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.

Eni North Africa is committed to continue growing through the implementation of new industrial plans, as well as contributing to the sustainable development of the host country in full compliance with the principles of Corporate Social Responsibility.
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.

Eni North Africa is committed to continue growing through the implementation of new industrial plans, as well as contributing to the sustainable development of the host country in full compliance with the principles of Corporate Social Responsibility.
message from the Managing Director of Eni North Africa bv - Libyan Branch

I’m honoured to present you the 2009 edition of Eni North Africa’s Sustainability Report. This has been a special year for us, being it the fiftieth anniversary of the Company’s presence in Libya. It was 1959, in fact, when first exploration and production rights were awarded to Eni in Concession 82, in the Sirte Basin; since those days, Eni has been gradually and constantly growing, consolidating its position in the Libyan market and progressively building a mature, transparent and solid relation with national counterparts.

During the year 2009, the Company continued with the implementation of its social investment program agreed upon with the Gaddafi Development Foundation (GDF) and the National Oil Corporation (NOC) in September 2006.

Just to mention some of the activities, which will be described more in details in the following pages, Eni North Africa has started the construction of the emergency clinic in Jalo, southern Libya, completed several restoration projects in Leptis Magna and Sabratah, the two UNESCO world heritage archaeological sites; the Company has also dedicated special efforts in building environmental awareness among local communities by implementing an assessments program of urban, medical and special waste management, together with the local municipalities in the regions of Nuqat Al Khams and Az-Zawiyah. Moreover, in co-operation with the Libyan Environmental General Authority (EGA) the first workshop on Clean Development Mechanism (CDM) in Libya was successfully organized.

In line with the principles of sustainability, Eni North Africa believes that business growth and successful performances can be achieved when based on high ethical standards and on strong and steady relationships with all the institutions, communities and stakeholders in the hosting Country. The Company has therefore developed a standard for Social Investment Management System which was verified by an international independent certifying authority. We hope you will enjoy reading this report, discovering our Company’s activities, our people, and appreciating the open dialogue and relationships with our stakeholders which nurture and build our future in Libya.

Franco Polo
Eni’s activities

Eni is an integrated Company committed to growth in the activities of finding, producing, transporting, transforming and marketing oil and gas. The Company has global operations in 77 Countries and employs approximately 78,417 people. In 2009 Eni reported revenues from core business of € 83.23 billion, with an adjusted net profit of € 5.21 billion. Investments and acquisitions amounted to € 16.02 billion.

**Exploration & Production**

The E&P business employs 10,261 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 domestic 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 2009, Eni’s investments to reach the most inaccessible Countries and environments with extreme climate conditions amounted to € 9,486 million (69.26% of Eni’s total investments). In the same year, hydrocarbon production reached 1.769 million barrels per day.

**Gas & Power**

The G&P business employs 11,410 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 2009 Eni sold 103.72 billion cubic meters of natural gas, and the volume of gas transported in Italy was 76.9 billion cubic meters. Power sales amounted to 33.96 TWh.

**Refining & Marketing**

The R&M business employs 8,186 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.

On the basis of crude oil year-end market values, proven reserves amount to 6,571 million boe, with an all-source replacement rate of 96% and a reserve life index of 10.2 years.
Petrochemical

The segment employs 6,074 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. 6.52 million tons of petrochemical products were manufactured in 2009.

Engineering & Construction

This business employs 36,016 people. Eni’s major operations in oil field engineering and services are performed through its subsidiary Saipem. The 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 2009, the value of Saipem’s total purchase orders was €18,730 million, with projects mainly concentrated in North Africa (30%), Western Africa (15%) and Rest of Europe (13%).

2009 highlights

1. Italy > 21st December signing of a Master Agreement for scientific collaboration with Italian National Research Council (CNR)
2. Russia > 11th December Eni and Gazprom celebrate 40 years of cooperation
3. Italy > 9th December Consumers’ Associations: set up of a nationwide online service for peer-to-peer amicable settlement of disputes
4. Indonesia > 30th November Eni secures a license for the production of gas from Indonesian coal fields
5. Turkmenistan > 25th November Cooperation agreement with the Republic of Turkmenistan
6. Algeria > 8th November the Indian Triumph of Dionysos mosaic is unveiled in Algeria after restoration and reconstruction of the border
7. Kazakhstan > 5th November Cooperation agreement with the Kazakh state oil company KazMunayGas
8. Italy > 4th November Eni earns the CSR Online Award Global Leaders 2009 for best Web communication on Corporate Social Responsibility
9. Russia-Turkey > 19th October Italy, Russia and Turkey sign Samsun-Ceyhan pipeline agreement
10. Venezuela > 16th October large gas field discovery in Venezuelan offshore
11. Iraq > 13th October Eni secures the giant field of Zubair, in Iraq
12. Congo > 3rd October Eni delivers relief to the Republic of the Congo
13. Moscow > 29th September Paolo Scaroni meets Alwyn Miller
14. Ghana > 28th September Eni enters Ghana through the acquisition of two offshore exploration blocks
15. USA, NY > 22nd September Paolo Scaroni is a keynote speaker at the United Nations Leadership Forum on Climate Change held at the UN in the presence of Secretary General Ban Ki-moon
16. Congo > 12th August Eni signs a strategic agreement with the Democratic Republic of the Congo
17. USA, NY > 17th July Paolo Scaroni receives the Foreign Policy Association’s Corporate Social Responsibility Award
18. Congo > 12th June Eni delivers relief to the Democratic Republic of the Congo
19. Egypt > 12th May Eni and the Egyptian Ministry of Oil sign a cooperation agreement for new initiatives in hydrocarbon development
20. Abruzzo > 8th May the project Un Ponte per l’Innovazione (A Bridge to Innovation) is launched in Abruzzo
21. Belgium > 6th May Eni completes the Distrigas acquisition
22. Italy > 2nd April International Conference entitled Anche il sole fa la sua rivoluzione (Even the sun has its own revolution)
23. Pakistan > 18th March Eni signs a Protocol for Cooperation with the Government of Pakistan
24. Angola > 9th February Eni signs three agreements with the Angolan Company Sonangol
Libya in brief

**general overview**

- **Full name**: The Great Socialist People’s Libyan Arab Jamahiriya (GSPLAJ)
- **Official language**: Arabic
- **Official religion**: Islam
- **Surface area**: 1,759,000 km²
- **Land Boundaries**
  - Total: 4,348 km
  - Border countries: Algeria 982 km; Chad 1,055 km; Egypt 1,115 km; Niger 354 km; Sudan 383 km; Tunisia 459 km
- **Capital**: Tripoli - 1,149,000 inhabitants
- **Major Cities**: Benghazi 636,000; Misurata 360,000; Al Mirqab 328,000; Al Bitnan 142,000; Sebha 126,000

**development indicators**

- **Population**: 6.16 million
- **Urban population (%) of total population**: 77
- **Age structure**
  - 0-14 years: 33% (male 1,064,866/ female 1,019,790)
  - 15-64 years: 62.7% (male 2,033,478/female 1,920,755)
  - 65 years and over: 4.3% (male 133,092/female 138,453) (2009 est.)
- **Population growth (% annual)**: 2.17
- **Life expectancy at birth (years)**
  - total population: 77.29
  - male: 75.01
  - female: 79.68 (2009 est.)
- **Infant mortality**: 21.7 deaths/1,000 live births
- **Literacy (% age 15 and over can write and read)**
  - total population: 82.6
  - male: 92.4
  - female: 72 (2003 est.)


---

<table>
<thead>
<tr>
<th>Libya’s economy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Libya is a member of the Organization of Petroleum Exporting Countries (OPEC); its economy is heavily dependent on the hydrocarbon industry which accounts for over 95% of export earnings, an estimated 85-90% of fiscal revenues and over 70% of the country’s gross domestic product (GDP) in 2008. Libya holds close to 44 billion barrels of oil reserves, the largest in Africa. Energy Information Administration (EIA) data indicate that 2008 total oil production (crude plus liquids) was approximately 1.88 million barrels per day (bbl/d). Libya’s energy consumption mix has remained relatively constant throughout the decade, with approximately 70% of energy demand being met by oil and 30% by natural gas. However, with electricity demand on the rise, the government is planning to expand the use of natural gas to meet domestic needs while also exploiting solar and wind potential in more rural areas.</td>
</tr>
</tbody>
</table>

4 Oil and Gas Journal (OGJ)
The non-oil manufacturing and construction sectors, which account for more than 20% of GDP, have expanded from processing mostly agricultural products to include the production of petrochemicals, iron, steel, and aluminium. Climatic conditions and poor soils severely limit agricultural output, and Libya imports about 75% of its food. Libya’s primary agricultural water source remains the Great Manmade River Project, but significant resources are being invested in desalination research to meet growing water demands 6.

### main economic indicators 7

<table>
<thead>
<tr>
<th>indicator</th>
<th>value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Domestic Product -GDP (US $ billions)</td>
<td>60.61</td>
</tr>
<tr>
<td>Real GDP growth rate:</td>
<td>4% (2009 estimated)</td>
</tr>
<tr>
<td>GDP per capita:</td>
<td>14,600 US $ (2009 estimated)</td>
</tr>
<tr>
<td>GDP composition by sector</td>
<td></td>
</tr>
<tr>
<td>agriculture:</td>
<td>4.2%</td>
</tr>
<tr>
<td>industry:</td>
<td>77.9%</td>
</tr>
<tr>
<td>services:</td>
<td>17.9% (2009 estimated)</td>
</tr>
<tr>
<td>Inflation rate (GDP Deflator, annual %):</td>
<td>5.4%</td>
</tr>
<tr>
<td>Exports - commodities:</td>
<td>petroleum, chemical and petrochemical products, fruits and nuts, carpets</td>
</tr>
<tr>
<td>Import - commodities:</td>
<td>industrial raw materials and intermediate goods, capital goods, foodstuffs and other consumer goods, technical services, military supplies</td>
</tr>
</tbody>
</table>

### energy overview 8

#### Oil
- Proven oil reserves: 43.7 billions barrels
- Oil production: 1.88 millions barrels per day
- Crude oil production: 1.74 millions barrels per day
- Oil consumption: 273 thousands barrels per day
- Net oil exports: 1,581 thousands barrels per day
- Crude oil distillation capacity: 378 thousand barrels per day

#### Natural gas
- Proven gas reserves: 54.4 trillion cubic feet
- Natural gas production: 562 billion cubic feet
- Natural gas consumption: 194 billion cubic feet

#### Electricity
- Electricity installed capacity: 6.28 gigawatt (all oil and natural gas)
- Electricity generation: 22.55 billion kilowatt hours
- Electricity consumption: 20.71 billion kilowatt hours
- Total per capita energy consumption: 132 million Btu

### oil & gas industry 9

Organization: the Ministry of Energy was abolished in 2000 and the National Oil Corporation was given full control over the country’s oil sector. The Ministry of Energy was re-established in 2004. Oil rights in Libya are awarded under Exploration and Production Sharing Agreements (EPSA) based on the 1955 Petroleum Law. Downstream investment is covered by the 1997 Foreign Investment Law.

Major oil terminals: Es Sidr, Marsa El Brega, Tobruk, Ras Lanuf, Zawiya, Zueltina, Melitah Complex.


Major pipelines: Amal-Ras Lanuf, Defa-Nasser, Hammana El Hamra-Az Zawiya, Intisar-Zueltina, Intisar-Hatiba, Messala-Ras Lanuf, Nasser-Hatiba, Nasser (Zelten)-Marsa El Brega, Sarir-Marsa El Hariga, Waha-Es Sider, Wafa - Mellitah (540 km), El Feel - Mellitah (800 km), Bahr Essalam - Mellitah (110 km), Greensstream to Sicily (520 km). Major refineries (capacity bbl/d): Ras Lanuf (220,000 bbl/d), Az-Zawiya (120,000 bbl/d), Tobruk (20,000 bbl/d), Brega (10,000 bbl/d), Sarir (10,000 bbl/d).

---

It was 1959 when first exploration and production rights were awarded to Eni in Concession 82, in the Sirte Basin; since those days, Eni has been gradually and constantly growing, consolidating its position and progressively building a mature, transparent and solid relation with national counterparts.
50 years of Eni’s presence in Libya
main steps

1959: Signature of the first agreement with the Libyan Government for the Concession 82, in the Sirt Desert.
1966: Rimal oil field discovery in the Concession 82 and signature of the agreements for Concession 100 and 101.
1967: Abu Attifel oil field discovery in the Concession 100.
1972: Abu Attifel production start-up.
1974: Signature of the EPSA 74 (Exploration and Production Sharing Agreement).
1976: Discovery of the Bouri field, the largest offshore oil filed in the Mediterranean, and of some gas fields.
1988: Bouri Field production start-up.
1996: Signature of the Addendum Agreement to the EPSA 74 for the implementation of the Western Libya Gas Project (WLGP), which entails the development of the offshore Bahr Essalam gas field and onshore Wafa field. In the same year 33% interest in the EPSA 90 with KNOC and Lasmo Grand Maghreb is acquired.
1997: El Feel oil field discovery.
1999: Signature of the commercial agreement for the gas sales of the WLGP.
2001: Lasmo acquisition by Eni and constitution of Greenstream Company for the Libyan gas transportation system.
2004: El Feel field start-up; Wafa oil and gas wells on stream between June and September. First gas export to Italy through the Greenstream pipeline on 1st October.
2006: Signature of the Memorandum of Understanding (MoU) with the Gaddafi Development Foundation and the sponsorship of NOC to implement several social projects in the country over a period of 8 years (2006-2014) and with an overall budget of 150 millions USD.
2007: Signature in October of a strategic framework agreement (Record of Conclusion), that consolidates Eni and NOC solid relationship, converting the existing petroleum contract to the most recent contractual model EPSA IV. Start-up of exploration activities both onshore (Kufra and Murzuq) and offshore. Start-up of many social projects in the framework of the Memorandum of Understanding.
2008: Signature in June of six Explorations and Production Sharing Agreement (EPSA IV) to modify the original agreements regulating oil and gas operations in the country and to extend operations till 2042 and 2047 for oil and gas respectively, extensions included.
Eni in Libya: who is who

Eni operates in Libya in the exploration and production of hydrocarbons and in the natural gas sector since 1959; the Company is also active in the oil field services, construction and engineering sector.

Eni North Africa is an ISO 14001 and OHSAS 18001 certified wholly-owned subsidiary of Eni in charge of exploration and production of oil and natural gas. Company’s activities range from frontier exploration in the remote areas of the Murzuq and Kufra Basins, to the exploration offshore and onshore in the EPSA IV contracts signed in June 2008. Mellitah Oil and Gas (MOG) is a non-profit joint venture operating Company carrying on development and production operations. MOG, equally owned by Eni and NOC, was established in June 2008 by the merging of the former operating companies, Mellitah Gas BV by and Eni Oil Ltd; at present, MOG is the biggest operator in terms of production both in Libya and in the whole North Africa, with a gross daily production of more than 600 kboe/d.

Greenstream BV was established in the framework of the Western Libya Gas Project in order to transport the natural gas from the Libyan coastal plant of Mellitah to the gas compression station in Gela, Italy, through the Greenstream, the underwater gas pipeline 520 km long. Company shareholders are the Dutch holding Eni North Africa bv (75%) and NOC (25%). Saipem (Snamprogetti absorbed in October 2008) have constructed the Az-Zawiyah and Ra’s Lanuf refineries, an ammonia plant at Marsa El Brega, a facility for liquefying natural gas at Marsa El Brega, a plant for the recovery of condensates at Abu Attifel and offshore platforms for the development of the Bouri field. In addition, Saipem was involved in constructing the Greenstream gas pipeline, the Sabratah platform in the Bahr Essalam field and the Mellitah treatment plant, as part of the Western Libya Gas Project.

"from Mellitah to Abu Attifel: men and stories of 50 years of Eni’s presence in Libya"

To celebrate the 50th anniversary of Eni in Libya, Eni NA has issued the book “From Mellitah to Abu Attifel: men and stories of 50 years of Eni’s presence in Libya”. Throughout 2008 the book has been developed by collecting old and recent pictures, as well as original documents and interviews with employees who personally witnessed important discoveries and events that allowed the Company to grow and consolidate its position in the Libyan market. Researches and interviews have been conducted in Tripoli as well as in Italy, with the support of Eni’s historical archive in Pomezia (Rome) and Eni’s Pioneers’ Association based in San Donato Milanese (Milan).

The initiative has been finalized with the support of Eni corporate’s Public Affairs and Communication Department. The edition is bilingual, Italian and Arabic. The book will be distributed in 2010.
The area is located offshore, 130 km Northwest of Tripoli in water depths of about 165 m; it includes the Bouri oil field. Production started in 1988. Current daily production is of about 44,500 bbl/d. Present development scheme includes: two offshore platforms (DP3 and DP4); seven subsea wells and an FSO to offload the oil directly into oil tankers for shipment. A project to recover the oil associated gas and to export it through existing Sabratah platform to enhance production field performances and reduce greenhouse gas emission (GHG) is under execution.

The area is located in the eastern-central Libyan Desert. First exploration and production agreement signed in 1959, as Concession 82. Production started-up in 1984. The area includes seven oil fields: Rimal, Katib, UU, OO, KK, XX and YY. Current gross daily production rate is about 12,600 bbl/d. Production is treated at Abu Attifel oil centre (Area B). Products, once stabilized, are sent to the coastal terminal of Zueitina for storage and final loading on tankers.

The area is located in the eastern-central Libyan Desert; it includes oil fields of Abu Attifel and NC125. Abu Attifel field was discovered in 1967 and production started in 1972. The current daily production is about 73,400 bbl/d of oil and 9,100 bbl/d of NGLs; NC125 production is 2,100 bbl/d of oil and 200 bbl/d of NGLs. Whole production treated at the Abu Attifel oil centre. Production is then shipped through pipeline to the coastal terminal of Zueitina for storage and final loading on tankers.

Includes:
- Bahr Essalam gas field located offshore 90 m depth in the Mediterranean, 100 km North of Mellitah. Bahr Essalam Field production started in August 2005. Current production daily rate is 141,300 boe/d (gas + condensates).
- Wafa onshore gas and oil field, located 590 km South of Mellitah in the Libyan Sahara desert close to Algerian border. Wafa Field oil production started in June 2004 while gas production started in September 2004. Current Production daily rate is 111,300 boe/d (gas + oil + condensates). Both fields contribute to the development of the Western Libya Gas Project (WLGP), which also includes the Mellitah onshore treatment plant. The WLGP is part of Eni’s strategy to export the Libyan natural gas production to the European market through the Greenstream subsea pipeline. Part of WLGP gas production is utilized for local consumption. During 2009 the WLGP treatment capacity has been increased by 10% through the implementation of a de-bottlenecking project in the Sabratah platform, Wafa field and Mellitah plant. The project completion increased the potential sale gas of about 1 bscm/y.
The area is located in the Murzuq Basin, 800 km South of Tripoli; it was discovered in October 1997. Production started in 2004. Current production is around 110,000 bbl/d. The facilities are located in an oil centre for gathering and treating the production of about 20 oil wells. A Water Injection System already started operating in July 2008 in early production.

The area is located in the Ghadames Basin, about 250 km Southwest of Tripoli and about 300 km Northeast of the Wafa Field; first oil was discovered in 1985.

The development plan, currently under approval, foresees the implementation of Water Alternate Gas Injection (WAG) system, enhancing recovery techniques for the first time in Libya.
Sustainability in Eni North Africa is primarily built on its people; people represent the basis of corporate success; therefore, one of the Company’s main goals is to attract and develop the best talents by creating and maintaining a safe and healthy working environment where each employee can work effectively to contribute to collective success.
sustainability as a corporate value
Eni North Africa’s Training and Development Department manages a comprehensive human resources and organization strategy to meet Company’s business objectives, providing guidance and support on all human resources and internal relations’ issues, from the spread of internal communications and information, to manpower planning, training and development, to personnel motivation, reward and compensation policies.

In 2008 Eni North Africa has participated to the first Company’s climate analysis “Eni People Survey” (79% of participation in Libya); the survey allowed to collect information on employees perception concerning the organization and how it satisfies the needs and objectives of its members. It was an opportunity to launch improvement plans which continued all over 2009. Major related initiatives interested the communication, as well as the development and motivation of personnel, in order to increase peoples’ involvement and integration within the Company.

**internal communication**

A special impetus is given to internal communication initiatives aiming at promoting among employees a common Company identity, helping to disseminate strategies and increase people’s involvement in achieving Company’s objectives.

Internal communication campaigns are regularly conducted through classic communication tools, such as Intranet, brochures, posters and videos, presentations and events. Company’s intranet, in particular, gradually improved in the layout and content, represents the major vehicle of communication and integration, as well as the main channel used for the dissemination of new initiatives.

**“get moving”: Libya relocation guide**

One of the most successful and appreciated communication initiative has been the issue of “Get Moving”, a guide containing all the necessary information and tips for expatriate staff and families about being relocated to Libya.

Purpose of “Get Moving” was to serve as a template relocation guide for all Eni E&P subsidiaries and Eni North Africa has been chosen as pilot due to the increasing growth of the business in the country and the large numbers of expatriates staff assigned there.

**induction day for new recruits and young graduates**

The Company has organized an induction day for new recruits and young graduates both from Eni NA and the operator Mellitah Oil and Gas with the main aim of welcoming and to better integrating the newcomers within the Company, providing them with highlights on Eni and in particular on E&P division’s activities worldwide as well as in Libya. The General Manager, together with several line Managers and staff members have given presentations regarding the Eni North Africa’s key activities and objectives for 2009, the roles and the interfaces of the different Company’s departments, as well as the present and future role of the new recruits. A Questions & Answers session and an informal get together have finally concluded the induction day.
cascade communication program

More than 150, among Eni NA’s and Mellitah Oil & Gas’ employees, attended the 2009 Cascade communication program, held on May 21st; aim of the initiative was to present and share with all employees, through a series of dedicated meetings, Company’s 2009 objectives and the four-year plans, following the top-down “cascade” principle. Onshore and offshore fields have been involved as well in separate meetings.

the Code of Ethics and Eni’s Model 231

Following the same modality of the Cascade Initiative, during 2009 Eni NA has promoted a series of meetings aimed at raising awareness on the application of Model 23112 and the Code of Ethics13 within the Company. All Departments’ managers have organized ad hoc informative presentations involving their staff, whose overall understanding of the subject has been assessed at the end.

“Knowledge of and compliance with the Code of Ethics are fundamental to ensure the efficiency, reliability and excellence of our Company”.

P. Scaroni, Eni CEO

training

Training is a Company’s core strategic activity, intended to continuously develop and enhance each employee’s professional competences and skills.

In 2009 the Company has held most of training initiatives locally. This new approach has led to good results, as for example an increased number of participants and costs reduction. In addition, a new training space has been inaugurated within Company’s existing facilities, contributing to further increase the efficiency of in-house training in terms of logistics and equipment.

Moreover, it has been achieved the training program for 18 occupational physicians, agreed upon with NOC and the Gaddafi Development Foundation in the framework of the Memorandum of Understanding for sustainable initiatives (see text box below).

our stakeholders view: Dr. Houda El Nageh, participant to the training program in occupational health

In May 2009 Houda has obtained the Diploma in Occupational Medicine and Health (DOMH), internationally recognized, by the University of Pretoria, South Africa, after completing a 9 month intensive training program in Occupational Health and Medicine; the training has been addressed to 18 Libyan Graduates in Medicine, among the best qualified, and has been articulated into classroom courses modality and on-the-job training sessions both in Italy, at Eni’s headquarter, and in South Africa, at the University of Pretoria. Trainees have received their diplomas only after succeeding intermediate and final tests.

The initiative refers to the wider training program addressed to local high-potential human resources, which has been agreed upon by Eni NA, the Gaddafi Development Foundation and NOC. Partners of this specific initiative have been also the International SOS - Training Division, Eni Corporate University, Eni E&P division and the School of Health Systems and Public Health of Pretoria.

> Houda, do you think the training programme you attended has given you a return in your present job? Can you tell us how?
Indeed this programme has prepared me for my present job, improving my knowledge and enhancing my professional skills and practical abilities. The training providers were highly qualified and internationally accredited; moreover, both the training structure and content were tailored on our future professional paths, especially within the oil and gas sector. High emphasis has been given also to practical skills development and patient simulation training, as well as to teamwork and leadership skills throughout the patient care process.

> What do you consider being the added value of the program?

The fact that my training fellows and I represent the first occupational health practitioners in Libya to hold internationally recognized Diplomas and Certifications, such as the DOMH. In Libya, the Occupational Medicine specialty is not included in our traditional university curricula while it is strongly and increasingly needed due to the growing number of companies operating in the country and to the risk and challenges linked to the working sites, particularly in the oil and gas sector.

> Houda, would you recommend this program to other young graduates in Medicine?

Definitely! This program has been such a positive experience to me, both from a professional and a personal point of view. As I said, the training was very useful and functional to my present job and I am sure it will be very helpful to my future career. Moreover, the experience of living, studying and working abroad for 9 months has further opened my mind and has made me a more responsible and organized person.

**motivation**

Wide relevance has also been given to the motivation of personnel, starting from the action plan for improvement, elaborated out of Eni’s people survey - the first corporate culture analysis aimed at “taking a snapshot” of how the Company is perceived among its employees, and their level of involvement.

Throughout the year, motivation among personnel has been regularly assessed; specific training has been conducted and communication initiatives have been implemented to maintain high both staff engagement in his mission and his sense of loyalty to the Company. Moreover, a new compensation grid has been introduced, to better recognize merits and results achieved and develop people’s potential by making sure that remuneration is consistent with current market practices and standards.

**leadership**

Great importance has been also given to Company managers’ leadership, fundamental to ensure the involvement and the professional growth of each employee. Leadership means also communication and motivation and it is a powerful tool to enhance and integrate people. In order to better fulfil their tasks, the Company has provided line managers with a comprehensive package of tools and procedures to allow for a sound relationship with their co-workers, based on transparency and continuous feed-backs as well as on a performance-oriented remuneration policy.

In particular the management has been requested to be an example for its team through acting as a coach: being pro-active and innovative, spending time with the employees, listening and encouraging them to give their best contribution to the work. In this direction two specific training on leadership have been organized: *The Manager as a Coach and Supervisory Skills*.

**personnel assigned to the fields**

The periodic visits paid by the Training and Development Department to Company’s operative fields have provided key inputs for a more effective and efficient staff management. Some progress has been made to improve a few problematic aspects reported by colleagues (airport assistance, accommodation and telecommunications). Further initiatives have been planned for future implementation.
Eni NA considers the health and safety of its employees, contractors, local communities and assets, as well as the preservation of the environment, as fundamental values and vital aspects involving all its activities and processes. Company’s strong commitments and actions for health, safety and environment are reflected in the HSE Integrated Management System (HSE IMS) in place, which has already obtained ISO 14001 and OHSAS 18001 certifications in December 2008.

ISO 14001 and OHSAS 18001

ISO 14001 certifies that the Company operates a sound Environmental Management System to determine the environmental aspects and impacts of its activities, to plan environmental objectives and measurable targets, to implement corrective actions and review the system.

OHSAS 18001 is a standard for Occupation Health and Safety Management Systems; registration to this Standard certifies that the Company effectively and efficiently manages health and safety, and that the occupational health and safety systems in place are well-organized and proficient.

Eni NA supports the NOC in implementing a corporate HSE integrated management system

The Libyan state oil Company - NOC, has requested Eni NA’s assistance to set a corporate HSE IMS, inspired to Eni’s model.

HSE IMS is a comprehensive tool conceived to manage, in a homogeneous and integrated way, all Company matters related to Health, Safety and Environment; it covers organisation, planning of activities, responsibilities, practices, procedures, processes and resources for elaborating, putting into action, achieving and maintaining the Company’s HSE Policy. The system is based on the “Plan, Do, Check and Act” approach, also known as the Deming Cycle aimed at continuously improving Company’s performances.

In November 2009 Eni NA, supported by Eni E&P/Tecnomare specialists, has started up the implementation of NOC HSE IMS with the execution of a detailed Gap Analysis at Corporate level and a first drafting of documents (policies and procedures). The process will be completed in 2010 with the finalization of the whole documentation, the organization of an ad hoc training for NOC personnel and the implementation of audit sessions.

14 The following HSE IMS Policies are implemented, maintained, communicated and made available to employees, interested parties and the public: HSE Policy, Social Responsibility Policy, Archaeological and Natural Heritage Policy, Non Smoking Policy and Driving Policy (See Annex IV).
safety health environment radiological protection data acquisition (SHERPA)

Eni North Africa 2009 Health Environmental and HSE IMS data reported in Annex I have been collected through the SHERPA system (Safety Health Environment Radiological Protection data Acquisition). Safety data have been collected through conventional reporting method.

SHERPA is the software adopted within the E&P division to collect, manage and consolidate three different types of data: HSE Data (Environment, Health, Radiation Protection and IMS forms), HSE Expenditure and GHG.

occupational health

Eni NA’s Occupational Health System is fully compliant with international rules and regulations; it cares for workers’ physical and mental health, as well as for a safe and healthy work environment to prevent occupational illness and injuries.

A series of programs and initiatives are implemented to promote and protect employees’ health:
- Medical performances of all employees are regularly checked through a dedicated information management system (GIPSI - Gestione Informazioni Prestazioni Sanitarie Individuali), which allows for maintaining an updated register of employees’ medical data.
- Fitness-to-work examinations and vaccinations are regularly conducted.
- Relevant health issues or medical tips are spread to all employees through Company’s emails and Intranet as well as through the HSE Newsletter (see paragraph below on Health Promotion).
- Specific health policies, such as the non-smoking policy.

health promotion

The HSE Department publishes a quarterly newsletter, which contains medical information and tips, related to specific health issues (i.e. Seasonal and H1N1 Influenza, Tobacco Facts, Climate Change and Human Health, etc.).

In addition, through Company emails and intranet, health information campaigns are spread to all employees, such as Tips for a Safe Ramadan\(^\text{15}\) to advice on how eating and drinking properly during fasting time, and Sunshine and Health, published during summer to inform on UV radiations’ effects on the skin.

emergency preparedness and response

The Company has developed an Emergency Response Plan for all operations carried out, defining organizational structure, channels of communication, actions to be taken and resources to be available in case of an emergency occurring.

The Company has also structured, within its premises, a dedicated Emergency Response Room, which is regularly checked to ensure the functionality of the facilities (computer, network connection, emails services, telephone, landlines fax and video conference system).

Other specific Emergency Response Plans have been developed and put in place; among others, the one for offshore oil spill emergencies, and the one for emergencies occurring in the Company building (due to e.g. fire or earthquake). In addition, to maintain a high level of emergency response preparation, Eni NA periodically carries out drills to simulate different scenarios and emergency level.

HSE training and awareness

Throughout the year awareness initiatives and specific training have been organized to increase understanding on the HSE Integrated Management System and on specific Health, Safety and Environment issues. Among the major training activities conducted in 2009, the course on First Aid (Basic Life support), the Fire Fighting course and the course on Green Procurement, to guide on the purchase of eco-sustainable products and services.

\(^{15}\) Ramadan is the Islamic month of fasting that follows lunar calendar.
the HSE award

Since its launch, in early 2009, the HSE Award proved to be a valuable initiative to encourage and recognize improvements made by employees and affiliated contractors in the areas of Health, Safety & Environment.

All the staff – employees and contractors – of the main office is given the possibility to express HSE related suggestions by filling a specific form and putting it into the dedicated HSE suggestion box. After being collected, the valid suggestions are quarterly screened and discussed and a merit certificate is given to the best ones, along with a symbolic prize (i.e. Company’s gadgets). In 2009 the 3 suggestions receiving the HSE Award certificate were respectively related to the possibility of establishing a regular auditing system for marine and aviation contracted means, the implementation of a regular cleaning system for PC key-boards and the possibility to use phone speakers to address general announcements.

the culture of safety

Eni NA deeply supports the adoption of a preventive approach in order to reduce the risk of accidents and their associated effects, safeguarding the safety of its employees and communities; this commitment has led to a favorable performance in 2009 with an improvement of almost all safety indicators, in particular the Lost Time Injuries Frequency, which remained 0 for Eni North Africa, and 0.89 as global value (see details beside).

Contractors and sub-contractors as well, play an important role in daily operations and their HSE performances must meet Standard HSE&Q Requirements the Company requires for major contracts. The specification sets out the requirements for Health, Safety, Environment, Public Safety, Quality and Radiation Protection that contractors must implement as a minimum acceptable standard during activities in different operations, from drilling to installation and construction for off/onshore oil and gas. Contractors must also comply with the whole set of Company’s IMS policies 16.

---

16 See Annex IV, Eni North Africa HSE IMS Policies
Eni NA considers environmental responsibility as one of the key assets for sustainability and closely connected to the capacity of a business to create added and sustainable value. The certification ISO 14001 obtained in December 2008 confirms that a consistent Environmental Management System has been put in place to regularly evaluate, control and mitigate environmental impacts of exploration and production activities.\(^{17}\)

Company’s major areas of interventions in 2009 have been the following: fight against climate change, conservation of water resources and prevention and preparedness to oil spills. In addition, Eni NA has supported an environmental program to assist local communities of the coastal regions of Az-Zawiya e Nuqat Al Khams in dealing with sensitive issues such as the management and disposal of urban, medical and special waste. The initiative, agreed upon with NOC and the Gaddafi Development Foundation in the framework of the Memorandum of Understanding for Social Projects, is detailed in chapter 3, Territory and Communities, under the paragraph Environment.

### climate change and energy efficiency

In 2009 Climate Change has still being one of public opinion’s main concerns all over the world, as well as one of the key subjects of the scientific debate. Eni, in particular within the exploration and production sector, is giving its contribution by implementing industrial projects aligned to the requirements of the Clean Development Mechanism (CDM), one of the flexible mechanisms introduced by the Kyoto Protocol to enable the generation and issuance of credits from eligible emission-reduction projects.\(^{18}\) In Libya (Kyoto Protocol ratified in 2006), the process is at its very early stage: an offshore industrial project, aimed at recovering the associated gas currently flared, has been already identified as potential CDM project. However, the certification process cannot start before the concerned Libyan institutions appoint the Denominated National Authority (DNA), the only body enabled to endorse the process to the UNFCCC. In order to spread awareness on CDM process and benefits among relevant Libyan stakeholders and accelerate its start-up in the Country, Eni NA has promoted the organization of the first workshop on CDM in Libya, as detailed in the text box below.

---

**the first workshop on Clean Development Mechanism in Libya**

Eni North Africa, together with the Libyan Environmental General Authority (EGA) and the Renewable Energy Authority of Libya (REAoL) has organized on 29th October the first workshop in Libya on Clean Development Mechanism.

Libya has ratified the Kyoto Protocol on 2006 and has designated EGA as focal point. Before taking any step toward the registration process of any local project as a CDM activity, a structured Designated National Authority (DNA) is needed to endorse the process. Only after receiving the DNA approval, a project can be submitted to the United Nations for CDM registration. Therefore, in order to start-up the CDM process in Libya, an informative workshop addressed to all concerned national institutions and relevant actors has been implemented.

120 among representatives from national ministries, NOC, expertise from International oil companies, and other concerned private sector companies operating in Libya have participated to the one day intensive workshop held at EGA’s premises. Presentations have been given by representatives of EGA, by international and national expertise, as well as by experts from the Tunisian Ministry of Environment and the Tunisian National Oil Corporation (ETAP), who have shared their CDM/DNA experience. The workshop proved to be a useful tool to familiarize and widely inform participants about the whole process and its benefits; besides, it has clearly shown steps forward to enter the structuring phase of CDM bodies and procedures.

---

\(^{17}\) When initiating exploration activities and before any project is undertaken, in line with Eni E&P Opportunity and Production Exploration System (OPES) the Company assesses all environmental, health and social implications for the areas involved; main OPES deliverables are: archaeological surveys, environmental baseline studies, stakeholders management plans, environmental impact assessments, waste management plans, health impact assessments, risk registers and HSE plan.

\(^{18}\) For more information on Kyoto Protocol and Clean Development Mechanism consult the United Framework Convention on Climate Change (UNFCCC) website: www.unfccc.int

water resources management

When managing water resources, Eni pays particular attention to reducing the consumption of water by adopting dedicated technologies such as the re-injection of production water. Re-injecting production water into the subsoil allows maintaining the pressure in deposits, while reducing at the same time both the environmental impact caused by the dumping of production water from oil-related activities and the amount of brackish water needed.

In sensitive areas, such as the Libyan Desert, the Company is committed to use alternative solutions to optimize the amount of water resources used and to eliminate the environmental impact produced by water disposal. This is the case of the MOG water re-injection project in the onshore field of Abu Attifel (EPSA IV - Area B), where a new water treatment plant has been installed together with 2 new injection pumps and connected with the existing control system, to cut off water disposal into the evaporation pits. The project started-up in the second half of 2009 and for the years 2010-2014 it is estimated a yearly average of 42.8 millions bbl of water re-injected, and no longer disposed into the pits.

Another MOG existing project worthy to be mentioned is the one at the offshore field of El Bouri (EPSA IV - Area C), which consists in re-injecting the production water that was previously discharged into the sea, through a new system capable to treat up to 30,000 bbl of water per day.

oil spill prevention and preparedness

Oil spills prevention and preparedness is another issue that Eni NA considers being of major environmental relevance and which is committed to, both in organisational and economic terms.

During 2009, a thorough assessment and review of oil spill preparedness has been conducted for all Company’s offshore and onshore assets. Results and recommendations for improvement have been finally presented to Eni NA and Mellitah Oil and Gas Operator. The assessment has interested in particular facility operations, oil types and inventories, equipment and resources available for spill response and previous spills history, environmental conditions and sensitivities, as well as relevant response policies of the local/national government.
When conducting exploration activities, Eni NA adopts the most effective and sustainable technologies available in-house, as well as in the market, in order to increase accuracy of seismic activities and drilling efficiency while reducing the ecological footprint of its operation. During 2009 offshore drilling activities (Area D), Eni NA has adopted the Managed-Pressure Drilling (MPD), applied for the first time on a semi-submersible rig and together with Eni patented Circulation Device (E-CD). E-CD technology has been developed with the objective of keeping pressure values at optimum levels inside the well during every drilling stage. It uses an innovative system for drilling fluid continuous circulation and related pressure control that can dampen typical oscillations due to circulation interruption during pipes’ substitutions or any operation performed in wells. It is therefore possible to drill fields with high over-pressures or sloped/horizontal wells, in which continuous fluid recirculation guarantees better cuttings removal.

Another applied technology during 2009 drilling campaign is the Eni proprietary ultra-lean casing profile, which allows reducing drilling time and costs, as well as drilling by-products and wastes by producing a smaller hole for running the same casing diameter with respect to the conventional approach.

As per seismic activities, it is worthy mentioning the Geostreamer technology, used during the acquisition of 2D seismic profiles within Area D; based on a dual (hydrophone and geophone) sensors acquisition system, the Geostreamer allows for a real minimum impact both in term of environmental and navigation disturbance. Results of the test have been encouraging and suggest considering such a technology for future offshore seismic acquisition.

---

20 Geostreamer is patented equipment owned by Petroleum Geo-Services Asia Pacific Pte. Ltd
Eni in Libya adopts an attentive and responsible behaviour towards local communities. Company’s social investment focuses on building professionalism and strengthening local content and institutional capacities, as well as developing sustainable partnerships and synergies with local actors.
territory and community
Eni’s Cooperation and Development Model

Eni’s strategy in Africa is to consolidate and expand its position by engaging in sustainable projects aimed at creating value for its stakeholders and for the Countries involved. Eni is currently present in 15 African Countries and is the main oil major in terms of production, with approximately one million barrels of oil a day. Thanks to its vast investment program planned for the next four years, production is destined to grow significantly in the near future. In North Africa, Eni is the leading foreign producer in all the Countries where it currently operates (Libya, together with Egypt, Algeria and Tunisia), while in Sub-Saharan Africa, a region where it has been active since the early 1960s, the Company is established in the main producing Countries, such as Angola, Nigeria, and the Republic of the Congo, as well as having exploratory interests in Gabon, Ghana, Mali, and Mozambique. Approximately 20,000 Eni people work throughout the continent. Eni’s commitment to Africa stems from a long history of relations and cooperation agreements built up over more than fifty years of presence in the continent, which have made the Company a solid and credible partner of the local stakeholders. With the anti-colonialist approach of its President, Eni was immediately perceived as a different presence that could contribute actively to real and effective growth. Since the agreement signed in Egypt in 1955 – which assigned the country 75% of oil profits compared to the 50% offered by the other majors – Eni has established relations and coalitions with various Countries across the continent, faithful to its cooperative approach. With the agreement signed in Libya in 2006, Eni renewed its Cooperation and Development Model, inaugurating a series of major agreements based on a desire to promote lasting and sustainable growth. With its resources, skills and know-how, Eni contributes primarily by transferring technology for energy efficiency and environmental protection, actively contributing to the implementation of energy procurement policies, as witnessed by its involvement in the construction of major energy infrastructure and its participation in projects in which the use of advanced technologies is fundamental. Eni is increasing its involvement in projects aimed at strengthening local socio-economic systems as well as supporting the development of facilities required by communities, in order to improve the quality of life of local populations. In Africa, the Company’s involvement in pursuing the UN’s Millennium Development Goals (MDG) is a priority. To this end, Eni is actively involved not only in the context of operational agreements but also in promoting dialogue and international cooperation, even with non-governmental organizations, to support and optimize this work.

Eni in Libya: the Memorandum of Understanding for sustainable initiatives

In September 2006, the Company has signed a Memorandum of Understanding (MoU) with the Gaddafi Development Foundation (GDF), the most important Libyan NGO, with the sponsorship of the state-owned National Oil Corporation (NOC). The MoU has inaugurated a new development assistance and partnership building paradigm, more integrated to core business activities and commercial negotiations and aimed at building local skills and strengthening local content and institutional capacities. The MoU covers primary areas for the wellbeing of local community, from health, to education and training, from environment to national cultural heritage; its financial envelop is of 150 million $ over a period of 8 years (2006-2014). To date, many social projects have already been completed, while others are still ongoing.

21 See Annex V - Eni North Africa social investment policy
social investment in Libya - management mechanism and stakeholders engagement

The MoU represents for Eni NA a pilot experience since the Company, for the first time, plays a strategic role of co-policy maker together with local governmental authorities, involving them constantly through specific mechanisms to enable an efficient operational response in terms of governance, priorities setting, financial allocation, project management and institutional endorsement. MoU’s stakeholders engagement is presented below. Beside the main Steering Committee for Social Projects, composed by representatives of GDF, NOC and Eni NA and which provides for mainstream guidelines and policy, four thematic committees have been set up (health, environment, training, schools and archaeology), in charge of the follow-up of all projects’ execution.

Eni North Africa’s public standard on Social Investment Management System (SIM 01: 2009)

Out of the MoU experience, in order to systematize the management of its social investment program, Eni NA has developed a public standard (SIM 01: 2009) to contribute providing the private sector with guidelines and requirements for the management of Social Investment programs developed in the framework of Sustainability.

In November 2009, this standard has been recognized as consistent and applicable by the Technical Ethic Committee of RINA SpA, the same international certificatory body who has already assessed the compliance of Eni NA’s Environmental Management System and Occupational Health and Safety Management System according to ISO 14001 and OHSAS 18001 standards. The certification process of Eni NA’s Social Investment Management System, based on the above mentioned standard is ongoing and will be achieved in 2010.

building local skills and institutional capacities

A consistent part of the MoU funds are committed to build and develop local skills and to strengthen institutional capacities. The Training Program (2006-2009), managed by Eni NA’s Training & Development Department in cooperation with Eni Corporate University and Eni E&P, has proved to be an effective tool to train and recruit valuable Libyan graduates, who have been employed within Eni NA and the Operator Mellitah Oil and Gas, as well as in Eni’s overseas subsidiaries. In cooperation with the University of Pretoria and Eni Corporate University, Eni NA has also selected and trained 18 occupational physicians, the first Libyan specialists in the oil & gas sector to hold the Diploma in Occupational Medicine and Health by the University of Pretoria, South Africa, internationally recognized (see chapter Sustainability as a Corporate Value, paragraph People). As well, it has been implemented in cooperation with the Libyan Football Federation, a training course to develop and improve local managerial skills and competences in football coaching and to promote sport practice amongst children; furthermore, local youth football schools have been provided with sport supplies. The empowerment of local human resources and institutions to contribute to the sustainable growth of the country is also a key component of both Health and Environmental programs.

22 See list of MoU’s stakeholders, Annex II, pg. 39
Improving Hospital Governance in Libya

Beside the construction of medical facilities, the health program also includes a specific initiative to recruit and train local hospital staff, improving hospital governance and creating new management and organizational models for the Libyan health sector. The project is sponsored by Eni NA and implemented through Ce.Ri.S.Ma.S., a research institute of the Italian University “Cattolica del Sacro Cuore” in the area of health care management, in close collaboration with the Libyan Ministry of Health and the Libyan Board of Medical specialties. It is articulated into 10 thematic workshops over 6 months (November 2009 - April 2010, see program below) on specific issues related to hospital management from the general health organization and management to the supply of modern health services. Beneficiaries are 100 health managers – man and a consistent number of women, coming from all over the country – both from the private and the public sector. In addition, a dedicated working group, composed of relevant local stakeholders (Ministries of Health, Social Affairs, Planning and Finance, Gaddafi Development Foundation, universities) will organize specific residential working sessions and will collect and formalize the public debate into a final Position Paper on Hospital Governance in Libya.

Project’s objective is to spread in the Libyan health sector new management and organizational models coming from international lesson learned and best practices and to stimulate the public debate on health governance in order to support local policy-makers in adopting effective healthcare management policies.

Training on strategic planning: exercise on urban waste management

The training on strategic planning – exercise on urban solid waste management for the regions of Nuqat Al Khamas and Az-Zawiyah, promoted by Eni North Africa, has been officially concluded in November.

In a small ceremony hosted by the University of Seventh of April of Zawiyah, 15 trainees, representatives of the two targeted local administrations, the local branch of EGA and the university, received the Certificate of Proficiency to the first level training on Strategic Planning by the Parmenides Foundation, the German non-profit organization who facilitated the training, through the Cabinet de Perspective Sociale - Tunis. The course, hosted by the Environmental Engineering Department of Sabratah, University of Seventh of April, has been delivered in Arabic and has been articulated into three modules. The first one, has focused on the situation analysis of the targeted regions, assessing risks and opportunities, and articulating possible development options. The second one has been dedicated to relevant documents and data collection to structure a database on waste and related environmental issues. During the third one, participants had to define possible scenarios and development strategies, choose the best ones and determine, as final output, the most coherent plan of action for urban solid waste management and disposal in the short, medium and long term.

The trainees have been granted a free licence for three additional months, to further fine tuning the exercise on urban solid waste management and develop other strategies based on the strategic planning software they have been trained to use.
Training on strategic planning: exercise on University of Seventh of April – Sabratah Branch

A further exercise has taken place to help the University of Seventh of April undergoing the structural reform of its branch in Sabratah. The workshops have involved students, teachers and administrative personnel who have worked together in drafting an appropriate strategy for the coming years.

our stakeholders’ view: a word from Meftah M. Almrabet – Rector of University of Seventh of April – Az-Zawiya

In the framework of its Social Investment Program, Eni North Africa together with the Gaddafi Development Foundation and the NOC have clearly identified the support to local universities as a driving factor for local sustainable development. University of Seventh of April has been established taking the Environment as the key cross-cutting issue.

Since 2008, we have been involved in several development activities, from joint research on waste management to training on strategic planning, to the increase of our potential in environmental analysis, not only as beneficiaries but also as key force to bridge between local authorities and local communities.

The university has strived for a long time to move from being just a teaching university to a research body. The efficient relations, built on the basis of the several projects mentioned above, have opened many promising channels and introduced several national and international institutions to come and work with our university. Through Eni North Africa, a strong link has been established with the University of Palermo, resulting in a protocol agreement signed in May 2009. This has led to joint post-graduate and research programs, currently well progressing. The University of Genoa, Faculty of Engineering, has also signed with us a protocol agreement in December 2009.

With the support of Eni NA, our academics and administrative personnel went through specific training on advanced strategic planning techniques, which is currently allowing our university to be a point of reference to local institutions and the whole community.

Despite the hard daily efforts that any effective partnership requires, and despite all incertitude linked to such, for us, an innovative cooperation model, it’s our priority to keep up the hard work. We will bring our success stories also to our African homologues and we will go to the field as the transversal key institution and interlocutor, we represent, who can help translating research and education into modern policies and capable local human resources for the growth of our Country.

health program

Eni NA’s intervention in the Libyan health sector is mainly addressed to cardiovascular diseases, identified as the major causes of death 23 astruction of two emergency clinics in Jalo and Zuwarah. Tripoli’s cardiology hospital will have a significant national impact in terms of reducing cardiac mortality and increasing accessibility to specialized surgical care, in order to become as well a reference health facility for neighbouring countries; the tendering process for the specialty clinic in Tripoli is still ongoing and will be completed around mid 2010; the construction of the Jalo clinic has started in November 2009 and civil works are currently ongoing.

The health program also includes a specific training initiative addressed to local hospital managers for improving hospital governance and stimulating adoption of advanced management and organizational models in the hospital (further details in the section Building local skills and institutional capacities).

Eni NA is also supporting the Blood Safety component of the Benghazi Action Plan (BAP), program promoted by the European Commission. The Blood Safety project aims at assuring blood safety at national level, through three regional centres situated in each main traditional region of Libya: Tripolitania (Tripoli), the Fezzan (Sebha) and Cyrenaica (Benghazi). Its specific objective is reinforcing skills of all blood transfusion operators, allowing for a modern and efficient management of the blood transfusion sector.

---

23 In Libya cardiovascular diseases represent 43% of deaths by cause, all ages. Source: Libya 2004, World Health Organization Regional Office for the Eastern Mediterranean - WHO EMRO.
**Jalo emergency clinic**

The town of Jalo is located in Al Wahat District, situated in the Jalo Oasis, 250 km Southwest of Gulf of Sirt; in the framework of the MoU, Eni NA’s commitment to the local community consists in the construction of an emergency clinic. Civil works have started in November 2009, after a symbolic breaking ground ceremony attended by Jalo and neighbouring communities at the presence of main Al Wahat public authorities, MoU counterparts and Company’s representatives. Once completed, the clinic will result in a modern, functional and high technology complex, both in its architectural concept and medical equipments. With a simplified and compact structure, the clinic will be composed of a main building unit for core clinical activities, organized with a single reception-triage area, to avoid diseconomies and operating problems while providing clearly separated waiting areas and passageways for ordinary patients and emergency patients. A second building unit to support non-core activities will be easily accessible both from outside (with dedicated parking) and from the clinic, via a protected passage. The project has been conceived to be properly integrated with the already existing health facilities in the area.

---

**environment**

**Closing assessments on medical and special waste**

More than 200 persons among GDF, NOC, local and national administrations’ representatives, teachers and students from local university, hospitals’ directors, international and local expertise attended the official presentation of final outputs of the pilot studies on medical and special waste for the coastal Libyan regions of Nuqat Al Khams and Az-Zawiyah. The Faculty of Engineering of the University of Seventh of April - Sabratah has hosted the event held in December. With the sponsorship of Eni NA, the University of Seventh of April, the Libyan Environmental General Authority (EGA), the NOC, Eni E&P division and international consultants, have screened throughout 2009, six major hospitals and the main dumping sites of the two regions in order to assess current situation and recommend solutions for improvement of medical and special waste management and disposal. Together with the assessments, the experts have developed a detailed Plan of Action for Hospital Waste Management to be applied, as a pilot, at Az-Zawiyah Educational Hospital. The Plan, which has been made available and distributed to all concerned institutions in Arabic, will constitute the scope of work of the second phase of the project aiming at providing technical assistance to the targeted hospital to set up the system for hospital waste management and deliver the training needed for its full and accurate application. Apart from the technical value, the implementation of the studies has represented a successful example of inter-institutional synergy. Each of the partners involved has performed its own role to assure the best results possible. Effective partnership has offered each sector better channels of engagement with the wider community and greater capacity to reach up policy makers.

**Enhance environmental research facilities**

As part of the MoU environmental program, the contract to purchase the equipment for the Laboratory of Analysis of the Environmental Engineering Department - Sabratah (University of Seventh of April) has been officially assigned. The equipment purchased responds to the best technical specifications available in the market. This important investment aims at increasing the Department analysis and research quality, specifically for what concerns water, waste water and soil. As local contribution, the university ensures that the space consecrated to the Laboratory will respond to the highest infrastructural standards required to protect the equipment from any external or internal agent that could affect its efficiency. Moreover, specific training program for the Lab Head Technician has been organized by the University of Palermo in the framework of their Protocol Agreement with the University of Seventh of April, whose signature has been facilitated by Eni NA to make sure that the local beneficiary institution would be granted sustainable technical assistance and support in the future.
school project

The school project consisted in a complete internal and external revamping of 5 primary and primary-high schools in the cities of Zuwarah, Zliten, Benghazi and Sirt; beside structural refurbishment, each school has been equipped with high-tech ICT suitable for allowing e-school learning network.

our stakeholders’ view - Mme Nafisa Osman, headmaster of 7th of October School - Zuwarah

Mme Osman, how the project idea has been designed and then implemented?

Thanks to the joint efforts of GDF and Eni NA, all the school staff was involved since the beginning in the assessment of school’s existing needs, shortages, and priorities; the school building was in a very poor state, due to the lack of regular care and maintenance; as well, furniture and equipment were obsolete and not suitable for a teaching environment.

Following the situation analysis, civil works started. For 7 months, from January to July 2008, the school underwent through external structural revamping and a complete refurbishment. New classrooms, desks, blackboards, chairs, carpets and furnishing have been provided; 4 new thematic laboratories have been also inaugurated, including the computer laboratory; the external areas and play-yards have been renovated using best quality materials and eco-sustainable solutions.

Today both GDF and Eni NA ensure the follow up of the project through regular site visits to check school’s infrastructural conditions and laboratories’ functioning.

Mme Osman, how did the community welcome the new school?

The community has warmly welcomed the new school. Today, students and teachers enjoy a modern and functional structure as well as a stimulating learning environment where they can attend practical lessons in the thematic laboratories (chemistry, physics, and computer) and develop practical skills and competences, which will be vital for their future careers. Since the inauguration, the 7th October School already well known and appreciated in the area of Zuwarah, has attracted further more students from neighbouring communities; in two academic years the number of students enrolled increased from 380 to 510 and the school confirmed being an exemplary teaching institution.

How do you think the new school will contribute to the future growth of the country?

Youngsters are our country’s main and most powerful resource; they represent our future, as well as the key for growth and development; investing in young generations means investing in the future of the whole country and this is our school’s mission: support each of them in achieving their very highest educational and personal potential, to inspire in them an enduring love for learning and to prepare them to contribute as citizens to the whole community growth.

preserving Libyan cultural heritage

History has left a deep and rich mark on Libya. There are innumerable archaeological sites that keep fascinating visitors and that, for beauty and historical value, belong to whole humanity cultural heritage. For Eni NA the protection of this unique and wide legacy represents a strong asset for sustainable development, as well as a great opportunity for local socio-economic development.

In 2009 many archaeological initiatives supported by Eni NA have been completed: a Libyan child mummy 2000 years old, after restoration in Italy, has been returned to the Libyan National Museum in Tripoli; through the technical assistance of the Italian University of Roma Tre, the museum complex in Sabratah has been revamped and refurbished and in Leptis Magna the restoration of the magnificent Roman mosaics of Lebda started; the Company is also sponsoring the construction of a new museum pavilion in the site where the restored mosaics will be exhibited. Moreover, in collaboration with the University of Rome “La Sapienza”, a wide program is under definition for the period 2010-13 to promote cultural and natural preservation and sustainable tourism in the area of Messak, south-western region of Libya, disseminated with magnificent depictions of rock art.

the Roman mosaics of Lebda

Eni North Africa is sponsoring the restoration of the ancient Roman mosaics of the Lebda Villa, carried out by a team of Italian restoration experts, under the technical supervision of the Italian University Roma Tre and the Libyan Department of Archaeology (DoA). The mosaics represent a unique and valuable artistic finding due to their precious decorations and their state of conservation. The 5 colourful and large panels show with exceptional clarity depictions of a warrior in combat with a deer, four young men wrestling a wild bull to the ground, and a gladiator resting in a state of fatigue and staring at his opponent. The gladiator mosaic, in particular, is noted by scholars as a master piece, one of the finest examples of representational mosaic art ever seen. The mosaics, created between I and II century a.D., decorated the walls of a cold plunge pool (frigidarium) in a bath house within a Roman villa at Wadi Lebda in the city of Leptis Magna. The restoration works have started in December 2009 and will last approximately 10 months. Once restored, the mosaics will be exhibited on site in a new pavilion of the museum, whose construction, currently undergoing, is also part of the overall project.

the child mummy from Al Jaghbub

The mummy was originally discovered in 2004 together with a number of grave personal ornaments, in the area of Al Jaghbub, a remote desert oasis in eastern Libyan Desert, close to the Egyptian border; it was then escorted to Rome where a team of specialists, under the auspices of the Italian-Libyan Archaeological Mission in the Acacus and Messak of the University “La Sapienza” performed several examinations using the most sophisticates and up to date technologies: radiographic (X rays) and computerized tomography scanning (CAT) in order to assess the state of preservation of the body and to describe its morphology; in addition, some samples of the wrapping were sent to the University of Lecce to be radiocarbon dated. Tests’ results revealed that the mummified body was that of a child girl, approximately 7 years old, who lived between 120 and 260 B.C. After restoration, the mummy has been returned to the Tripol’s National Museum in early 2009 where is currently exhibited, wrapped in the original tissues, beside an accurate copy of the body.
Eni North Africa Sustainability Report, published on annual basis, has reached its second edition; it has been drawn up in compliance with Corporate procedures of sustainability reporting and is consistent with the Guidelines of the Global Reporting Initiative (GRI) version 3.0 application level C. No restatement of information provided in the previous report (2008) has been done.

**perimeter of report**

The information reported refers to Eni North Africa bv - Libyan Branch, an ISO 14001 and OHSAS 18001 certified wholly owned subsidiary of Eni in charge of exploration and production activities in Libya. Within the present Report, Eni North Africa bv - Libyan Branch is referred to as "Eni North Africa". The consolidation perimeter corresponds to the period 1st January - 31st December 2009. No major changes occurred in 2009 regarding size, structure of ownership of the Company.

**GRI principles adopted in the report**

Eni North Africa 2009 Sustainability Report refers to the above mentioned guidelines of the GRI model, as detailed below:

- **Materiality, stakeholder’s inclusiveness and sustainability**
  The 2009 report aims at illustrating to relevant internal and external stakeholders main yearly business performances, as well as sustainability and community development initiatives and achievements in Libya. The report is drafted by Eni North Africa HSE and Sustainability Department which gathers contributions from all Company’s relevant departments. As a preliminary step, a power point presentation is exposed before the Management, possibly in coincidence with the Management Review, in order to describe report’s structure and objectives and activate the participation of the whole Company in data collection and elaboration. If needed, ad hoc meetings are also held with each department’s identified focal point to verify the final information to be released. Interviews with different local external stakeholders are also carried out and reported, in order to give voice to whomever benefit from the Company’s social investment program implemented and can better testify its effectiveness and impact on local community. See also Circulation.

- **Balance** - Data included in the Report have been collected and reported in a systematic and objective way; reported indicators reflects the performance in itself in the considered timeframe, regardless of its improvement or worsening with respect to previous periods. HSE performance reported in Annex I are collected by measurement processes and analyses defined at corporate level.

- **Completeness** - See Perimeter of Report

- **Clarity and Comparability** - Report has intentionally a brief and concise structure, in order to be accessible and comprehensible also by general audience. Furthermore, the adoption of GRI model allows for a comparison with other companies, as well as national and international organizations adopting the same reference model.

- **Timeliness** - See Circulation.

- **Accuracy and Reliability** - The report is prepared according to Eni’s Corporate Procedure n. 299/2007 External Sustainability Reporting, describing the information and authorization flow process required to prepare external Sustainability reports. A shared index of the report is at first endorsed by the reference geographic unit of E&P division, as well as by Eni Corporate relevant divisions. The final draft of the Report - prepared as per procedure detailed in the paragraph Materiality - undergoes a first internal control and get validation by Eni North Africa General Manager; it receives further approvals by Eni E&P division, as well as by Eni Corporate - Sustainability Unit. To further enhance Eni North Africa’s reliability and commitment to the Report contents, since the 2009 issue, the document is audited by an external independent company, to objectively assess the quality of data treatment process, as well as the consistency with the reporting principles adopted by Eni.

**circulation**

Hard copies of Eni North Africa Sustainability Report are distributed locally to relevant stakeholders and are available at Company’s main office in Tripoli; the report is also downloadable from Eni North Africa’s intranet portal. At corporate level, the Sustainability Report is spread though external communication channels (Eni web site, Sustainability section), as well as through Company’s intranet (My Eni). A limited number of hard copies are also distributed within the Company.

<table>
<thead>
<tr>
<th>GRI content index</th>
</tr>
</thead>
</table>

**standard disclosures part I: performance indicators**

### 1. Strategy and Analysis

**Profile Disclosure** | Description | Cross-Reference
--- | --- | ---
1.1 | Statement from the most senior decision-maker of the organization. | Eni NA’s MD message
1.2 | Description of key impacts, risks, and opportunities. | Eni NA’s MD message

### 2. Organizational Profile

**Profile Disclosure** | Description | Cross-Reference
--- | --- | ---
2.1 | Name of the organization. | Front cover, inside front cover, back cover
2.2 | Primary brands, products, and/or services. | Eni in Libya: who is who
2.3 | Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures. | Eni in Libya: who is who
2.4 | Location of organization’s headquarters. | Inside back cover
2.5 | Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report. | Eni in Libya: who is who, Overview of existing contractual area
2.6 | Nature of ownership and legal form. | Eni in Libya: who is who, inside back cover
2.7 | Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries). | Eni in Libya: who is who, inside back cover
2.8 | Scale of the reporting organization. | Eni in Libya: who is who
2.9 | Significant changes during the reporting period regarding size, structure, or ownership. | Methodology note
2.10 | Awards received in the reporting period. No awards received in 2009. |

### 3. Report Parameters

**Profile Disclosure** | Description | Cross-Reference
--- | --- | ---
3.1 | Reporting period (e.g., fiscal/calendar year) for information provided. | Methodology Note
3.2 | Date of most recent previous report (if any). | Methodology Note
3.3 | Reporting cycle (annual, biennial, etc.). | Methodology Note
3.4 | Contact point for questions regarding the report or its contents. | sustainability@eninabv.eni.it
3.5 | Process for defining report content. | Methodology Note
3.6 | Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance. | Methodology Note
3.7 | State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope). | Methodology Note
3.8 | Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations. | Methodology Note
3.9 | Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols. Methodology Note; Health and safety (SHERPA) |
3.10 | Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods). | Methodology Note
3.11 | Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report. Methodology Note; Health and safety (SHERPA) |
3.12 | Table identifying the location of the Standard Disclosures in the report. | Methodology Note
3.13 | Policy and current practice with regard to seeking external assurance for the report. | Methodology Note

### 4. Governance, Commitments, and Engagement

**Profile Disclosure** | Description | Cross-Reference
--- | --- | ---
4.1 | Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight. | Eni North Africa is a wholly - owned subsidiary of Eni SpA Eni NA’s system of governance is compliant with Corporate model Refer to Eni Sustainability Report 2009 http://www.eni.com/en_IT/sustainability pg 52 - 53
4.2 | Indicate whether the chair of the highest governance body is also an executive officer. | Refer to Eni Sustainability Report 2009 http://www.eni.com/en_IT/sustainability pg 52 - 53
4.3 | For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members. | Refer to Eni Sustainability Report 2009 http://www.eni.com/en_IT/sustainability pg 53
4.4 | Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body. | http://www.eni.com/en_IT/sustainability pg 50 - 53
4.14 | List of stakeholder groups engaged by the organization. | Annex II_ Social Projects Indicators
4.15 | Basis for identification and selection of stakeholders with whom to engage. | Annex II_ Social Projects Indicators
### Performance Indicators

#### Economic

<table>
<thead>
<tr>
<th>Performance Indicator</th>
<th>Description</th>
<th>Reference in the Sustainability Report</th>
</tr>
</thead>
<tbody>
<tr>
<td>EC2</td>
<td>Financial implications and other risks and opportunities for the organization’s activities due to climate change.</td>
<td>Climate Change and energy efficiency</td>
</tr>
<tr>
<td>EC8</td>
<td>Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.</td>
<td>Interviews with local stakeholders</td>
</tr>
</tbody>
</table>

#### Environmental

<table>
<thead>
<tr>
<th>Performance Indicator</th>
<th>Description</th>
<th>Reference in the Sustainability Report</th>
</tr>
</thead>
<tbody>
<tr>
<td>EN8</td>
<td>Total water withdrawal by source.</td>
<td>Annex I - Eni Na Annual HSE performance</td>
</tr>
<tr>
<td>EN9</td>
<td>Water sources significantly affected by withdrawal of water.</td>
<td>Annex I - Eni Na Annual HSE performance</td>
</tr>
<tr>
<td>EN10</td>
<td>Percentage and total volume of water recycled and reused.</td>
<td>Annex I - Eni Na Annual HSE performance</td>
</tr>
<tr>
<td>EN21</td>
<td>Total water discharge by quality and destination.</td>
<td>Annex I - Eni Na Annual HSE performance</td>
</tr>
<tr>
<td>EN22</td>
<td>Total weight of waste by type and disposal method.</td>
<td>Annex I - Eni Na Annual HSE performance</td>
</tr>
<tr>
<td>EN23</td>
<td>Total number and volume of significant spills.</td>
<td>Annex I - Eni Na Annual HSE performance</td>
</tr>
<tr>
<td>EN26</td>
<td>Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.</td>
<td>Environment pg 22, Sustainability in explorations activities, Environment pg 33</td>
</tr>
</tbody>
</table>

#### Social: Labor Practices and Decent Work

<table>
<thead>
<tr>
<th>Performance Indicator</th>
<th>Description</th>
<th>Reference in the Sustainability Report</th>
</tr>
</thead>
<tbody>
<tr>
<td>LA7</td>
<td>Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.</td>
<td>Annex I - Eni Na Annual HSE performance</td>
</tr>
<tr>
<td>LA8</td>
<td>Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.</td>
<td>Annex I - Eni Na Annual HSE performance</td>
</tr>
</tbody>
</table>

#### Social: Human Rights

<table>
<thead>
<tr>
<th>Performance Indicator</th>
<th>Description</th>
<th>Reference in the Sustainability Report</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR2</td>
<td>Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.</td>
<td>Internal Communication_Code of Ethics/231 Model</td>
</tr>
<tr>
<td>HR4</td>
<td>Total number of incidents of discrimination and actions taken.</td>
<td>No cases reported</td>
</tr>
</tbody>
</table>

#### Social: Society

<table>
<thead>
<tr>
<th>Performance Indicator</th>
<th>Description</th>
<th>Reference in the Sustainability Report</th>
</tr>
</thead>
<tbody>
<tr>
<td>SO1</td>
<td>Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.</td>
<td>Territory and Communities, The Memorandum of Understanding for Social Projects</td>
</tr>
<tr>
<td>SO3</td>
<td>Percentage of employees trained in organization’s anti-corruption policies and procedures.</td>
<td>100% Internal Communication</td>
</tr>
<tr>
<td>SO4</td>
<td>Actions taken in response to incidents of corruption.</td>
<td>No incidents occurred</td>
</tr>
</tbody>
</table>

### Report Application Levels

**2002 (In Accordance)**

<table>
<thead>
<tr>
<th>Mandatory</th>
<th>Self Declared</th>
<th>C</th>
<th>C+</th>
<th>B</th>
<th>B+</th>
<th>A</th>
<th>A+</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI Checked</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Report Application Level**

**G3 Performance Indicators & Sector Supplement Indicators**

**Standard Disclosures**

<table>
<thead>
<tr>
<th>C</th>
<th>C+</th>
<th>B</th>
<th>B+</th>
<th>A</th>
<th>A+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Report on:</td>
<td>1.6</td>
<td>1.6</td>
<td>1.6</td>
<td>1.6</td>
<td>1.6</td>
</tr>
<tr>
<td>Not Required</td>
<td>2.1 - 2.10</td>
<td>2.1 - 2.10</td>
<td>2.1 - 2.10</td>
<td>2.1 - 2.10</td>
<td>2.1 - 2.10</td>
</tr>
<tr>
<td>Management Approach Disclosures for each Indicator Category</td>
<td>4.3</td>
<td>4.3</td>
<td>4.3</td>
<td>4.3</td>
<td>4.3</td>
</tr>
<tr>
<td>Management Approach Disclosures for each Indicator Category</td>
<td>4.3 - 4.3</td>
<td>4.3 - 4.3</td>
<td>4.3 - 4.3</td>
<td>4.3 - 4.3</td>
<td>4.3 - 4.3</td>
</tr>
<tr>
<td>Report on all G3 Indicators, including at least one form each of Economic, Social and Environmental.</td>
<td>4.1 - 4.15</td>
<td>4.1 - 4.15</td>
<td>4.1 - 4.15</td>
<td>4.1 - 4.15</td>
<td>4.1 - 4.15</td>
</tr>
</tbody>
</table>

**G3 Management Approach Disclosures**

**Report Application Level**

**C**

<table>
<thead>
<tr>
<th>C</th>
<th>C+</th>
<th>B</th>
<th>B+</th>
<th>A</th>
<th>A+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Report on:</td>
<td>1.6</td>
<td>1.6</td>
<td>1.6</td>
<td>1.6</td>
<td>1.6</td>
</tr>
<tr>
<td>Not Required</td>
<td>2.1 - 2.10</td>
<td>2.1 - 2.10</td>
<td>2.1 - 2.10</td>
<td>2.1 - 2.10</td>
<td>2.1 - 2.10</td>
</tr>
<tr>
<td>Management Approach Disclosures for each Indicator Category</td>
<td>4.3</td>
<td>4.3</td>
<td>4.3</td>
<td>4.3</td>
<td>4.3</td>
</tr>
<tr>
<td>Management Approach Disclosures for each Indicator Category</td>
<td>4.3 - 4.3</td>
<td>4.3 - 4.3</td>
<td>4.3 - 4.3</td>
<td>4.3 - 4.3</td>
<td>4.3 - 4.3</td>
</tr>
<tr>
<td>Report on a minimum of 10 Performance Indicators, at least one form each of Economic, Social and Environmental.</td>
<td>4.1 - 4.15</td>
<td>4.1 - 4.15</td>
<td>4.1 - 4.15</td>
<td>4.1 - 4.15</td>
<td>4.1 - 4.15</td>
</tr>
</tbody>
</table>

**G3 Performance Indicators & Sector Supplement Indicators**

**Report Application Level**

**C**

<table>
<thead>
<tr>
<th>C</th>
<th>C+</th>
<th>B</th>
<th>B+</th>
<th>A</th>
<th>A+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Report on:</td>
<td>1.6</td>
<td>1.6</td>
<td>1.6</td>
<td>1.6</td>
<td>1.6</td>
</tr>
<tr>
<td>Not Required</td>
<td>2.1 - 2.10</td>
<td>2.1 - 2.10</td>
<td>2.1 - 2.10</td>
<td>2.1 - 2.10</td>
<td>2.1 - 2.10</td>
</tr>
<tr>
<td>Management Approach Disclosures for each Indicator Category</td>
<td>4.3</td>
<td>4.3</td>
<td>4.3</td>
<td>4.3</td>
<td>4.3</td>
</tr>
<tr>
<td>Management Approach Disclosures for each Indicator Category</td>
<td>4.3 - 4.3</td>
<td>4.3 - 4.3</td>
<td>4.3 - 4.3</td>
<td>4.3 - 4.3</td>
<td>4.3 - 4.3</td>
</tr>
<tr>
<td>Report on a minimum of 20 Performance Indicators, at least one form each of Economic, Social and Environmental.</td>
<td>4.1 - 4.15</td>
<td>4.1 - 4.15</td>
<td>4.1 - 4.15</td>
<td>4.1 - 4.15</td>
<td>4.1 - 4.15</td>
</tr>
</tbody>
</table>

**G3 Performance Indicators**

**Report Application Level**

**C**

<table>
<thead>
<tr>
<th>C</th>
<th>C+</th>
<th>B</th>
<th>B+</th>
<th>A</th>
<th>A+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Report on:</td>
<td>1.6</td>
<td>1.6</td>
<td>1.6</td>
<td>1.6</td>
<td>1.6</td>
</tr>
<tr>
<td>Not Required</td>
<td>2.1 - 2.10</td>
<td>2.1 - 2.10</td>
<td>2.1 - 2.10</td>
<td>2.1 - 2.10</td>
<td>2.1 - 2.10</td>
</tr>
<tr>
<td>Management Approach Disclosures for each Indicator Category</td>
<td>4.3</td>
<td>4.3</td>
<td>4.3</td>
<td>4.3</td>
<td>4.3</td>
</tr>
<tr>
<td>Management Approach Disclosures for each Indicator Category</td>
<td>4.3 - 4.3</td>
<td>4.3 - 4.3</td>
<td>4.3 - 4.3</td>
<td>4.3 - 4.3</td>
<td>4.3 - 4.3</td>
</tr>
<tr>
<td>Report on a minimum of 10 Performance Indicators, at least one form each of Economic, Social and Environmental.</td>
<td>4.1 - 4.15</td>
<td>4.1 - 4.15</td>
<td>4.1 - 4.15</td>
<td>4.1 - 4.15</td>
<td>4.1 - 4.15</td>
</tr>
</tbody>
</table>

**G3 Management Approach Disclosures**

**Report Application Level**

**C**

<table>
<thead>
<tr>
<th>C</th>
<th>C+</th>
<th>B</th>
<th>B+</th>
<th>A</th>
<th>A+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Report on:</td>
<td>1.6</td>
<td>1.6</td>
<td>1.6</td>
<td>1.6</td>
<td>1.6</td>
</tr>
<tr>
<td>Not Required</td>
<td>2.1 - 2.10</td>
<td>2.1 - 2.10</td>
<td>2.1 - 2.10</td>
<td>2.1 - 2.10</td>
<td>2.1 - 2.10</td>
</tr>
<tr>
<td>Management Approach Disclosures for each Indicator Category</td>
<td>4.3</td>
<td>4.3</td>
<td>4.3</td>
<td>4.3</td>
<td>4.3</td>
</tr>
<tr>
<td>Management Approach Disclosures for each Indicator Category</td>
<td>4.3 - 4.3</td>
<td>4.3 - 4.3</td>
<td>4.3 - 4.3</td>
<td>4.3 - 4.3</td>
<td>4.3 - 4.3</td>
</tr>
<tr>
<td>Report on a minimum of 10 Performance Indicators, at least one form each of Economic, Social and Environmental.</td>
<td>4.1 - 4.15</td>
<td>4.1 - 4.15</td>
<td>4.1 - 4.15</td>
<td>4.1 - 4.15</td>
<td>4.1 - 4.15</td>
</tr>
</tbody>
</table>

**G3 Performance Indicators & Sector Supplement Indicators**

**Report Application Level**

**C**

<table>
<thead>
<tr>
<th>C</th>
<th>C+</th>
<th>B</th>
<th>B+</th>
<th>A</th>
<th>A+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Report on:</td>
<td>1.6</td>
<td>1.6</td>
<td>1.6</td>
<td>1.6</td>
<td>1.6</td>
</tr>
<tr>
<td>Not Required</td>
<td>2.1 - 2.10</td>
<td>2.1 - 2.10</td>
<td>2.1 - 2.10</td>
<td>2.1 - 2.10</td>
<td>2.1 - 2.10</td>
</tr>
<tr>
<td>Management Approach Disclosures for each Indicator Category</td>
<td>4.3</td>
<td>4.3</td>
<td>4.3</td>
<td>4.3</td>
<td>4.3</td>
</tr>
<tr>
<td>Management Approach Disclosures for each Indicator Category</td>
<td>4.3 - 4.3</td>
<td>4.3 - 4.3</td>
<td>4.3 - 4.3</td>
<td>4.3 - 4.3</td>
<td>4.3 - 4.3</td>
</tr>
<tr>
<td>Report on a minimum of 10 Performance Indicators, at least one form each of Economic, Social and Environmental.</td>
<td>4.1 - 4.15</td>
<td>4.1 - 4.15</td>
<td>4.1 - 4.15</td>
<td>4.1 - 4.15</td>
<td>4.1 - 4.15</td>
</tr>
</tbody>
</table>

1) environment

Water withdrawal (m³)

<table>
<thead>
<tr>
<th></th>
<th>Onshore</th>
<th>Offshore</th>
<th>Total 2009</th>
<th>Total 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total water withdrawal</td>
<td>0</td>
<td>0</td>
<td>42269</td>
<td>34035</td>
</tr>
<tr>
<td>Fresh water (exclude water injection)</td>
<td>0</td>
<td>5169</td>
<td>5169</td>
<td>22448</td>
</tr>
<tr>
<td>Sea water (exclude water injection)</td>
<td>0</td>
<td>37100</td>
<td>37100</td>
<td>11587</td>
</tr>
</tbody>
</table>

Aqueous discharges to surface (m³)

<table>
<thead>
<tr>
<th>Total discharges</th>
<th>Produced water</th>
<th>Other water effluents</th>
<th>Produced water</th>
<th>Other water effluents</th>
<th>Produced water</th>
<th>Other water effluents</th>
<th>Total 2009</th>
<th>Total 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Onshore</td>
<td>/</td>
<td>/</td>
<td>4907</td>
<td>0</td>
<td>4907</td>
<td>/</td>
<td>/</td>
<td>6602</td>
</tr>
<tr>
<td>Offshore</td>
<td>/</td>
<td>/</td>
<td>65.4</td>
<td>739.55</td>
<td>65.4</td>
<td>739.55</td>
<td>23</td>
<td>143</td>
</tr>
<tr>
<td>Total</td>
<td>/</td>
<td>/</td>
<td>65.4</td>
<td>739.55</td>
<td>65.4</td>
<td>739.55</td>
<td>50</td>
<td>206</td>
</tr>
</tbody>
</table>

Waste (tons)

<table>
<thead>
<tr>
<th>Total production waste</th>
<th>Industrial</th>
<th>Non Industrial</th>
<th>Industrial</th>
<th>Non Industrial</th>
<th>Industrial</th>
<th>Non Industrial</th>
<th>Total 2009</th>
<th>Total 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Onshore</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>/</td>
<td>/</td>
<td>/</td>
</tr>
<tr>
<td>Offshore</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>/</td>
<td>/</td>
<td>/</td>
</tr>
<tr>
<td>Total</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>/</td>
<td>/</td>
<td>/</td>
</tr>
</tbody>
</table>

Spills (bbls)

<table>
<thead>
<tr>
<th>Total Oil and Chemical Spill</th>
<th>Onshore</th>
<th>Offshore</th>
<th>Total 2009</th>
<th>Total 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

2) safety

LTIF and severity index

<table>
<thead>
<tr>
<th>Company</th>
<th>Contractors</th>
<th>Total 2009</th>
<th>Total 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Onshore</td>
<td>Offshore</td>
<td>Onshore</td>
<td>Offshore</td>
</tr>
<tr>
<td>LTIF</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Severity index</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Eni in Libya LTIF

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.89</td>
<td>2.25</td>
</tr>
</tbody>
</table>

3) health

Occupational health

<table>
<thead>
<tr>
<th>Occupational illnesses</th>
<th>Total (Company)</th>
<th>Total (Contractors)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Health promotion

| Number of initiatives / campaigns | 14 | 6 |

Medical assistance

| Instrumental examinations | Total | 118 | 150 |
| Laboratory protocols      | Total  | 34  | 55  |
| Vaccinations              | Total  | 131 | 86  |

4) HSE integrated management system

HSE training (hours)

<table>
<thead>
<tr>
<th>HSE training (hours)</th>
<th>No. of participations</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Company</td>
</tr>
<tr>
<td>Total 2009</td>
<td>1824</td>
</tr>
<tr>
<td>Total 2008</td>
<td>1069</td>
</tr>
</tbody>
</table>

Auditing

<table>
<thead>
<tr>
<th>Audits performed to Company</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5</td>
<td>6</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Audits performed to Contractors</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>10</td>
<td>6</td>
</tr>
</tbody>
</table>

---
28 Industrial waste: waste lube oil, oil drums/empty, waste oil, waste paint/thinner drums, waste oil drums, empty oil/chemical & 20/25 LTR, empty oil drums, waste oil + rugs, HELI fuel, R22 cylinders, lubricating oil.
Non Industrial waste: general waste, scrap metal, waste wood, tubes, fridge units, light bulbs, water based muds.
# annex II - social projects implementation overview (at 31st December 2009)

<table>
<thead>
<tr>
<th>sector</th>
<th>project</th>
<th>period</th>
<th>stakeholders involved</th>
<th>progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training &amp; Recruiting</td>
<td>1st group drilling and production</td>
<td>Feb 06 - Feb 08</td>
<td>NOC, GDF</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>2nd group HSE and reservoir</td>
<td>Aug 06 - Aug 08</td>
<td>NOC, GDF</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>3rd group production and maintenance</td>
<td>Mar 07 - Mar 09</td>
<td>NOC, GDF</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>4th group exploration</td>
<td>Dec 07 - Dec 09</td>
<td>NOC, GDF</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>5th group industrial doctor (1 year)</td>
<td>May 08 - May 09</td>
<td>NOC, GDF</td>
<td>100%</td>
</tr>
<tr>
<td>School upgrading</td>
<td>Zliten school 1</td>
<td>Mar 07 - Jul 07</td>
<td>GDF, sha’abiyah and relevant local authorities</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Benghazi school</td>
<td>Jun 07 - Jul 07</td>
<td>GDF, sha’abiyah and relevant local authorities</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Zliten school 2</td>
<td>Aug 07 - May 08</td>
<td>GDF, sha’abiyah and relevant local authorities</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Zwarah school</td>
<td>Dec 07 - Aug 08</td>
<td>GDF, sha’abiyah and relevant local authorities</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Sirt school</td>
<td>Dec 07 - Aug 08</td>
<td>GDF, sha’abiyah and relevant local authorities</td>
<td>100%</td>
</tr>
<tr>
<td>Sport</td>
<td>Training course in sport management and supplies for youth schools</td>
<td>Mar 08 - Nov 08</td>
<td>GDF, NOC, Libyan Football Federation</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Sponsorship Al-Ahli football club</td>
<td>Mar 07 - Dec 08</td>
<td>GDF, NOC, Libyan Football Federation</td>
<td>100%</td>
</tr>
<tr>
<td>Waste management</td>
<td>1st pilot study on urban solid waste</td>
<td>Nov 07 - May 08</td>
<td>GDF, NOC, EGA, sha’abiyah Nuqat Al Khams</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>2nd pilot study on medical and special waste</td>
<td>May 08 - Dec 09</td>
<td>GDF, NOC, EGA, University of Seventh of April – Az-Zawiyah, University of Palermo – faculty of environmental engineering</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Training on strategic planning</td>
<td>Jul 09 - Nov 09</td>
<td>GDF, NOC, EGA, University of Seventh of April – EED Sabratha – regional departments of planning – health/environment – public works, EGA local branch – local private sector</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Set up of environmental laboratory</td>
<td>Aug 09 - Jun 10</td>
<td>University of Seventh of April – Az-Zawiyah; University of Palermo; University of Geneva</td>
<td>85%</td>
</tr>
<tr>
<td></td>
<td>Pilot project action plan hospital waste management</td>
<td>100%</td>
<td>GDF – NOC – EGA, University of Seventh of April – regional health departments, Eni E&amp;P</td>
<td>/</td>
</tr>
<tr>
<td>Archaeology</td>
<td>Sandstone degradation study (Sabratha)</td>
<td>Dec 06 - Dec 07 DGA</td>
<td>Sabratha archaeology authority</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Protective works at hunting baths complex (Leptis Magna)</td>
<td>Jul 08 - Oct 08</td>
<td>DGA, Leptis Magna archaeology authority</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Al Jaghbub child mummy restoration</td>
<td>Jan 08 - Jan 09</td>
<td>DGA, Leptis Magna archaeology authority, University of Rome “La Sapienza”</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Revamping Roman and Punic museums (Sabratha)</td>
<td>Jul 08 - Mar 09</td>
<td>DGA, Sabratha archaeology authority</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Construction new pavilion museum</td>
<td>Oct 09 - Apr 10</td>
<td>DGA, Leptis Magna archaeology authority, University of Roma Tre</td>
<td>55%</td>
</tr>
<tr>
<td></td>
<td>Restoration Roman mosaics of Wadi Lebda villa</td>
<td>Oct 09 - Oct 10</td>
<td>DGA, Leptis Magna archaeology authority, University of Roma Tre</td>
<td>20%</td>
</tr>
<tr>
<td></td>
<td>Preservation and sustainable turism in Messak</td>
<td>May 10 - Dec 13</td>
<td>DGA, University of Rome “La Sapienza”</td>
<td>/</td>
</tr>
<tr>
<td>Health</td>
<td>Technical advisor for hospitals projects</td>
<td>Nov 08 - Oct 10</td>
<td>GDF, NOC</td>
<td>70%</td>
</tr>
<tr>
<td></td>
<td>Support to EU Bengazi HIV program</td>
<td>Nov 08 - Nov 10</td>
<td>European Union, Belgian Red Cross, Ministry of Health</td>
<td>75%</td>
</tr>
<tr>
<td></td>
<td>Training for Libyan hospital managers</td>
<td>Aug 09 - Apr 10</td>
<td>Libyan Board Medical Specialties, Ministry of Health, University of Milan “Catholic di del Sacro Cuore”, Libyan Ministries of Social Affairs, Finance, Planning; Italian Ministry of Health, Gemelli Hospital, European Institute of Oncology, IBM, General Electric, Johnson &amp; Johnson, Italtis</td>
<td>40%</td>
</tr>
<tr>
<td></td>
<td>Construction Jalo emergency clinic</td>
<td>Sep 09 - Jul 11</td>
<td>GDF, NOC, Ministry of Health, Al Wahat authority</td>
<td>30%</td>
</tr>
<tr>
<td></td>
<td>Construction Tripoli Heart Center (THC)</td>
<td>Sep 10 - Sep 13</td>
<td>GDF, NOC, Ministry of Health</td>
<td>/</td>
</tr>
</tbody>
</table>
Eni North Africa B.V.
Libyan Branch

Health, Safety and Environment
Policy

Eni North Africa B.V. is committed to achieve operational excellence by adopting the highest achievable standards of Health, Safety, Environment and Quality Management as an integral part of business activities.

Eni North Africa B.V.’s ultimate goals are to conduct business activities in such a way that we prevent, in any reasonable and achievable way, injuries and occupational illnesses to our workforce, Contractors and Suppliers and any damage to the Society at large, whilst simultaneously protecting and mitigating, whenever possible, any impact on the environment our activities may have had.

Eni North Africa B.V. has adopted the HSE-IMS Eni E&P Division Guidelines to guide and support the management in achieving the Company’s goals.

Our Commitment:

- Promote realistic programs to support sustainable development.
- Meet or exceed all regulatory requirements.
- Require Contractors and Partners to meet the same HSE standards.
- Develop competency and know-how through communication and training.
- Record and address all complaints from the local authorities, customers, and stakeholders.
- Initiate and support research and development on Health, Safety and Environmental Best Practices for the Oil and Gas Industry.

The way we work:

- We base operational decisions on an analysis of all relevant aspects of Health, Safety, and Environment.
- We regularly review our HSE Integrated Management System to ensure that it remains relevant and applicable to our business activities.
- We systematically assess, review and minimize the HSE risks associated with our activities.
- We disseminate and encourage implementation of recognised Industry Best Practise.
- We protect and promote the Health of those affected either directly or indirectly by the Company’s operations.
- We use performance measures and indicators to achieve continuous improvement.

Franco Polo
Eni North Africa B.V. General Manager
October, 2007
Eni North Africa B.V.
Libyan Branch

Social Responsibility Policy

The safeguard and respect of people as well as the socio economic development of the communities where it operates have always been guiding principles for Eni North Africa B.V.. The Company’s mission in Libya is to continue to grow through planning and realization of new business ventures and, according to corporate guidelines of social responsibility, favor sustainable development of the local host community, adding value and generating growth opportunities for the future.

Eni North Africa B.V. strongly believes that the only effective means to ensure sustainable development for the future is to manage relations with all its relevant stakeholders efficiently and with respect. Therefore all the Company’s activities are conducted according to a continuous and effective engagement and involvement of every stakeholder, conscious that dialogue and interaction with the civil society are assets to the Company itself.

In the full respect of local and international laws, regulations and internationally recognized guidelines, Eni North Africa B.V. is strongly committed to:

- Building trust through integrity and open communication.
- Respecting, stimulating and developing the potential of its employees.
- Acting responsibly in environmental and social matters.

In line with these considerations, the following principles and practices must be adopted:

- Dialogue to establish a shared set of values and principles upon which sustainable development can be achieved, and on issues related to the well-being and development of individuals.
- Create a work environment of cooperation and participation to achieve the Company’s targets by improving organizational well-being and promoting sustainability at all levels of the organization.
- Continuously involve and consult all relevant stakeholders.
- Identify all potential effects its activities may have, assess, monitor and minimize all negative impacts and explore and develop any opportunities resulting from its activities.
- Generate sustainability in the long term, appreciating the complexity of the social, economic and cultural context, in order to meet the local requirements with specific actions and programs.
- Effectively communicate the present Social Responsibility Policy to all employees, contractors and stakeholders.

This Policy will be enforced through dedicated management commitment and review, supported through supervision and complied with by all personnel.

Francesco Polo
Eni North Africa B.V. General Manager
October 2007

Doc. No. HSE-L1-IN-PO-003, Rev. 00
Eni North Africa B.V.
Libyan Branch

Driving Policy

Eni North Africa B.V. recognises the threat of injury as a result of accidents while driving or during use of a vehicle.

Eni North Africa B.V. aims to improve the safety of its employees and third parties with the ultimate goal of an accident free vehicle transportation environment.

All employees and contractor personnel are required to adhere to these Policy stipulations.

Our commitment

To provide a Company owned or contracted vehicle with all legal documentation for use by the employee/driver.

To ensure all Company owned or contracted cars are well maintained, in good running condition and equipped with all appropriate safety equipment/devices.

In line with our Management’s effort, the following measures have been identified and must be implemented, in compliance with local and international legal requirements:

- Driver shall have a valid class of driving licence for operating that specific vehicle.
- Driver shall be in good health and physically able to perform the activities of driving safely.
- Driver and passengers shall wear seat belts at all times while driving.
- Driver shall abide by speed limits established by Libyan Traffic Authorities.
- Driver shall maintain a safe following distance from the vehicle in front to achieve a complete stop in time.
- Driver shall not use a hand held mobile phone while driving.
- Driving under the influence of alcohol, drugs or other such substances is forbidden.

This Policy will be applied through visible management commitment and supervision and is required to be complied with by all persons in our areas of business.

Franco Polo
Eni North Africa B.V. General Manager
October, 2007
Eni North Africa B.V., in recognition of Health, Safety and Environmental concerns, is committed to provide and maintain a safe and healthy working environment for all its employees, visitors and contractors.

In line with this commitment Eni North Africa B.V. has adopted a Non-Smoking Policy on the Company premises. The objective of this Policy is to provide smoke-free environment on the Company premises in order to achieve a healthier and pleasant working environment for all staff. This is in line with research findings on the health effects of tobacco smoke, whereby passive smoking (inhaling secondary smoke) has now been shown to cause lung cancer and heart disease in non-smokers.

The purpose of this Policy is not to restrict the individuals’ right to smoke but to protect the health of non-smokers in the workplace.

“ALL ENI NORTH AFRICA B.V. PREMISES ARE DESIGNATED SMOKE-FREE”

Implementation

- The Policy applies to all staff, visitors, clients and contractors, while on the Company owned or managed premises.
- Personnel may have reasonable smoking breaks provided these are approved by their Supervisors.
- Responsibility for implementing and monitoring this Policy rests with Human Resources Department.
- A formal review of the Policy will be conducted on an annual basis.
- Employees will be consulted on the outcome of the monitoring and review of this Policy.

Franco Polo

Eni North Africa B.V. General Manager

October, 2007
Eni North Africa B.V.
Libyan Branch

Archaeological and Natural Heritage Policy

Eni North Africa B.V. is conscious of the possible impact of its activities on the archaeological and natural heritage of certain sites and recognizes the need for the protection of these sensitive areas. The Company is committed to promote awareness-building and education of all its personnel through seminars, training and publications and to establish accountability and responsibility for archeological and biodiversity issues within organizational line management and promoting their greatest possible involvement.

The Company will comply with all relevant regulations and laws enforced locally and internationally including the UNESCO Recommendations relevant to the protection and conservation of the world archeological and natural heritage sites.

The Company will adopt a damage prevention strategy in all exploration activities in respect of the environmental impact and develop suitable restoration procedures relevant to each specific environment encountered.

Measures to appraise and report on any signs of deterioration which may occur to engravings as a result of any activities will be put in place in order to facilitate prompt remedial actions.

The philosophy of the Company is to require Contractors to create an HSE Integrated Management System based on the risks expected to result from their activities; the risk screening must identify risks to archeological sites and plans and controls must be developed to minimise all identified risks to these sites.

The Company will play an active role within the framework of actions and plans developed and implemented by the Central and Local Authorities in an effort to study, understand and preserve the ancestral heritage of the region.

Franco Polo
Eni North Africa B.V. General Manager
October, 2007
annex IV - Eni North Africa social investment policies

SUSTAINABILITY IN ENI
Sustainability is an integral part of Eni’s history and culture and the driving force behind the continuous and all-pervasive improvement process, which guarantees the sustainability of results over time and reinforces the process of development and progress. At the base of Eni’s sustainability model lays the systematic integration of all stakeholders’ needs within the Company’s governance system in order to ensure the creation of sustainable values.

From the time of the “Mattei Formula”, relationships with territories have been based on the recognition of the fact that the boundaries between the Company – as a group of people and not just capital – and the outer world, represented from time to time by colleagues, suppliers or customers, host Countries and the international community, are not fixed. Sustainability means creating constructive relationships with all these stakeholders.

Out of this approach, in the Countries where it operates Eni has applied an integrated model based on cooperation and development. It has signed agreements with local Governments and, after consulting the other players in the territories, has promoted initiatives to support independent development.

ENI IN LIBYA: CREATING ADDED VALUE FOR LOCAL STAKEHOLDERS
According to Eni’s sustainability principles and model, Eni North Africa has always been committed to the sustainable development of Libya, promoting specific social interventions for local communities.

A new development assistance paradigm has been then conceived, focused on building professionalism and strengthening local content and institutional capacities, more strongly integrated to core-business activities and commercial negotiations.

Eni is available to support local authorities in setting up priorities and development objectives. Accordingly, Social Investments have been designed to result in the followings:

- a pilot experience, to stimulate dialogue, to promote regulatory systems and governance, to build institutional capacities at central, intermediate and decentralized level in the sectors of health, environment, and education;
- an effective participation of the local community, through developing local capacities and know-how, promoting the local private sector, facilitating the connection to international networks;
- tools for the sustainable future growth of the community in terms of investment in its intangible assets: people and knowledge.

Tripoli 15/01/2010

Franco Pola
General Manager
eni north africa
INDEPENDENT REPORT ON THE LIMITED ASSURANCE ENGAGEMENT OF THE SUSTAINABILITY REPORT 2009

To the Shareholders of
Eni North Africa BV- Libyan Branch

1. We have carried out the limited assurance engagement of the Sustainability Report of the Eni North Africa BV- Libyan Branch (hereafter the "Company" or "Eni North Africa") as of 31 December 2009 (hereafter the "Report") following the procedures summarized in paragraph 2 of the present document. The Board of Directors of Eni North Africa are responsible for the preparation of the Report in accordance with "Sustainability Reporting Guidelines" version 3.0 issued by GRI (Global Reporting Initiative) that are detailed in the paragraph "methodology note" of the Report. The Board of Directors are also responsible for the definition of the Company objectives regarding the sustainability performance and the reporting of the achieved results. We are responsible for the preparation of this report on the basis of the work performed.

2. Our work has been conducted in accordance with the principles and guidelines established by the "International Standard on Assurance Engagements 3000 - Assurance Engagements other than Audits or Reviews of Historical Financial Information" (ISAE3000), issued by the International Auditing and Assurance Standards Board. ISAE3000 requires the compliance with ethical principles ("Code of Ethics for Professional Accountants"), including professional independence. It also requires that our work is planned and performed with the aim of obtaining a limited assurance, rather than a reasonable assurance, that the Report is free of material errors. A limited assurance engagement of the sustainability report consists in interviews, primarily with company's personnel responsible for the preparation of the information included in the sustainability report, in the analysis of the sustainability report and in other verification procedures. The verification procedures performed on the Report are summarized as follows:

- review of Company's processes for determining material issues to be included in the Report;
- analysis of the processes underlying the generation, recording and management of quantitative data included in the Report. In particular, we have carried out the following procedures:
  - meetings with management representatives of Eni North Africa and Mellitah Oil and Gas B.V., to achieve a general understanding of the information, accounting and reporting systems in use to prepare the Report, as well as of the internal control processes and procedures supporting the collection, aggregation, processing and transmission of data and information to the department responsible for drawing it up;

PricewaterhouseCoopers Advisory Spa
Sede legale: Milano 20149 Via Monte Rosa 91 Tel. 02867201 Fax 0286720501 Cap. Soc. 1.800.000 Euro i.v. - C.F. e P.IVA e Iscrizione al Reg. Imp. Milano N. 02320150967 - Azi. Uffici Baffi 70124 Via Don Luigi Guanella 17 Tel. 02899450311 Fax 02899450349 - Firenze 50121 Viale Grazia 15 Tel. 0552482811 Fax 0552482866 - Padova 35138 Via Vicenza 4 Tel. 049873535 Fax 0498735359 - Palermo 90147 Viale Marchese Ugo 50 Tel. 0919253631 Fax 0919253621 - Roma 00154 Largo Fochetti 28 Tel. 06570931 Fax 06570932536- Torino 10129 Corso Montevideo 37 Tel. 0119773221 Fax 0119773296 - Treviso 31100 Viale Felissimo 90 Tel. 0422996911 Fax 0422995902 - Trieste 34125 Via Cesare Battisti 18 Tel. 0402407871 Fax 0402404737
on-site visit of Mellitah Complex plant owned by the affiliated company Mellitah Oil and Gas B.V.

c) analysis, on a sample basis, of the documentation supporting the Report, in order to confirm the reliability of data and information collected through meetings, interviews and on-site visit and to confirm they were properly managed;

d) review of the documentation supporting the activity deriving from the Memorandum of Understanding signed with the Gaddafi Development Foundation and site visits to Zuwarah School and Sabratah museum;

e) analysis of the completeness and internal consistency of qualitative information included in the Report compared with the guidelines identified in paragraph 1 of the present document;

f) obtaining a representation letter, signed by the legal representative of Eni North Africa, relating to the completeness and reliability of the Report and of the information and data included in it, as well as to the compliance with the guidelines identified in the paragraph 1 of the present document.

A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE3000 and, as a consequence, it provides a lower level of assurance that we became aware of all the significant events and circumstances that a reasonable assurance engagement could have identified.

Based on the procedures carried out, nothing came to our attention that causes us to believe that the Sustainability Report as of 31 December 2009 is not in compliance, in all material respects, with “Sustainability Reporting Guidelines” version 3.0 issued by GRI (Global Reporting Initiative) application level C+, as stated in the paragraph “methodology note” of the Report.

Milan, 20 June 2010

PricewaterhouseCoopers Advisory SpA

Paolo Bersani
(Partner)
acronyms and glossary

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>BCF:</td>
<td>Billion Cubic Foot, see Standard Cubic Foot</td>
</tr>
<tr>
<td>BBL:</td>
<td>Barrel; a barrel of oil corresponds to 159 litres</td>
</tr>
<tr>
<td>BBL/d:</td>
<td>Barrel per day</td>
</tr>
<tr>
<td>BOE:</td>
<td>Barrel of Oil Equivalent; the Barrel of Oil Equivalent is a unit of energy based on the approximate energy released by burning one barrel of crude oil (159 litres). A BOE is roughly 6000 cubic feet (170 cubic meters) of typical natural gas</td>
</tr>
<tr>
<td>BSCM:</td>
<td>Billion Standard Cubic Meter</td>
</tr>
<tr>
<td>CER:</td>
<td>Certified Emissions Revenues</td>
</tr>
<tr>
<td>Ce.Ri.S.Ma.S.:</td>
<td>Centro di Ricerche e Studi in Management Sanitario</td>
</tr>
<tr>
<td>CDM:</td>
<td>Clean Development Mechanism</td>
</tr>
<tr>
<td>DoA:</td>
<td>Department of Archaeology</td>
</tr>
<tr>
<td>DNA:</td>
<td>Denominated National Authority</td>
</tr>
<tr>
<td>DOMH:</td>
<td>Diploma in Occupational Medicine and Health</td>
</tr>
<tr>
<td>E&amp;P:</td>
<td>Exploration and Production</td>
</tr>
<tr>
<td>EIA:</td>
<td>Energy Information Administration</td>
</tr>
<tr>
<td>EGA:</td>
<td>Environmental General Authority</td>
</tr>
<tr>
<td>EMRO:</td>
<td>Eastern Mediterranean Regional Office</td>
</tr>
<tr>
<td>EPSA:</td>
<td>Exploration and Production Sharing Agreement</td>
</tr>
<tr>
<td>FSO:</td>
<td>Floating Storage and Offloading</td>
</tr>
<tr>
<td>GDF:</td>
<td>Gaddafi Developmenet Foundation</td>
</tr>
<tr>
<td>GDP:</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>G&amp;P:</td>
<td>Gas and Power</td>
</tr>
<tr>
<td>GHG:</td>
<td>Green House Gas</td>
</tr>
<tr>
<td>GIPSI:</td>
<td>Gestione Informazioni Prestazioni Sanitarie Individuali</td>
</tr>
<tr>
<td>GRI:</td>
<td>Global Reporting Initiative</td>
</tr>
<tr>
<td>HIV:</td>
<td>Human Immunodeficiency Virus</td>
</tr>
<tr>
<td>HR:</td>
<td>Human Resources</td>
</tr>
<tr>
<td>HSE:</td>
<td>Health, Safety and Environment</td>
</tr>
<tr>
<td>ISO:</td>
<td>International Organization for Standardization</td>
</tr>
<tr>
<td>IMS:</td>
<td>Integrated Management System</td>
</tr>
<tr>
<td>KNOC:</td>
<td>Korean National Oil Corporation</td>
</tr>
<tr>
<td>LTI:</td>
<td>any injury, other than a fatal injury such as cut, fracture, sprain, amputation, etc. - which results from a work accident or from a single instantaneous exposure in the work environment, and which causes a person to be unfit for work on any day after the day of occurrence</td>
</tr>
<tr>
<td>LTIF:</td>
<td>Lost Time Injury Frequency</td>
</tr>
<tr>
<td>MDG:</td>
<td>Millennium Development Goals</td>
</tr>
<tr>
<td>MOG:</td>
<td>Mellitah Oil and Gas</td>
</tr>
<tr>
<td>MPD:</td>
<td>Manage Pressure Drilling</td>
</tr>
<tr>
<td>MoU:</td>
<td>Memorandum of Understanding</td>
</tr>
<tr>
<td>MSCF:</td>
<td>Thousand Standard Cubic Feet</td>
</tr>
<tr>
<td>NA:</td>
<td>North Africa</td>
</tr>
<tr>
<td>NGL:</td>
<td>Natural Gas Liquids</td>
</tr>
<tr>
<td>NOC:</td>
<td>National Oil Corporation</td>
</tr>
<tr>
<td>OHSAS:</td>
<td>Occupational Health and Safety Assessment Series</td>
</tr>
<tr>
<td>REAOL:</td>
<td>Renewable Energy Authority of Libya</td>
</tr>
<tr>
<td>SCF:</td>
<td>Standard Cubic Foot; a SCF is a measure of quantity of gas, equal to a cubic foot of volume at 60 degrees Fahrenheit (15.6 degrees Celsius) and either 14.696 psi (pound per square inch) or 14.73 psi (30 inHg or 101.6 kPa) of pressure. A cubic foot is an imperial and US customary unit defining the volume of a cube with sides of one foot (0.3048 m) in length. Common oilfield units of gas volumes include Mcf (thousand cubic foot), MMcf (million cubic foot), Bcf (billion cubic foot), Tcf (trillion cubic foot), etc.</td>
</tr>
<tr>
<td>SHERPA:</td>
<td>Safety, Health, Environment, Radiological Protection data Acquisition</td>
</tr>
<tr>
<td>TD:</td>
<td>Training and Development</td>
</tr>
<tr>
<td>WLGP:</td>
<td>Western Libya Gas Project</td>
</tr>
</tbody>
</table>
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.

Eni North Africa is committed to continue growing through the implementation of new industrial plans, as well as contributing to the sustainable development of the host country in full compliance with the principles of Corporate Social Responsibility.
We are a major integrated energy company, committed to growth in the activities of finding, producing, transporting, transforming and marketing oil and gas. Our men and women have a passion for challenges, continuous improvement, excellence and particularly value people, the environment and integrity.

Eni North Africa is committed to continue growing through the implementation of new industrial plans, as well as contributing to the sustainable development of the host country in full compliance with the principles of Corporate Social Responsibility.