystem Service Trading and Market Working Group
GRI	Participation in the working group for oil&gas sector supplement draft
Amici della terra	Support and participation in the Second National Conference on Energy Efficiency
Legambiente	Energythink, in-depth meetings on topics of interest
Transparency International	Communications and consulting
Environmental associations	In-depth meetings in Italy (Cortemaggiore for CCS projects, Taranto for disclosure on future industrial projects, Porto Torres Project)
Development promotion agents, local NGO's within the field of Community relations and investment programs	Multistakeholder partnerships for initiatives in Countries of operation ; partnership with AVSI in Africa, with AAster in Basilicata; MoU local NGO's in Congo; Collaboration of Eni Foundation with Smile Train for healthcare activities in Indonesia; Ambulance Medical Service "Allo Medic" in Algeria; UNNATI in Indonesia; Thardeep and Fisherfolk Forum (PFF) in Pakistan; Care International and Peace Dividend Trust in Timor Est; NGO in Kazakhstan
Amnesty International	Communications on respect for Human Rights in Nigeria
Territories and local communities	
Institutions, local entities	Stipulation of agreements and collaboration and partnership activities with local institutions
Strategic cooperation agreements	Cooperation agreements for development in Egypt, Libya, Togo, Iraq, Democratic Republic of Congo and Venezuela; Protocol in agreement with the Ministry of Education, Higher Education and Research in relation to the Plan for Digital Innovation in Schools ("Digital School")
Local communities	Information on business projects and impact assessments; Involvement in the planning of local development projects through organizational structures dedicated to subsidiaries and Community Relations/Investment tools
Accademia and research centers	
Italian and international universities	Partnerships relative to: 1. talent attraction activities, 2. research projects; 3. training of individuals in Countries of operation
Media and the press	
Press relations and online activities	Press and media relations on main themes of interest (communication notices, press releases, interviews). Web: eni.com: 3,757,734 visitors in 2010, more than 23,467,052 page views. "Abitare il Mondo" website launched
Editorial activities	Special issue of Oil following the GC Leaders Summit in New York on themes related to sustainable development in Africa

Key sustainability indicators

Eni's main activities, from the exploration, production and refining of hydrocarbons, to the transportation and marketing of gas and oil products, are described in detail in the Annual Report and on the website eni.com. The table below reports the main Sustainability indicators divided into thematic areas in conformity with the Global Reporting Initiative (GRI) "Sustainability Reporting Guidelines".

Aspect	GRI code	GRI description	Eni performance indicator	Measurement unit	Consolidated 2008	Consolidated 2009	Consolidated 2010
Economic Performance	EC1	Direct economic value generated and distributed	Total distributed Added Value	mln €	24,534	17,341	22,339
			- of which to Human Resources	mln €	4,291	4,515	5,043
			- of which to Shareholders	mln €	5,011	3,972	4,136
			- of which to States and Public Administrations	mln €	9,692	6,756	9,157
			- of which to Financial backers	mln €	993	753	754
			- of which to Company system	mln €	4,547	1,345	3,247
			Total expenditure for the territory	mln €	86.5	98.6	108.0
			- of which investments in favour of the communities	mln €	69.4	70.5	75.4
			- of which short-term investments and donations	mln €	0.5	1.2	4.5
			- of which contributions to associations	mln €	1.5	1.5	1.7
			- of which contributions to Eni Foundation	mln €	–	5.0	5.0
			- of which sponsorships for the territory	mln €	11.8	16.6	17.6
			- of which contributions to Fondazione Eni Enrico Mattei	mln €	3.3	3.9	3.9
			First patent applications filings	n.	96	106	88
			Existing patents	n.	8,049	7,760	8,008
			Incoming/outgoing patents		–	0.81	1.14
			R&D expenditure	mln €	217	207	221
			R&D Employees	n.	1,123	1,019	1,019
			Procurement	mln €	30,026	35,205	32,626
			- of which goods	mln €	–	–	6,326
			- of which services	mln €	–	–	15,029
			- of which works	mln €	–	–	6,718
			Suppliers used	n.	29,416	35,113	33,961
			Supplier concentration (top 20)	%	24	25	18
			Number of qualification cycles	n.	15,936	22,108	33,700
	EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	Risk management system (Annual Report)				
	EC4	Significant financial assistance received from Public Administration	At Corporate level, no significant financings from central governments have been granted. At a local level, incidental tax relieves are part of the agreements signed with each Country, which are confidential due to their strategic and competitive relevance				
	EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	Local procurement share are available on Eni website into Sustainability section (Relationships with territory/suppliers)				
	EC7	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation	Local foreign employees	n.	41,971	42,633	45,967
	EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in kind, or pro-bono engagement	Eni has developed a Community Investment management system to plan and manage initiatives for local communities, based on a uniform cooperation and development model. In particular, Eni concentrates on the following five areas: healthcare, infrastructure and socio-economic development, professional training and education, environment, culture. Apart from these investments, Eni also helps local communities by sponsorships selected through various criteria, such as affinity with its corporate image and identity, ties with the territory, adherence to the its business objective and, as a common denominator, compliance with its Sustainability principles. For more info, see the chapter "Relations with territory and communities" of the Annual Report				

Sector (2010)*					Qualitative information (Policies/ Procedures/ Management Systems)
E&P	G&P	R&M	Petrochemicals	E&C	
					Annual Report 2010
					Memorandums of Understanding signed with each Country
72.08	1.09	1.18	–	1.04	
					Code of Ethics Memorandums of Understanding signed with each Country
23	2	16	10	17	
2,220	36	876	3,439	1,116	
12.37	1.44	0.32	1.40	n.a.	
175	10	327	272	60	
					Suppliers qualification procedures
					Risk management system (Annual Report)
					Memorandums of Understanding signed with each Country
6,370	2,593	1,860	1,069	33,911	Memorandums of Understanding signed with each Country
					Code of Ethics Memorandums of Understanding signed with each Country

* The sum of the values of each sector does not correspond to Eni Consolidated that includes the values of Eni Corporate, Syndial and their subsidiaries.

following **Key sustainability indicators**

Aspect	GRI code	GRI description	Eni performance indicator	Measurement unit	Consolidated 2008	2009	2010
Environment – Materials	EN1	Materials used by weight or volume	Hydrocarbons production	mln boe/day	1.797	1.769	1.815
			Natural gas production	mln m^3/day	126	124	134
			Oil and condensates production	mln barrels/day	1.026	1.007	0.997
	EN2	Percentage of materials used that are recycled input material	The indicator is not relevant to Eni, since the materials it uses are mainly the hydrocarbons it produces. In other activities the row materials use is limited				
Environment – Energy	EN3	Direct energy consumption by primary energy source	Net consumption of natural gas	ktoe	9,139	9,209	10,069
			Net consumption of oil products	ktoe	5,327	5,230	5,050
			Net consumption of other fuels	ktoe	277	219	196
	EN4	Indirect energy consumption by primary source	Electricity sales	TWh	16.91	21.14	22.40
			Electricity consumption	TWh	2.38	2.98	3.20
Environment – Water	EN8	Total water withdrawal by source	Water consumption - seawater	mln m^3	2,814	2,643	2,581
			Water consumption - fresh water/ surface water	mln m^3	123.99	119.20	129.43
			Water consumption - fresh water/ aqueduct	mln m^3			5.05
			Water consumption - fresh water/ underground water	mln m^3	35.34	32.42	29.40
			Water consumption - fresh water/ other	mln m^3	28.46	24.75	21.83
			Water consumption - salt or brackish water	mln m^3	26.02	25.41	22.47
	EN9	Water sources significantly affected by withdrawal of water	In 2010 Eni developed a new approach to water resources that led to the identification of plants where there is a water stress and to the development of policies and quantitative target improvement well rooted in the local situation by means of the Global Water Tool that also provides forecasts on the impact of climate change on water available by 2025 and 2050				
Environment – Biodiversity	EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas Number and percentage of operational sites where biodiversity risks have been evaluated and monitored	Eni has joined Proteus 2012, an initiative promoted by UNEP-WCMC that aims at developing a comprehensive database of information on protected areas rich in biodiversity, by using different datasets and available information. In 2010, the information provided by the World Database on Protected Areas (WDPA) was significantly improved, and it was launched the Marine WDPA platform, which groups the marine protected areas with dedicated details and attributes				
	EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	Information about commitments and tools to monitor operating sites with respect to high importance biodiversity areas are included in the "Commitment to sustainable development" section of the Annual Report 2010				
	EN14	Strategies, current actions, and future plans for managing impacts on biodiversity	With respect to its operational activities, Eni has developed a methodology to manage the aspects related to biodiversity and ecosystem services, which is based on the identification and evaluation of their potential impacts on species, habitats and ecosystems, distinguishing them from the effects caused by other human activities or factors such as climate change				
Environment – Emissions, Effluents, and Waste	EN16	Total direct and indirect greenhouse gas emissions by weight	Direct GHG emissions (CO_2eq)	mln ton CO_2eq	61.99	57.66	60.68
			- of which from flaring	mln ton CO_2eq	16.54	13.73	13.83
			- of which from venting	mln ton CO_2eq	2.39	2.18	2.34
			Other relevant GHG emissions (scope 2)	mln ton CO_2eq	n.a.	n.a.	1.89
	EN17	Other relevant indirect greenhouse gas emissions by weight	Indirect GHG emissions (scope 3)	mln ton CO_2eq	293.31	277.79	268.44
	EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	Eni adopted several measures that constitute an action plan aimed at the mitigation of climate change. In 2010 the main initiatives for GHG reduction were carried out in the following areas: - energy efficiency - flaring down - CO_2 capture and sequestration - renewable energy sources - dissemination of the culture of energy saving				
	EN20	NO, SO, and other significant air emissions by type and weight	NO_x	kton	117.0	115.4	109.9
			SO_x	kton	52.9	50.3	52.8
			PST	kton	4.4	4.2	4.0
			NMVOC	kton	81.1	75.6	68.6

	Sector (2010)*					Qualitative information (Policies/ Procedures/ Management Systems)
	E&P	G&P	R&M	Petrochemicals	E&C	
	4,525	5,166	101	272	1	
	473	471	2.146	1.550	392	
	3.67	0.58	149.30	42.63	0	
	140.78	526.63	751.59	1,140.60	0.37	
	0.61	18.91	11.84	95.75	0.08	
	2.14	1.55	4.17	9.37	2.50	
	10.03	0.58	2.41	7.40	3.61	
	22.47	–	–	–	–	
						Code of Ethics Environmental certifications HSE data reporting manual HSE and public safety Guidelines Management system model for health, safety, environment and public safety protection HSE Area guide indicators system Protocol for accounting and reporting greenhouse gas emission Guideline for allowances management in the emission trading scheme
	31.22	15.79	7.76	4.64	1.18	
	13.83	–	–	–	–	
	2.34	–	–	–	–	
	0.17	0.31	0.56	0.77	0.03	
	69.5	1.8	7.7	4.9	16.0	
	15.4	2.2	27.1	3.3	4.6	
	2.5	0.1	0.7	0.1	0.6	
	52.3	0.0	10.2	4.6	0.5	

* The sum of the values of each sector does not correspond to Eni Consolidated that includes the values of Eni Corporate, Syndial and their subsidiaries.

Aspect		GRI code	GRI description	Eni performance indicator	Measurement unit	Consolidated 2008	2009	2010
Environment	Emissions, Effluents, and Waste	EN21	Total water discharge by quality and destination	COD	k ton	5.645	4.156	3.384
				Total fresh and salt water discharged after treatment	mln m^3	184.78	186.70	145.21
				Recycled water	mln m^3	460.93	490.22	514.63
		EN22	Total weight of waste by type and disposal method	Recovered hazardous waste from production activities	ton	248,768	206,064	101,777
				Recovered non-hazardous waste from production activities	ton	141,488	147,974	170,490
				Total waste recovered from production activities	ton	390,256	354,038	272,267
				Dumped hazardous waste from production activities	ton	89,119	144,884	144,458
				Dumped non-hazardous waste from production activities	ton	283,824	357,429	485,905
				Total waste dumped from production activities	ton	372,943	502,313	630,363
				Incinerated hazardous waste from production activities	ton	92,041	80,587	36,844
				Incinerated non-hazardous waste from production activities	ton	7,096	12,242	22,106
				Total waste incinireted from production activities	ton	99,137	92,829	58,950
				Hazardous waste from production activities disposed in other ways	ton	380,370	400,689	539,594
				Non-hazardous waste from production activities disposed in other ways	ton	365,495	237,546	285,710
				Total waste from production activities disposed in other ways	ton	745,865	638,235	825,304
				Total waste from production activities	ton	1,608,201	1,587,415	1,786,895
				- of which hazardous	ton	810,298	832,224	822,685
				- of which non-hazardous	ton	797,903	755,191	964,211
				Waste from reclamation	mln ton	9.21	10.18	10.43**
		EN23	Total number and volume of significant spills	Volume of oil spills (E&P)	barrels	7,024	21,574	22,571
				- of which from sabotage and terrorism	barrels	2,286	15,289	18,721
				- of which from accidents	barrels	4,738	6,285	3,850
	Products and Services	EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	In 2010 Eni continued its efforts aimed at: - informing and training on the main economic and environmental benefits ensuing methane usage - increasing its distribution net of high quality, low impact products (BluDiesel Tech, BluDiesel, BluSuper) - developing lubricants that can guarantee fuel savings up to 2,5%				
	Compliance	EN27	Percentage of products sold and their packaging materials that are reclaimed by category	Not relevant to Eni, which sells energy and fuels				
		EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Information about sanctions received and funds on environmental risks are included in the Annual Report 2010				
	Overall	EN30	Total environmental protection expenditures and investments by type	Environmental costs and investments	mln €	1,080.7	1,324.1	1,151.3

Sector (2010)*					
E&P	G&P	R&M	Petrochemicals	E&C	Qualitative information (Policies/ Procedures/ Management Systems)
0.231	0.131	1.375	1.578	0.000	
3.33	13.64	100.70	23.65	1.91	
0.23	2.05	4.61	507.74	0.00	
61,068	1,820	11,332	24,199	2,797	
89,922	21,937	24,594	16,996	16,153	
150,990	23,757	35,926	41,195	18,950	
75,196	1,679	52,047	1,514	13,334	
249,429	11,557	23,143	28,822	166,978	
324,625	13,236	75,190	30,336	180,312	
18,951	127	0	12,071	3,913	
15,554	152	0	194	6,044	
34,505	279	0	12,265	9,957	Code of Ethics Environmental certifications HSE data reporting manual HSE and public safety Guidelines Management system model for health, safety, environment and public safety protection Indicators system HSE Area guide Protocol for accounting and reporting greenhouse gas emission Guideline for allowances management in the emission trading scheme
510,848	6,759	0	20,264	0	
234,559	27,234	0	22,518	0	
745,395	33,993	0	42,782	0	
1,255,515	71,265	111,116	126,578	209,219	
666,051	10,385	63,379	58,048	20,044	
589,464	60,880	47,737	68,530	189,175	
0.29	0.07	1.80	2.15	0.00	
22,571	–	–	–	–	
18,721	–	–	–	–	
3,850					
490.195	130.31	210.99	124.90	9.34	

* The sum of the values of each sector does not correspond to Eni Consolidated that includes the values of Eni Corporate, Syndial and their subsidiaries.

** The value includes 6.12 mln ton waste from reclamation of Syndial.

Aspect		GRI code	GRI description	Eni performance indicator	Measurement unit	Consolidated 2008	2009	2010
People	Employment	LA1	Total workforce by employment type, employment contract, and region	Employees	n.	78,094	77,718	79,941
				Employees in non-OECD Countries	n.	29,628	30,328	34,929
				Employees on international mobility	n.	8,927	9,150	10,130
				Employees with permanent contract	n.	50,560	49,641	48,869
				Senior managers	n.	1,594	1,562	1,574
				Managers	n.	12,527	12,893	13,350
				Employees	n.	36,895	37,295	37,885
				Workers	n.	27,078	25,968	27,132
		LA2	Total number and rate of employee turnover by age group, gender, and region	Resolutions	n.	4,247	4,044	4,409
				Hirings	n.	5,566	3,384	4,262
	Labor/Management Relations	LA4	Employees covered by collective bargaining agreements	Employees covered by collective bargaining agreements (Italy)	n.	39,480	38,299	37,403
		LA5	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements	Minimum notice period regarding operational changes is compliant with the local regulation and the collective agreements signed in the Countries where Eni operates				
	Occupational Health and Safety	LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities by region	Employees pending cases	n.	–	693	1,051
				Employees injury frequency rate		1.45	1.00	0.91
				Contractors injury frequency rate		1.40	1.18	0.88
				Employees injury severity rate		0.052	0.041	0.030
				Contractors injury severity rate		0.037	0.035	0.029
				Employees fatality index		2.43	0.85	6.40
				Contractors fatality index		2.81	1.65	3.48
		LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases	Safety total training hours	hours	876,837	1,263,580	1,510,558
				HIA conducted	n.	39	43	95
				Environmental surveys	n.	4,984	6,496	7,808
				Health audits	n.	53	97	182
				Diagnostic tests	n.	283,132	303,654	320,311
				Safety expenditures and investments	mln €	425.59	514.77	283,50
				Safety audits	n.	283	322	308
				Per capita health expenditure	€	869	1,032	719
				Health expenditure	mln €	68.56	80.89	57.75
	Training and Education	LA10	Average hours of training per year per employee by employee category	Training expenditure	mln €	59.80	49.23	46.72
				Training hours	hours	2,960,416	3,097,487	3,114,142
		LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Knowledge owner	n.	–	183	179
		LA12	Percentage of employees receiving regular performance and career development reviews	Employees under management review [a]	%	–	–	100
				Employees under potential assessment [b]	%	–	–	36
				Employees under induction review [c]	%	–	–	63
				Employees under performance evaluation [d]	%	–	–	51
	Diversity and Equal Opportunity	LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity	Female employees	n.	12,221	12,564	12,754
				Female Managers	n.	2,258	2,459	2,634
				Replacement index by gender (men)	%	1.25	0.81	0.99
				Replacement index by gender (women)	%	1.64	1.02	0.87
				Senior managers 25-39	n.	–	132	144
				Senior managers 40-55	n.	–	1,030	1,105
				Senior managers over 55	n.	–	400	325

		Sector (2010)*			
E&P	G&P	R&M	Petrochemicals	E&C	Qualitative information (Policies/ Procedures/ Management Systems)
10,276	11,245	8,022	5,972	38,826	Code of Ethics
5,506	642	677	7	28,084	
1,185	54	58	10	8,794	
9,804	11,098	8,008	5,864	8,525	
211	266	229	103	425	
2,942	1,277	1,730	877	4,490	
5,251	6,650	3,732	2,467	16,826	
1,872	3,052	2,331	2,525	17,085	
641	527	512	246	1,995	
516	249	179	118	3,029	
4,902	8,714	6,218	4,902	7,068	
106	402	122	19	100	Code of Ethics HSE data reporting manual HSE and public safety Guidelines Management system model for health, safety, environment and public safety protection Indicators system HSE Area guide
0.72	3.74	1.77	1.54	0.45	
0.48	8.30	3.40	5.94	0.33	
0.011	0.128	0.069	0.054	0.019	
0.016	0.292	0.143	0.165	0.010	
23.45	0.00	0.00	0.00	1.33	
3.75	0.00	9.71	0.00	3.07	
184,930	74,053	33,917	123,725	1,069,528	Eni Corporate University Code of Ethics
3	72	20	0	0	
2,496	1,165	814	2,003	43	
101	16	n.a.	0	62	
106,694	12,485	15,289	19,012	160,644	
64.20	29.71	0	81.06	26.40	
168	23	n.a.	11	80	
17.63	4.52	3.24	9.61	19.51	
15.82	5.42	1.75	3.04	15.57	
399,284	353,492	167,738	308,109	1,726,918	
53	18	19	17	40	
100	100	100	100	100	
60	44	44	45	14	
56	65	53	55	67	
50	57	24	82	58	
1,930	2,112	1,508	574	4,394	
499	250	393	152	550	
0.824	0.435	0.340	0.438	1.492	
0.743	0.568	0.380	0.950	1.699	
18	25	15	10	33	
138	181	175	75	289	
55	60	39	18	103	

* The sum of the values of each sector does not correspond to Eni Consolidated that includes the values of Eni Corporate, Syndial and their subsidiaries.

(a) The percentage refers only to executives and senior managers in Italy and abroad.

(b) The percentage refers only to managers and young graduates in Italy and abroad.

(c) The percentage refers only to young graduates in Italy and abroad.

(d) The percentage refers to executives, senior managers, managers and young graduates in Italy and abroad.

	Aspect	GRI code	GRI description	Eni performance indicator
Human Rights	Investment and Procurement Practices	HR1	Percentage and total number of significant investment agreements that include Human Rights clauses or that have undergone Human Rights screening	Percentage of procurement toward suppliers subjected to qualification procedures including Human Rights screening
		HR2	Percentage of significant suppliers and contractors that have undergone screening on Human Rights and actions taken	Suppliers subject to qualification procedures including Human Rights screening
		HR3	Total hours of employee training on policies and procedures concerning aspects of Human Rights that are relevant to operations, including the percentage of employees trained	Training hours on Human Rights
	Non-discrimination	HR4	Total number of incidents of discrimination and actions taken	Actions and episodes eventually occurred in the year which are subject to whistleblowing, are menaged in the way described in paragraph "Whistleblowing management" of the Annual Report
	Freedom of Association and Collective Bargaining	HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights	Eni's Code of Ethics guarantees freedom of association and collective bargaining. Eni also follows local regulations and the collective agreements signed in the Countries where it operates and respects ILO principles
	Child Labor	HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor	Eni's Code of Ethics rejects child labour. Eni also follows local regulations and the collective agreements signed in the Countries where it operates aimed at preventing child labour and monitoring incidental at risk situations
	Forced and Compulsory Labor	HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor	Eni's Code of Ethics rejects forced labour. Eni also follows local regulations and the collective agreements signed in the Countries where it operates aimed at preventing forced labour and monitoring incidental at risk situations
	Security Practices	HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of Human Rights that are relevant to operations	Percentage of security contracts with provisions on Human Rights
				Security personnel trained on Human Rights
	Indigenous Rights	HR9	Total number of incidents of violations involving rights of indigenous people and actions taken	Actions and episodes eventually occurred in the year which are subject to whistleblowing, are menaged in the way described in paragraph "Whistleblowing management" of the Annual Report
			Percentage and total number of operations close to indigenous communities in which specific engagement strategies have been carried out	Eni is adopting a new ESHIA standard that includes for each project the integrated evaluation of the environmental, social and health impacts. Up today Indigenous People Policies have been adopted in Australia and Norway
	Assessment		Percentage and total number of operations in weak governance zones that have been subject to Human Rights reviews and/or impact assessments	Eni launched the Human Rights Compliance Assessment (HRCA) project in order to find definitive responses to a series of questions concerning the merits of its effective capacity to minimise the risk of violating Human Rights and in the complicity in violations carried out by third parties that occur within its sphere of influence. The project consists of self assessments of the potential risks of violating Human Rights or of complicity in violation by individual subsidiaries. Up today, two pilot project (to test the methodology) were carried out in Nigeria and Kazakhstan, and four self assessments were carried out in Republic of Congo, Algeria, Egypt and Pakistan
	Whistleblowing		Number of grievances related to Human Rights filed, addressed and resolved through formal grievance mechanisms	Actions and episodes eventually occurred in the year which are subject to whistleblowing, are menaged in the way described in paragraph "Whistleblowing management" of the Annual Report

	Consolidated			
Measurement unit	**2008**	**2009**	**2010**	**Qualitative information (Policies/ Procedures/ Management Systems)**
%	89	87	89	
n.	6,174	8,388	10,643	
n.	–	–	1,380	
				Eni Guidelines on the Protection and Promotion of Human Rights Code of Ethics Eni's Procedure on Anonymous Reporting Agreement on international industrial relations and corporate social responsibility (ICEM) People management system Specific for the Supply Chain: - Suppliers qualification and evaluation process integrated with clauses related to the respect of the Guidelines on Human Rights - Emission of the new Management System Guidelines containing requisites concerning the respect of the Guidelines on Human Rights - Diffusion of contractual clauses related to the respect of the Guidelines on Human Rights
%	–	90*	20**	
n.	–	39	106***	

*Refers to contracts stipulated in Italy by Eni Corporate.

** Refers to contracts stipulated in Italy and abroad by sectors/subsidiaries belonging to Eni's Group. According to the survey on HR clauses, the sites with security contracts are 196, 39 of which have included HR clauses in their security contracts.

*** 79 in Nigeria (Police and Military) and 27 in Egypt.

	Aspect	GRI code	GRI description	Eni performance indicator
Society	Community	SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting	In compliance with its internal policy and standards, Eni systematically carries out evaluations/studies of the social and environmental impact (EIA/ESIA) of all its projects, both in exploration and development, also in conformity with local legislation. When the outlines of projects have been defined, and implementation confirmed, the relevant documents are presented to the competent local authorities for approval and consultation as per local procedures
	Corruption	SO2	Percentage and total number of business units analyzed for risks related to corruption	The initiatives against corruption are described in the Annual Report
		SO3	Percentage of employees trained in organization's anti-corruption policies and procedures	Employees trained in anti-corruption policies and procedures
				Percentage of key officers trained in anti-corruption policies and procedures through e-learning
				Percentage of key officers trained in anti-corruption policies and procedures through workshops
				Hours of training on anti-corruption policies and procedures carried out through e-learning
				Hours of training on anti-corruption policies and procedures carried out through workshops
		SO4	Actions taken in response to incidents of corruption	Actions and episodes eventually occurred in the year which are subject to whistleblowing, are menaged in the way described in paragraph "Whistleblowing management" of the Annual Report
	Public Policy	SO5	Public policy positions and participation in public policy development and lobbying	Eni thinks that a correct, transparent and participative dialogue with institutions, NGOs and the civil society is a key factor to gain trust and keep its licence to operate. Eni has always been proactive in the dialogue with national and international institutions, through direct interventions of its top management and indirectly through several associative organizations
		SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by Country	Eni does not grant direct or indirect contributions to parties, movements, committees and political organizations, to their delegates and candidates, but when provided by specific regulations
	Anti-Competitive Behaviour	SO7	Total number of legal actions for anticompetitive behaviour, anti-trust, and monopoly practices and their outcomes	Details about legal actions and interventions of the European Commission and of regulatory authorities are reported in the Annual Report
	Compliance	SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	Information about the most relevant fines and sanctions are included in the Annual Report
Product responsibility	Customer Health and Safety	PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures	As provided in the Code of Ethics, Eni undertakes to respect the right of consumers not to receive products harmful to their health and physical integrity and to get complete information on the products offered to them. Eni is committed to producing fuels that enhance motor performance and power, cut consumption, and reduce polluting emissions. Eni is also committed to increasing the efficiency of its chemical plants and the safety of the production processes, in order to minimize the various emissions and to protect its employees and the local communities
	Product and Service Labeling	PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	All the information concerning product stewardship can be found on the Eni's website and at its points of sale
		PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	Customer satisfaction index (R&M)
				Customers involved in satisfaction surveys (R&M)
				Customer satisfaction index (G&P)
	Marketing Communications	PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	Eni is committed to respecting the law in every Country. Eni supports the communities also by means of sponsorships, selected through different criteria, such as affinity to the corporate identity and image, the connection with the territory, the adherence to its business objectives and, as a common denominator, the coherence with its Sustainability and ethical principles
				Percentage of telephone calls by customer that spoke with an operator (service level). AEEG standard 80%
	Compliance	PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	Details about fines and sanctions are reported in the Annual Report

	Consolidated			
Measurement unit	**2008**	**2009**	**2010**	**Qualitative information (Policies/ Procedures/ Management Systems)**
n.	–	–	3,486	
%	–	–	86.5	
%	–	–	33	
n.	–	–	14,910	
n.	–	–	2,502.5	

- Section Initiatives on eni.com
- Section Anti corruption on eni.com
- Anti-Corruption Ancillary Procedures:
(i)Procedure for appointing external legal representatives
(ii) Procedure on donations
(ii) Procedure on contractual terms regarding Administrative Liability
(iv) Procedure on Gifts, Travel, Hospitality and Entertainment Expenses in favour of third parties
(v) Procedure on Intermediary agreements
(vi) Procedure on Joint Venture agreements-prevention of unlawful activities
(vii) Procedure on the acquisition of Consulting and Professional Services
(vii) Procedure on Expense Reimbursements
(xi) Procedure on Sponsoring Agreements
(x) Eni's Procedure on Anonymous Reporting
(xi) Anti-corruption provisions included in the Accounting Procedures
(xii) Anti-corruption provisions included in the procedures regulating personnel recruiting
(xiii) Anti-corruption provisions included in the procedures regulating acquisitions and sales
- Section Trasparency on eni.com
- Code of Ethics

Measurement unit	2008	2009	2010	Qualitative information (Policies/ Procedures/ Management Systems)
likert scale	8.14	7.93	7.90	
n.	22,609	10,711	30,618	Code of Ethics National Protocol for equal conciliation in the gas sector
likert scale	7.3	7.8	7.7	
%	–	87.6	94.6	

Exploration & Production

Projects

People

> Safety: completed and planned in every countries action plans for the performance improvement.
> Health Risk Assessment in Algeria, Nigeria, Mali, Ghana and India.
> Continued definition of individual development plans for graduates and mid-level managers through the utilization of models of professionalism (implemented in Libya, Tunisia, UK and Angola).
> Continued the project HR Towards the Future with onsite training in Italy for junior local employees that are part of the HR department.
> Completed the Green Project targeting young employees in the geology, geophysics and exploration departments.
> Designed educational initiatives for locals in collaboration with Italian and international universities, and the MEDEA Master's.
> Knowledge Management: new Communities of Practice have been launched in the Safety, Environment & Social Investment, Value & Risks Management areas.

Environment

> Flaring down projects in Algeria, Congo, Libya, Tunisia, Nigeria, Kazakhstan.
> Initiatives to minimize oil spill risks in China, Italy, Ecuador, Algeria, Egypt, Indonesia, Norway, Pakistan, Tunisia and Turkmenistan.
> Water treatment/water injection projects in Egypt, Libya, Italy, Kazakhstan, Congo, Nigeria, Algeria and Indonesia.
> Projects on biodiversity and ecosystem protection in Italy, Ecuador, Arctic Sea, Caspian Sea.

Territory

> Realization of ESHIA studies in Congo and Venezuela.
> New strategic agreements in Egypt, Libya, Togo, Iraq, the Democratic Republic of Congo and Venezuela.
> Completed new health projects for the communities in Comgo, Mozambique, Iraq, Ghana and Kazakhstan.
> In Ecuador, cooperation and development agreements with 26 communities within the area of operational influence.
> Analysis and evaluation of both and healt context and the social impacts within the area of the M'Boundi (Congo) operational project.
> Electrification projects in Congo: launching of the Centrale Electrique du Congo (production of 300 MW); activities for restoring high and medium voltage electrical energy. Electrification projects in Nigeria and in the nations of Rivers, Bayelsa and Delta.
> Support for local entrepreneurship through microcredit in Nigeria and Pakistan.

Technological innovation

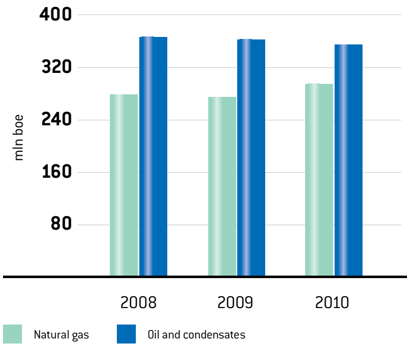
> Cube prototype: unit created for the collection and separation of gas from water and oil at the well head on the sea bed in a blowout well.
> Development of capacity to respond to oil spills in the Barents Sea and in subarctic areas: achieved logistical, chemical/physical and biological results.
> Deformation of Sea Floor through INSAS: publication of international patent for measuring morphology of sea bed.
> Water management: application of innovative technologies in order to improve the quality of re-injection water.
> Organic Rankine Cycle Technology for Energy Recovery: activities which aim to install an organic fluid cycle within the gas plant of Fano (production of 3 MW of electrical energy with recovery of thermal power - first application of the system to the oil&gas industry).

Other data

Performance indicators	Unit of measurement	2008	2009	**2010**
Italian expatriates	n.	759	805	906
Foreign personnel	n.	6,182	6,388	6,370
International personnel	n.	1,137	1,029	1,185
Safety Audit	n.	192	141	168
Health Audit	n.	29	54	101
OHSAS 18001 certifications*	n.	14	19	27
Environmental Audit	n.	68	96	72
Water withdrawals	mln m^3	181	177	180
ISO 14001 certifications*	n.	28	31	34
Oil concentration in production water	mg/litro	22.5	14.4	13.0
Emissions of GHG	mln ton CO_2eq	33.21	29.70	31.22
Emissions of NMVOC	kton	65.75	62.78	52.25
Oil spills	n.	378	287	423
Waste produced from productive activities	kton	1,073.9	1,064.5	1,255.5
Waste from reclamation	kton	267	289	293
Extracted formation water	k m^3	52,930	59,668	61,110
CO_2eq emissions index	ton CO_2eq/ktoe	268	248	248
Total weight of specific waste of the sector (drill mud and cuttings)	kton	517	336	497

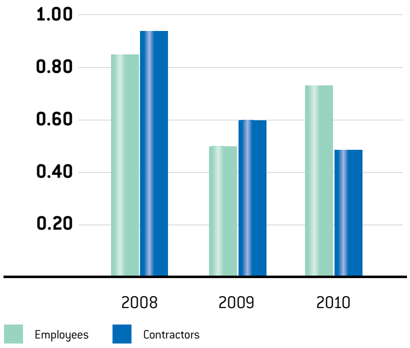
* number of certificates

Hydrocarbons production



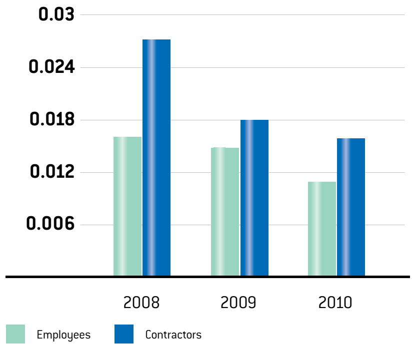
In 2010 hydrocarbons production was 1,815 millions boe/day, with an increase of 1.1% compared to 2009, thanks to the planned start up of 12 oilfields in 2010.

Injury frequency rate



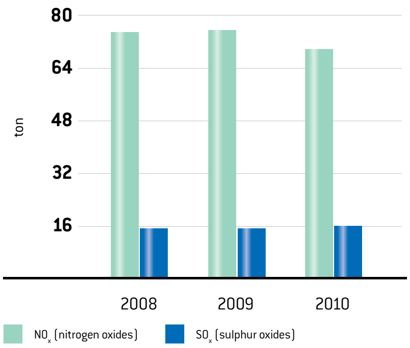
In 2010 the total Injury Frequency Rate of E&P was 0,53, decreased compared to the 2009 one (0,57). The index releated to contractors increased compared to 2009, due to the air crash occurred in Pakistan, in which 15 employees and 6 contractors have deceased.

Injury severity rate



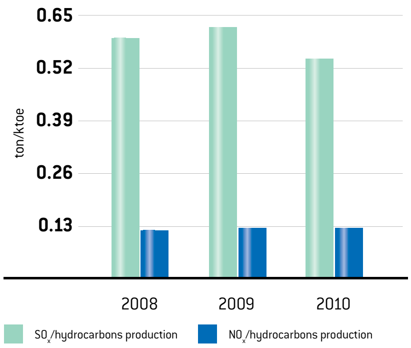
The injury severity rate E&P shows a decreasing trend, in line with the frequency rate trend.

NO_x and SO_2 Emissions



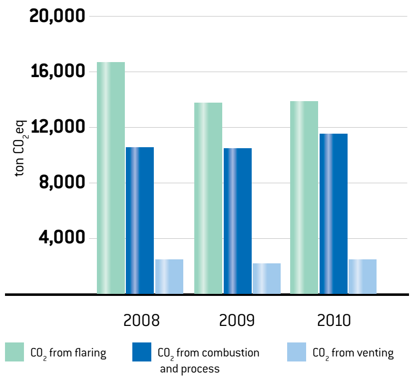
In 2010 the NO_x emissions decreased thanks to a more correct distribution of consumptions in final uses, in particular in Egypt. The SO_2 emissions increased of a 4%, due to an increased diesel consumptions and because of the KPO contribution (KPO introduced a more detailed caracterization of the flare gas).

NO_x and SO_x emissions/hydrocarbons production



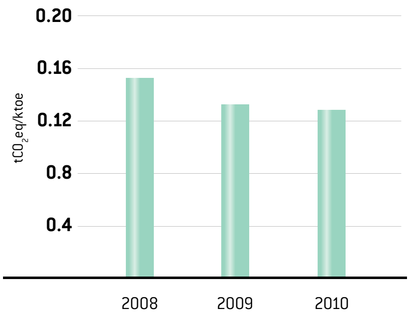
The SO_x and NO_x emissions Index related to the operated production decreased respectively of 13% and of 1%. The NO_x emissions index decrease is due to a more correct distribution of consumptions in final uses, in particular in Egypt.

GHG emissions



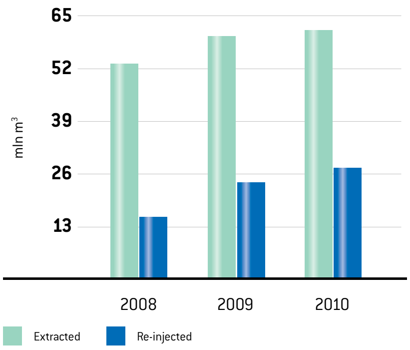
Due to the operated production (+4,6%), CO_2 from process (+6,3%) from flaring (+0,7%) and from venting (+7,2%) increased. CO_2 from flaring increased less than expected due to reduction targets. CO_2 from venting increases due to a more complete disclosure in Turkmenistan and a temporary malfunction in Ecuador.

Equivalent CO_2 emission per produced ktoe



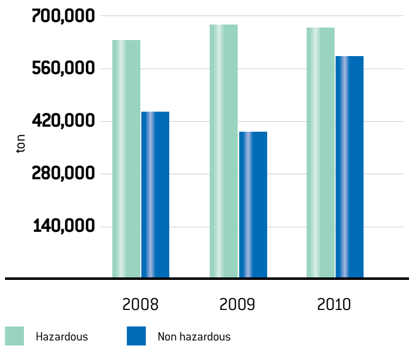
The GHG emissions from flaring and from venting per produced ktoe dicreased in line with the 80% reduction target of flaring in 2014 comparing to 2007 level.

Formation water



The produced water re-injected into the reservoir increased by 17% due to water injection projects: "Belaym Waste Water Injection Project" in Egypt and the Libyan projects of Abu Attifel water disposal, Bouri and Wafa. Total produced water, increased slightly due to the increase in the water cut in Ecuador.
The percentage of produced water re-injected increased from 39% in 2009 to 44% in 2010.

Waste from production activities



Hazardous waste produced remained almost unchanged between 2009 and 2010 (-1.4%). Non-hazardous waste increased by 50% due to activieties carried out in Italy (bulding activities and produced water from offshore platform).

Gas & Power

Projects

People

> Safety projects: Safety Objective, Safety Trophy and Prize for Zero Accidents.

> Development of systems for managing and implementing procedures for monitoring and analyzing the causes of accidents and near misses.

> Implementation of training activities in order to develop professional skills and promote integration between human resources in different international organizational units.

> Online launch of the Knowledge Management portal: initiation of the IDEA (Informative Data-base Energy authorities Acts) as well as the InGas (Intelligence Gas Supply) Communities of Practice. Go-live of the five technical CoP of EniPower: Mechanical, Electrical, Instrumental, Exercise, HSEQ.

> Training of the Mantova shift manager: operation for professional re-training of six shift managers of the plant of Mantova.

> Baby bike: educational project which aims to create an energy culture which has involved and will involve children of nursery school.

Customers and consumers

> Branch offices project: project targeting human resources of branch offices in order to reinforce professionalism from the technical/professional perspective as well as in terms of customer approach.

> Energy Store training: project targeting human resources operating within the Eni Energy Store and which aims to explore themes associated with customer approach, basic work organization techniques and the management of collaborators.

> Retail Customer Satisfaction Training: project targeting managers and middle managers operating in the Operations units of the Italian market.

Environment

> Phytotreatment plants installed in 2010 within the compression plants of Tarsia, Malborghetto and Gallese.

> Activities for reforestation as well as environmental restoration and protection in Brazil.

> "Patto per l'Ambiente": implementation, within 2014, of photovoltaic plants for 20.2 MWp and biomasses for 25 MW in Italian Eni industrial sites.

> Operations for the reduction of NO_x emissions in all thermoelectrical plants and, where possible, the installation of DLE technology and the continued installation of compression plants with low emissions during gas transportation.

Territory

> Collaboration with the Province of Ravenna, Municipality of Ferrara, local Confindustria and local companies for environmental monitoring activities.

> Support for the publication of the local history and culture book, "Le risaie in guerra" in collaboration with the Municipality of Ferrera Erbognone.

> Support for cultural activities within the Municipality of Ravenna ("Ravenna conversations", "Ravenna Jazz Festival", etc.).

> Planned installation of photovoltaic plants in polluted areas subject to permanent security in Brindisi, Ferrandina and Gela.

> Involvement in the Schoolnet project for elementary schools of the city of Crotone.

Technological innovation

> Transportation of carbon dioxide by pipelines (TACC, in Italian): long-distance transportation of different types of gas under different levels of pressure for the purposes of developing regulations, guidelines and recommendations for future CCS (Carbon Capture and Storage) applications.

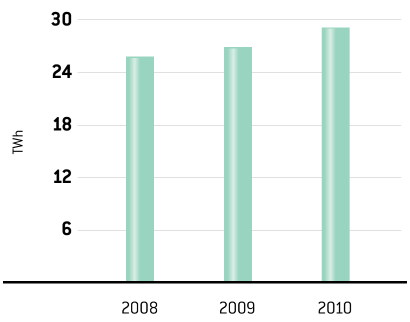
> MAST and Dionysus projects: proprietary technologies developed for advance monitoring of gas transportation systems.

Other data

Performance indicators	Unit of measurement	2008	2009	2010
Personnel involved in foreign transportation	n.	318	318	262
Foreign personnel	n.	2,345	2,244	2,331
Personnel involved in electrical sector	n.	568	584	594
Safety Audit	n.	20	18	23
Health Audit	n.	1	14	16
OHSAS 18001 certifications*	n.	2	3	4
Environmental Audit	n.	101	136	119
Fresh water withdrawals	mln m^3	14.63	16.43	21.21
ISO 14001 certifications*	n.	14	14	14
EMAS registrations	n.	3	3	3
Electrical plant efficiency index	toe/MWheq	0.162	0.166	0.167
Emissions of GHG	mln ton CO_2eq	14.60	14.60	15.79
CO_2eq emissions index	gCO_2eq/kWheq	402	410	407
SO_x emissions	kton	4.31	2.83	2.22
Produced waste	kton	128.758	106.00	71.263
Waste from reclamation	kton	12.286	23.058	74.524

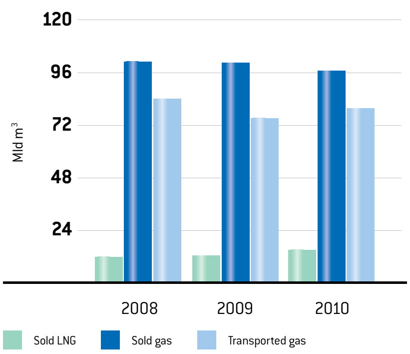
* number of certificates

Equivalent produced energy



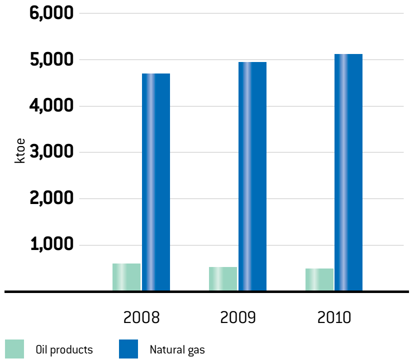
The production of electricity increased by about 7% due to the two new S.E.F combined cycles in October 2010 (+36.24% in 2009), the increased production in Livorno and Taranto (+18.7%) and Brindisi (+19.6%). The technological vapor produced by the EniPower plants in 2010 inverted the decreasing trend of the previous two year period, reporting +10.1% in 2009.

Sale and transport of Gas and LNG



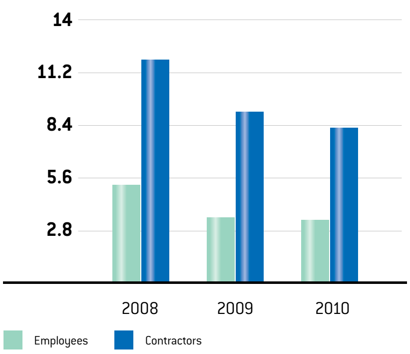
In 2010, the volume of transported gas increased by 8.3% with respect to 2009. However – again with respect to 2009 – sales of LNG increased by 16% while sales of natural gas reported a decrease (-6.4%) due to the loss of volumes in the national market.

Net consumption of primary sources



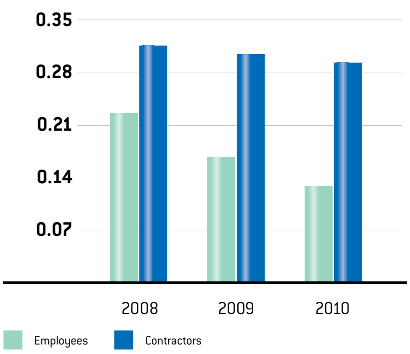
In accordance with the trend reported in 2009, the consumption of natural gas in 2010 also increased (+5%) with respect to 2009 given that it is the source which is most utilized in the sector; however, the decrease in the consumption of oil products was lower this year compared to the past (-5% in 2010 compared to 2009).

Injury frequency rate



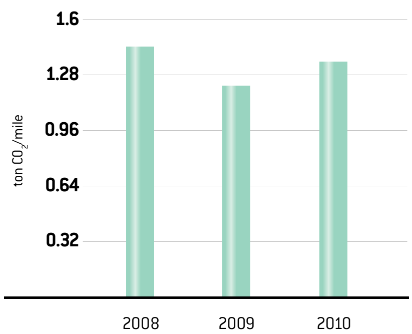
In 2010, the decreasing trend in the injury frequency rate continued. With respect to 2009, this rate decreased more for contractors (-12.5%) rather than employees (-3%).

Injury severity rate



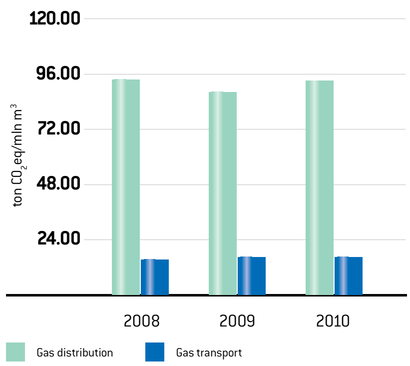
The injury severity rate decreased by 22.9% for employees (decreasing from 0.166 in 2009 to 0.128 in 2010) and by 4% for contractors (decreasing from 0.303 in 2009 to 0.292 in 2010).

CO_2 emissions in LNG transport



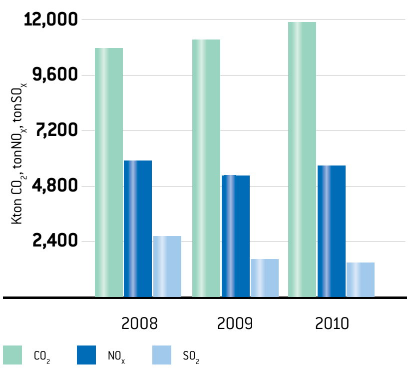
The CO_2 emission rate for LNG transported by sea increased by 9.1%, from 1.234 to 1.346 tons CO_2/transported miles.

CO_2 emissions in gas transport and distribution



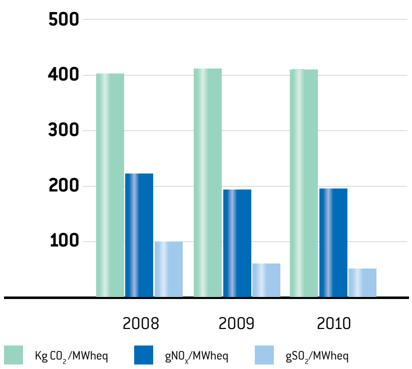
This rate was essentially unchanged (-0.4%) with respect to 2009 due to the energy consumption sustained in order to meet demand: this resulted in both an increase in the amounts of gas to introduce within the transportation network (+8.3%) as well as a diversification in the amounts of gas introduced from the various entry points. These conditions required an increased level of utilization of the gas compression plants.

Emissions in electricity production



CO_2 and NO_x emissions increased due to the increased electricity production. Thanks to the Low NO_x burner, installed in 8 of the 9 combined cycles, emissions decreased by 20% compared to the same production. SO_2 emission decreased by 9,5% due to the switch to natural gas.

Emission indexes in equivalent electricity production



CO_2 and NO_x indexes are stable on the excellent values typical of the natural gas combined cycles (in 2000 they were respectively 7 and 5 times higher than 2010 due to the old plant fueled with oil). SO_2 index is decreasing due to the reduction of oil (-18%) and diesel (-14%) use.

Refining & Marketing

Projects

People

> Leadership in Safety project: standard application for R&M has been developed and 10 workshops has been completed within the Refinery of Gela.
> AVATAR project: implementation of a virtual 3-D simulator for training operators in the management of plant operations.
> Realization of a new Knowledge Management portal: 22 Communities of Practice are active, totaling 750 users.
> Plans for including human resources from foreign companies were initiated following new acquisitions in Austria.
> Master in Operations and Maintenance: project targeting five employees for improvement of technical/professional competencies.
> The manager as HR manager: the project aims to strengthen the role of Manager within complex organizational environments.
> Innovation lab: project for identifying and proposing innovative solutions to top management within streamlining/operations.
> Sale and marketing roles in progress: project for experience training reserved for Sales Point Managers.

Environment

> Operations which aim to increase the reliability of water reuse plants in the Refineries of Gela and Taranto.
> Implementation of the Energy Management System initiated within the Refineries (ISO 16001 certification obtained for the Venice Refinery).
> Energy Saving operations implemented within five refineries of the circuit and within the Robassomero Plant (132 ktoe saved per year as of 2014).
> Initiation of projects for continual monitoring of emissions transported from the primary refineries.

Territory

> Agreement with the Municipality of Ferrera Erbognone for operations which aim to construct polyfunctional sports facilities.
> Agreement with the Municipality of Sannazzaro de' Burgondi for the recovery of territory and infrastructures, support for welfare and culture.
> Agreement with the Municipality of Ferrera Erbognone and Sannazzaro de' Burgondi for activities pertaining to the protection, monitoring and environmental control of the territory.
> Social, cultural and educational initiatives in Gela: promoting social cohesion, the construction and upgrading of sports facilities and other infrastructures, value recognition for the archaeological museum, the School Project, initiatives for disabled persons and the elderly.

Technological innovation

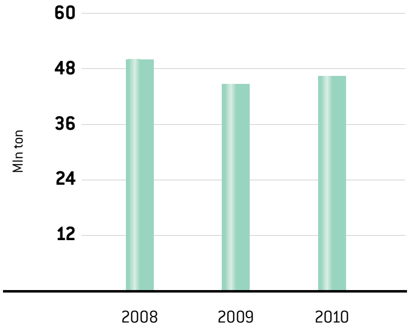
> BlueSuper: new formulations on engines and vehicles are tested in order to further improve the efficiency of engines and reduce emissions.
> EcoFiningTM Technology: integrated production of biofuels through water treatment of vegetable oil, waste oils, animal fats.
> High performance residual oil: innovative formulas with low environmental impact and energy savings during all manufacturing phases.
> Zero Waste: a thermal process was studied for the treatment of industrial, oily and biological residues of the oil industry.
> Eni Slurry Technology (EST): carried out tests related to the technology validation in terms of the upgrading performance and plant running activities. The first industrial plant (about 23,000 bbls/d of capacity) in under construction at the Sannazzaro de' Burgondi refinery (start-up planned in 2012).

Other data

Performance indicator	Unit of measurement	2008	2009	2010
Fuelling stations	n.	5,956	5,986	6,167
Fuelling stations which market BluDiesel	n.	4,445	4,822	4,994
Fuelling stations which market BluSuper	n.	2,662	2,768	2,763
Fuelling stations which market lpg/methane	n.	537	690	657
Fuelling stations with self-service facilities (Italy)	n.	3,582	3,644	3,801
Sales volumes of biofuels	k m^3	659.00	1,045.55	1,350.40
Refinement capacity for clean fuel with sulphur content <10ppm - gasoline	%	173	72.0	63.1
Refinement capacity for clean fuel with sulphur content <10ppm – diesel	%	23.5	92.5	90.1
Environmental Audit	n.	88	145	335
OHSAS 18001 certifications*	n.	0	0	0
Refinery efficiency index	%	80.3	82.2	82.0
CO_2eq emissions index	ton CO_2eq/(kbbl/SD)	1,297	1,240	1,187
Fresh water withdrawals	mln m^3	24.75	21.65	23.30
Re-used water	mln m^3	5.44	5.11	4.61
ISO 14001 certifications*	n.	36	30	17
EMAS registrations	n.	6	4	4
Emissions of GHG	mln ton CO_2eq	7.74	7.29	7.76
NMVOC emissions	kton	10.95	8.41	10.23
Waste from reclamation	kton	1,917.0	1,860.2	1,799.9
Waste from productive activities	kton	119.279	97.458	111.115

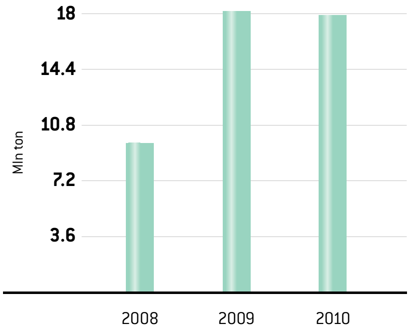
*number of certificates

Sales of oil products



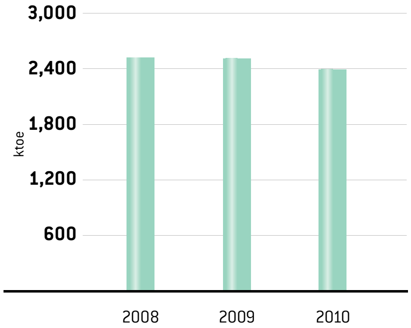
In 2010, sales of oil products (46.80 million tons) increased by 2.7% with respect to 2009; this was primarily due to increased volumes sold to oil companies and traders in Italy and abroad.

Sales of fuels with biofuels



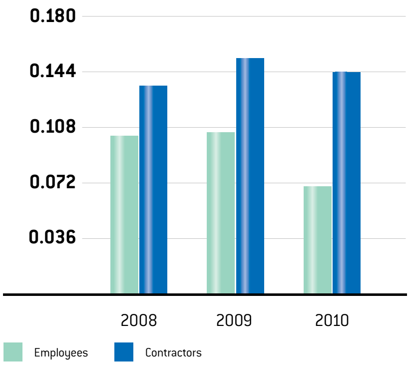
With respect to the sharp increase reported in 2009 – due to the entry into effect of regulations on minimum quotas of biofuels within fuels – a slight decrease in sales of hydrocarbons containing biofuels (-2%) was reported in 2010.

Net consumption of primary sources



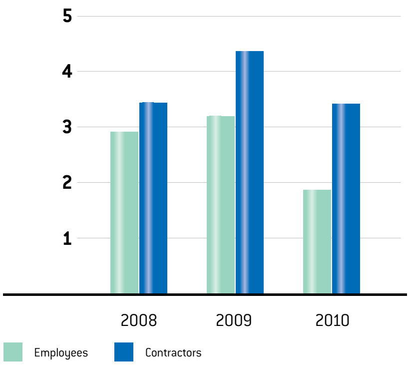
The trend of decreases in consumption of primary sources (-4.6% with respect to 2009) continued; this was due to the decrease in consumption in both oil products (-5.8%) and other fuels (-19.6%). At the same time, natural gas consumption increased (100,66 ktoe in 2010).

Injury severity rate



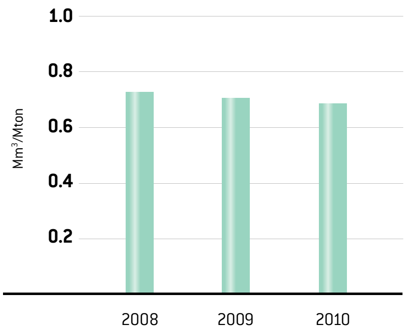
In 2010, the injury severity rate decreased significantly with respect to 2009 (-33.2% for employees, -5.4% for contractors).

Injury frequency rate



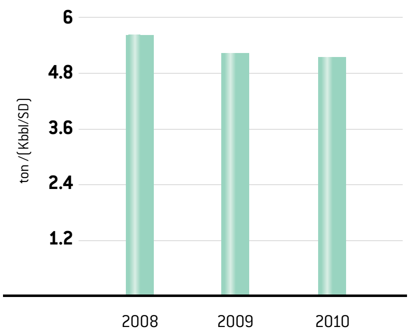
With respect to 2009 – a year in which there was an increase in injuries within some Italian organizations – the year 2010 reported significant decreases in injury rates for both employees (-44.3%) and contractors (-21.8%).

Water consumption rate



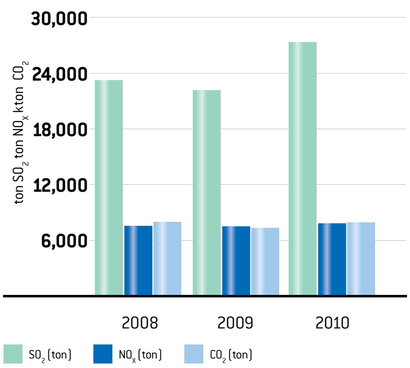
The increased consumption of fresh water (+7%) is lower than the increase of the crude oil and semifinished products refined during the production processes (+7.6%). The water consumption rate shows thus a further improvement of 3%.

GHG emission index



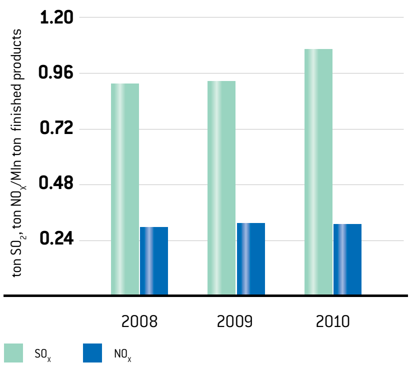
The GHG/uEDC index shows an improvement of 2% due to the realization of energy efficiency projects.

NO_x, SO_x and CO_2 emissions



Total SO_2 emissions are higher than the usual values due to the stop of the desulphurization and denitrification plant of the Gela refinery, which caused also an increase in NO_x emissions.

NO_x and SO_x emission indexes



In 2010 there was an increase in the SO_2 index (+15,2%) due to the higher quantity of raw materials to be refined (from 23.9 mln ton in 2009 to 25.7 mln ton in 2010). The NO_x index shows an improvement (-2% compared to 2009) even if NO_x emissions increased.

Petrochemicals

Projects

People

> OHSAS certification completed within all petrochemical sites.
> Completion, within 2011, of the Process Safety Audit plan for all Italian and foreign sites.
> Objective of "one year without accidents" attained in Priolo, Ragusa, Grangemouth, Neiva, Feluy, Oberhausen, Settimo Milanese, Dunkerque, Brindisi, San Donato Sede, Sarroch, Ferrara.
> Completion of study for monitoring professional exposure to ethylene-norbornene and toluene.
> Initiatives for the prevention and promotion of health in both Italy and abroad (anti-smoking campaigns, correct eating habits, prevention of tumors and cardiovascular diseases).
> Training process developed for the first three years of company employment which involves cross-departmental training activities and information on the company.
> Four new Communities of Practice (eight total) were created in the Technology and Technical areas: Elastomers, Polyethylene, Styrenics, Plant Reliability.
> Path and Motivation: specific training path for Plant Managers in order to strengthen management capacities with collaborators.
> Polymer teams: project dedicated to Sales Management with the objective of increasing the level of knowledge and integration between individuals as well as promote increased collaboration, sharing and trust and strengthen the feeling of team spirit and team work methods.

Environment

> The first phase of the project which aims to reduce produced wastes by 10% was completed.
> Operations relative to groundwater and/or the soil of sites in: Gela, Porto Marghera, Priolo, Ferrara, Ravenna, Sarroch.
> Rationalization of outflowing liquids and realization of pre-treatment plants for improving the quality of waste water in Porto Torres (2008-2012).
> Investments in the reduction of water withdrawals by circa 2,000 m^3/h from the Mincio river to Mantova (completion of works by 2013).

Technological innovation

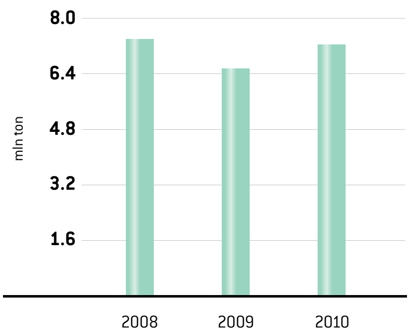
> Basic chemicals: tests for catalytic oxidation of the fenil cicloesene on a pilot plant completed with positive outcome as part of a study for the implementation of a proprietary process for the direct production of phenol and cicloesene and which involves the utilization of benzene as sole raw material thereby eliminating the production of acetone as a subproduct.
> Elastomers: first industrial productions of two new S-SBR grades (Solution Styrene-Butadiene Rubber) for application in high-performance tires (lower energy consumption association with a reduction in resistance to rolling). A proprietary technology for the development of new grades of elastomers (lowered emissions) – with performance characteristics that are even higher than the standards attained up until today – was developed in the laboratory.
> Styrenic Polymers: expanded polystyrene (EPS) was developed by means of a proprietary continuous mass technology which allows for a 15% reduction in the amount of VOC emitted into the atmosphere compared to the suspension process.

Other data

Performance indicator	Unit of measurement	2008	2009	2010
Safety Audit	n.	5	4	11
OHSAS 18001 certifications*	n.	11	13	14
Re-used water	mln m^3	453.34	483.15	507.74
Total fresh water discharged after treatment	mln m^3	n.a.	n.a.	23,65
Net consumption of primary sources	ktoe	2,001	1,867	1,865
ISO 14001 certifications*	n.	13	13	13
EMAS registrations	n.	2	2	2
Environmental investigations	n.	1,364	1.796	2,003
Emissions of NO_x	kton	5.27	4.78	4.87
Waste from reclamation	kton	1,408.9	1,563.6	2,158.6

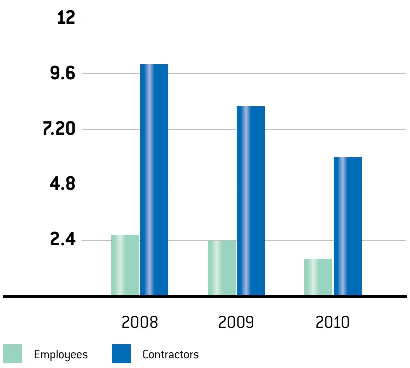
* number of certificates

Chemical production



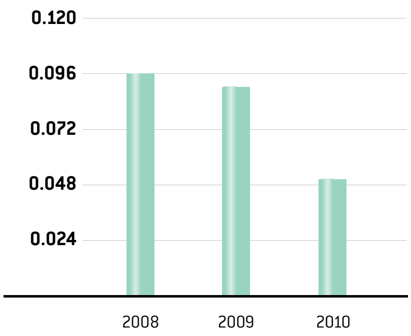
The increase in this production item (+10.7% compared to 2009) must be analyzed in relation to the partial recovery of the market from the crisis which heavily affected the year 2009 and which, in any case, remains below historical production volumes.

Injury frequency rate



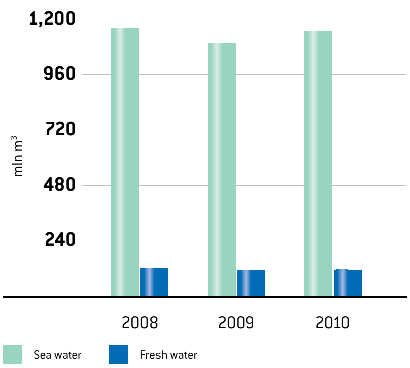
This trend takes into account the commitment of management, the introduction of employee interviews at the time of return and, the involvement and promotion of responsibility – at all organizational levels – for safety management systems and the utilization of KPI's with higher performance. Employee injuries decreased by 35% from 23 in 2009 to 15 in 2010.

Injury severity rate - Employees



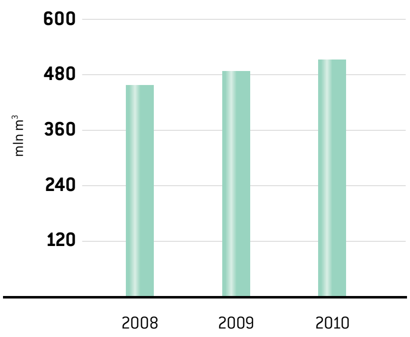
The decreasing trend in this injury severity rate takes into account the consolidated management systems and the KPI's which increase the commitment for HSE elements.

Water withdrawals



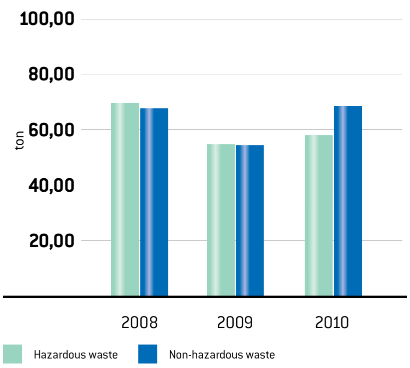
The increase in sea water withdrawals must be considered in relation to the increase in production resulting from the partial recovery of the market from the 2009 crisis. Withdrawals of fresh water are essentially stable. A project is planned within the Mantova Plan for reducing these withdrawals (-20%).

Recycled/reused water



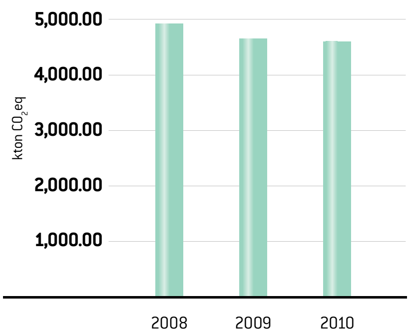
The volume of recycled/reused water increased by 5% in the last two years due to the optimization in the use of water resources.

Waste produced from production activities



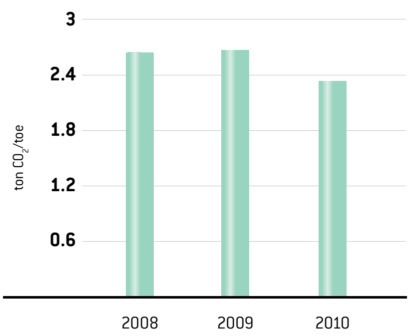
Waste from production activities increased due to the higher production resulting from the partial growth in the market afterward the 2009 crisis. Managerial actions continued in order to achieve the target reduction of 10% in the production of waste compared to 2008.

CO_2 equivalent emissions



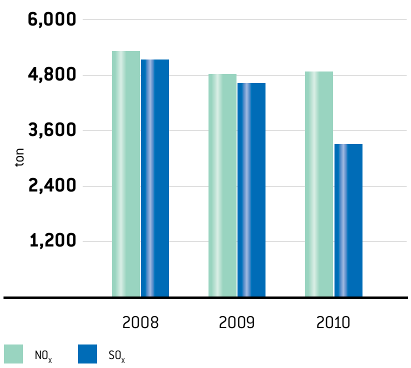
Due to the implementation of energy saving interventions, equivalent CO_2 emissions don't increase even if the increasing of production.

CO_2 emissions (Polimeri Europa plants)/electric and thermal powered production



CO_2 emissions index trend is decreasing (-13% respect to 2009) due to the reduction in the use of fuel and the on-going energy saving projects.

NO_x and SO_2 emissions



NO_x emissions increased due to the higher volume of production. SO_2 trend underlines the switch from oil to others with a lower sulphur content.

Engineering & Construction

Projects

People

> Continuation of Leadership in Safety project: the implementation of phases 2 and 3 continued. In 2010, 420 workshops were realized.
> Program for preventing cardiovascular diseases.
> BEST program which aims to improve the quality of food as well as the quality of the workplace and of common areas within Eni facilities.
> Knowledge Transfer: five seminars focusing on the transfer and spreading of knowledge of technical/specialized themes, as well as cross-departmental themes such as Sustainability, were organized.
> VIP project: process for segmenting international human resources with the objective of consolidating and sharing knowledge – at a corporate level – of young graduates and mid-level managers with elevated managerial potential or elevated specialized know-how.
> Management of collaborators: training path centered on the management of collaborators and targeting all recently appointed mid-level managers with the aim of strengthening capacities for managing and developing human resources as well as clarifying the relative Eni Guidelines.
> Survey engagement of the group of mid-level managers: survey of mid-level managers that was developed with the objective of identifying the factor which guide the motivation and involvement of human resources in the company.

Environment

> Campaign for the prevention of oil spills and the creation of environmental awareness.
> Project for the treatment and re-use of waste water in Qatar (water savings of 7,000 m^3/month of re-used water).
> Environmental Awareness Campaign launched in all the operational organizations of the Group.
> Methodology for calculating emissions of Green House Gases (GHG) initiated.

Territory

> Assessment of external effects generated from the maximization strategy of Local Content developed in Peru and Angola.
> Implementation of the Sustainability Talent Program (educational and socio-economic development program) in Peru.
> Awareness campaigns in relation to workplace safety culture targeting companies of the supply chain in China.
> Angola: rural development project "Alegria do Ambriz" which aims to increase agricultural productivity through sustainable techniques, the transfer of know-how, the growth of local agricultural employment and the development of the agricultural markets within the community of Ambriz.
> Kazakhstan: collaboration with Kazakh Karaganda Technical University for the training of technical staff; partnership with the University of Kokshetau.

Technological innovation

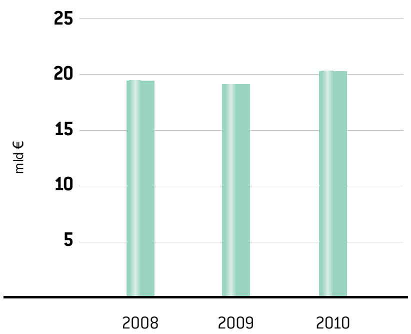
> Performance of proprietary technology for synthesizing the fertilizer "Urea SnamprogettiTM" was improved.
> Completion of the process for modernization of the MTBE synthesis units – existing in the refineries – into units producing ETBE for biofuels.
> Development of reservoirs in deep waters with particular focus on solutions which allow for sustainable economic development in satellite fields and the valorization of gas collected offshore (FLNG).
> Within the realm of the subsea processes, the multi-pipe system for separation in underwater environments is in planning phase.
> Development of proprietary solutions related to new isolating materials for SURF (Subsea Umbilicals, Risers and Flowlines).

Other data

Performance indicator	Unit of measurement	2008	2009	2010
Italian expatriates	n.	1,896	1,829	2,072
Foreign personnel	n.	30,209	30,795	33,911
International personnel	n.	7,614	7,978	8,794
Safety Audit	n.	21	103	80
Health Audit	n.	22	25	62
OHSAS 18001 certifications*	n.	9	12	14
Fresh water withdrawals	mln m^3	6.92	5.01	6.19
ISO 14001 certifications*	n.	10	13	15
EMAS registrations	n.	0	0	0
Emissions of GHG	mln ton CO_2eq	1.34	1.29	1.18
Emissions of NO_x	kton	16.607	16.816	16.026
Emissions of SO_x	kton	5.546	6.070	4.608
NMVOC Emissions	kton	0.668	0.513	0.453

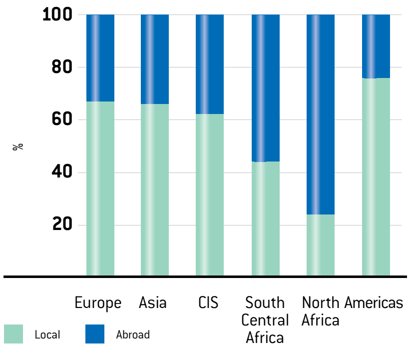
* number of certificates

Orders portfolio



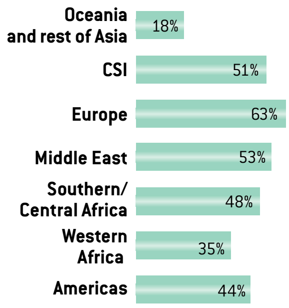
With respect to the slight decrease (-2%) of orders registered by Saipem in 2009, the orders portfolio in 2010 increased by 9.5%, totaling 20,505 million euro as of 31/12/2010.

% local purchases



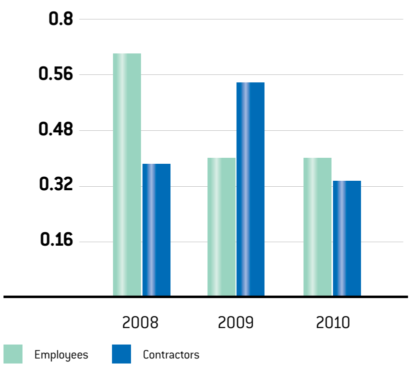
The commitment to utilize local suppliers resulted in significant increases, particularly in those business areas with greater activity during the year, ie the CIS and African countries. During the course of the year, 7,800 new suppliers were qualified, of which more than 20% in Asia.

% local managers



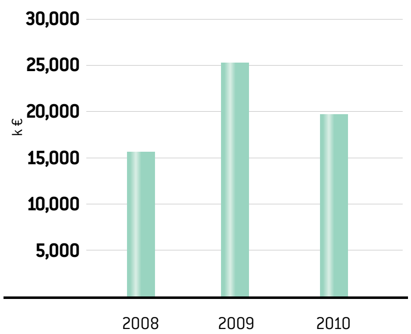
The subdivision by geographical areas of the E&C sector was updated with respect to previous years, in accordance with business logics and dynamics. It should, in any case, be noted that there was an increase in managerial positions held by local personnel, particularly in northern Africa and the CIS countries.

Injury frequency rate



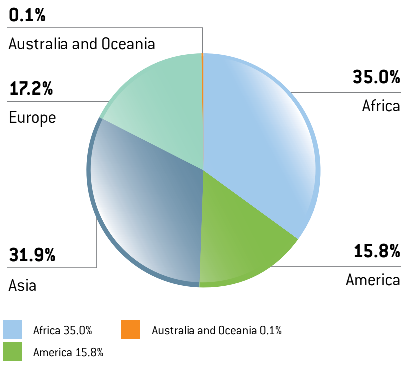
With respect to 2009, an increase was reported for the injury frequency rate of employees (from 0.4 in 2009 to 0.45 in 2010) as well as a significant decrease in the rate for contractors (from 0.57 in 2009 to 0.33 in 2010).

Healthcare expenditures



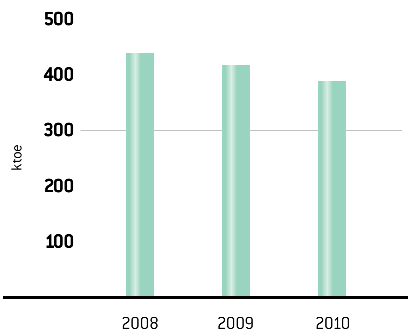
Circa 60% of expenditures are due to management costs and labor costs for medical personnel (totalling 485 individuals) while an additional 25% was due to preventive health programs within work locations as well as medical treatments.

% foreign personnel by geographical area



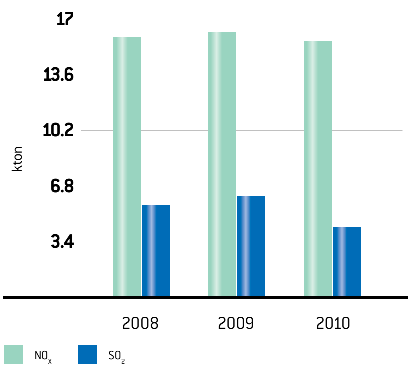
In 2010, Saipem employed 33,911 individuals abroad, of which 94% (equal to 31,839 people) are locals and primarily of African and Asian ethnicity.

Net consumption of primary sources



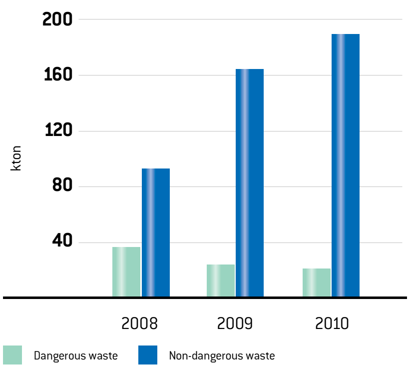
In accordance with the decrease reported in the last two years, the net consumption of primary sources again decreased by 6%.

Atmospheric emissions



With respect to 2009, NO_x and SO_x emissions decreased in 2010; in particular, there was a decrease of 4.7% in NO_x emissions and 24% in SO_x emissions.

Waste produced from production activities



Produced waste increased by 12% with respect to 2009, particularly in connection with a 16% growth in non-dangerous waste and significant decrease in dangerous waste (-15%).

Independent Assurance Process

Sustainability data and information of this document have been checked out and subject to a limited review by Reconta Ernst & Young SpA, which issued its independent report, contained in Annual Report 2010 of the Eni Group, which we refer.
The limited review has been conducted in accordance with the criteria for this type of assignments, as indicated by "The International Standard on Assurance Engagements 3000 - Assurance Engagements Other Than Audits or Reviews of Historical Information (ISAE 3000)" issued by the Auditing and Assurance Standards Board (IASB).

The review process conducted by the auditing firm has consisted mainly of:

(i) analysis of the compliance of the information disclosed in the Sustainability section of "Commitment to Sustainable Development", contained in the Annual Report 2010 of the Eni Group, and in this document with the Guidelines of the Global Reporting Initiative, version G3.0;
(ii) analysis of the operation of the processes that support the recording and management of Sustainability data and information;
(iii) interviews with Management of the Group to obtain an understanding about the internal control procedures supporting the correct processing of Sustainability data and information;
(iv) analysis, on a sample basis, of the documentation supporting the compilation of the Sustainability report;
(v) on-site verifications at some refineries, plants and onshore and offshore production sites of the Group.

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Capital stock as of December 31, 2010: € 4,005,358,876 fully paid
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Branches:
San Donato Milanese (Milan) – Via Emilia, 1
San Donato Milanese (Milan) – Piazza Ezio Vanoni, 1

Publications
Financial Statement pursuant to rule 154-ter paragraph 1
of Legislative Decree No. 58/1998
Annual Report
Annual Report on Form 20-F
for the Securities and Exchange Commission
Fact Book (in Italian and English)
Eni in 2010 (in English)
Interim Consolidated Report as of June 30 pursuant
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