

Eni responses to the questions posed by the Business & Human Rights Resource Centre as part of the Myanmar Foreign Investment Tracking Project

1. Does your company have investments or operations in Myanmar or is it seriously considering investing or operating there? If so, please provide information on the nature of these investments, and which geographic areas and communities they will affect.

In July 2014 Eni signed two Production Sharing Contracts (PSC) for two onshore blocks (RSF-5 and PSC-K). Blocks RSF-5 covers an area of 1.292 sqkm in the Salin Basin about 500 km north of Yangon, while block PSC-K covers an area of 6.558 sqkm in the Pegu Yoma-Sittaung Basin, in the central part of Myanmar.

The exploration period will last 6 years, subdivided in 3 phases.

The Joint Venture is between Eni, the Operator with a 90% participating interest through Eni Myanmar B.V, and the Myanmar Production and Exploration Company Ltd (10%). The blocks were awarded following its participation in the competitive International Bid Round launched by the Republic of the Union of Myanmar. See also the [press release](#) available on the company's website).

2. Do you have policies and procedures in place to prevent your business activities or investment from contributing to human rights abuse and social conflict in Myanmar (including, for example, human rights due diligence measures)? Please specify whether these policies and procedures apply to your company in general, or specifically to your Myanmar investment. If you have human rights policies and procedures regarding investing or operating in Myanmar, are you willing to share them for posting on our website? If so, please send them as a Word or PDF file, or, if available, as a hyperlink.

Eni operates in accordance with the highest international standards concerning the responsibilities of companies with regard to Human Rights, including the Guiding Principles for Business and Human Rights approved by the UN Council for Human Rights in 2011. These guidelines require that companies implement a coherent system of rules designed to prevent, manage and report Human Rights violations and adopt a due diligence process, understood as a management system that enables measures and functional processes to be adopted to achieve these goals. Eni's regulatory system explicitly requires that "the company undertakes to respect internationally recognized Human Rights as part of its activities and to promote respect as part of activities contracted out to, or conducted with, partners and by its stakeholders". Since 2007 Eni has adopted a Guideline which regulates the protection and promotion of Human Rights in all the company's actions. In the same year the Code of Ethics, which describes the company's expectations with regard to various areas relating to Human Rights, was approved. Over the years measures to respect Human Rights have been integrated in the various corporate regulatory instruments relating to Sustainability, Human Resources, Security, Sustainability Stakeholders Engagement and Community Relations, HSE, Planning and Control, Procurement, Energy and Environmental Industrial Project Development and Integrated Risk Management.

In particular, the "Sustainability" policy includes a specific section on Human Rights (read the [section on Human Rights](#)). Read all policies [here](#).

3. Who in your leadership is responsible for ensuring compliance with the policies and procedures in no. 2?

Eni undertakes to ensure the integrity, transparency, fairness and efficiency of its processes by adopting appropriate tools, standards and rules for the conduct of activities and the exercise of powers, promoting rules of conduct based on the principles of traceability and segregation of duties. Eni's regulatory system is based on a coherent reference framework, which includes the essential elements of the By-Laws, the Code of Ethics, the Corporate Governance Code, the Principles of Model 231, the SOA Principles and the CoSO Report.

The system is made up of policy, coordination and control tools (Policies and Management System Guidelines - MSGs) and operational tools (Procedures and Operating Instructions). The Policies are approved by the Board of Directors of Eni SpA and define the principles and general rules of conduct on which Eni's activities must, without exception, be based. Eni has ten policies: "Our people", "Our partners in the value chain", "Global compliance", "Corporate Governance", "Operational Excellence", "Our institutional partners", "Information management", "Sustainability", "Our tangible and intangible assets" and "The integrity of our operations".

The MSGs issued by Eni provide guidelines for the management of operating and business support processes, including sustainability aspects.

They are also used to describe Compliance and Governance models. Each individual company formally adopts the MSGs and adapts its own regulatory framework as a result. By the end of 2013, Eni had issued twenty-eight process MSGs and ten for Compliance/Governance, thereby completing the redesign of its processes, redefinition of the governance/compliance guidelines and simplification of the regulatory framework.

In conclusion, the procedures define the operating methods which must be used to carry out company activities while the Operating Instructions define detailed operating procedures for a specific department, organizational unit or professional area.

Pursuant to the Code of Ethics (publicly available [here](#)), compliance with such regulations (as well as compliance with laws, statutory provisions, self-regulatory codes, ethical integrity and fairness) is a constant commitment and duty of all eni's People, and characterizes the conduct of its entire organization.

4. If you do not yet have human rights policies and procedures in place, do you have plans to develop them? If so, what efforts are you currently engaged in or plan to engage in on this regard?
5. How does your company try to prevent or mitigate conflicts that affect its operations or the surrounding communities (including armed conflict, inter-communal conflict and violence, etc.)? Could you please list your policies, procedures or concrete activities in this regard, including community engagement and dialogue measures and revenue sharing agreements?

The Management System Guideline (MSG) "Stakeholder Engagement and Community Relations" regulates the community relations sub-process in order to manage relationships with the local communities residing in a specific territory in which Eni operates, including responses to their demands, and generate value in the territory through projects for local sustainable development. The MSG gives indications on how to effectively and proactively involve stakeholders, analyse the context and assess social impact at the local level, apply tools for consulting with the community and involving it (i.e. grievance mechanism), plan, manage and measure community investment, so that local reporting can be performed.

Eni identifies and assesses the environmental, social, economic and cultural impacts generated by its activities, including those on the indigenous peoples, ensuring their mitigation and implementing improvement processes. The company adopts appropriate tools to manage and plan projects in order to identify, define and manage the initiatives for the benefit of the local communities. The process involves the use of specific operating procedures: Stakeholder Management Process; Social Baseline Analysis; Social Impact Assessment, Community Investment Planning, Monitoring & Evaluation.

As for Myanmar operations, Eni has initiated an environmental and social impact assessment that also analyses conflict issues, in line with both contractual and Myanmar legislative requirements and international best practice.

In terms of security activities, governed by the MSG Security, preventive and defensive measures are taken that are most suitable to minimize the impact and the likelihood of adverse events occurring, always in full compliance with Human Rights and the highest international standards. In support of these objectives, clauses related to Human Rights protection are inserted in contracts with security services providers, and training courses are carried out that also involve representatives of public security forces. See [here](#) for the "Human Rights and Security" training programme, which has been mentioned as a best practice in the joint publication between the Global Compact and PRI (Principles for Responsible Investment), "[Responsible business advancing peace: examples from companies, investors & Global Compact Local Networks](#)".

6. Who should communities or civil society groups contact if they have questions or concerns about your investment or operations in Myanmar? Please provide their contact information.

Requests can be addressed at the Sustainability Team (email: sampaolo_sostenibilita@eni.com or mail: Piazzale Mattei, 1 - 00144 – Rome).

Please also note that eni has got a company-wide [Whistleblowing procedure](#) that allows employees, members of corporate bodies or third parties to forward (including confidentially or anonymously) complaints relating to problems in the internal control system (compliance with law and corporate policies, guidelines or procedures, fraud involving corporate assets, financial reporting, administrative liability of the Company, etc.) or other violations of the Code of Ethics (issues involving ethical conduct, mobbing, harassment, conflicts relating to human resource management, etc.).

7. We further invite you to respond to questions specific to your industry. Does your company have policies and procedures in place to address each of the following areas? If so, please provide details:
- a. Freedom of association and collective bargaining
 - b. Living wages
 - c. Workplace health and safety
 - d. Child labour
 - e. Forced labour
 - f. Anti-discrimination (whether based on race, gender, religion, nationality, etc.)
 - g. Environment
 - h. Land rights
 - i. Relocation

Sustainability is part of Eni's business model and is integrated in the [Eni's regulatory system](#). We disclose our management approach to these issues in our [Annual Report 2013](#) (see pages 231-236), in the [Eni For 2013](#) publication and at the [Sustainability Section of the eni's website](#).

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