



THIS ANNOUNCEMENT IS NOT BEING MADE IN AND COPIES OF IT MAY NOT BE DISTRIBUTED OR SENT INTO THE UNITED STATES, THE UNITED KINGDOM, CANADA, AUSTRALIA OR JAPAN OR IN ANY OTHER JURISDICTION IN WHICH OFFERS OR SALES WOULD BE PROHIBITED BY APPLICABLE LAW.

ENI CAPITAL MARKETS DAY

Strategic plan 2022-2025

- **Focused on delivering energy security and emissions reduction for customers through a distinctive approach: proprietary technologies, new business models, stakeholder alliances**
- **Securing supply to premium markets through global gas portfolio**
- **Enhanced path towards net zero, including a 35% reduction by 2030, 80% by 2040 of Net Absolute Scope 1+2+3 emissions vs 2018**
- **30% of investment in new energies by 2025, 60% by 2030**
- **Creating a sustainable mobility business combining biofuels and fuel stations**
- **Strong CFFO of €14 billion underpins an enhanced remuneration policy in 2022: with an annual total dividend raised to €0.88 per share, a €1.1 billion buyback and buyback upside for scenarios over 90 \$/bbl.**

“The war in Ukraine is forcing us to reconsider the world as we know it. It is a humanitarian tragedy and has created new threats to energy security which we must meet without abandoning our ambitions for a just transition.

Our strategy has made us well prepared to address these challenges. Our immediate response to the current crisis has been to leverage our established alliances with producing countries to find replacement energy sources for Europe’s energy needs.

We can make available to the market more than 14 TCF of additional gas resources for the short to medium term.

This complements our work to develop new decarbonised products and services which can help deliver both energy security and carbon reduction by providing to our customers a full set of decarbonized energy products and services. The result of this strategic approach underpins our decision to accelerate our pathway to net zero with a 35% cut to scope 1+2+3 emissions by 2030, and 80% by 2040 compared to 2018.

To fast track our transition and serve our customers better, we have created a series of dedicated satellite companies that draw on our proprietary technology, lean operational model and strong stakeholder alliances. The creation of Plenitude, Vår Energi, Azule (our JV with BP in Angola) and the recent listing of Energy One (London's first SPAC focused on the energy transition) illustrates how we are seeking to draw new investment into Eni and strike the right balance in cash allocation and returns.

We are now merging our biorefining, fuel stations and ride sharing businesses into a dedicated, focused on sustainable mobility entity consistent with this strategy.

Our industrial plan, supported by the continued strengthening of our financial position, through efficient capital management and portfolio optimization, allows us today to further enhance our competitive shareholder distribution”.

Claudio Descalzi, Eni CEO

San Donato Milanese (Milan), 18 March 2022 – Claudio Descalzi, Chief Executive Officer of Eni, today presented the company's Strategic Plan for 2022-2025.

Eni's strategy aims to deliver security and sustainability of the energy system, while keeping a sharp focus on a just energy transition and value creation for our stakeholders.

The Company is pursuing these objectives by:

- leveraging its global upstream and partnerships with producing countries to find alternative and **additional gas supply** opportunities; and

- **accelerating its decarbonization targets**, working to offer progressively decarbonized services and products to our clients, in order to effectively tackle scope 1+2+3 emissions.

Eni has developed a distinctive strategic approach based on:

- **Proprietary and Breakthrough Technology** – part of Eni DNA, the Company commitment to technology leadership underpins the development of new businesses to respond to the specific decarbonization challenges of our clients in different markets;
- **New business models** – to support growth we are creating dedicated entities with tailored business models focused on their customers and the capability to independently access the capital markets. Such entities continue to benefit from Eni's R&D, HSE culture, project management and financial strengths;
- **Stakeholder alliances** - working alongside a wide range of stakeholders we develop mutually beneficial solutions, synergies and new regulatory frameworks to transform the energy system and deliver a just and inclusive transition.

ACCELERATED EMISSIONS REDUCTION

Targeting a faster emissions reduction path toward net zero program.

- **Net zero scope 1+2+3**: 35% reduction by 2030 and -80% by 2040 vs 2018 levels (compared to previous targets of -25% and -65%).
- **Net zero scope 1+2** emissions cut by 40% cut by 2025 (vs 2018 levels) on the way to net zero by 2035 – five years earlier than previously planned.
- **Net zero scope 1+2 upstream**: -65% by 2025 vs 2018 confirming on track for net zero by 2030.

While reducing emissions, Eni will develop a growing offer of full decarbonized Energy solutions to customers:

- **Plenitude** is expected to offer all retail power customers green electricity as it grows its customer base to 15 million and develops more than 15GW Renewable Capacity by 2030;
- **Biorefining** capacity will growth up to 6 MTPA in the next decade;

- **Hydrogen** will contribute in our plan for around 4 MTPA by 2050.

In the next decade the first **Magnetic Fusion** commercial plant will be developed, potentially opening the route for a limitless source of clean, safe and secure energy.

To fund this growth, Eni will increase the share of investments directed at new energy solutions to almost 30% by 2025, doubling to 60% by 2030, and up to 80% around 2040.

In a decade, these businesses will be Free Cash Flow positive and increasing to around 75% of group Free Cash Flow from 2040.

ENLARGED INTEGRATED GAS PORTFOLIO

Securing supply to premium markets through **global gas portfolio**:

- 50TCF of global portfolio of reserves and resources;
- 14TCF of additional gas available to the market in the short-medium term;
- 15MTPA of contracted LNG volume by 2025, of which 80% equity.

Eni's portfolio and global investments over the last decade put the Company in a very strong position to significantly grow its natural gas business, with around 50 TCF of reserves and resources.

Eni's gas projects are well-positioned to serve key markets and are expected to reach more than 15 MTPA of contracted LNG volumes by the end of the plan.

The Company can make available to the market, in the short-medium term, more than 14 TCF of additional gas resources.

NATURAL RESOURCES: DECARBONIZING AND ENHANCING THE UPSTREAM PORTFOLIO

Eni's commitments in the upstream are grounded on enhancing the sustainability and value of the portfolio, increasing profitability and lowering carbon footprint.

- **Production:** growing at average of 3% per year (1.7Mboe/d in 2022; 1.66Mboe/d in 1Q22) to a plateau of around 1.9Mboe/d in 2025. Progressively increasing the share of gas to 60% by 2030 and up to more than 90% beyond 2040, while the oil volumes will reduce in the medium-long term.
- **Upstream Net Carbon Footprint (Scope 1+2):** decreasing of 65% by 2025 compared to 2018 on the way to net zero by 2030.
- **Reducing methane emissions:** plan in line with the Global Methane Pledge.
- **Exploration:** 2.2 bln boe of new resources in the four-year plan (UEC <\$1.5/boe).
- **CCS:** total storage target of around 10MTPA at 2030, with an overall gross capacity of around 30MTPA.
- **Capex:** around €4.9bln in 2022; €4.5bln on average during the Plan (excluding equity accounted entities).
- **Cumulative upstream organic FCF** post working capital: around €29bln in the plan.
- **Cumulative GGP FCF** post working capital of around **€2.7bln in the Plan with 2022 EBIT seen at €0.9bln**, but with significant quarterly volatility.

During the plan we will bring on-stream 11 major projects including Baleine in Cote d'Ivoire, Marine XII LNG in Congo, Coral in Mozambique, Dalma Gas in UAE and other gas projects in Italy, Indonesia and Norway. These together with ramp-ups will add almost 800kboe/d to the baseline upstream production in 2025.

Our upstream will also be more sustainable and valuable with a net carbon footprint scope 1+2 falling by 65% by 2025 (vs 2018), on-track to our 2030 net-zero target. At the same time average upstream cash neutrality will fall to around \$25/boe (\$30/boe in 2021).

We will continue focus on fast time to market projects, limiting idle capital and maximizing IRR. Equity capex will be at around €4.9bln in 2022 and €4.5bln on average during the plan (capex in the plan does not include equity accounted entities).

Over the four-year plan, Exploration activities will continue to be a distinctive factor and the main source of Eni's diversification towards a gas weighted, fast time-to-market and low breakeven portfolio with an average unit exploration cost below \$1.5/bbl.

Exploration will focus on infrastructure lead and near field opportunities in proven basins, with a high gas potential, targeting 2.2bln boe of overall resources.

Contractual LNG volumes are expected to exceed 15MTPA by 2025. This growth will be driven by new projects in Congo, Angola, Egypt, Indonesia, Nigeria and Mozambique where we are fast-tracking gas valorization developments. In Congo, the export project consists of two modular and flexible LNG liquefaction plants, which allow a highly competitive time-to-market. We target LNG production to start-up in 2023.

Finally, CCS plays an important role helping hard to abate industries cut their emissions. From the current projects pipeline we target storage of around 10 MTPA of our own emissions by 2030, with an overall gross capacity including 3rd party volumes of 30MTPA.

ENERGY EVOLUTION: GROWING PROFITABLE NEW ENERGY BUSINESS

Eni aims to expand the offer of decarbonized energy products and services acting as an enabler for driving down scope 3 emissions among its customers.

Plenitude, Eni's green power value chain company integrates renewables, energy solutions for customers and a widespread Electric Vehicle (EV) charging network, with a model designed to deliver resilient value.

- **Renewable power generation:** reaching more than 2GW of installed capacity by 2022, from around 1GW in 2021, and more than 6GW by the end of the plan.
- **Retail activities:** reaching 11.5mln customers by 2025, from more than 10mln in 2022.
- **EV charging points:** expanding network in e-mobility, up to more than 30,000 charging points by 2025.
- **Plenitude's pro forma EBITDA:** more than double by the end of the plan versus 2021, up to €1.4bln.

Plenitude listing process is progressing and we have filed the Registration Document with the Italian Market Authority.

Sustainable Mobility: Eni is merging its bio-refining and marketing operations into a Sustainable Mobility company, uniquely positioned as a multi-energy, multi-service, customer-centric business.

- **Biorefining:** capacity increasing from 1MTPA to around 2MTPA by 2025, via the expansion of the Venice plant and another traditional refinery conversion; 6MTPA will be achieved in the next decade.
- **Feedstock:** vertical integration to secure feedstock through the development of an agro-hubs network in many of the countries of Eni's existing upstream operations, targeting 35% cover by 2025.
- **Marketing:** Eni's service stations will be transformed to a place where its customers will access sustainable fuels and retail services.
- **Sustainable mobility EBITDA:** more than €0.9bln EBITDA by 2025.

The overall downstream business (R&M and Versalis) will be impacted by both a negative scenario and by increased utility costs in 2022. 2022 EBIT is expected to be negative and 1Q22 has been challenging. However, thanks to the ongoing transition towards the circular economy projects and green products, as well as an expected recovering scenario, the business is able to self-sustain its transformation over the plan period.

FINANCIAL STRATEGY

Eni's disciplined financial plan is a structural component in the execution of our transition strategy.

- Average yearly **capex** of around €7bln during the plan with 2022 capex at €7.7bln (excluding equity accounted entities).
- **IRR of Upstream projects in execution at 21% @Eni Scenario.**
- **Renewable Portfolio Return for new investment: +200bps vs Plenitude WACC.**
- **Portfolio management net contribution 2022-2025 of around €3bln.**

- **CFFO** before working capital at replacement cost at Eni scenario **more than €14bln in 2022** and around **€55bln along the plan period**.
- Increasing **Sustainable Finance instruments**, targeting more than €13bln in 2025.
- **Cash neutrality below \$45/bbl** along the plan period.

While maintaining strict capital discipline, with average annual capex of €7bln in line with last year's plan, Eni will also continue to restructure our portfolio to focus on the real value of our businesses and to maximize our opportunities of growth.

Around 25% of capex is allocated to increasing renewable capacity and our customer base, implementing circular economy projects, building incremental biorefining capacity and expanding our sustainable mobility proposition.

Over the plan period we retain a high degree of flexibility with nearly 40% of cumulative capex uncommitted, ensuring a material buffer versus future market volatility.

Portfolio management will be a key component of our plan leveraging on the **new business models** approach and **portfolio high-grading** to deliver value.

Through Eni's **new business models approach** the Company is unlocking its asset growth potential and seeking to highlight full value through market valorization mechanisms:

- In the upstream we intend to create further dedicated vehicles in selected geographies like we have been doing in Norway with *Vår Energi*, where we have recently launched the largest IPO in O&G in over a decade; and in Angola through our Azule Energy our business combination with BP.
- We are speeding up new businesses and technologies related to decarbonization. Earlier this month we successfully completed the listing of the first London listed SPAC focused on the energy transition.
- We also plan to list Plenitude, our retail, renewables and electric vehicle charging business in 2022, subject to market condition.

Eni will also continue **portfolio high-grading**, exiting or diluting its exposure from non-core assets and countries, while evaluating tactical acquisitions to optimize our portfolio.

In the 4-year plan Eni expects to generate from these portfolio management a positive net cash contribution of around €3bln.

The Company will also continue to align its financial tools to the strategic milestones it has designed in its decarbonization plan. At the end of the plan €13bln of financing instruments will be linked to Eni strategic KPIs.

Eni is financially resilient and highly cash generative. Assuming a Brent price of 80\$/bbl CFFO before working capital at replacement cost is expected to exceed €14bln in 2022 and organic FCF before working capital at replacement cost for the year to be €6-7bln.

Over the 4-year period, at the Eni plan scenario, the Company will generate a cumulative CFFO ante working capital at replacement cost of about €55bln euro and FCF ante working capital at replacement cost of more than €25bln.

Enhanced Shareholder Remuneration

Sharing the value of Eni's strategic progress and the improved scenario with investors, Eni's Board of Directors has approved an enhanced shareholder distribution as follows:

- The annual total dividend is raised to €0.88 per share from €0.86, based on the 2022 Brent Reference between \$80/bbl to \$90/bbl.
- The dividend will now be paid in four equal quarterly instalments in September 2022, November 2022, March 2023 and May 2023.
- Reflecting the strength of Eni's plan and the 2022 reference price, Eni will also launch a €1.1 bln share buyback, following shareholder approval in May.
- In addition, Eni will update its 2022 buyback scenario assessment in July and October. For scenarios above \$90/bbl further buybacks equivalent to 30% of the associated incremental FCF will be made.

- Reflecting the underlying resilient performance of the business, the sliding scale of variable dividend per share from the floor level of €0.36 has also been simplified.

NOTE:

Eni Scenario Assumption:

Brent price: 80 – 75 – 70 – 70 \$/bbl from 2022 to 2025 respectively;

PSV (italian gas hub) @: 688 – 452 – 363 – 293 €/kmc from 2022 to 2025 respectively;

Exchange rate \$/€: 1.15 – 1.18 – 1.21 – 1.24 from 2022 to 2025 respectively.

Plenitude figures (Renewables Capacity, Retail customers and EV charging points) are expressed at Eni 100% stake.

Company Contacts:

Press Office: Tel. +39 02 52031875 – +39 06 59822030

Freephone for shareholders (from Italy): 800 940924

Freephone for shareholders (from abroad): +800 11223456

Switchboard: +39 06 59821

ufficio.stampa@eni.com

segreteria.societaria.azionisti@eni.com

investor.relations@eni.com

Website: www.eni.com



The securities referred to herein may not be sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. Eni Gas e Luce S.p.A. società benefit does not intend to register any of the securities in the United States or to conduct a public offering of the securities in the United States. Neither this document nor the information contained herein constitutes or forms part of an offer to sell, or the solicitation of an offer to buy, securities in the United States. There will be no public offer of any securities in the United States or in any other jurisdiction.

This communication contains forward-looking statements. All statements other than statements of historical fact included in this communication are forward-looking statements. Forward-looking statements give the current expectations and projections of Eni S.p.A. and Eni Gas e Luce S.p.A. società benefit (collectively, the “Companies”) relating to their financial condition, results of operations, plans, objectives, future performance and business. These statements may include, without limitation, any statements preceded by, followed by or including words such as “target,” “believe,” “expect,” “aim,”

“intend,” “may,” “anticipate,” “estimate,” “plan,” “project,” “will,” “can have,” “likely,” “should,” “would,” “could” and other words and terms of similar meaning or the negative thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Companies’ control that could cause the Companies’ actual results, performance or achievements to be materially different from the expected results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Companies’ present and future business strategies and the environment in which it will operate in the future.

This communication does not constitute an offer of the Securities to the public in the United Kingdom. No prospectus has been or will be approved in the United Kingdom in respect of the Securities. This communication is being distributed to and is directed only at (i) persons who are outside the United Kingdom or (ii) persons who are investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”) and (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “Relevant Persons”). Any investment activity to which this communication relates will only be available to and will only be engaged with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this document or any of its contents.